

GENERAL OBLIGATION BONDS

AUTHORIZATIONS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Loraine T. Pace

LONG TITLE

General Description:

This bill authorizes the issuance of general obligation bonds for certain capital facilities.

Highlighted Provisions:

This bill:

- ▶ modifies the Bonding Code by authorizing the issuance and sale of general obligation bonds by the State Bonding Commission for capital facilities and for certain related facilities;

- ▶ specifies the use of the general obligation bond proceeds and the manner of issuance;

and

- ▶ provides expressions of legislative intent.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

63B-13-101, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **63B-13-101** is enacted to read:

CHAPTER 13. 2004 BONDING AND FINANCING AUTHORIZATIONS

Part 1. 2004 General Obligation Bonds

63B-13-101. Capital facilities bonds -- Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this section may not exceed \$87,400,000.

(2) (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

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CAPITAL DEVELOPMENT PROJECTS

<u>Project</u>	<u>Estimated</u>	<u>Project</u>
<u>Description</u>	<u>Operations</u>	<u>Amount</u>
<u>-----</u>	<u>and</u>	<u>-----</u>
<u>-----</u>	<u>Maintenance</u>	<u>Funded</u>
<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>State Capitol Remodel</u>	<u>\$0</u>	<u>\$50,000,000</u>
<u>Weber State University -</u>		
<u>Swenson Building Remodel</u>	<u>\$75,400</u>	<u>\$5,569,000</u>
<u>Salt Lake Community College -</u>		
<u>Health Sciences Building</u>		
<u>(West Jordan)</u>	<u>\$762,000</u>	<u>\$21,000,000</u>
<u>Utah National Guard -</u>		
<u>North Salt Lake</u>		

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H.B. 2

<u>Readiness Center</u>	<u>\$42,500</u>	<u>\$2,719,000</u>
<u>College of Eastern Utah</u>		
<u>San Juan Library</u>	<u>\$127,200</u>	<u>\$2,400,000</u>
<u>Oxbow Prison Purchase</u>	<u>\$0</u>	<u>\$4,800,000</u>
<u>TOTAL CAPITAL</u>		
<u>DEVELOPMENT</u>		
<u>PROJECTS</u>		<u>\$86,488,000</u>

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<u>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION</u>		
<u>FOR CAPITAL DEVELOPMENT PROJECTS</u>		<u>\$86,488,000</u>

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- (d) For purposes of this section, operations and maintenance costs:
 - (i) are estimates only;
 - (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
 - (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.
- (3) (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4) (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.

(b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.

(c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.

(d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).

(5) It is the intent of the Legislature that:

(a) the funding authorized for projects in Subsection (2) includes funds for public art, except for the following projects:

(i) state capitol remodel;

(ii) Utah National Guard North Salt Lake Readiness Center; and

(iii) Oxbow prison;

(b) no state funds may be expended for the National Guard North Salt Lake Readiness Center project until the United States Congress appropriates monies for the project; and

(c) the Bonding Commission may not issue bonds for the National Guard North Salt Lake Readiness Center project until the United States Congress appropriates monies for the project.