

Representative Stephen D. Clark proposes the following substitute bill:

REVENUE BOND AND CAPITAL FACILITIES

AUTHORIZATIONS

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen D. Clark

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill authorizes certain state agencies and higher education institutions to issue revenue bonds, to build capital facilities using agency, institutional, or donated funds, to sell, lease, or dispose of property, or to use donations to prepare preliminary proposals.

Highlighted Provisions:

This bill:

- ▶ authorizes the issuance of revenue bonds by the State Board of Regents;
- ▶ authorizes other capital facility design and construction to be funded from agency, institutional, or donated funds;
- ▶ authorizes the University of Utah to use donations to prepare preliminary plans for a dental school, subject to certain restrictions; and
- ▶ authorizes the sale, lease, or disposal of certain state real property and certain interests in real property.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None



26 Utah Code Sections Affected:

27 ENACTS:

28 63B-19-101, Utah Code Annotated 1953

29 63B-19-201, Utah Code Annotated 1953

30 63B-19-301, Utah Code Annotated 1953

31 63B-19-401, Utah Code Annotated 1953



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

34 Section 1. Section 63B-19-101 is enacted to read:

35 **Part 1. 2010 Revenue Bond Authorizations**

36 **63B-19-101. Revenue bond authorizations -- Board of Regents.**

37 (1) The Legislature intends that:

38 (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and
39 deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow
40 money on the credit, revenues, and reserves of the university, other than appropriations of the
41 Legislature, to finance the cost of demolition, replacement, and construction of student housing
42 on the Ogden campus;

43 (b) Weber State University use student housing rental fees and parking fees as the
44 primary revenue sources for repayment of any obligation created under authority of this
45 section;

46 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
47 this section is \$15,000,000, together with other amounts necessary to pay costs of issuance, pay
48 capitalized interest, and fund any debt service reserve requirements;

49 (d) the university may plan, design, and construct the Ogden campus housing project
50 subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
51 Facilities Construction and Management; and

52 (e) the university may not request state funds for operation and maintenance costs or
53 capital improvements.

54 (2) The Legislature intends that:

55 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
56 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow

57 money on the credit, revenues, and reserves of the university, other than appropriations of the
58 Legislature, to finance the cost of purchasing the Ambassador Building from Salt Lake County;

59 (b) the University of Utah use clinical revenues and other institutional funds as the
60 primary revenue source for repayment of any obligation created under authority of this section;

61 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
62 this section is \$12,000,000, together with other amounts necessary to pay costs of issuance, pay
63 capitalized interest, and fund any debt service reserve requirements; and

64 (d) the university may not request state funds for operation and maintenance costs or
65 capital improvements.

66 (3) The Legislature intends that:

67 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
68 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
69 money on the credit, revenues, and reserves of the university, other than appropriations of the
70 Legislature, to finance the cost of purchasing the Orthopaedics Building from the Utah
71 Orthopaedic Foundation;

72 (b) the University of Utah use clinical revenues and other institutional funds as the
73 primary revenue sources for repayment of any obligation created under authority of this
74 section;

75 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
76 this section is \$25,000,000, together with other amounts necessary to pay costs of issuance, pay
77 capitalized interest, and fund any debt service reserve requirements; and

78 (d) the university may not request state funds for operation and maintenance costs or
79 capital improvements.

80 (4) The Legislature intends that:

81 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
82 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
83 money on the credit, revenues, and reserves of the university, other than appropriations of the
84 Legislature, to finance the cost of constructing an expansion of the University Guest House;

85 (b) the University of Utah use room rental, meeting room rental, and the sale of
86 ancillary services as the primary revenue sources for repayment of any obligation created under
87 authority of this section;

88 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
89 this section is \$10,000,000, together with other amounts necessary to pay costs of issuance, pay
90 capitalized interest, and fund any debt service reserve requirements;

91 (d) the university may plan, design, and construct the expansion of the University
92 Guest House project subject to the requirements of Title 63A, Chapter 5, State Building Board
93 - Division of Facilities Construction and Management; and

94 (e) the university may not request state funds for operation and maintenance costs or
95 capital improvements.

96 (5) The Legislature intends that:

97 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
98 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
99 money on the credit, revenues, and reserves of the university, other than appropriations of the
100 Legislature, to finance the cost of constructing an Ambulatory Care Complex;

101 (b) the University of Utah use clinical revenues and other institutional funds as the
102 primary revenue sources for repayment of any obligation created under authority of this
103 section;

104 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
105 this section is \$119,541,000, together with other amounts necessary to pay costs of issuance,
106 pay capitalized interest, and fund any debt service reserve requirements;

107 (d) the university may plan, design, and construct the Ambulatory Care Complex
108 project subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
109 Facilities Construction and Management; and

110 (e) the university may not request state funds for operation and maintenance costs or
111 capital improvements.

112 (6) The Legislature intends that:

113 (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and
114 deliver revenue bonds or other evidences of indebtedness of Southern Utah University to
115 borrow money on the credit, revenues, and reserves of the university, other than appropriations
116 of the Legislature, to finance the cost of constructing the Southern Utah Museum of Arts in
117 conjunction with other funds authorized in Subsection 63B-19-201(1);

118 (b) Southern Utah University use student fees as the primary revenue sources for

119 repayment of any obligation created under authority of this section;

120 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
121 this section is \$2,500,000, together with other amounts necessary to pay costs of issuance, pay
122 capitalized interest, and fund any debt service reserve requirements;

123 (d) the university may plan, design, and construct the Southern Utah Museum of Arts
124 project subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
125 Facilities Construction and Management; and

126 (e) the university may not request state funds for operation and maintenance costs or
127 capital improvements.

128 Section 2. Section **63B-19-201** is enacted to read:

129 **Part 2. 2010 Capital Facility Design and Construction Authorizations**

130 **63B-19-201. Authorizations to design and construct capital facilities using**

131 **institutional or agency funds.**

132 (1) The Legislature intends that:

133 (a) Southern Utah University may, subject to the requirements of Title 63A, Chapter 5,
134 State Building Board - Division of Facilities Construction and Management, use \$10,000,000
135 in donations and the revenue bond authorized in Subsection 63B-19-101(6) to plan, design, and
136 construct a Southern Utah Museum of Arts, with 28,000 new square feet;

137 (b) no state funds be used for any portion of this project; and

138 (c) the university may not request state funds for operation and maintenance costs.

139 (2) The Legislature intends that:

140 (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5,
141 State Building Board - Division of Facilities Construction and Management, use \$17,878,000
142 in donations, federal funds, and institutional funds to plan, design, and construct an addition to
143 the Henry Eyring Building, with 40,915 new square feet;

144 (b) no state funds be used for any portion of this project; and

145 (c) the university may not request state funds for operation and maintenance costs.

146 (3) The Legislature intends that:

147 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
148 State Building Board - Division of Facilities Construction and Management, use \$3,000,000 in
149 donations to plan, design, and construct a Botanical Center classroom building, with 7,900 new

150 square feet;

151 (b) no state funds be used for any portion of this project; and

152 (c) the university may not request state funds for operation and maintenance costs.

153 (4) The Legislature intends that:

154 (a) the Division of Services for the Blind and Visually Impaired in the Utah State

155 Office of Rehabilitation may, subject to the requirements of Title 63A, Chapter 5, State

156 Building Board - Division of Facilities Construction and Management, use \$1,497,000 in

157 federal grants to plan, design, and construct a residential facility for the blind, with 8,000 new

158 square feet;

159 (b) no state funds be used for any portion of this project; and

160 (c) the division may not request state funds for operation and maintenance costs.

161 (5) The Legislature intends that:

162 (a) the Department of Public Safety may, subject to the requirements of Title 63A,

163 Chapter 5, State Building Board - Division of Facilities Construction and Management, use

164 \$3,294,000 of nonlapsing balances within the driver license line item in the Department of

165 Public Safety budget in fiscal year 2010 to plan, design, and construct an Ogden driver license

166 building with 10,500 new square feet;

167 (b) no state funds be used for any portion of this project; and

168 (c) the department may not request state funds for operation and maintenance costs.

169 (6) The Legislature intends that:

170 (a) the University of Utah may use donations to prepare preliminary plans for a dental

171 school building;

172 (b) no state funds be used for any portion of the planning; and

173 (c) the University of Utah may not design or construct a dental school building unless

174 and until the Legislature authorizes:

175 (i) the design and construction of a dental school building;

176 (ii) the University to pursue the establishment of a dental school program; and

177 (iii) the appropriation of funds at a level sufficient to fund a dental school program at

178 the University of Utah.

179 Section 3. Section **63B-19-301** is enacted to read:

180 **Part 3. 2010 Property Authorizations**

181 **63B-19-301. Authorizations to sell property.**

182 The Legislature intends that the Division of Facilities Construction and Management
183 and any other state agency with title to property identified as Emery County Tax Parcel
184 No.1-156-6 are authorized to sell a perpetual easement to Rocky Mountain Power that is
185 approximately 60 feet in width on property at Green River that was subject to cleanup of
186 radiation contamination by the United States Department of Energy and was acquired by the
187 state of Utah, the purchase of which was funded 90% by the federal government pursuant to 42
188 U.S.C. Sec. 7914, subject to the following:

189 (1) The easement shall identify the conditions of the sale and require the payment of
190 \$5,000 as consideration, of which 90% is to be refunded to the federal government.

191 (2) Rocky Mountain Power shall be required to comply with all applicable
192 environmental laws and requirements in regard to the easement.

193 Section 4. Section **63B-19-401** is enacted to read:

194 **Part 4. 2010 Lease-Purchase Authorizations**

195 **63B-19-401. Lease-purchase authorizations.**

196 The Legislature intends that the courts may use existing funds to enter into a
197 lease-purchase agreement for the Spanish Fork Courthouse at no additional cost to the state.

H.B. 5 2nd Sub. (Gray) - Revenue Bond and Capital Facilities Authorizations

Fiscal Note

2010 General Session

State of Utah

State Impact

The bill authorizes \$181,541,000 (plus direct issue costs) for revenue bond projects and \$35,669,000 for design and construction using agency funds.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
