

1 **REVENUE BONDS AND CAPITAL FACILITIES AUTHORIZATIONS**

2 2018 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Gage Froerer**

5 Senate Sponsor: Wayne A. Harper

7 **LONG TITLE**

8 **General Description:**

9 This bill authorizes certain state agencies and institutions to issue revenue bonds and
10 authorizes the construction or lease of certain capital facilities.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ authorizes the State Building Ownership Authority to issue revenue bonds as
14 follows:
- 15 • up to \$5,451,800 for constructing a Pleasant Grove or Lehi market area liquor
16 store; and
 - 17 • up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store;
- 18 ▶ authorizes the Board of Regents to issue revenue bonds as follows:
- 19 • up to \$105,217,000 for constructing a south campus student housing and dining
20 project at the University of Utah;
 - 21 • up to \$31,400,000 for constructing the Space Dynamics Laboratory Phase II at
22 Utah State University; and
 - 23 • up to \$13,000,000 for constructing a student center on the Jordan Campus at
24 Salt Lake Community College;
- 25 ▶ authorizes Weber State University to use up to \$17,604,700 of agency, institutional,
26 or donated funds to plan, design, and construct the Davis Campus Computer and
27 Automotive Engineering Building and authorizes the use of state funds for
28 operation and maintenance costs and capital improvements of the building; and
- 29 ▶ modifies an existing authorization to allow the Governor's Office of Economic

30 Development to lease, rather than construct, a building for a Southern Utah Welcome Center.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **63B-24-201**, as enacted by Laws of Utah 2015, Chapter 281

38 ENACTS:

39 **63B-28-101**, Utah Code Annotated 1953

40 **63B-28-102**, Utah Code Annotated 1953

41 **63B-28-201**, Utah Code Annotated 1953

42

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

44 Section 1. Section **63B-24-201** is amended to read:

45 **63B-24-201. Authorizations to design and construct capital facilities using**
46 **institutional or agency funds.**

47 (1) The Legislature intends that:

48 (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5,
49 State Building Board - Division of Facilities Construction and Management, use up to
50 \$8,200,000 in institutional funds to plan, design, and construct the William C. Browning
51 Building Addition with up to 24,000 square feet;

52 (b) the university may not use state funds for any portion of this project; and

53 (c) the university may use state funds for operation and maintenance costs or capital
54 improvements.

55 (2) The Legislature intends that:

56 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
57 State Building Board - Division of Facilities Construction and Management, use up to

58 \$10,000,000 in institutional funds to plan, design, and construct the Fine Arts Complex
59 Addition/Renovation with up to 17,000 square feet;

60 (b) the university may not use state funds for any portion of this project; and

61 (c) the university may use state funds for operation and maintenance costs or capital
62 improvements.

63 (3) The Legislature intends that:

64 (a) Salt Lake Community College may, subject to the requirements of Title 63A,
65 Chapter 5, State Building Board - Division of Facilities Construction and Management, use up
66 to \$3,900,000 in institutional funds to plan, design, and construct a Strength and Conditioning
67 Center with up to 11,575 square feet;

68 (b) the college may not use state funds for any portion of this project; and

69 (c) the college may not request state funds for operation and maintenance costs or
70 capital improvements.

71 (4) The Legislature intends that:

72 (a) the Governor's Office of Economic Development may, subject to the requirements
73 of Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and
74 Management, use up to \$1,800,000 in nonlapsing balances and donations to plan, design, and
75 construct or lease a Southern Utah Welcome Center with up to 5,000 square feet;

76 (b) the office may request additional state funds for the project, unless the office
77 receives donations and begins design or construction of the project; and

78 (c) the office may use state funds for operation and maintenance costs or capital
79 improvements.

80 Section 2. Section **63B-28-101** is enacted to read:

81 **CHAPTER 28. 2018 BONDING AND FINANCING AUTHORIZATIONS**

82 **Part 1. 2018 Revenue Bond Authorizations**

83 **63B-28-101. Revenue bond authorizations -- State Building Ownership Authority.**

84 (1) The Legislature intends that:

85 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

86 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
87 enter into or arrange for a lease-purchase agreement in which participation interests may be
88 created, to provide up to \$5,451,800 for a Pleasant Grove or Lehi market area liquor store,
89 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,
90 and fund any existing debt service reserve requirements;

91 (b) the Department of Alcoholic Beverage Control use sales revenues as the primary
92 revenue source for repayment of any obligation created under authority of this Subsection (1);
93 and

94 (c) the Department of Alcoholic Beverage Control may request operation and
95 maintenance funding from sales revenues.

96 (2) The Legislature intends that:

97 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
98 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
99 enter into or arrange for a lease-purchase agreement in which participation interests may be
100 created, to provide up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store,
101 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,
102 and fund any existing debt service reserve requirements;

103 (b) the Department of Alcoholic Beverage Control use sales revenues as the primary
104 revenue source for repayment of any obligation created under authority of this Subsection (2);
105 and

106 (c) the Department of Alcoholic Beverage Control may request operation and
107 maintenance funding from sales revenues.

108 Section 3. Section **63B-28-102** is enacted to read:

109 **63B-28-102. Revenue bond authorizations -- Board of Regents.**

110 (1) The Legislature intends that:

111 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
112 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
113 money on the credit, revenues, and reserves of the university, other than appropriations of the

114 Legislature, to finance the cost of constructing a south campus student housing and dining
115 project;

116 (b) the University of Utah use student housing rental fees and other auxiliary revenues
117 as the primary revenue sources for repayment of any obligation created under authority of this
118 Subsection (1);

119 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
120 this Subsection (1) may not exceed \$105,217,000 for acquisition and construction proceeds,
121 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and
122 fund any debt service reserve requirements;

123 (d) the university may plan, design, and construct a south campus student housing and
124 dining project, subject to the requirements of Title 63A, Chapter 5, State Building Board -
125 Division of Facilities Construction and Management; and

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

128 (2) The Legislature intends that:

129 (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and
130 deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow
131 money on the credit, revenues, and reserves of the university, other than appropriations of the
132 Legislature, to finance the cost of constructing the Space Dynamics Laboratory Phase II;

133 (b) Utah State University use reimbursement from research projects as the primary
134 revenue sources for repayment of any obligation created under authority of this Subsection (2);

135 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
136 this Subsection (2) may not exceed \$31,400,000 for acquisition and construction proceeds,
137 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and
138 fund any debt service reserve requirements;

139 (d) the university may plan, design, and construct the Space Dynamics Laboratory
140 Phase II, subject to the requirements of Title 63A, Chapter 5, State Building Board - Division
141 of Facilities Construction and Management; and

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

144 (3) The Legislature intends that:

145 (a) the Board of Regents, on behalf of Salt Lake Community College, may issue, sell,
146 and deliver revenue bonds or other evidences of indebtedness of Salt Lake Community College
147 to borrow money on the credit, revenues, and reserves of the college, other than appropriations
148 of the Legislature, to finance the cost of constructing a student center on the Jordan Campus;

149 (b) Salt Lake Community College use student fees as the primary revenue sources for
150 repayment of any obligation created under authority of this Subsection (3);

151 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
152 this Subsection (3) may not exceed \$13,000,000 for acquisition and construction proceeds,
153 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and
154 fund any debt service reserve requirements;

155 (d) the college may plan, design, and construct a student center on the Jordan Campus,
156 subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
157 Facilities Construction and Management; and

158 (e) the college may not request state funds for operation and maintenance costs or
159 capital improvements.

160 Section 4. Section **63B-28-201** is enacted to read:

161 **Part 2. 2018 Capital Facility Design and Construction Authorizations**
162 **63B-28-201. Authorization to design and construct capital facilities using**
163 **institutional or agency funds.**

164 The Legislature intends that:

165 (1) Weber State University may, subject to the requirements in Title 63A, Chapter 5,
166 State Building Board - Division of Facilities Construction and Management, use up to
167 \$17,604,700 in donations and institutional funds to plan, design, and construct the Davis
168 Campus Computer and Automotive Engineering Building;

169 (2) the university may not use state funds for any portion of this project; and

170 (3) the university may use state funds for operation and maintenance costs and capital
171 improvements.

172 Section 5. **Effective date.**

173 If approved by two-thirds of all the members elected to each house, this bill takes effect
174 upon approval by the governor, or the day following the constitutional time limit of Utah
175 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
176 the date of veto override.