

Representative Gage Froerer proposes the following substitute bill:

REVENUE BONDS AND CAPITAL FACILITIES AUTHORIZATIONS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: Wayne A. Harper

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ authorizes the State Building Ownership Authority to issue revenue bonds as follows:
 - up to \$5,451,800 for constructing a Pleasant Grove or Lehi market area liquor store; and
 - up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store;
- ▶ authorizes the Board of Regents to issue revenue bonds as follows:
 - up to \$105,217,000 for constructing a south campus student housing and dining project at the University of Utah;
 - up to \$31,400,000 for constructing the Space Dynamics Laboratory Phase II at Utah State University; and
 - up to \$13,000,000 for constructing a student center on the Jordan Campus at Salt Lake Community College;
- ▶ 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 Automotive
27 Engineering Building and authorizes the use of state funds for operation and maintenance costs
28 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
31 Welcome Center.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 This bill provides a special effective date.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **63B-24-201**, as enacted by Laws of Utah 2015, Chapter 281

39 ENACTS:

40 **63B-28-101**, Utah Code Annotated 1953

41 **63B-28-102**, Utah Code Annotated 1953

42 **63B-28-201**, Utah Code Annotated 1953



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

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

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

48 (1) The Legislature intends that:

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

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

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

56 (2) The Legislature intends that:

57 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
58 State Building Board - Division of Facilities Construction and Management, use up to
59 \$10,000,000 in institutional funds to plan, design, and construct the Fine Arts Complex
60 Addition/Renovation with up to 17,000 square feet;

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

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

64 (3) The Legislature intends that:

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

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

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

72 (4) The Legislature intends that:

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

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

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

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

82 **CHAPTER 28. BONDING AND FINANCING AUTHORIZATIONS**

83 **Part 1. Revenue Bond Authorizations**

84 **63B-28-101. Revenue bond authorizations -- State Building Ownership Authority.**

85 (1) The Legislature intends that:

86 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
87 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may

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

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

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

97 (2) The Legislature intends that:

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

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

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

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

110 **63B-28-102. Revenue bond authorizations -- Board of Regents.**

111 (1) The Legislature intends that:

112 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
113 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
114 money on the credit, revenues, and reserves of the university, other than appropriations of the
115 Legislature, to finance the cost of constructing a south campus student housing and dining
116 project;

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

119 Subsection (1):

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

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

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

129 (2) The Legislature intends that:

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

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

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

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

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

145 (3) The Legislature intends that:

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

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

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

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

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

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

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

165 The Legislature intends that:

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

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

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

173 Section 5. **Effective date.**

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