

STATE BUILDINGS AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

Senate Sponsor: David G. Buxton

LONG TITLE

General Description:

This bill modifies provisions relating to state buildings.

Highlighted Provisions:

This bill:

- ▶ shifts responsibility for prioritizing capital improvements in state buildings from the State Building Board to the Division of Facilities Construction and Management;

- ▶ allows the director of the Division of Facilities Construction and Management to use project reserve funds for emergency capital improvement projects;

- ▶ enacts provisions relating to the Division of Facilities Construction and Management's:

- prioritization of capital improvement requests from state agencies; and
- establishing and charging lease rates for state agencies' use and occupancy of state buildings;

- ▶ enacts provisions relating to the establishment of line items for money appropriated to state agencies for lease payments; and

- ▶ repeals obsolete language.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

30 **63A-5-104**, as last amended by Laws of Utah 2017, Chapter 355
 31 **63A-5-209**, as last amended by Laws of Utah 2010, Chapter 163
 32 **63B-23-101**, as enacted by Laws of Utah 2014, Chapter 113
 33 **63I-1-263**, as last amended by Laws of Utah 2018, Chapters 85, 144, 182, 261, 321,
 34 338, 340, 347, 369, 428, 430, and 469
 35 **63J-1-206**, as last amended by Laws of Utah 2018, Chapters 415 and 469
 36 **63J-1-602.2**, as repealed and reenacted by Laws of Utah 2018, Chapter 469

37 ENACTS:

38 **63A-5-228**, Utah Code Annotated 1953



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

41 Section 1. Section **63A-5-104** is amended to read:

42 **63A-5-104. Definitions -- Capital development process -- Approval requirements**
 43 **-- Limitations on new projects -- Emergencies.**

44 (1) As used in this section:

45 (a) (i) "Capital developments" means a:

- 46 (A) remodeling, site, or utility project with a total cost of \$3,500,000 or more;
- 47 (B) new facility with a construction cost of \$500,000 or more; or
- 48 (C) purchase of real property where an appropriation is requested to fund the purchase.

49 (ii) "Capital developments" does not include a project described in Subsection

50 (1)(b)(iii).

51 (b) "Capital improvements" means:

52 (i) a remodeling, alteration, replacement, or repair project with a total cost of less than
53 \$3,500,000;

54 (ii) a site or utility improvement with a total cost of less than \$3,500,000;

55 (iii) a utility infrastructure improvement project that:

56 (A) has a total cost of less than \$7,000,000;

57 (B) consists of two or more projects that, if done separately, would each cost less than

58 \$3,500,000; and

59 (C) the State Building Board determines is more cost effective or feasible to be
60 completed as a single project; or

61 (iv) a new facility with a total construction cost of less than \$500,000.

62 (c) (i) "New facility" means the construction of a new building on state property
63 regardless of funding source.

64 (ii) "New facility" includes:

65 (A) an addition to an existing building; and

66 (B) the enclosure of space that was not previously fully enclosed.

67 (iii) "New facility" does not include:

68 (A) the replacement of state-owned space that is demolished or that is otherwise
69 removed from state use, if the total construction cost of the replacement space is less than
70 \$3,500,000; or

71 (B) the construction of facilities that do not fully enclose a space.

72 (d) "Replacement cost of existing state facilities and infrastructure" means the
73 replacement cost, as determined by the Division of Risk Management, of state facilities,
74 excluding auxiliary facilities as defined by the State Building Board and the replacement cost
75 of infrastructure as defined by the State Building Board.

76 (e) "State funds" means public money appropriated by the Legislature.

77 (2) (a) The board shall, on behalf of all state agencies [~~and in accordance with~~
78 ~~Subsection (4)~~], submit capital development recommendations and priorities to the Legislature
79 for approval and prioritization.

80 (b) In developing the board's capital development recommendations and priorities, the
81 board shall require each state agency that requests an appropriation for a capital development
82 project to:

83 (i) submit to the board a capital development project request; and

84 (ii) complete and submit to the board a study that demonstrates the feasibility of the
85 capital development project, including:

- 86 (A) the need for the capital development project;
- 87 (B) the appropriateness of the scope of the capital development project;
- 88 (C) any private funding for the capital development project; and
- 89 (D) the economic and community impacts of the capital development project.
- 90 (c) The board shall verify the completion and accuracy of a feasibility study that a state
- 91 agency submits to the board under Subsection (2)(b).
- 92 (d) The board shall require that an institution of higher education described in Section
- 93 [53B-1-102](#) that submits a request for a capital development project address whether and how,
- 94 as a result of the project, the institution will:
 - 95 (i) offer courses or other resources that will help meet demand for jobs, training, and
 - 96 employment in the current market and the projected market for the next five years;
 - 97 (ii) respond to individual skilled and technical job demand over the next 3, 5, and 10
 - 98 years;
 - 99 (iii) respond to industry demands for trained workers;
 - 100 (iv) help meet commitments made by the Governor's Office of Economic
 - 101 Development, including relating to training and incentives;
 - 102 (v) respond to changing needs in the economy; and
 - 103 (vi) based on demographics, respond to demands for on-line or in-class instruction.
- 104 (e) The board shall give more weight in the board's scoring process to a request that is
- 105 designated as a higher priority by the State Board of Regents than a request that is designated
- 106 as a lower priority by the State Board of Regents only when determining the order of
- 107 prioritization among requests submitted by the State Board of Regents.
- 108 (3) (a) Except as provided in Subsections (3)(b), (d), and (e), a capital development
- 109 project may not be constructed on state property without legislative approval.
- 110 (b) Legislative approval is not required for a capital development project that consists
- 111 of the design or construction of a new facility if:
 - 112 (i) the board determines that the requesting state agency has provided adequate
 - 113 assurance that state funds will not be used for the design or construction of the facility;

114 (ii) the state agency provides to the board a written document, signed by the head of the
115 state agency:

116 (A) stating that funding or a revenue stream is in place, or will be in place before the
117 project is completed, to ensure that increased state funding will not be required to cover the
118 cost of operations and maintenance to the resulting facility for immediate or future capital
119 improvements; and

120 (B) detailing the source of the funding that will be used for the cost of operations and
121 maintenance for immediate and future capital improvements to the resulting facility; and

122 (iii) the board determines that the use of the state property is:

123 (A) appropriate and consistent with the master plan for the property; and

124 (B) will not create an adverse impact on the state.

125 (c) (i) The Division of Facilities Construction and Management shall maintain a record
126 of facilities constructed under the exemption provided in Subsection (3)(b).

127 (ii) For facilities constructed under the exemption provided in Subsection (3)(b), a state
128 agency may not request:

129 (A) increased state funds for operations and maintenance; or

130 (B) state capital improvement funding.

131 (d) Legislative approval is not required for:

132 (i) the renovation, remodeling, or retrofitting of an existing facility with nonstate funds
133 that has been approved by the board;

134 (ii) a facility to be built with nonstate funds and owned by nonstate entities within
135 research park areas at the University of Utah and Utah State University;

136 (iii) a facility to be built at This is the Place State Park by This is the Place Foundation
137 with funds of the foundation, including grant money from the state, or with donated services or
138 materials;

139 (iv) a capital project that:

140 (A) is funded by the Uintah Basin Revitalization Fund or the Navajo Revitalization
141 Fund; and

142 (B) does not provide a new facility for a state agency or higher education institution; or

143 (v) a capital project on school and institutional trust lands that is funded by the School
144 and Institutional Trust Lands Administration from the Land Grant Management Fund and that
145 does not fund construction of a new facility for a state agency or higher education institution.

146 (e) (i) Legislative approval is not required for capital development projects to be built
147 for the Department of Transportation:

148 (A) as a result of an exchange of real property under Section 72-5-111; or

149 (B) as a result of a sale or exchange of real property from a maintenance facility if the
150 real property is exchanged for, or the proceeds from the sale of the real property are used for,
151 another maintenance facility, including improvements for a maintenance facility and real
152 property.

153 (ii) When the Department of Transportation approves a sale or exchange under
154 Subsection (3)(e), it shall notify the president of the Senate, the speaker of the House, and the
155 cochairs of the Infrastructure and General Government Appropriations Subcommittee of the
156 Legislature's Joint Appropriation Committee about any new facilities to be built or improved
157 under this exemption.

158 ~~[(4) (a) (i) On or before January 15 of each year, the board shall, on behalf of all state
159 agencies, submit a list of anticipated capital improvement requirements to the Legislature for
160 review and approval.]~~

161 ~~[(ii) The board shall ensure that the list identifies:]~~

162 ~~[(A) a single project that costs more than \$1,000,000;]~~

163 ~~[(B) multiple projects within a single building or facility that collectively cost more
164 than \$1,000,000;]~~

165 ~~[(C) a single project that will be constructed over multiple years with a yearly cost of
166 \$1,000,000 or more and an aggregate cost of more than \$3,500,000;]~~

167 ~~[(D) multiple projects within a single building or facility with a yearly cost of
168 \$1,000,000 or more and an aggregate cost of more than \$3,500,000;]~~

169 ~~[(E) a single project previously reported to the Legislature as a capital improvement~~

170 ~~project under \$1,000,000 that, because of an increase in costs or scope of work, will now cost~~
171 ~~more than \$1,000,000;]~~

172 ~~[(F) multiple projects within a single building or facility previously reported to the~~
173 ~~Legislature as a capital improvement project under \$1,000,000 that, because of an increase in~~
174 ~~costs or scope of work, will now cost more than \$1,000,000; and]~~

175 ~~[(G) projects approved under Subsection (1)(b)(iii).]~~

176 ~~[(b) Unless otherwise directed by the Legislature, the board shall prioritize capital~~
177 ~~improvements from the list submitted to the Legislature up to the level of appropriation made~~
178 ~~by the Legislature.]~~

179 ~~[(c) In prioritizing capital improvements, the board shall consider the results of facility~~
180 ~~evaluations completed by an architect/engineer as stipulated by the building board's facilities~~
181 ~~maintenance standards.]~~

182 ~~[(d) In prioritizing capital improvements, the board shall allocate at least 80% of the~~
183 ~~funds that the Legislature appropriates for capital improvements to:]~~

184 ~~[(i) projects that address:]~~

185 ~~[(A) a structural issue;]~~

186 ~~[(B) fire safety;]~~

187 ~~[(C) a code violation; or]~~

188 ~~[(D) any issue that impacts health and safety;]~~

189 ~~[(ii) projects that upgrade:]~~

190 ~~[(A) an HVAC system;]~~

191 ~~[(B) an electrical system;]~~

192 ~~[(C) essential equipment;]~~

193 ~~[(D) an essential building component; or]~~

194 ~~[(E) infrastructure, including a utility tunnel, water line, gas line, sewer line, roof,~~
195 ~~parking lot, or road; or]~~

196 ~~[(iii) projects that demolish and replace an existing building that is in extensive~~
197 ~~disrepair and cannot be fixed by repair or maintenance.]~~

198 ~~[(e) In prioritizing capital improvements, the board shall allocate no more than 20% of~~
199 ~~the funds that the Legislature appropriates for capital improvements to:]~~

200 ~~[(i) remodeling and aesthetic upgrades to meet state programmatic needs; or]~~

201 ~~[(ii) construct an addition to an existing building or facility.]~~

202 ~~[(f) The board may require an entity that benefits from a capital improvement project to~~
203 ~~repay the capital improvement funds from savings that result from the project.]~~

204 ~~[(g) The board may provide capital improvement funding to a single project, or to~~
205 ~~multiple projects within a single building or facility, even if the total cost of the project or~~
206 ~~multiple projects is \$3,500,000 or more, if:]~~

207 ~~[(i) the capital improvement project is a project described in Subsection (1)(b)(iii);~~
208 ~~and]~~

209 ~~[(ii) the Legislature has not refused to fund the project with capital improvement~~
210 ~~funds.]~~

211 ~~[(h) In prioritizing and allocating capital improvement funding, the State Building~~
212 ~~Board shall comply with the requirement in Subsection ~~63B-23-101(2)(f).~~]~~

213 ~~[(5)]~~ (4) The Legislature may authorize:

214 (a) the total square feet to be occupied by each state agency; and

215 (b) the total square feet and total cost of lease space for each agency.

216 ~~[(6)]~~ (5) If construction of a new building or facility will require an immediate or future
217 increase in state funding for operations and maintenance or for capital improvements, the
218 Legislature may not authorize the new building or facility until the Legislature appropriates
219 funds for:

220 (a) the portion of operations and maintenance, if any, that will require an immediate or
221 future increase in state funding; and

222 (b) the portion of capital improvements, if any, that will require an immediate or future
223 increase in state funding.

224 ~~[(7)]~~ (6) (a) Except as provided in Subsection ~~[(7)]~~ (6)(b), the Legislature may not fund
225 the design or construction of any new capital development projects, except to complete the

226 funding of projects for which partial funding has been previously provided, until the
227 Legislature has appropriated 1.1% of the replacement cost of existing state facilities and
228 infrastructure to capital improvements.

229 (b) If the Legislature determines that there exists an Education Fund budget deficit or a
230 General Fund budget deficit as those terms are defined in Section [63J-1-312](#), the Legislature
231 may, in eliminating the deficit, reduce the amount appropriated to capital improvements to
232 0.9% of the replacement cost of state buildings and infrastructure.

233 ~~[(8)]~~ (7) (a) The Legislature may not fund the design and construction of a new facility
234 in phases over more than one year unless the Legislature approves the funding for both the
235 design and construction by a vote of two-thirds of all the members elected to each house.

236 (b) An agency is required to receive approval from the board before the agency begins
237 programming for a new facility that requires legislative approval under Subsection (3).

238 (c) The board or an agency may fund the programming of a new facility before the
239 Legislature makes an appropriation for the new facility under Subsection ~~[(8)]~~ (7)(a).

240 ~~[(9)]~~ (8) (a) Notwithstanding the requirements of Title 63J, Chapter 1, Budgetary
241 Procedures Act, after the Legislature approves capital development and capital improvement
242 priorities under this section and Section [63A-5-228](#), if an emergency arises that creates an
243 unforeseen and critical need for a capital improvement project, the board may reallocate capital
244 improvement funds to address the project.

245 (b) The board shall report any changes the board makes in capital improvement
246 allocations approved by the Legislature to:

- 247 (i) the Office of Legislative Fiscal Analyst within 30 days of the reallocation; and
- 248 (ii) the Legislature at its next annual general session.

249 ~~[(10)]~~ ~~(a) The board may adopt a rule allocating to institutions and agencies their~~
250 ~~proportionate share of capital improvement funding.]~~

251 ~~[(b) The board shall ensure that the rule:]~~

252 ~~[(i) reserves funds for the Division of Facilities Construction and Management for~~
253 ~~emergency projects; and]~~

254 ~~[(ii) allows the delegation of projects to some institutions and agencies with the~~
255 ~~requirement that a report of expenditures will be filed annually with the Division of Facilities~~
256 ~~Construction and Management and appropriate governing bodies.]~~

257 ~~[(11) It is the intent of the Legislature that in funding capital improvement~~
258 ~~requirements under this section the General Fund be considered as a funding source for at least~~
259 ~~half of those costs.]~~

260 ~~[(12)(a) Subject to Subsection (12)(b), at least 80% of the state funds appropriated for~~
261 ~~capital improvements shall be used for maintenance or repair of the existing building or~~
262 ~~facility.]~~

263 ~~[(b) The board may modify the requirement described in Subsection (12)(a) if the~~
264 ~~board determines that a different allocation of capital improvements funds is in the best interest~~
265 ~~of the state.]~~

266 Section 2. Section **63A-5-209** is amended to read:

267 **63A-5-209. Building appropriations supervised by director -- Contingencies --**
268 **Disposition of project reserve funds -- Set aside for Utah Percent-for-Art Program.**

269 (1) The director shall:

270 (a) (i) supervise the expenditure of funds in providing plans, engineering
271 specifications, sites, and construction of the buildings for which legislative appropriations are
272 made; and

273 (ii) specifically allocate money appropriated when more than one project is included in
274 any single appropriation without legislative directive;

275 (b) (i) expend the amount necessary from appropriations for planning, engineering, and
276 architectural work; and

277 (ii) (A) allocate amounts from appropriations necessary to cover expenditures
278 previously made from the planning fund under Section [63A-5-211](#) in the preparation of plans,
279 engineering, and specifications; and

280 (B) return the amounts described in Subsection (1)(b)(ii)(A) to the planning fund; and

281 (c) hold in a statewide contingency reserve the amount budgeted for contingencies:

- 282 (i) in appropriations for the construction or remodeling of facilities; and
283 (ii) which may be over and above all amounts obligated by contract for planning,
284 engineering, architectural work, sites, and construction contracts.
- 285 (2) (a) The director shall base the amount budgeted for contingencies on a sliding scale
286 percentage of the construction cost ranging from:
- 287 (i) 4-1/2% to 6-1/2% for new construction; and
288 (ii) 6% to 9-1/2% for remodeling projects.
- 289 (b) The director shall hold the statewide contingency funds to cover:
- 290 (i) costs of change orders; and
291 (ii) unforeseen, necessary costs beyond those specifically budgeted for the project.
- 292 (c) (i) The Legislature shall annually review the percentage and the amount held in the
293 statewide contingency reserve.
- 294 (ii) The Legislature may reappropriate to other building needs, including the cost of
295 administering building projects, any amount from the statewide contingency reserve that is in
296 excess of the reserve required to meet future contingency needs.
- 297 (3) (a) The director shall hold in a separate reserve those state appropriated funds
298 accrued through bid savings and project residual as a project reserve.
- 299 (b) The director shall account for the funds accrued under Subsection (3)(a) in separate
300 accounts as follows:
- 301 (i) bid savings and project residual from a capital improvement project, as defined in
302 Section 63A-5-104; and
- 303 (ii) bid savings and project residual from a capital development project, as defined in
304 Section 63A-5-104.
- 305 (c) The State Building Board may authorize the use of project reserve funds in the
306 account described in Subsection (3)(b)(i) for a capital improvement project:
- 307 (i) approved under Section 63A-5-104; and
308 (ii) for which funds are not allocated.
- 309 (d) The director may:

310 (i) authorize the use of project reserve funds in the accounts described in Subsection
311 (3)(b) for the award of contracts in excess of a project's construction budget if the use is
312 required to meet the intent of the project; [~~and~~]

313 (ii) transfer money from the account described in Subsection (3)(b)(i) to the account
314 described in Subsection (3)(b)(ii) if a capital development project has exceeded its construction
315 budget[-]; and

316 (iii) use project reserve funds for any emergency capital improvement project, whether
317 or not the emergency capital improvement project is related to a project that has exceeded its
318 construction budget.

319 (e) The director shall report to the Office of the Legislative Fiscal Analyst within 30
320 days:

321 (i) an authorization under Subsection (3)(c); or

322 (ii) a transfer under Subsection (3)(d).

323 (f) The Legislature shall annually review the amount held in the project reserve for
324 possible reallocation by the Legislature to other building needs, including the cost of
325 administering building projects.

326 (4) If any part of the appropriation for a building project, other than the part set aside
327 for the Utah Percent-for-Art Program under Title 9, Chapter 6, Part 4, Utah Percent-for-Art
328 Act, remains unencumbered after the award of construction and professional service contracts
329 and establishing a reserve for fixed and moveable equipment, the balance of the appropriation
330 is dedicated to the project reserve and does not revert to the General Fund.

331 (5) (a) One percent of the amount appropriated for the construction of any new state
332 building or facility may be appropriated and set aside for the Utah Percent-for-Art Program
333 administered by the Division of Fine Arts under Title 9, Chapter 6, Part 4, Utah Percent-for-Art
334 Act.

335 (b) The director shall release to the Division of Fine Arts any funds included in an
336 appropriation to the division that are designated by the Legislature for the Utah Percent-for-Art
337 Program.

338 (c) Funds from appropriations for any state building or facility of which any part is
339 derived from the issuance of bonds, to the extent it would jeopardize the federal income tax
340 exemption otherwise allowed for interest paid on bonds, may not be set aside.

341 Section 3. Section **63A-5-228** is enacted to read:

342 **63A-5-228. Capital improvement projects.**

343 (1) As used in this section:

344 (a) "Building board" means the State Building Board created under Section [63A-5-101](#).

345 (b) "Capital improvement" means:

346 (i) a remodeling, alteration, replacement, or repair project with a total cost of less than
347 \$3,500,000;

348 (ii) a site or utility improvement with a total cost of less than \$3,500,000;

349 (iii) a utility infrastructure improvement project that:

350 (A) has a total cost of less than \$7,000,000;

351 (B) consists of two or more projects that, if done separately, would each cost less than
352 \$3,500,000; and

353 (C) the division determines is more cost effective or feasible to be completed as a
354 single project; or

355 (iv) a new facility with a total construction cost of less than \$500,000.

356 (c) "Capital improvements list" means the list that the division is required to submit to
357 the Legislature under Subsection (2)(a).

358 (2) (a) (i) On or before January 15 of each year, the division shall, on behalf of all state
359 agencies, submit a list of anticipated capital improvement requirements to the Legislature.

360 (ii) The division shall ensure that the capital improvements list identifies:

361 (A) each single project that costs more than \$1,000,000;

362 (B) each multiple project within a single building or facility that collectively costs
363 more than \$1,000,000;

364 (C) each single project that will be constructed over multiple years with a yearly cost of
365 \$1,000,000 or more and an aggregate cost of more than \$3,500,000;

366 (D) each multiple project within a single building or facility with a yearly cost of
367 \$1,000,000 or more and an aggregate cost of more than \$3,500,000;

368 (E) each single project previously reported to the Legislature as a capital improvement
369 project under \$1,000,000 that, because of an increase in costs or scope of work, will now cost
370 more than \$1,000,000;

371 (F) each multiple project within a single building or facility previously reported to the
372 Legislature as a capital improvement project under \$1,000,000 that, because of an increase in
373 costs or scope of work, will now cost more than \$1,000,000; and

374 (G) each project described in Subsection (1)(b)(iii).

375 (b) Unless otherwise directed by the Legislature, the division shall prioritize capital
376 improvements on the capital improvements list up to the level of appropriation made by the
377 Legislature.

378 (c) In prioritizing capital improvements, the division shall consider the results of
379 facility evaluations completed by an architect or engineer as stipulated by the building board's
380 facilities maintenance standards.

381 (d) In prioritizing capital improvements, the division shall allocate at least 90% of the
382 funds that the Legislature appropriates for capital improvements to:

383 (i) projects that address:

384 (A) a structural issue;

385 (B) fire safety;

386 (C) a code violation; or

387 (D) any issue that impacts health and safety;

388 (ii) projects that upgrade:

389 (A) an HVAC system;

390 (B) an electrical system;

391 (C) essential equipment;

392 (D) an essential building component; or

393 (E) infrastructure, including a utility tunnel, water line, gas line, sewer line, roof,

394 parking lot, or road; or

395 (iii) projects that demolish and replace an existing building that is in extensive
396 disrepair and cannot be fixed by repair or maintenance.

397 (e) In prioritizing capital improvements, the division may not allocate more than 10%
398 of the funds that the Legislature appropriates for capital improvements to:

399 (i) remodeling and aesthetic upgrades to meet state programmatic needs; or

400 (ii) construct an addition to an existing building or facility.

401 (f) The division may require an entity that benefits from a capital improvement project
402 to repay the capital improvement funds from savings that result from the project.

403 (g) The division may provide capital improvement funding to a single project or to
404 multiple projects within a single building or facility, even if the total cost of the project or
405 multiple projects is \$3,500,000 or more, if:

406 (i) the capital improvement project is a project described in Subsection (1)(b)(iii); and

407 (ii) the Legislature has not refused to fund the project with capital improvement funds.

408 (h) In prioritizing and allocating capital improvement funding, the division shall
409 comply with the requirement in Subsection [63B-23-101\(2\)\(f\)](#).

410 (i) In developing the capital improvement list and priorities, the division shall require
411 each state agency that requests an appropriation for a capital improvement project to:

412 (i) submit a capital improvement project request; and

413 (ii) complete and submit a project scoping document.

414 (j) A project scoping document under Subsection (2)(i)(ii) shall address:

415 (i) the need for the capital improvement project; and

416 (ii) the appropriateness of the scope of the capital improvement project.

417 (k) The division shall verify the completion and accuracy of a project scoping
418 document that a state agency submits under Subsection (2)(i)(ii).

419 (3) (a) Beginning July 1, 2020, the division shall implement a program to charge state
420 agencies, except institutions included within the state system of higher education under Section
421 [53B-1-102](#), lease payments for the agency's use and occupancy of space within a building.

- 422 (b) Before July 1, 2020, the division shall:
- 423 (i) conduct a market analysis of market lease rates for comparable space in buildings
- 424 comparable to division-owned buildings; and
- 425 (ii) establish lease rates for an agency's use and occupancy of a division-owned
- 426 building.
- 427 (c) The lease rates shall be:
- 428 (i) consistent with market rates for comparable space in comparable buildings;
- 429 (ii) calculated to cover:
- 430 (A) an amortized amount for capital replacement;
- 431 (B) an amount for capital improvements; and
- 432 (C) operation and maintenance costs; and
- 433 (iii) in proportion to legislative appropriations.
- 434 (d) In making appropriations to cover lease payments under this Subsection (3), the
- 435 Legislature shall create a line item, as defined in Section [63J-1-102](#), for each agency to fund the
- 436 lease payments.

437 Section 4. Section **63B-23-101** is amended to read:

438 **63B-23-101. Revenue bond authorizations -- Board of Regents.**

- 439 (1) The Legislature intends that:
- 440 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
- 441 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
- 442 money on the credit, revenues, and reserves of the university, other than appropriations of the
- 443 Legislature, to finance the cost of constructing the Lasonde Living Center;
- 444 (b) the University of Utah use student fees and rents as the primary revenue sources for
- 445 repayment of any obligation created under authority of this Subsection (1);
- 446 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
- 447 this Subsection (1) is \$45,238,000, together with other amounts necessary to pay costs of
- 448 issuance, pay capitalized interest, and fund any debt service reserve requirements;
- 449 (d) the university shall plan, design, and construct the Lasonde Living Center subject

450 to the requirements of Title 63A, Chapter 5, State Building Board - Division of Facilities
451 Construction and Management; and

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

454 (2) The Legislature intends that:

455 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
456 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
457 money on the credit, revenues, and reserves of the university, except as provided in Subsection
458 (2)(f), other than appropriations of the Legislature, to finance the cost of replacing the
459 University of Utah's utility distribution infrastructure;

460 (b) the University of Utah impose a power bill surcharge as the primary revenue source
461 for the repayment of any obligation created under authority of this Subsection (2);

462 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
463 this Subsection (2) is \$32,000,000 together with other amounts necessary to pay costs of
464 issuance, pay capitalized interest, and fund any debt service reserve requirements;

465 (d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2)
466 may not mature later than 10 years after the date of issuance;

467 (e) the university shall plan, design, and construct the University of Utah's replacement
468 utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5, State
469 Building Board - Division of Facilities Construction and Management; and

470 (f) until July 1, 2024, the [~~Utah State Building Board~~] Division of Facilities
471 Construction and Management annually allocate up to \$1,500,000 of the capital improvement
472 funding allocation given to the University of Utah under Section [~~63A-5-104~~] 63A-5-228 to be
473 used to pay the debt service on the bonds authorized under this Subsection (2).

474 Section 5. Section **63I-1-263** is amended to read:

475 **63I-1-263. Repeal dates, Titles 63A to 63N.**

476 (1) Subsection [~~63A-5-104(4)(h)~~] 63A-5-228(2)(h), relating to prioritizing and
477 allocating capital improvement funding, is repealed on July 1, 2024.

478 (2) Section [63A-5-603](#), State Facility Energy Efficiency Fund, is repealed July 1, 2023.

479 (3) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July
480 1, 2028.

481 (4) Title 63C, Chapter 4b, Commission for the Stewardship of Public Lands, is
482 repealed November 30, 2019.

483 (5) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1,
484 2020.

485 (6) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is
486 repealed July 1, 2021.

487 (7) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1,
488 2023.

489 (8) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1,
490 2025.

491 (9) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
492 2020.

493 (10) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.

494 (11) On July 1, 2025:

495 (a) in Subsection [17-27a-404\(3\)\(c\)\(ii\)](#), the language that states "the Resource
496 Development Coordinating Committee," is repealed;

497 (b) Subsection [23-14-21\(2\)\(c\)](#) is amended to read "(c) provide notification of proposed
498 sites for the transplant of species to local government officials having jurisdiction over areas
499 that may be affected by a transplant.";

500 (c) in Subsection [23-14-21\(3\)](#), the language that states "and the Resource Development
501 Coordinating Committee" is repealed;

502 (d) in Subsection [23-21-2.3\(1\)](#), the language that states "the Resource Development
503 Coordinating Committee created in Section [63J-4-501](#) and" is repealed;

504 (e) in Subsection [23-21-2.3\(2\)](#), the language that states "the Resource Development
505 Coordinating Committee and" is repealed;

506 (f) Subsection 63J-4-102(1) is repealed and the remaining subsections are renumbered
507 accordingly;

508 (g) Subsections 63J-4-401(5)(a) and (c) are repealed;

509 (h) Subsection 63J-4-401(5)(b) is renumbered to Subsection 63J-4-401(5)(a) and the
510 word "and" is inserted immediately after the semicolon;

511 (i) Subsection 63J-4-401(5)(d) is renumbered to Subsection 63J-4-401(5)(b);

512 (j) Sections 63J-4-501, 63J-4-502, 63J-4-503, 63J-4-504, and 63J-4-505 are repealed;
513 and

514 (k) Subsection 63J-4-603(1)(e)(iv) is repealed and the remaining subsections are
515 renumbered accordingly.

516 (12) Subsection 63J-1-602.1(13), Nurse Home Visiting Restricted Account is repealed
517 July 1, 2026.

518 (13) Subsection 63J-1-602.2(4), referring to dedicated credits to the Utah Marriage
519 Commission, is repealed July 1, 2023.

520 (14) (a) Subsection 63J-1-602.1(51), relating to the Utah Statewide Radio System
521 Restricted Account, is repealed July 1, 2022.

522 (b) When repealing Subsection 63J-1-602.1(51), the Office of Legislative Research and
523 General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make
524 necessary changes to subsection numbering and cross references.

525 (15) The Crime Victim Reparations and Assistance Board, created in Section
526 63M-7-504, is repealed July 1, 2027.

527 (16) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2027.

528 (17) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.

529 (18) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is
530 repealed January 1, 2021.

531 (b) Subject to Subsection (18)(c), Sections 59-7-610 and 59-10-1007 regarding tax
532 credits for certain persons in recycling market development zones, are repealed for taxable
533 years beginning on or after January 1, 2021.

534 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

535 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
536 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

537 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
538 the expenditure is made on or after January 1, 2021.

539 (d) Notwithstanding Subsections (18)(b) and (c), a person may carry forward a tax
540 credit in accordance with Section 59-7-610 or 59-10-1007 if:

541 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

542 (ii) (A) for the purchase price of machinery or equipment described in Section
543 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
544 2020; or

545 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
546 expenditure is made on or before December 31, 2020.

547 (19) Section 63N-2-512 is repealed on July 1, 2021.

548 (20) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed
549 January 1, 2021.

550 (b) Section 59-9-107 regarding tax credits against premium taxes is repealed for
551 calendar years beginning on or after January 1, 2021.

552 (c) Notwithstanding Subsection (20)(b), an entity may carry forward a tax credit in
553 accordance with Section 59-9-107 if:

554 (i) the person is entitled to a tax credit under Section 59-9-107 on or before December
555 31, 2020; and

556 (ii) the qualified equity investment that is the basis of the tax credit is certified under
557 Section 63N-2-603 on or before December 31, 2023.

558 (21) Subsections 63N-3-109(2)(f) and 63N-3-109(2)(g)(i)(C) are repealed July 1, 2023.

559 (22) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed
560 July 1, 2023.

561 (23) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program,

562 is repealed January 1, 2023.

563 (24) Title 63N, Chapter 12, Part 4, Career and Technical Education Board, is repealed
564 July 1, 2018.

565 Section 6. Section **63J-1-206** is amended to read:

566 **63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures --**
567 **Transfer of funds -- Exclusion.**

568 (1) (a) Except as provided in Subsection (2)(b), [~~(2)~~] (2)(e), or where expressly
569 exempted in the appropriating act:

570 (i) all money appropriated by the Legislature is appropriated upon the terms and
571 conditions set forth in this chapter; and

572 (ii) any department, agency, or institution that accepts money appropriated by the
573 Legislature does so subject to the requirements of this chapter.

574 (b) This section does not apply to:

575 (i) the Legislature and its committees; and

576 (ii) the Investigation Account of the Water Resources Construction Fund, which is
577 governed by Section [73-10-8](#).

578 (2) (a) Each item of appropriation is to be expended subject to any schedule of
579 programs and any restriction attached to the item of appropriation, as designated by the
580 Legislature.

581 (b) Each schedule of programs or restriction attached to an appropriation item:

582 (i) is a restriction or limitation upon the expenditure of the respective appropriation
583 made;

584 (ii) does not itself appropriate any money; and

585 (iii) is not itself an item of appropriation.

586 (c) (i) Except as provided in Subsection (2)(c)(ii) and Subsection (2)(c)(iii), an
587 appropriation or any surplus of any appropriation may not be diverted from any department,
588 agency, institution, division, or line item to any other department, agency, institution, division,
589 or line item.

590 (ii) Until July 1, 2019, the Department of Workforce Services may transfer or divert
591 money to another department, agency, institution, division, or line item only for the purposes of
592 law enforcement, adjudication, corrections, and providing and addressing services for homeless
593 individuals and families.

594 (iii) The state superintendent may transfer money appropriated for the Minimum
595 School Program between line items in accordance with Section 53F-2-205.

596 (iv) If the money appropriated to an agency to pay lease payments under the program
597 established in Subsection 63A-5-228(3) exceeds the amount required for the agency's lease
598 payments to the Division of Facilities Construction and Management, the agency may:

599 (A) transfer money from the lease payments line item to other line items within the
600 agency; and

601 (B) retain and use the excess money for other purposes.

602 (d) The money appropriated subject to a schedule of programs or restriction may be
603 used only for the purposes authorized.

604 (e) In order for a department, agency, or institution to transfer money appropriated to it
605 from one program to another program within a line item, the department, agency, or institution
606 shall revise its budget execution plan as provided in Section 63J-1-209.

607 (f) (i) The procedures for transferring money between programs within a line item as
608 provided by Subsection (2)(e) do not apply to money appropriated to the State Board of
609 Education for the Minimum School Program or capital outlay programs created in Title 53F,
610 Chapter 3, State Funding -- Capital Outlay Programs.

611 (ii) The state superintendent may transfer money appropriated for the programs
612 specified in Subsection (2)(f)(i) only as provided by Section 53F-2-205.

613 Section 7. Section 63J-1-602.2 is amended to read:

614 **63J-1-602.2. List of nonlapsing appropriations to programs.**

615 Appropriations made to the following programs are nonlapsing:

616 (1) The Legislature and its committees.

617 (2) The Percent-for-Art Program created in Section 9-6-404.

- 618 (3) The LeRay McAllister Critical Land Conservation Program created in Section
619 11-38-301.
- 620 (4) Dedicated credits accrued to the Utah Marriage Commission as provided under
621 Subsection 17-16-21(2)(d)(ii).
- 622 (5) The Division of Wildlife Resources for the appraisal and purchase of lands under
623 the Pelican Management Act, as provided in Section 23-21a-6.
- 624 (6) The primary care grant program created in Section 26-10b-102.
- 625 (7) Sanctions collected as dedicated credits from Medicaid provider under Subsection
626 26-18-3(7).
- 627 (8) The Utah Health Care Workforce Financial Assistance Program created in Section
628 26-46-102.
- 629 (9) The Rural Physician Loan Repayment Program created in Section 26-46a-103.
- 630 (10) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.
- 631 (11) Funds that the Department of Alcoholic Beverage Control retains in accordance
632 with Subsection 32B-2-301(7)(a)(ii) or (b).
- 633 (12) The General Assistance program administered by the Department of Workforce
634 Services, as provided in Section 35A-3-401.
- 635 (13) A new program or agency that is designated as nonlapsing under Section
636 36-24-101.
- 637 (14) The Utah National Guard, created in Title 39, Militia and Armories.
- 638 (15) The State Tax Commission under Section 41-1a-1201 for the:
- 639 (a) purchase and distribution of license plates and decals; and
640 (b) administration and enforcement of motor vehicle registration requirements.
- 641 (16) The Search and Rescue Financial Assistance Program, as provided in Section
642 53-2a-1102.
- 643 (17) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 644 (18) The State Board of Regents for teacher preparation programs, as provided in
645 Section 53B-6-104.

646 (19) The Medical Education Program administered by the Medical Education Council,
647 as provided in Section [53B-24-202](#).

648 (20) The State Board of Education, as provided in Section [53F-2-205](#).

649 (21) The Division of Services for People with Disabilities, as provided in Section
650 [62A-5-102](#).

651 (22) The Division of Fleet Operations for the purpose of upgrading underground
652 storage tanks under Section [63A-9-401](#).

653 (23) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).

654 (24) Appropriations to the Department of Technology Services for technology
655 innovation as provided under Section [63F-4-202](#).

656 (25) The Office of Administrative Rules for publishing, as provided in Section
657 [63G-3-402](#).

658 (26) The Utah Science Technology and Research Initiative created in Section
659 [63M-2-301](#).

660 (27) The Governor's Office of Economic Development to fund the Enterprise Zone
661 Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

662 (28) Appropriations to fund the Governor's Office of Economic Development's Rural
663 Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
664 Employment Expansion Program.

665 (29) The Department of Human Resource Management user training program, as
666 provided in Section [67-19-6](#).

667 (30) The University of Utah Poison Control Center program, as provided in Section
668 [69-2-5.5](#).

669 (31) A public safety answering point's emergency telecommunications service fund, as
670 provided in Section [69-2-301](#).

671 (32) The Traffic Noise Abatement Program created in Section [72-6-112](#).

672 (33) The Judicial Council for compensation for special prosecutors, as provided in
673 Section [77-10a-19](#).

- 674 (34) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 675 (35) The Utah Geological Survey, as provided in Section 79-3-401.
- 676 (36) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 677 (37) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and
- 678 78B-6-144.5.
- 679 (38) Indigent defense as provided in Title 77, Chapter 32, Part 8, Utah Indigent
- 680 Defense Commission.
- 681 (39) The program established by the Division of Facilities Construction and
- 682 Management under Subsection 63A-5-228(3) under which state agencies receive an
- 683 appropriation and pay lease payments for the use and occupancy of buildings owned by the
- 684 Division of Facilities Construction and Management.