

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AMENDMENTS**

3 2020 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Douglas V. Sagers**

6 **Senate Sponsor: Kirk A. Cullimore**

7

LONG TITLE

8 **General Description:**

9 This bill enacts provisions relating to 2020 revenue bonds and capital facility design
10 and construction authorization.
11

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ modifies the amount authorized for reconstructing a Foothill liquor store;
- 15 ▶ expresses the Legislature's intent relating to the Board of Regents' issuance, sale,
16 and delivery of revenue bonds to finance:

- 17 • the University of Utah Health Sciences campus office building;
- 18 • the University of Utah Health Sciences garage and roadway improvements;
- 19 • the University of Utah's purchase of an office tower in Salt Lake City; and
- 20 • Dixie State University's expansion of the Greater Zion Stadium; and
- 21 ▶ expresses the Legislature's intent relating to:
 - 22 • the University of Utah's use of donations and institutional funds for an addition
23 to the Rio Tinto Kennecott Building, and other related matters; and
 - 24 • Utah State University's use of institutional funds for the purchase and remodel
25 of the Blanding Professional Career and Technical Education Lab, and other
26 related matters.

27 **Money Appropriated in this Bill:**



28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **63B-28-101**, as enacted by Laws of Utah 2018, Chapter 406

34 ENACTS:

35 **63B-30-101**, Utah Code Annotated 1953

36 **63B-30-201**, Utah Code Annotated 1953



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

39 Section 1. Section **63B-28-101** is amended to read:

40 **63B-28-101. Revenue bond authorizations -- State Building Ownership**

41 **Authority.**

42 (1) The Legislature intends that:

43 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
44 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
45 enter into or arrange for a lease-purchase agreement in which participation interests may be
46 created, to provide up to \$5,451,800 for a Pleasant Grove or Lehi market area liquor store,
47 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,
48 and fund any existing debt service reserve requirements;

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

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

54 (2) The Legislature intends that:

55 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
56 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
57 enter into or arrange for a lease-purchase agreement in which participation interests may be
58 created, to provide up to [~~\$8,659,000~~] \$10,759,000 for reconstructing the Store 4: Foothill

59 liquor store, together with additional amounts necessary to pay costs of issuance, pay
60 capitalized interest, and fund any existing debt service reserve requirements;

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

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

66 Section 2. Section **63B-30-101** is enacted to read:

67 **Part 1. 2020 Revenue Bond Authorizations**

68 **63B-30-101. Revenue bond authorizations -- Board of Regents.**

69 (1) The Legislature intends that:

70 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
71 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
72 money on the credit, revenues, and reserves of the university, other than appropriations of the
73 Legislature, to finance the cost of constructing the Health Sciences campus office building;

74 (b) the University of Utah use clinical revenues and other non-state revenues of the
75 University of Utah Health Sciences as the primary revenue sources for repayment of any
76 obligation created under authority of this Subsection (1);

77 (c) the amount of revenue bonds or evidences of indebtedness authorized by this
78 Subsection (1) may not exceed \$100,000,000 for acquisition and construction proceeds,
79 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and
80 fund any debt service reserve requirements;

81 (d) the university may plan, design, and construct the Health Sciences campus office
82 building, subject to the requirements of Title 63A, Chapter 5, State Building Board - Division
83 of Facilities Construction and Management; and

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

86 (2) The Legislature intends that:

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

90 Legislature, to finance the cost of constructing the Health Sciences garage and roadway
91 improvements;

92 (b) the University of Utah use clinical, parking, and other non-state revenues of the
93 University of Utah Health Sciences as the primary revenue sources for repayment of any
94 obligation created under authority of this Subsection (2);

95 (c) the amount of revenue bonds or evidences of indebtedness authorized by this
96 Subsection (2) may not exceed \$80,000,000 for acquisition and construction proceeds, together
97 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any
98 debt service reserve requirements;

99 (d) the university may plan, design, and construct the Health Sciences garage and
100 roadway improvements, subject to the requirements of Title 63A, Chapter 5, State Building
101 Board - Division of Facilities Construction and Management; and

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

104 (3) The Legislature intends that:

105 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
106 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
107 money on the credit, revenues, and reserves of the university, other than appropriations of the
108 Legislature, to finance the cost of purchasing the 102 Tower Building located at 102 South 200
109 East in Salt Lake City, Utah;

110 (b) the University of Utah use hospital and institutional lease payments as the primary
111 revenue sources for repayment of any obligation created under authority of this Subsection (3);

112 (c) the amount of revenue bonds or evidences of indebtedness authorized by this
113 Subsection (3) may not exceed \$50,000,000 for acquisition and construction proceeds, together
114 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any
115 debt service reserve requirements;

116 (d) the university may purchase the 102 Tower Building; and

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

119 (4) The Legislature intends that:

120 (a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and

121 deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow
 122 money on the credit, revenues, and reserves of the university, other than appropriations of the
 123 Legislature, to finance the cost of constructing an expansion of the Greater Zion Stadium;

124 (b) Dixie State University use Washington County tourism marketing revenue,
 125 donations, and institutional funds as the primary revenue sources for repayment of any
 126 obligation created under authority of this Subsection (4);

127 (c) the amount of revenue bonds or evidences of indebtedness authorized by this
 128 Subsection (4) may not exceed \$10,000,000 for acquisition and construction proceeds, together
 129 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any
 130 debt service reserve requirements;

131 (d) the university may plan, design, and construct an expansion of the Greater Zion
 132 Stadium, subject to the requirements of Title 63A, Chapter 5, State Building Board - Division
 133 of Facilities Construction and Management; and

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

136 Section 3. Section **63B-30-201** is enacted to read:

137 **Part 2. 2020 Capital Facility Design and Construction Authorization**

138 **63B-30-201. Authorization to design and construct capital facilities using**

139 **institutional or agency funds.**

140 (1) The Legislature intends that:

141 (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5,
 142 State Building Board - Division of Facilities Construction and Management, use up to
 143 \$9,685,000 in donations and institutional funds to plan, design, and construct an addition to the
 144 Rio Tinto Kennecott Building;

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

146 (c) the university may use state funds for operation and maintenance costs and capital
 147 improvements.

148 (2) The Legislature intends that:

149 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
 150 State Building Board - Division of Facilities Construction and Management, use up to
 151 \$1,600,000 in institutional funds to plan, design, and construct or purchase and remodel a

152 Blanding Professional Career and Technical Education Lab;
153 (b) the university may not use state funds for any portion of this project; and
154 (c) the university may use state funds for operation and maintenance costs and capital
155 improvements.