

**Senator Chris H. Wilson** proposes the following substitute bill:

**REVENUE BOND AND CAPITAL FACILITIES**

**AMENDMENTS**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Douglas V. Sagers**

Senate Sponsor: Chris H. Wilson

**LONG TITLE**

**General Description:**

This bill enacts provisions relating to calendar year 2022 revenue bonds and revenue for certain capital facility design and construction.

**Highlighted Provisions:**

This bill:

- ▶ increases the amount of revenue bonds previously approved for construction of the Impact-Epicenter building at the University of Utah;
- ▶ expresses the Legislature's intent relating to the Utah Board of Higher Education's issuance, sale, and delivery of revenue bonds to finance:
  - the construction of the fourth wing of Kahlert Village at the University of Utah;
  - the construction of the West Valley Health and Community Center at the University of Utah;
  - the construction of improvements to Maverik Stadium at Utah State University;
  - the construction of Campus View Suites Phase Three at Dixie State University;
  - the construction of a parking garage at Utah Valley University;
  - the construction of the Applied Sciences Building at the University of Utah;
  - the construction of the Mental Health Facility at the University of Utah;



- 26 • the purchase, on behalf of Southern Utah University, of The Cottages at
- 27 Shakespeare Lane apartment complex and adjoining home; and
- 28 • the construction of an indoor football practice facility at the University of Utah;
- 29 ▶ creates the State Store Land Acquisition and Building Construction Fund (fund);
- 30 ▶ authorizes uses for the fund; and
- 31 ▶ makes conforming changes.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 None

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **32B-2-307**, as enacted by Laws of Utah 2018, Chapter 329

39 **63B-31-201**, as enacted by Laws of Utah 2021, Chapter 320

40 **63B-31-202**, as enacted by Laws of Utah 2021, Chapter 320

41 ENACTS:

42 **63B-32-101**, Utah Code Annotated 1953



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

45 Section 1. Section **32B-2-307** is amended to read:

46 **32B-2-307. State Store Land Acquisition and Building Construction Fund.**

47 (1) As used in this section, "fund" means the State Store Land Acquisition and  
48 Building Construction Fund created in this section.

49 [(+)] (2) There is created an enterprise fund known as the State Store Land Acquisition  
50 and Building Construction Fund.

51 [(2)] (3) The [State Store Land Acquisition Fund] fund is funded from the following  
52 sources:

53 (a) appropriations made to the [State Store Land Acquisition Fund] fund by the  
54 Legislature; [and]

55 (b) in accordance with Subsection [(5)] (6)(a), proceeds from revenue bonds authorized  
56 by Title 63B, Bonds[-];

57 (c) subject to Subsection (7)(b), repayments to the fund; and

58 (d) the interest described in Subsection (4).

59 (4) (a) The fund shall earn interest.

60 (b) Interest earned on the fund shall be deposited into the fund.

61 ~~[(3)]~~ (5) Subject to Subsection [(4)] (6), the department may use the money deposited  
 62 into the [State Store Land Acquisition Fund to purchase or lease property for new state stores.]  
 63 fund:

64 (a) for construction of new state stores, including to purchase or lease property; and

65 (b) for maintenance or renovation of existing state stores or facilities.

66 ~~[(4)]~~ (6) (a) Before the department spends or commits money from the [State Store  
 67 Land Acquisition Fund] fund, the department shall:

68 (i) present to the Infrastructure and General Government Appropriations Subcommittee  
 69 a description of how the department will spend the money[:]; and

70 (ii) if the department intends to spend or commit money from the fund for a new state  
 71 store, first receive approval from the state building board, created in Section [63A-5b-201](#).

72 (b) Following a presentation described in Subsection [(4)(a)] (6)(a)(i), the  
 73 Infrastructure and General Government Appropriations Subcommittee shall recommend  
 74 whether the department spend the money in accordance with the department's presentation.

75 ~~[(5) When the department uses money in the State Store Land Acquisition Fund to~~  
 76 ~~purchase or lease property for a new state store]~~

77 (7) (a) If the department uses money in the fund for a purpose described in Subsection  
 78 (5), and subsequently issues a revenue bond for [the state store for which the department  
 79 purchased or leased the property] that purpose, the department shall repay the money [used to  
 80 purchase or lease the property] with proceeds from the revenue bond.

81 (b) If the department uses money from the fund for a purpose described in Subsection  
 82 (5), and subsequently uses, instead of issuing bonds, cash funding appropriated by the  
 83 Legislature to fund that purpose, the department shall reimburse the fund:

84 (i) with proceeds from liquor revenue in the Liquor Control Fund, created in Section  
 85 [32B-2-301](#), on a long-term payment schedule set by the state treasurer; and

86 (ii) before the transfer described in Subsection [32B-2-301\(7\)](#).

87 Section 2. Section **63B-31-201** is amended to read:

88           **63B-31-201. Revenue bond authorizations -- Utah Board of Higher Education.**

89           (1) The Legislature intends that:

90           (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
91 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
92 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
93 appropriations of the Legislature, to finance the cost of constructing the West Village Graduate  
94 and Family Student Housing;

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

98           (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
99 Subsection (1) may not exceed \$125,800,000 for acquisition and construction proceeds,  
100 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and  
101 fund any debt service reserve requirements;

102           (d) the university may plan, design, and construct the West Village Graduate and  
103 Family Student Housing, subject to the requirements of Title 63A, Chapter 5b, Administration  
104 of State Facilities; and

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

107           (2) The Legislature intends that:

108           (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
109 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
110 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
111 appropriations of the Legislature, to finance the cost of constructing the Impact - Epicenter  
112 building;

113           (b) the University of Utah use donations, student housing rental fees, and other  
114 auxiliary revenue as the primary revenue sources for repayment of any obligation created under  
115 authority of this Subsection (2);

116           (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
117 Subsection (2) may not exceed [~~\$85,700,000~~] \$118,700,000 for acquisition and construction  
118 proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized

119 interest, and fund any debt service reserve requirements;

120 (d) the university may plan, design, and construct the Impact - Epicenter building,  
121 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

124 (3) The Legislature intends that:

125 (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue,  
126 sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to  
127 borrow money on the credit, revenues, and reserves of the university, other than appropriations  
128 of the Legislature, to finance the cost of constructing an expansion of the Electric Vehicle and  
129 Roadway building;

130 (b) Utah State University use research revenue, donations, and institutional funds as the  
131 primary revenue sources for repayment of any obligation created under authority of this  
132 Subsection (3);

133 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
134 Subsection (3) may not exceed \$9,200,000 for acquisition and construction proceeds, together  
135 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
136 debt service reserve requirements;

137 (d) the university may plan, design, and construct the expansion of the Electric Vehicle  
138 and Roadway building, subject to the requirements of Title 63A, Chapter 5b, Administration of  
139 State Facilities; and

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

142 (4) The Legislature intends that:

143 (a) the Utah Board of Higher Education, on behalf of Weber State University, may  
144 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State  
145 University to borrow money on the credit, revenues, and reserves of the university, other than  
146 appropriations of the Legislature, to finance the cost of constructing the Stewart Stadium east  
147 bleachers;

148 (b) Weber State University use student fees and institutional funds as the primary  
149 revenue sources for repayment of any obligation created under authority of this Subsection (4);

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

154 (d) the university may plan, design, and construct the Stewart Stadium east bleachers,  
155 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

156 (e) the university may not request additional state funds for operation and maintenance  
157 costs or capital improvements.

158 (5) The Legislature intends that:

159 (a) the Utah Board of Higher Education, on behalf of Weber State University, may  
160 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State  
161 University to borrow money on the credit, revenues, and reserves of the university, other than  
162 appropriations of the Legislature, to finance the cost of constructing the Noorda Engineering  
163 and Applied Science building;

164 (b) Weber State University use lease payments as the primary revenue sources for  
165 repayment of any obligation created under authority of this Subsection (5);

166 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
167 Subsection (5) may not exceed \$8,500,000 for acquisition and construction proceeds, together  
168 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
169 debt service reserve requirements;

170 (d) the university may plan, design, and construct the Noorda Engineering and Applied  
171 Science building, subject to the requirements of Title 63A, Chapter 5b, Administration of State  
172 Facilities; and

173 (e) the university may not request additional state funds for operation and maintenance  
174 costs or capital improvements.

175 Section 3. Section **63B-31-202** is amended to read:

176 **63B-31-202. State Building Ownership Authority obligations for new state liquor**  
177 **stores.**

178 (1) The Legislature intends that:

179 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter  
180 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may

181 enter into or arrange for a lease-purchase agreement in which participation interests may be  
182 created, to provide up to \$11,725,700 for a Salt Lake City market area liquor store in  
183 Sugarhouse, together with additional amounts necessary to pay costs of issuance, pay  
184 capitalized interest, and fund any existing debt service reserve requirements;

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

187 (c) the Department of Alcoholic Beverage Control may request operation and  
188 maintenance funding from sales revenues; and

189 (d) the Department of Alcoholic Beverage Control use up to \$5,000,000 to repay the  
190 State Store Land Acquisition and Building Construction Fund under Section 32B-2-307.

191 (2) The Legislature intends that:

192 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter  
193 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may  
194 enter into or arrange for a lease-purchase agreement in which participation interests may be  
195 created, to provide up to \$5,524,000 for a Salt Lake City area market liquor store in east Sandy,  
196 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,  
197 and fund any existing debt service reserve requirements;

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

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

203 Section 4. Section 63B-32-101 is enacted to read:

204 **CHAPTER 32. 2022 BONDING AND FINANCING AUTHORIZATIONS**

205 **Part 1. 2022 Revenue Bond Authorizations**

206 **63B-32-101. Revenue bond authorizations -- Utah Board of Higher Education.**

207 (1) The Legislature intends that:

208 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
209 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
210 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
211 appropriations of the Legislature, to finance the cost of constructing the fourth wing of Kahlert

212 Village;

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

215 Subsection (1);

216 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
217 Subsection (1) may not exceed \$47,600,000 for acquisition and construction proceeds, together  
218 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
219 debt service reserve requirements;

220 (d) the university may plan, design, and construct the fourth wing of Kahlert Village  
221 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

224 (2) The Legislature intends that:

225 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
226 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
227 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
228 appropriations of the Legislature, to finance the cost of constructing the West Valley Health  
229 and Community Center;

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

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

237 (d) the university may plan, design, and construct the West Valley Health and  
238 Community Center subject to the requirements of Title 63A, Chapter 5b, Administration of  
239 State Facilities; and

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

242 (3) The Legislature intends that:



243 (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue,  
244 sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to  
245 borrow money on the credit, revenues, and reserves of the university, other than appropriations  
246 of the Legislature, to finance the cost of constructing improvements to Maverik Stadium;

247 (b) Utah State University use existing student fees as the primary revenue sources for  
248 repayment of any obligation created under authority of this Subsection (3);

249 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
250 Subsection (3) may not exceed \$7,000,000 for acquisition and construction proceeds, together  
251 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
252 debt service reserve requirements;

253 (d) the university may plan, design, and construct improvements to Maverik Stadium  
254 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

257 (4) The Legislature intends that:

258 (a) the Utah Board of Higher Education, on behalf of Dixie State University, may  
259 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State  
260 University to borrow money on the credit, revenues, and reserves of the university, other than  
261 appropriations of the Legislature, to finance the cost of constructing Campus View Suites  
262 Phase Three;

263 (b) Dixie State University use student housing rental fees and other auxiliary revenues  
264 as the primary revenue sources for repayment of any obligation created under authority of this  
265 Subsection (4);

266 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
267 Subsection (4) may not exceed \$62,500,000 for acquisition and construction proceeds, together  
268 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
269 debt service reserve requirements;

270 (d) the university may plan, design, and construct Campus View Suites Phase Three  
271 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

272 (e) the university may not request additional state funds for operation and maintenance  
273 costs or capital improvements.

274 (5) The Legislature intends that:

275 (a) the Utah Board of Higher Education, on behalf of Utah Valley University, may  
276 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah Valley  
277 University to borrow money on the credit, revenues, and reserves of the university, other than  
278 appropriations of the Legislature, to finance the cost of constructing a parking garage;

279 (b) Utah Valley University use parking fees and other auxiliary revenues as the primary  
280 revenue sources for repayment of any obligation created under authority of this Subsection (5);

281 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
282 Subsection (5) may not exceed \$12,000,000 for acquisition and construction proceeds, together  
283 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
284 debt service reserve requirements;

285 (d) the university may plan, design, and construct a parking garage subject to the  
286 requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

287 (e) the university may not request additional state funds for operation and maintenance  
288 costs or capital improvements.

289 (6) The Legislature intends that:

290 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
291 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
292 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
293 appropriations of the Legislature, to finance the University's share of the cost of constructing  
294 the Applied Sciences Building;

295 (b) the University of Utah use donations and University funds as the primary revenue  
296 sources for repayment of any obligation created under authority of this Subsection (6); and

297 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
298 Subsection (6) may not exceed \$25,000,000 for acquisition and construction proceeds, together  
299 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
300 debt service reserve requirements.

301 (7) The Legislature intends that:

302 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
303 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
304 Utah to borrow money on the credit, revenues, and reserves of the university, other than

305 appropriations of the Legislature, to finance the University's share of the cost of constructing a  
306 Mental Health Facility;

307 (b) the University of Utah use donations as the primary revenue sources for repayment  
308 of any obligation created under authority of this Subsection (7); and

309 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
310 Subsection (7) may not exceed \$65,000,000 for acquisition and construction proceeds, together  
311 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
312 debt service reserve requirements.

313 (8) The Legislature intends that:

314 (a) the Utah Board of Higher Education, on behalf of Southern Utah University, may  
315 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah  
316 University to borrow money on the credit, revenues, and reserves of the university, other than  
317 appropriations of the Legislature, to finance the cost of purchasing The Cottages at  
318 Shakespeare Lane apartment complex and adjoining home;

319 (b) Southern Utah University use donations, student housing rental fees, and other  
320 auxiliary revenues as the primary revenue sources for repayment of any obligation created  
321 under authority of this Subsection (8);

322 (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
323 Subsection (8) may not exceed \$12,000,000 for acquisition proceeds, together with other  
324 amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service  
325 reserve requirements; and

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

328 (9) The Legislature intends that:

329 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may  
330 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of  
331 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
332 appropriations of the Legislature, to finance the cost of constructing an indoor football practice  
333 facility;

334 (b) the University of Utah use donations and nonstate university funds as the primary  
335 revenue sources for repayment of any obligation created under authority of this Subsection (9);

336           (c) the amount of revenue bonds or evidences of indebtedness authorized by this  
337 Subsection (9) may not exceed \$62,000,000 for acquisition and construction proceeds, together  
338 with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any  
339 debt service reserve requirements;

340           (d) the university may plan, design, and construct the indoor football practice facility,  
341 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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