

1           **REVENUE BONDS AND CAPITAL FACILITIES AUTHORIZATIONS**

2           2018 GENERAL SESSION

3           STATE OF UTAH

4           **Chief Sponsor: Gage Froerer**

5           Senate Sponsor: Wayne A. Harper

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7           **LONG TITLE**

8           **General Description:**

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

11          **Highlighted Provisions:**

12          This bill:

13           ▸ authorizes the State Building Ownership Authority to issue revenue bonds as  
14          follows:

15            • up to \$5,451,800 for constructing a Pleasant Grove or Lehi market area liquor  
16          store; and

17            • up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store;

18           ▸ authorizes the Board of Regents to issue revenue bonds as follows:

19            • up to \$105,217,000 for constructing a south campus student housing and dining  
20          project at the University of Utah;

21            • up to \$31,400,000 for constructing the Space Dynamics Laboratory Phase II at  
22          Utah State University; and

23            • up to \$13,000,000 for constructing a student center on the Jordan Campus at  
24          Salt Lake Community College;

25           ▸ authorizes Weber State University to use up to \$17,604,700 of agency, institutional,  
26          or donated funds to plan, design, and construct the Davis Campus Computer and  
27          Automotive Engineering Building and authorizes the use of state funds for  
28          operation and maintenance costs and capital improvements of the building; and

29           ▸ modifies an existing authorization to allow the Governor's Office of Economic

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

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

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

38 ENACTS:

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

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

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

42 **=====**

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

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

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

47 (1) The Legislature intends that:

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

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

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

55 (2) The Legislature intends that:

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

58    \$10,000,000 in institutional funds to plan, design, and construct the Fine Arts Complex  
59    Addition/Renovation with up to 17,000 square feet;  
60       (b) the university may not use state funds for any portion of this project; and  
61       (c) the university may use state funds for operation and maintenance costs or capital  
62    improvements.

63       (3) The Legislature intends that:  
64       (a) Salt Lake Community College may, subject to the requirements of Title 63A,  
65    Chapter 5, State Building Board - Division of Facilities Construction and Management, use up  
66    to \$3,900,000 in institutional funds to plan, design, and construct a Strength and Conditioning  
67    Center with up to 11,575 square feet;  
68       (b) the college may not use state funds for any portion of this project; and  
69       (c) the college may not request state funds for operation and maintenance costs or  
70    capital improvements.

71       (4) The Legislature intends that:  
72       (a) the Governor's Office of Economic Development may, subject to the requirements  
73    of Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and  
74    Management, use up to \$1,800,000 in nonlapsing balances and donations to plan, design, and  
75    construct or lease a Southern Utah Welcome Center with up to 5,000 square feet;  
76       (b) the office may request additional state funds for the project, unless the office  
77    receives donations and begins design or construction of the project; and  
78       (c) the office may use state funds for operation and maintenance costs or capital  
79    improvements.

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

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

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

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

84       (1) The Legislature intends that:  
85       (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

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

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

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

96       (2) The Legislature intends that:

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

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

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

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

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

110       (1) The Legislature intends that:

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

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

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

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

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

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

128 (2) The Legislature intends that:

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

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

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

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

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

144 (3) The Legislature intends that:

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

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

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

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

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

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

## Part 2. 2018 Capital Facility Design and Construction Authorizations

**63B-28-201. Authorization to design and construct capital facilities using**

### 163 institutional or agency funds.

164 The Legislature intends that:

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

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

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

172           **Section 5. Effective date.**

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