

Senator Jerry W. Stevenson proposes the following substitute bill:

STATE FINANCE REVIEW COMMISSION

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jeffrey D. Stenquist

Senate Sponsor: Jerry W. Stevenson

LONG TITLE

General Description:

This bill enacts and modifies provisions related to the State Finance Review Commission.

Highlighted Provisions:

This bill:

- ▶ for the Utah Inland Port Authority, the Point of the Mountain State Land Authority, and the Military Installation Development Authority, requires each authority, or a public infrastructure district created by the authority, to report issuance of bonds;
- ▶ creates the State Finance Review Commission;
- ▶ requires the State Building Ownership Authority and the State Bonding Commission to submit an annual report to the State Finance Review Commission on obligations and outstanding bonds;
- ▶ requires a loan entity to submit information on a revolving loan fund for review to the State Finance Review Commission;
- ▶ directs the State Finance Review Commission to review the lending activities of a loan entity;
- ▶ prohibits a large public transit district from issuing a bond unless the State Finance Review Commission has first approved the bond;



26 ▶ requires a bonding political subdivision and certain public infrastructure districts to
27 submit a bond parameters resolution for review by the State Finance Review
28 Commission;

29 ▶ enacts language clarifying that a bond approved or parameters resolution reviewed
30 by the State Finance Review Commission does not create an obligation of the state
31 or is an act that lends the state's credit;

32 ▶ requires the State Finance Review Commission to provide training and information
33 on debt management, lending and borrowing best practices, and compliance to
34 certain entities;

35 ▶ prohibits a bonding political subdivision from entering a public-private partnership
36 unless the State Finance Review Commission has first approved the public-private
37 partnership;

38 ▶ requires the state treasurer, with assistance from the Governor's Office of Planning
39 and Budget and the Office of the Legislative Fiscal Analyst, to submit an annual
40 debt affordability report to the State Finance Review Commission and the Revenue
41 and Taxation Interim Committee; and

42 ▶ makes other conforming changes.

43 **Money Appropriated in this Bill:**

44 None

45 **Other Special Clauses:**

46 This bill provides a coordination clause.

47 **Utah Code Sections Affected:**

48 AMENDS:

49 **11-58-106**, as enacted by Laws of Utah 2021, Chapter 415

50 **11-58-701**, as enacted by Laws of Utah 2018, Chapter 179

51 **11-59-104**, as enacted by Laws of Utah 2021, Chapter 415

52 **11-59-202**, as last amended by Laws of Utah 2020, Chapter 354

53 **17D-4-301**, as renumbered and amended by Laws of Utah 2021, Chapter 314

54 **17B-2a-808.1**, as last amended by Laws of Utah 2021, Chapter 239

55 **63B-1-305**, as renumbered and amended by Laws of Utah 2003, Chapter 86

56 **63B-1a-102**, as enacted by Laws of Utah 2003, Chapter 2

57 [63H-1-104](#), as enacted by Laws of Utah 2021, Chapter 415
 58 [63H-1-601](#), as last amended by Laws of Utah 2011, Chapter 234
 59 [63N-13-306](#), as enacted by Laws of Utah 2020, Chapter 446

60 ENACTS:

61 [63C-25-101](#), Utah Code Annotated 1953
 62 [63C-25-201](#), Utah Code Annotated 1953
 63 [63C-25-202](#), Utah Code Annotated 1953
 64 [63C-25-203](#), Utah Code Annotated 1953

65 **Utah Code Sections Affected by Coordination Clause:**

66 [11-65-501](#), Utah Code Annotated 1953
 67 [63C-25-201](#), Utah Code Annotated 1953



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

70 Section 1. Section [11-58-106](#) is amended to read:

71 **[11-58-106](#). Loan approval committee -- Approval of infrastructure loans.**

72 (1) As used in this section:

73 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

74 (b) "Infrastructure loan" means the same as that term is defined in Section
75 [63A-3-401.5](#).

76 (c) "Infrastructure project" means the same as that term is defined in Section
77 [63A-3-401.5](#).

78 (d) "Inland port fund" means the same as that term is defined in Section [63A-3-401.5](#).

79 (e) "Loan approval committee" means a committee consisting of:

- 80 (i) the two board members appointed by the governor;
- 81 (ii) the board member appointed by the president of the Senate;
- 82 (iii) the board member appointed by the speaker of the House of Representatives; and
- 83 (iv) the board member appointed by the chair of the Permanent Community Impact
84 Fund Board.

85 (2) The loan approval committee may approve an infrastructure loan from the inland
86 port fund to a borrower for an infrastructure project undertaken by the borrower.

87 (3) (a) The loan approval committee shall establish the terms of an infrastructure loan

88 in accordance with Section [63A-3-404](#).

89 (b) The loan approval committee shall require the terms of an infrastructure loan
90 secured by property tax differential to include a requirement that money from the infrastructure
91 loan be used only for an infrastructure project within the project area that generates the
92 property tax differential.

93 (c) The terms of an infrastructure loan that the loan approval committee approves may
94 include provisions allowing for the infrastructure loan to be forgiven if:

- 95 (i) the infrastructure loan is to a public university in the state;
- 96 (ii) the infrastructure loan is to fund a vehicle electrification pilot project;
- 97 (iii) the amount of the infrastructure loan does not exceed \$15,000,000; and
- 98 (iv) the public university receives matching funds for the vehicle electrification pilot
99 project from another source.

100 (4) (a) The loan approval committee shall establish policies and guidelines with respect
101 to prioritizing requests for infrastructure loans and approving infrastructure loans.

102 (b) With respect to infrastructure loan requests for an infrastructure project on authority
103 jurisdictional land, the policies and guidelines established under Subsection (4)(a) shall give
104 priority to an infrastructure loan request that furthers the policies and best practices
105 incorporated into the environmental sustainability component of the authority's business plan
106 under Subsection [11-58-202\(1\)\(a\)](#).

107 (5) Within 60 days after the execution of an infrastructure loan, the loan approval
108 committee shall report the infrastructure loan, including the loan amount, terms, interest rate,
109 and security, to:

- 110 (a) the Executive Appropriations Committee[-]; and
- 111 (b) the State Finance Review Commission created in Section [63C-25-201](#).

112 (6) (a) Salaries and expenses of committee members who are legislators shall be paid
113 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator
114 Compensation.

115 (b) A committee member who is not a legislator may not receive compensation or
116 benefits for the member's service on the committee, but may receive per diem and
117 reimbursement for travel expenses incurred as a committee member at the rates established by
118 the Division of Finance under:

- 119 (i) Sections [63A-3-106](#) and [63A-3-107](#); and
- 120 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
- 121 [63A-3-107](#).

122 Section 2. Section **11-58-701** is amended to read:

123 **11-58-701. Resolution authorizing issuance of port authority bonds --**
124 **Characteristics of bonds.**

125 (1) The authority may not issue bonds under this part unless the board first [~~adopts a~~
126 ~~resolution authorizing their issuance.~~];

127 (a) adopts a parameters resolution for the bonds that sets forth:

128 (i) the maximum:

129 (A) amount of bonds;

130 (B) term; and

131 (C) interest rate; and

132 (ii) the expected security for the bonds; and

133 (b) submits the parameters resolution for review and recommendation to the State

134 Finance Review Commission created in Section [63C-25-201](#).

135 (2) (a) As provided in the authority resolution authorizing the issuance of bonds under
136 this part or the trust indenture under which the bonds are issued, bonds issued under this part
137 may be issued in one or more series and may be sold at public or private sale and in the manner
138 provided in the resolution or indenture.

139 (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest
140 at the rate, be in the denomination and in the form, carry the conversion or registration
141 privileges, have the rank or priority, be executed in the manner, be subject to the terms of
142 redemption or tender, with or without premium, be payable in the medium of payment and at
143 the place, and have other characteristics as provided in the authority resolution authorizing
144 their issuance or the trust indenture under which they are issued.

145 (3) Upon the board's adoption of a resolution providing for the issuance of bonds, the
146 board may provide for the publication of the resolution:

147 (a) in a newspaper having general circulation in the authority's boundaries; and

148 (b) as required in Section [45-1-101](#).

149 (4) In lieu of publishing the entire resolution, the board may publish notice of bonds

150 that contains the information described in Subsection [11-14-316\(2\)](#).

151 (5) For a period of 30 days after the publication, any person in interest may contest:

152 (a) the legality of the resolution or proceeding;

153 (b) any bonds that may be authorized by the resolution or proceeding; or

154 (c) any provisions made for the security and payment of the bonds.

155 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified
156 written complaint, within 30 days of the publication under Subsection (5), in the district court
157 of the county in which the person resides.

158 (b) A person may not contest the matters set forth in Subsection (5), or the regularity,
159 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for
160 contesting provided in Subsection (6)(a).

161 (7) No later than 60 days after the closing day of any bonds, the authority shall report
162 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:

163 (a) the Executive Appropriations Committee; and

164 (b) the State Finance Review Commission created in Section [63C-25-201](#).

165 Section 3. Section **11-59-104** is amended to read:

166 **11-59-104. Loan approval committee -- Approval of infrastructure loans.**

167 (1) As used in this section:

168 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

169 (b) "Infrastructure loan" means the same as that term is defined in Section
170 [63A-3-401.5](#).

171 (c) "Infrastructure project" means the same as that term is defined in Section
172 [63A-3-401.5](#).

173 (d) "Point of the mountain fund" means the same as that term is defined in Section
174 [63A-3-401.5](#).

175 (e) "Loan approval committee" means a committee consisting of:

176 (i) the board member:

177 (A) who is a member of the Senate appointed under Subsection [11-59-302\(2\)\(a\)](#); and

178 (B) whose Senate district is closer to the boundary of the point of the mountain state
179 land than is the Senate district of the other member of the Senate appointed under Subsection
180 [11-59-302\(2\)\(a\)](#);

181 (ii) the board member:

182 (A) who is a member of the House of Representatives appointed under Subsection
183 [11-59-302\(2\)\(b\)](#); and

184 (B) whose House district is closer to the boundary of the point of the mountain state
185 land than is the House district of the other member of the House of Representatives appointed
186 under Subsection [11-59-302\(2\)\(b\)](#);

187 (iii) the board member who is appointed by the governor under Subsection
188 [11-59-302\(2\)\(c\)\(i\)](#);

189 (iv) the board member who is appointed by the governor under Subsection
190 [11-59-302\(2\)\(c\)\(ii\)](#); and

191 (v) the board member who is the mayor of Draper or a member of the Draper city
192 council.

193 (2) The loan approval committee may approve an infrastructure loan from the point of
194 the mountain fund to a borrower for an infrastructure project undertaken by the borrower.

195 (3) The loan approval committee shall establish the terms of an infrastructure loan in
196 accordance with Section [63A-3-404](#).

197 (4) The loan approval committee may establish policies and guidelines with respect to
198 prioritizing requests for infrastructure loans and approving infrastructure loans.

199 (5) Within 60 days after the execution of an infrastructure loan, the loan approval
200 committee shall report the infrastructure loan, including the loan amount, terms, interest rate,
201 and security, to:

202 (a) the Executive Appropriations Committee[-]; and

203 (b) the State Finance Review Commission created in Section [63C-25-201](#).

204 (6) (a) Salaries and expenses of committee members who are legislators shall be paid
205 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator
206 Compensation.

207 (b) A committee member who is not a legislator may not receive compensation or
208 benefits for the member's service on the committee, but may receive per diem and
209 reimbursement for travel expenses incurred as a committee member at the rates established by
210 the Division of Finance under:

211 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

212 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
213 63A-3-107.

214 Section 4. Section 11-59-202 is amended to read:

215 **11-59-202. Authority powers.**

216 (1) The authority may:

217 [(1)] (a) as provided in this chapter, plan, manage, and implement the development of
218 the point of the mountain state land, including the ongoing operation of facilities on the point
219 of the mountain state land;

220 [(2)] (b) undertake, or engage a consultant to undertake, any study, effort, or activity
221 the board considers appropriate to assist or inform the board about any aspect of the proposed
222 development of the point of the mountain state land, including the best development model and
223 financial projections relevant to the authority's efforts to fulfill its duties and responsibilities
224 under this section and Section 11-59-203;

225 [(3)] (c) sue and be sued;

226 [(4)] (d) enter into contracts generally;

227 [(5)] (e) buy, obtain an option upon, or otherwise acquire any interest in real or
228 personal property, as necessary to accomplish the duties and responsibilities of the authority,
229 including an interest in real property, apart from point of the mountain state land, or personal
230 property, outside point of the mountain state land, for publicly owned infrastructure and
231 improvements, if the board considers the purchase, option, or other interest acquisition to be
232 necessary for fulfilling the authority's development objectives;

233 [(6)] (f) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in
234 real or personal property;

235 [(7)] (g) enter into a lease agreement on real or personal property, either as lessee or
236 lessor;

237 [(8)] (h) provide for the development of the point of the mountain state land under one
238 or more contracts;

239 [(9)] (i) exercise powers and perform functions under a contract, as authorized in the
240 contract;

241 [(10)] (j) accept financial or other assistance from any public or private source for the
242 authority's activities, powers, and duties, and expend any funds so received for any of the

243 purposes of this chapter;

244 ~~[(11)]~~ (k) borrow money, contract with, or accept financial or other assistance from the
245 federal government, a public entity, or any other source for any of the purposes of this chapter
246 and comply with any conditions of the loan, contract, or assistance;

247 ~~[(12)]~~ (l) subject to Subsection (2), issue bonds to finance the undertaking of any
248 development objectives of the authority, including bonds under Title 11, Chapter 17, Utah
249 Industrial Facilities and Development Act, and bonds under Title 11, Chapter 42, Assessment
250 Area Act;

251 ~~[(13)]~~ (m) hire employees, including contract employees, in addition to or in place of
252 staff provided under Section 11-59-304;

253 ~~[(14)]~~ (n) transact other business and exercise all other powers provided for in this
254 chapter;

255 ~~[(15)]~~ (o) enter into a development agreement with a developer of some or all of the
256 point of the mountain state land;

257 ~~[(16)]~~ (p) provide for or finance an energy efficiency upgrade, a renewable energy
258 system, or electric vehicle charging infrastructure as defined in Section 11-42a-102, in
259 accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;

260 ~~[(17)]~~ (q) exercise powers and perform functions that the authority is authorized by
261 statute to exercise or perform;

262 ~~[(18)]~~ (r) enter into one or more interlocal agreements under Title 11, Chapter 13,
263 Interlocal Cooperation Act, with one or more local government entities for the delivery of
264 services to the point of the mountain state land; and

265 ~~[(19)]~~ (s) enter into an agreement with the federal government or an agency of the
266 federal government, as the board considers necessary or advisable, to enable or assist the
267 authority to exercise its powers or fulfill its duties and responsibilities under this chapter.

268 (2) The authority may not issue bonds under this part unless the board first:

269 (a) adopts a parameters resolution for the bonds that sets forth:

270 (i) the maximum:

271 (A) amount of bonds;

272 (B) term; and

273 (C) interest rate; and

274 (ii) the expected security for the bonds; and
275 (b) submits the parameters resolution for review and recommendation to the State
276 Finance Review Commission created in Section [63C-25-101](#).
277 (3) No later than 60 days after the closing day of any bonds, the authority shall report
278 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:
279 (a) the Executive Appropriations Committee; and
280 (b) the State Finance Review Commission created in Section [63C-25-201](#).
281 Section 5. Section **17B-2a-808.1** is amended to read:
282 **17B-2a-808.1. Large public transit district board of trustees powers and duties --**
283 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**
284 (1) The powers and duties of a board of trustees of a large public transit district stated
285 in this section are in addition to the powers and duties stated in Section [17B-1-301](#).
286 (2) The board of trustees of each large public transit district shall:
287 (a) hold public meetings and receive public comment;
288 (b) ensure that the policies, procedures, and management practices established by the
289 public transit district meet state and federal regulatory requirements and federal grantee
290 eligibility;
291 (c) subject to Subsection (8), create and approve an annual budget, including the
292 issuance of bonds and other financial instruments, after consultation with the local advisory
293 council;
294 (d) approve any interlocal agreement with a local jurisdiction;
295 (e) in consultation with the local advisory council, approve contracts and overall
296 property acquisitions and dispositions for transit-oriented development;
297 (f) in consultation with constituent counties, municipalities, metropolitan planning
298 organizations, and the local advisory council:
299 (i) develop and approve a strategic plan for development and operations on at least a
300 four-year basis; and
301 (ii) create and pursue funding opportunities for transit capital and service initiatives to
302 meet anticipated growth within the public transit district;
303 (g) annually report the public transit district's long-term financial plan to the State
304 Bonding Commission;

305 (h) annually report the public transit district's progress and expenditures related to state
306 resources to the Executive Appropriations Committee and the Infrastructure and General
307 Government Appropriations Subcommittee;

308 (i) annually report to the Transportation Interim Committee the public transit district's
309 efforts to engage in public-private partnerships for public transit services;

310 (j) hire, set salaries, and develop performance targets and evaluations for:

311 (i) the executive director; and

312 (ii) all chief level officers;

313 (k) supervise and regulate each transit facility that the public transit district owns and
314 operates, including:

315 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and
316 charges; and

317 (ii) make and enforce rules, regulations, contracts, practices, and schedules for or in
318 connection with a transit facility that the district owns or controls;

319 (l) subject to Subsection (4), control the investment of all funds assigned to the district
320 for investment, including funds:

321 (i) held as part of a district's retirement system; and

322 (ii) invested in accordance with the participating employees' designation or direction
323 pursuant to an employee deferred compensation plan established and operated in compliance
324 with Section 457 of the Internal Revenue Code;

325 (m) in consultation with the local advisory council created under Section
326 [17B-2a-808.2](#), invest all funds according to the procedures and requirements of Title 51,
327 Chapter 7, State Money Management Act;

328 (n) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4),
329 pay the fees for the custodian's services from the interest earnings of the investment fund for
330 which the custodian is appointed;

331 (o) (i) cause an annual audit of all public transit district books and accounts to be made
332 by an independent certified public accountant;

333 (ii) as soon as practicable after the close of each fiscal year, submit to each of the
334 councils of governments within the public transit district a financial report showing:

335 (A) the result of district operations during the preceding fiscal year;

336 (B) an accounting of the expenditures of all local sales and use tax revenues generated
337 under Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act;

338 (C) the district's financial status on the final day of the fiscal year; and

339 (D) the district's progress and efforts to improve efficiency relative to the previous
340 fiscal year; and

341 (iii) supply copies of the report under Subsection (2)(o)(ii) to the general public upon
342 request;

343 (p) report at least annually to the Transportation Commission created in Section
344 72-1-301, which report shall include:

345 (i) the district's short-term and long-range public transit plans, including the portions of
346 applicable regional transportation plans adopted by a metropolitan planning organization
347 established under 23 U.S.C. Sec. 134; and

348 (ii) any transit capital development projects that the board of trustees would like the
349 Transportation Commission to consider;

350 (q) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits
351 that the board of trustees determines, in consultation with the local advisory council created in
352 Section 17B-2a-808.2, to be the most critical to the success of the organization;

353 (r) together with the local advisory council created in Section 17B-2a-808.2, hear audit
354 reports for audits conducted in accordance with Subsection (2)(o);

355 (s) review and approve all contracts pertaining to reduced fares, and evaluate existing
356 contracts, including review of:

357 (i) how negotiations occurred;

358 (ii) the rationale for providing a reduced fare; and

359 (iii) identification and evaluation of cost shifts to offset operational costs incurred and
360 impacted by each contract offering a reduced fare;

361 (t) in consultation with the local advisory council, develop and approve other board
362 policies, ordinances, and bylaws; and

363 (u) review and approve any:

364 (i) contract or expense exceeding \$200,000; or

365 (ii) proposed change order to an existing contract if the change order:

366 (A) increases the total contract value to \$200,000 or more;

- 367 (B) increases a contract of or expense of \$200,000 or more by 15% or more; or
368 (C) has a total change order value of \$200,000 or more.
- 369 (3) A board of trustees of a large public transit district may:
370 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that
371 are:
372 (i) not repugnant to the United States Constitution, the Utah Constitution, or the
373 provisions of this part; and
374 (ii) necessary for:
375 (A) the governance and management of the affairs of the district;
376 (B) the execution of district powers; and
377 (C) carrying into effect the provisions of this part;
378 (b) provide by resolution, under terms and conditions the board considers fit, for the
379 payment of demands against the district without prior specific approval by the board, if the
380 payment is:
381 (i) for a purpose for which the expenditure has been previously approved by the board;
382 (ii) in an amount no greater than the amount authorized; and
383 (iii) approved by the executive director or other officer or deputy as the board
384 prescribes;
385 (c) in consultation with the local advisory council created in Section [17B-2a-808.2](#):
386 (i) hold public hearings and subpoena witnesses; and
387 (ii) appoint district officers to conduct a hearing and require the officers to make
388 findings and conclusions and report them to the board; and
389 (d) appoint a custodian for the funds and securities under its control, subject to
390 Subsection (2)(n).
- 391 (4) For a large public transit district in existence as of May 8, 2018, on or before
392 September 30, 2019, the board of trustees of a large public transit district shall present a report
393 to the Transportation Interim Committee regarding retirement benefits of the district, including:
394 (a) the feasibility of becoming a participating employer and having retirement benefits
395 of eligible employees and officials covered in applicable systems and plans administered under
396 Title 49, Utah State Retirement and Insurance Benefit Act;
397 (b) any legal or contractual restrictions on any employees that are party to a collectively

398 bargained retirement plan; and

399 (c) a comparison of retirement plans offered by the large public transit district and
400 similarly situated public employees, including the costs of each plan and the value of the
401 benefit offered.

402 (5) The board of trustees may not issue a bond unless the board of trustees has
403 consulted and received approval from the [~~State Bonding Commission created in Section~~
404 ~~63B-1-201~~] State Finance Review Commission created in Section 63C-25-201.

405 (6) A member of the board of trustees of a large public transit district or a hearing
406 officer designated by the board may administer oaths and affirmations in a district investigation
407 or proceeding.

408 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll
409 call vote with each affirmative and negative vote recorded.

410 (b) The board of trustees of a large public transit district may not adopt an ordinance
411 unless it is introduced at least 24 hours before the board of trustees adopts it.

412 (c) Each ordinance adopted by a large public transit district's board of trustees shall
413 take effect upon adoption, unless the ordinance provides otherwise.

414 (8) (a) For a large public transit district in existence on May 8, 2018, for the budget for
415 calendar year 2019, the board in place on May 8, 2018, shall create the tentative annual budget.

416 (b) The budget described in Subsection (8)(a) shall include setting the salary of each of
417 the members of the board of trustees that will assume control on or before November 1, 2018,
418 which salary may not exceed \$150,000, plus additional retirement and other standard benefits,
419 as set by the local advisory council as described in Section 17B-2a-808.2.

420 (c) For a large public transit district in existence on May 8, 2018, the board of trustees
421 that assumes control of the large public transit district on or before November 2, 2018, shall
422 approve the calendar year 2019 budget on or before December 31, 2018.

423 Section 6. Section **17D-4-301** is amended to read:

424 **17D-4-301. Public infrastructure district bonds.**

425 (1) (a) [~~A~~] Subject to Subsection (1)(b), a public infrastructure district may issue
426 negotiable bonds for the purposes described in Section 17D-4-203, as provided in, as
427 applicable:

428 [~~a~~] (i) Title 11, Chapter 14, Local Government Bonding Act;

429 ~~[(b)]~~ (ii) Title 11, Chapter 27, Utah Refunding Bond Act;

430 ~~[(c)]~~ (iii) Title 11, Chapter 42, Assessment Area Act; and

431 ~~[(d)]~~ (iv) this section.

432 (b) A public infrastructure district created by a bonding political subdivision, as
433 defined in Section 63C-25-101, may not issue bonds under this part unless the board first:

434 (i) adopts a parameters resolution for the bonds that sets forth:

435 (A) the maximum:

436 (I) amount of bonds;

437 (II) term; and

438 (III) interest rate; and

439 (B) the expected security for the bonds; and

440 (ii) submits the parameters resolution for review and recommendation to the State

441 Finance Review Commission created in Section 63C-25-201.

442 (2) A public infrastructure district bond:

443 (a) shall mature within 40 years of the date of issuance; and

444 (b) may not be secured by any improvement or facility paid for by the public

445 infrastructure district.

446 (3) (a) A public infrastructure district may issue a limited tax bond, in the same manner
447 as a general obligation bond:

448 (i) with the consent of 100% of surface property owners within the boundaries of the
449 public infrastructure district and 100% of the registered voters, if any, within the boundaries of
450 the proposed public infrastructure district; or

451 (ii) upon approval of a majority of the registered voters within the boundaries of the
452 public infrastructure district voting in an election held for that purpose under Title 11, Chapter
453 14, Local Government Bonding Act.

454 (b) A limited tax bond described in Subsection (3)(a):

455 (i) is not subject to the limitation on a general obligation bond described in Subsection
456 17B-1-1102(4)(a)(xii); and

457 (ii) is subject to a limitation, if any, on the principal amount of indebtedness as
458 described in the governing document.

459 (c) Unless limited tax bonds are initially purchased exclusively by one or more

460 qualified institutional buyers as defined in Rule 144A, 17 C.F.R. Sec. 230.144A, the public
461 infrastructure district may only issue limited tax bonds in denominations of not less than
462 \$500,000, and in integral multiples above \$500,000 of not less than \$1,000 each.

463 (d) (i) Without any further election or consent of property owners or registered voters,
464 a public infrastructure district may convert a limited tax bond described in Subsection (3)(a) to
465 a general obligation bond if the principal amount of the related limited tax bond together with
466 the principal amount of other related outstanding general obligation bonds of the public
467 infrastructure district does not exceed 15% of the fair market value of taxable property in the
468 public infrastructure district securing the general obligation bonds, determined by:

469 (A) an appraisal from an appraiser who is a member of the Appraisal Institute that is
470 addressed to the public infrastructure district or a financial institution; or

471 (B) the most recent market value of the property from the assessor of the county in
472 which the property is located.

473 (ii) The consent to the issuance of a limited tax bond described in Subsection (3)(a) is
474 sufficient to meet any statutory or constitutional election requirement necessary for the
475 issuance of the limited tax bond and any general obligation bond to be issued in place of the
476 limited tax bond upon meeting the requirements of this Subsection (3)(d).

477 (iii) A general obligation bond resulting from a conversion of a limited tax bond under
478 this Subsection (3)(d) is not subject to the limitation on general obligation bonds described in
479 Subsection 17B-1-1102(4)(a)(xii).

480 (e) A public infrastructure district that levies a property tax for payment of debt service
481 on a limited tax bond issued under this section is not required to comply with the notice and
482 hearing requirements of Section 59-2-919 unless the rate exceeds the rate established in:

483 (i) Section 17D-4-303, except as provided in Subsection (8);

484 (ii) the governing document; or

485 (iii) the documents relating to the issuance of the limited tax bond.

486 (4) There is no limitation on the duration of revenues that a public infrastructure
487 district may receive to cover any shortfall in the payment of principal of and interest on a bond
488 that the public infrastructure district issues.

489 (5) A public infrastructure district is not a municipal corporation for purposes of the
490 debt limitation of Utah Constitution, Article XIV, Section 4.

491 (6) The board may, by resolution, delegate to one or more officers of the public
492 infrastructure district the authority to:

493 (a) in accordance and within the parameters set forth in a resolution adopted in
494 accordance with Section 11-14-302, approve the final interest rate, price, principal amount,
495 maturity, redemption features, and other terms of the bond;

496 (b) approve and execute any document relating to the issuance of a bond; and

497 (c) approve any contract related to the acquisition and construction of the
498 improvements, facilities, or property to be financed with a bond.

499 (7) (a) Any person may contest the legality of the issuance of a public infrastructure
500 district bond or any provisions for the security and payment of the bond for a period of 30 days
501 after:

502 (i) publication of the resolution authorizing the bond; or

503 (ii) publication of a notice of bond containing substantially the items required under
504 Subsection 11-14-316(2).

505 (b) After the 30-day period described in Subsection (7)(a), no person may bring a
506 lawsuit or other proceeding contesting the regularity, formality, or legality of the bond for any
507 reason.

508 (8) (a) In the event of any statutory change in the methodology of assessment or
509 collection of property taxes in a manner that reduces the amounts which are devoted or pledged
510 to the repayment of limited tax bonds, a public infrastructure district may charge a rate
511 sufficient to receive the amount of property taxes or assessment the public infrastructure
512 district would have received before the statutory change in order to pay the debt service on
513 outstanding limited tax bonds.

514 (b) The rate increase described in Subsection (8)(a) may exceed the limit described in
515 Section 17D-4-303.

516 (c) The public infrastructure district may charge the rate increase described in
517 Subsection (8)(a) until the bonds, including any associated refunding bonds, or other securities,
518 together with applicable interest, are fully met and discharged.

519 (9) No later than 60 days after the closing of any bonds by a public infrastructure
520 district created by a bonding political subdivision, as defined in Section 63C-25-101, the public
521 infrastructure district shall report the bond issuance, including the amount of the bonds, terms,

522 interest rate, and security, to:

523 (a) the Executive Appropriations Committee; and

524 (b) the State Finance Review Commission created in Section [63C-25-101](#).

525 Section 7. Section **63B-1-305** is amended to read:

526 **63B-1-305. Powers and duties of authority.**

527 (1) The authority shall have perpetual succession as a body politic and corporate.

528 (2) The authority may:

529 (a) sue and to be sued in its own name;

530 (b) have, and alter at will, an official seal;

531 (c) contract with experts, advisers, consultants, and agents for needed services;

532 (d) with the prior approval of the Legislature, borrow money and issue obligations,
533 including refunding obligations;

534 (e) receive and accept aid or contributions from any source, including the United States
535 or this state, in the form of money, property, labor, or other things of value to be held, used and
536 applied to carry out the purposes of this part, subject to the conditions upon which this aid and
537 contributions are made, for any purpose consistent with this part;

538 (f) enter into agreements with any department, agency or instrumentality of the United
539 States or this state, financial institutions, or contractors for the purpose of leasing, maintaining,
540 and operating any facility;

541 (g) to the extent permitted under its contract with the holders of its obligations, consent
542 to any modification relating to rate of interest, time and payment of any installment of principal
543 or interest, security or any other term of any contract, mortgage, mortgage loan, mortgage loan
544 commitment, contract or agreement of any kind to which it is a party;

545 (h) pledge revenues from any facility to secure the payment of obligations relating to
546 that facility, including interest on obligations, and to redeem those obligations;

547 (i) cause to be executed mortgages, trust deeds, indentures, pledge agreements,
548 assignments, security agreements, and financing statements encumbering property acquired, or
549 constructed under this part;

550 (j) own, lease, operate, and encumber facilities acquired or constructed under this
551 chapter by it or the division;

552 (k) exercise the power of eminent domain;

553 (l) rent or lease any facility in whole or in part to any state body; and
554 (m) have and exercise any other powers or duties that are necessary or appropriate to
555 carry out and effectuate the purposes of this part.

556 (3) (a) The authority shall submit an annual written report of the authority's
557 proceedings to the State Finance Review Commission created in Section [63C-25-201](#).

558 (b) The report shall include:

559 (i) a description of any outstanding money borrowed and obligations issued by the
560 authority, including loan amounts, terms, and security;

561 (ii) facilities funded by the actions of the authority; and

562 (iii) an explanation of why the financing terms and obligations used for a facility are
563 appropriate and in the best interest of the state.

564 Section 8. Section **63B-1a-102** is amended to read:

565 **63B-1a-102. Commission responsibilities -- Manner of issuance -- Plan of**
566 **financing -- Registration -- Signatures -- Replacement -- Reporting.**

567 (1) The commission may determine by resolution:

568 (a) the manner in which bonds issued under this chapter may be authorized, sold, and
569 issued;

570 (b) to issue bonds in one or more series;

571 (c) the amounts, dates, interest rates, including a variable rate or rates, and maturity
572 dates of the bonds;

573 (d) the manner of sale, including public or private sale;

574 (e) the terms and conditions of sale, including price, whether at, below, or above face
575 value;

576 (f) the denominations, registration, exchange, form, including book-entry only, manner
577 of execution, manner of authentication, place and medium of purchase, redemption terms, and
578 tender rights of the bonds; and

579 (g) other provisions and details that it considers appropriate.

580 (2) The commission may, by resolution, adopt a plan of financing, which may include
581 terms and conditions of arrangements entered into by the commission on behalf of the state
582 with financial and other institutions for bond insurance, letters of credit, standby bond purchase
583 agreements, reimbursement agreements, and remarketing, indexing, and tender agent

584 agreements relating to the bonds, including payment from any legally available source of fees,
585 charges, or other amounts coming due under the agreements entered into by the commission.

586 (3) The commission may provide for the services and payment for the services of one
587 or more financial institutions or other entities, persons, or nominees, within or outside the state,
588 for the authentication, registration, transfer, including record, bookkeeping, or book-entry
589 functions, exchange, and payment of the bonds.

590 (4) The commission may provide for the calculation and payment to the United States
591 of whatever amounts are necessary to comply with the Internal Revenue Code.

592 (5) (a) The commission shall, by resolution, authorize a public official to sign the
593 bonds.

594 (b) That signature may be a facsimile signature of that official that is imprinted,
595 engraved, stamped, or otherwise placed on the bonds.

596 (c) If all signatures of public officials on the bonds are facsimile signatures, the
597 commission shall provide for a manual authenticating signature on the bonds by or on behalf of
598 a designated authentication agent.

599 (d) If a public official ceases to hold office before delivery of the bonds signed by that
600 official, the signature or facsimile signature of the public official is nevertheless valid for all
601 purposes.

602 (6) The commission may cause a facsimile of the state seal to be imprinted, engraved,
603 stamped, or otherwise placed on the bonds.

604 (7) The commission shall provide an annual report of its proceedings to the governor to
605 include in his budget for as long as any bonds issued under this chapter remain outstanding.

606 (8) (a) The commission shall submit an annual written report of the commission's
607 proceedings to the State Finance Review Commission created in Section 63C-25-201.

608 (b) (i) The report shall include a description of any outstanding bonds issued by the
609 authority, including loan amounts, terms, and security; and

610 (ii) an explanation of why the loan amounts and terms are appropriate for the project
611 and in the best interest of the state.

612 Section 9. Section **63H-1-104** is amended to read:

613 **63H-1-104. Loan approval committee -- Approval of infrastructure loans.**

614 (1) As used in this section:

- 615 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).
- 616 (b) "Infrastructure loan" means the same as that term is defined in Section
617 [63A-3-401.5](#).
- 618 (c) "Infrastructure project" means the same as that term is defined in Section
619 [63A-3-401.5](#).
- 620 (d) "Military development fund" means the same as that term is defined in Section
621 [63A-3-401.5](#).
- 622 (e) "Loan approval committee" means a committee consisting of:
- 623 (i) the board member who is appointed by the governor under Subsection
624 [63H-1-302\(2\)\(a\)](#);
- 625 (ii) the board member who is appointed by the governor under Subsection
626 [63H-1-302\(2\)\(c\)](#);
- 627 (iii) the board members who are appointed by the president of the Senate and the
628 speaker of the House of Representatives under Subsection [63H-1-302\(3\)](#); and
- 629 (iv) a voting or nonvoting board member designated by the board.
- 630 (2) The loan approval committee may approve an infrastructure loan from the military
631 development fund to a borrower for an infrastructure project undertaken by the borrower.
- 632 (3) The loan approval committee shall establish the terms of an infrastructure loan in
633 accordance with Section [63A-3-404](#).
- 634 (4) The loan approval committee may establish policies and guidelines with respect to
635 prioritizing requests for infrastructure loans and approving infrastructure loans.
- 636 (5) Beginning May 5, 2021, the loan approval committee shall assume jurisdiction
637 from the State Infrastructure Bank Fund relating to the terms of a loan under Subsection
638 [63B-27-101\(3\)\(a\)](#).
- 639 (6) Within 60 days after the execution of an infrastructure loan, the loan approval
640 committee shall report the infrastructure loan, including the loan amount, terms, interest rate,
641 and security, to:
- 642 (a) the Executive Appropriations Committee[-];
- 643 (b) the State Finance Review Commission created in Section [63C-25-201](#).
- 644 (7) (a) A meeting of the loan approval committee does not constitute a meeting of the
645 board, even if a quorum of the board is present at a loan approval committee meeting.

646 (b) A quorum of board members present at a meeting of the loan approval committee
647 may not conduct board business at the loan approval committee meeting.

648 (8) (a) Salaries and expenses of committee members who are legislators shall be paid
649 in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator
650 Compensation.

651 (b) A committee member who is not a legislator may not receive compensation or
652 benefits for the member's service on the committee, but may receive per diem and
653 reimbursement for travel expenses incurred as a committee member at the rates established by
654 the Division of Finance under:

655 (i) Sections 63A-3-106 and 63A-3-107; and

656 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
657 63A-3-107.

658 Section 10. Section 63H-1-601 is amended to read:

659 **63H-1-601. Resolution authorizing issuance of authority bonds -- Characteristics**
660 **of bonds.**

661 (1) The authority may not issue bonds under this part unless the authority board first:

662 (a) adopts a parameters resolution [~~authorizing their issuance.~~] that sets forth:

663 (i) the maximum:

664 (A) amount of the bonds;

665 (B) term; and

666 (C) interest rate; and

667 (ii) the expected security for the bonds; and

668 (b) submits the parameters resolution for review and recommendation to the State

669 Finance Review Commission created in Section 63C-25-201.

670 (2) (a) As provided in the authority resolution authorizing the issuance of bonds under
671 this part or the trust indenture under which the bonds are issued, bonds issued under this part
672 may be issued in one or more series and may be sold at public or private sale and in the manner
673 provided in the resolution or indenture.

674 (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest
675 at the rate, be in the denomination and in the form, carry the conversion or registration
676 privileges, have the rank or priority, be executed in the manner, be subject to the terms of

677 redemption or tender, with or without premium, be payable in the medium of payment and at
 678 the place, and have other characteristics as provided in the authority resolution authorizing
 679 their issuance or the trust indenture under which they are issued.

680 (3) Upon the board's adoption of a resolution providing for the issuance of bonds, the
 681 board may provide for the publication of the resolution:

682 (a) in a newspaper having general circulation in the authority's boundaries; and

683 (b) as required in Section [45-1-101](#).

684 (4) In lieu of publishing the entire resolution, the board may publish notice of bonds
 685 that contains the information described in Subsection [11-14-316\(2\)](#).

686 (5) For a period of 30 days after the publication, any person in interest may contest:

687 (a) the legality of the resolution or proceeding;

688 (b) any bonds that may be authorized by the resolution or proceeding; or

689 (c) any provisions made for the security and payment of the bonds.

690 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified
 691 written complaint, within 30 days of the publication under Subsection (5), in the district court
 692 of the county in which the person resides.

693 (b) A person may not contest the matters set forth in Subsection (5), or the regularity,
 694 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for
 695 contesting provided in Subsection (6)(a).

696 (7) No later than 60 days after the closing day of any bonds, the authority shall report
 697 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:

698 (a) the Executive Appropriations Committee; and

699 (b) the State Finance Review Commission created in Section [63C-25-201](#).

700 Section 11. Section [63C-25-101](#) is enacted to read:

701 **CHAPTER 25. STATE FINANCE REVIEW COMMISSION**

702 **Part 1. General Provisions**

703 **63C-25-101. Definitions.**

704 As used in this chapter:

705 (1) "Authority" means the same as that term is defined in Section [63B-1-303](#).

706 (2) "Bond" means the same as that term is defined in Section [63B-1-101](#).

707 (3) "Bonding political subdivision" means:

- 708 (a) the Utah Inland Port Authority, created in Section [11-58-201](#);
- 709 (b) the Military Installation Development Authority, created in Section [63H-1-201](#); or
- 710 (c) the Point of the Mountain State Land Authority, created in Section [11-59-201](#).
- 711 (4) "Commission" means the State Finance Review Commission created in Section
- 712 [63C-25-201](#).
- 713 (5) "Concessionaire" means a person who:
- 714 (a) operates, finances, maintains, or constructs a government facility under a contract
- 715 with a bonding political subdivision; and
- 716 (b) is not a bonding political subdivision.
- 717 (6) "Creating entity" means the same as that term is defined in Section [17D-4-102](#).
- 718 (7) "Government facility" means infrastructure, improvements, or a building that:
- 719 (a) costs more than \$5,000,000 to construct; and
- 720 (b) has a useful life greater than five years.
- 721 (8) "Large public transit district" means the same as that term is defined in Section
- 722 [17B-2a-802](#).
- 723 (9) "Loan entity" means the board, person, unit, or agency with legal responsibility for
- 724 making a loan from a revolving loan fund.
- 725 (10) "Obligation" means the same as that term is defined in Section [63B-1-303](#).
- 726 (11) "Parameters resolution" means a resolution of a bonding political subdivision, or
- 727 public infrastructure district created by a bonding political subdivision, that sets forth for
- 728 proposed bonds:
- 729 (a) the maximum:
- 730 (i) amount of bonds;
- 731 (ii) term; and
- 732 (iii) interest rate; and
- 733 (b) the expected security for the bonds.
- 734 (12) "Public infrastructure district" means a public infrastructure district created under
- 735 Title 17D, Chapter 4, Public Infrastructure District Act.
- 736 (13) "Public-private partnership" means a contract:
- 737 (a) between a bonding political subdivision and a concessionaire for the operation,
- 738 finance, maintenance, or construction of a government facility;

739 (b) that authorizes the concessionaire to operate the government facility for a term of
740 five years or longer, including any extension of the contract; and

741 (c) in which all or some of the annual source of payment to the concessionaire comes
742 from state funds provided to the bonding political subdivision.

743 (14) "Revolving loan fund" means:

744 (a) the Water Resources Conservation and Development Fund, created in Section
745 73-10-24;

746 (b) the Water Resources Construction Fund, created in Section 73-10-8;

747 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

748 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
749 Fuels and Vehicle Technology Program Act;

750 (e) the Water Development Security Fund and its subaccounts, created in Section
751 73-10c-5;

752 (f) the Agriculture Resource Development Fund, created in Section 4-18-106;

753 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

754 (h) the Permanent Community Impact Fund, created in Section 35A-8-303;

755 (i) the Petroleum Storage Tank Trust Fund, created in Section 19-6-409;

756 (j) the School Building Revolving Account, created in Section 53F-9-206;

757 (k) the State Infrastructure Bank Fund, created in Section 72-2-202;

758 (l) the Uintah Basin Revitalization Fund, created in Section 35A-8-1602;

759 (m) the Navajo Revitalization Fund, created in Section 35A-8-1704;

760 (n) the Energy Efficiency Fund, created in Section 11-45-201;

761 (o) the Brownfields Fund, created in Section 19-8-120;

762 (p) the following enterprise revolving loan funds created in Section 63A-3-402:

763 (i) the inland port infrastructure revolving loan fund;

764 (ii) the point of the mountain infrastructure revolving loan fund; or

765 (iii) the military development infrastructure revolving loan fund; and

766 (q) any other revolving loan fund created in statute where the borrower from the
767 revolving loan fund is a public non-profit entity or political subdivision, including a fund listed
768 in Section 63A-3-205, from which a loan entity is authorized to make a loan.

769 (15) (a) "State funds" means an appropriation by the Legislature identified as coming

770 from the General Fund or Education Fund.

771 (b) "State funds" does not include:

772 (i) a revolving loan fund; or

773 (ii) revenues received by a bonding political subdivision from:

774 (A) a tax levied by the bonding political subdivision;

775 (B) a fee assessed by the bonding political subdivision; or

776 (C) operation of the bonding political subdivision's government facility.

777 Section 12. Section **63C-25-201** is enacted to read:

778 **Part 2. State Finance Review Commission**

779 **63C-25-201. State Finance Review Commission.**

780 (1) There is created the State Finance Review Commission.

781 (2) The commission shall:

782 (a) as described in this part, approve, review, make recommendations, and monitor
783 borrowing and lending practices and activities; and

784 (b) exercise the powers and perform other duties prescribed for the commission by
785 statute.

786 (3) The commission shall consist of:

787 (a) seven voting members as follows:

788 (i) the state treasurer;

789 (ii) the state auditor or the auditor's designee;

790 (iii) the attorney general or the attorney general's designee;

791 (iv) the director of the Division of Finance or the director's designee;

792 (v) the director of the Governor's Office of Planning and Budget or the director's
793 designee; and

794 (vi) two individuals with a background in debt management, finance, or other similar
795 expertise who are:

796 (A) after consultation with the state treasurer, appointed by the governor; and

797 (B) confirmed by the Senate; and

798 (b) the state's financial advisor described in Section [67-4-16](#), who is a nonvoting
799 member.

800 (4) (a) Each position described in Subsection (3)(a)(vi) is for a term of four years.

801 (b) When a position described in Subsection (3)(a)(vi) is vacant for any reason, the
802 governor shall appoint the replacement, with confirmation of the Senate, for the remainder of
803 the unexpired term.

804 (5) The state treasurer shall serve as chair of the commission.

805 (6) A majority of the commission members constitute a quorum and may act on behalf
806 of the commission.

807 (7) The commission shall meet as necessary to effectively conduct the commission's
808 business and duties as prescribed by statute.

809 (8) (a) A commission member may not receive compensation or benefits for the
810 commission member's service.

811 (b) A commission member may receive per diem and travel expenses in accordance
812 with:

813 (i) Section [63A-3-106](#);

814 (ii) Section [63A-3-107](#); and

815 (iii) rules made by the Division of Finance in accordance with Sections [63A-3-106](#) and
816 [63A-3-107](#).

817 (9) The state treasurer's office shall provide staff support to facilitate the function of
818 the commission and record commission action and recommendations.

819 (10) The commission shall comply with the provisions of Title 52, Chapter 4, Open
820 and Public Meetings Act.

821 Section 13. Section **63C-25-202** is enacted to read:

822 **63C-25-202. Powers and duties.**

823 (1) The commission shall annually review a report provided in accordance with Section
824 [63B-1-305](#) or [63B-1a-102](#).

825 (2) (a) A loan entity other than a loan entity described in Subsection (2)(b) shall no
826 later than January 1 of each year submit information on each revolving loan fund from which
827 the loan entity made a loan in the previous fiscal year, including information identifying new
828 and ongoing loan recipients, the terms of each loan, loan repayment, and any other information
829 regarding a revolving loan fund requested by the commission.

830 (b) If a loan entity is:

831 (i) the Utah Inland Port Authority, the loan entity shall submit the information in

832 accordance with Section 11-58-106 and any other information regarding a revolving loan fund
 833 requested by the commission;

834 (ii) the Point of the Mountain State Land Authority, the loan entity shall submit the
 835 information in accordance with Section 11-59-104 and any other information regarding a
 836 revolving loan fund requested by the commission; or

837 (iii) the Military Installation Development Authority, the loan entity shall submit the
 838 information in accordance with Section 63H-1-104 and any other information regarding a
 839 revolving loan fund requested by the commission.

840 (c) The commission may annually review and provide feedback for the following:

841 (i) each loan entity for compliance with state law authorizing and regulating the
 842 revolving loan fund, including, as applicable, Title 11, Chapter 14, Local Government Bonding
 843 Act;

844 (ii) each loan entity's revolving loan fund policies and practices, including policies and
 845 practices for approving and setting the terms of a loan; and

846 (iii) each borrower of funds from a revolving loan fund for accurate and timely
 847 reporting by the borrower to the appropriate debt repository.

848 (3) (a) The commission shall review and may approve a bond before a large public
 849 transit district may issue a bond.

850 (b) The commission may not approve issuance of a bond described in Subsection (3)(a)
 851 unless ~~the~~ the execution and terms of the bond comply with state law ~~and~~ the

852 ~~commission determines the bond is in the best interest of the large public transit~~
 853 ~~district.]~~
 854 ~~district.]~~

855 (c) If, after review, the commission approves a bond described in Subsection (3)(a), the
 856 large public transit district:

857 (i) may not change before issuing the bond the terms of the bond that were reviewed by
 858 the commission if the change is outside the approved parameters and intended purposes; and

859 (ii) is under no obligation to issue the bond.

860 (d) A member of the commission who approves a bond under Subsection (3)(a) or
 861 reviews a parameters resolution under Subsection (4)(a) is not liable personally on the bond.

862 (e) The approval of a bond under Subsection (3)(a) or review under Subsection (4)(a)

863 of a parameters resolution by the commission:

864 (i) is not an obligation of the state; and

865 (ii) is not an act that:

866 (A) lends the state's credit; or

867 (B) constitutes indebtedness within the meaning of any constitutional or statutory debt
868 limitation.

869 (4) (a) The commission shall review and, at the commission's discretion, may make
870 recommendations regarding a parameters resolution before:

871 (i) a bonding political subdivision may issue a bond; or

872 (ii) a public infrastructure district may issue a bond, if the creating entity of the public
873 infrastructure district is a bonding political subdivision.

874 (b) The commission shall conduct the review under Subsection (4)(a) and forward any
875 recommendations to the bonding political subdivision or public infrastructure district no later
876 than 45 days after the day on which the commission receives the bonding political subdivision's
877 or public infrastructure district's parameters resolution.

878 (c) Notwithstanding Subsection (4)(a), if the commission fails to review a parameters
879 resolution or forward recommendations, if any, in the timeframe described in Subsection
880 (4)(b), the bonding political subdivision or public infrastructure district, respectively, may
881 proceed with the bond without review by the commission.

882 (d) After review by the commission under Subsection (4)(a), the bonding political
883 subdivision or public infrastructure district:

884 (i) shall consider recommendations by the commission; and

885 (ii) may proceed with the bond but is under no obligation to issue the bond.

886 (5) The commission shall provide training and other information on debt management,
887 lending and borrowing best practices, and compliance with state law to the authority, a bonding
888 political subdivision, a large public transit district, and a loan entity.

889 (6) (a) If a public-private partnership contemplates payments from state funds, the
890 commission shall review and may approve the public-private partnership before a bonding
891 political subdivision may enter into the public-private partnership.

892 (b) If, after review, the commission approves the public-private partnership described
893 in Subsection (6)(a), the bonding political subdivision:

894 (i) may not change the terms of the public-private partnership if the change is outside
895 the approved parameters and intended purposes; and

896 (ii) is under no obligation to enter into the public-private partnership.

897 Section 14. Section **63C-25-203** is enacted to read:

898 **63C-25-203. Debt affordability report.**

899 (1) No later than November 1 each year, the state treasurer, with assistance from the
900 Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst,
901 shall prepare and submit a debt affordability report to the commission and the Revenue and
902 Taxation Interim Committee.

903 (2) The debt affordability report shall include:

904 (a) as determined by the state treasurer, the amount of tax-supported debt that, during
905 the next fiscal year and annually for the following nine fiscal years:

906 (i) will be outstanding; and

907 (ii) has been authorized but is not yet issued;

908 (b) a projected schedule of affordable, state tax-supported debt authorizations for the
909 next fiscal year;

910 (c) projected debt-service requirements during the next fiscal year and annually for the
911 following nine fiscal years based upon:

912 (i) existing outstanding debt;

913 (ii) previously authorized but unissued debt; and

914 (iii) projected bond authorizations;

915 (d) the criteria that recognized bond rating agencies use to judge the quality of issues of
916 bonds issued by the state; and

917 (e) any other information that is relevant to:

918 (i) the state's ability to meet its projected debt service requirements;

919 (ii) the ability of the state to support additional debt service;

920 (iii) the interest rate to be borne by, the credit rating on, or any other factor affecting
921 the marketability of state bonds; and

922 (iv) the effect of authorizing new tax-supported debt on each of the considerations
923 described in this Subsection (2).

924 Section 15. Section **63N-13-306** is amended to read:

925 **63N-13-306. Limits on application of this part.**

926 (1) Nothing in this part:

927 ~~[(1)]~~ (a) requires a government entity to use the facilitator to explore the possibility of
 928 filling a public need through a public-private partnership; or

929 ~~[(2)]~~ (b) limits the ability of a government entity to directly:

930 ~~[(a)]~~ (i) solicit a public-private partnership; or

931 ~~[(b)]~~ (ii) respond to a private person exploring an investment opportunity in a public
 932 project through a public-private partnership.

933 (2) (a) As used in this Subsection (2):

934 (i) "Bonding political subdivision" means the same as that term is defined in Section
 935 [63C-25-101](#).

936 (ii) "Public-private partnership" means the same as that term is defined in Section
 937 [63C-25-101](#).

938 (b) A facilitator shall inform a bonding political subdivision that is contemplating
 939 entering into a public-private partnership that the bonding political subdivision may not enter
 940 into the public-private partnership unless the bonding political subdivision first receives
 941 approval from the State Finance Review Commission in accordance with Section [63C-25-202](#).

942 **Section 16. Coordinating H.B. 82 with H.B. 232 -- Substantive and technical**
 943 **amendments.**

944 If this H.B. 82 and H.B. 232, Utah Lake Authority, both pass and become law, it is the
 945 intent of the Legislature that the Office of Legislative Research and General Counsel shall
 946 prepare the Utah Code database for publication by making the following changes:

947 (1) modify Subsection 11-65-501(1) to read:

948 "(1) The lake authority may not issue bonds under this part unless the board first:

949 (a) adopts a parameters resolution for the bonds that sets forth:

950 (i) the maximum:

951 (A) amount of bonds;

952 (B) term; and

953 (C) interest rate; and

954 (ii) the expected security for the bonds; and

955 (b) submits the parameters resolution for review and recommendation to the State

956 Finance Review Commission created in Section [63C-25-201.](#);
957 (2) enact a new Subsection 11-65-501(7) to read:
958 "(7) No later than 60 days after the closing day of any bonds, the authority shall report
959 the bonds issuance, including amount of the bonds, terms, interest rate, and security, to:
960 (a) the Executive Appropriations Committee; and
961 (b) the State Finance Review Commission created in Section [63C-25-201.](#)"; and
962 (3) modify Subsection [63C-25-101](#)(3) to read:
963 "(3) "Bonding political subdivision" means:
964 (a) the Utah Inland Port Authority, created in Section [11-58-201](#);
965 (b) the Military Installation Development Authority, created in Section [63H-1-201](#);
966 (c) the Point of the Mountain State Land Authority, created in Section [11-59-201](#); or
967 (d) the Utah Lake Authority, created in Section [11-65-201.](#)".