## HOUSE BILL NO. HB0293

UW student housing.

Sponsored by: Representative(s) Harshman, MacGuire, Nicholas and Sommers and Senator(s) Kost, Moniz, Perkins and Rothfuss

## A BILL

## for

AN ACT relating to the University of Wyoming; providing for 1 phase 1 and phase 2 of the University of Wyoming student 2 3 housing project; providing for project parameters and requirements; amending the university supplemental bond 4 program; providing legislative findings; providing a loan to 5 defease existing outstanding University of Wyoming bonds and б other initial costs of construction; creating an account; 7 providing an appropriation to the state loan and investment 8 9 board for grants to the city of Laramie for traffic flow enhancements to mitigate project impacts; providing an 10 appropriation for legislative members of the task force; 11 12 redirecting federal mineral royalties and requiring a corresponding reduction in the university standard budget 13 request; continuing and providing additional duties to the 14 15 University of Wyoming task force on housing; modifying

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1 membership of the task force; removing a moratorium on 2 construction and construction related activities at the 3 University of Wyoming; and providing for an effective date. 4 5 Be It Enacted by the Legislature of the State of Wyoming: 6 7 Section 1. 8 The legislature of the state of Wyoming finds that: 9 (a) 10 11 (i) As the only university in the state, the 12 University of Wyoming is the cornerstone of higher education in Wyoming, a primary driver of economic development and 13 diversification in Wyoming and critical for the retention of 14 Wyoming youth within the state and the recruitment of talented 15 16 young people from the region, the nation and the world; 17 (ii) Critical to the success of the University of 18 19 Wyoming's mission is appropriate, functional and attractive 20 student housing; 21 22 (iii) The legislature, the citizens of Wyoming and alumni and friends of the University of Wyoming have invested 23

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hundreds of millions of dollars in capital construction and renovations at the University of Wyoming. The benefits of these improvements can only be fully realized if students are provided a student life environment on campus which keeps pace with the academic and athletic facilities at the University of Wyoming;

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8 (iv) Given that the current housing is dilapidated 9 and more than fifty (50) years old, it is the one fundamental 10 element of the university that now poses the greatest threat 11 to the future growth of the university;

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(v) Given the charge in Article 7, Section 16 of the Wyoming Constitution that instruction at the University of Wyoming be "as nearly free as possible", it is in the interest of the state to provide financial support to the University of Wyoming to develop and construct student housing to enhance the core functions of the university.

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Section 2. W.S. 9-4-601(d)(iv) and by creating a new paragraph (ix) and 9-4-1003(a) and (b)(intro) are amended to read:

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1 9-4-601. Distribution and use; funds, accounts, cities 2 and towns benefited; exception for bonus payments. 3 4 (d) Except as provided in subsection (k) of this 5 section, any revenue received under subsection (a) of this б section in excess of two hundred million dollars 7 (\$200,000,000.00) shall be distributed as follows: 8 Subject to paragraph paragraphs (vii) and 9 (iv) (ix) of this subsection, two-thirds (2/3) to the budget 10 11 reserve account; 12 13 (ix) For the period beginning July 1, 2019 and ending June 30, 2049, from the amounts that would otherwise 14 be distributed to the budget reserve account under paragraph 15 16 (iv) of this subsection, the first eight million dollars (\$8,000,000.00) shall be distributed to a separate account 17 for the University of Wyoming. These funds are continuously 18 19 appropriated to the university upon deposit to the account. 20 The University of Wyoming shall reduce its standard budget 21 request for the 2021-2022 biennium by an amount equal to the maximum amount of funds authorized to be deposited under this 22 paragraph. The University of Wyoming shall acknowledge this 23

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1	reduction of its 2021-2022 budget request pursuant to this
2	paragraph in each standard budget request submitted to the
3	governor's office through June 30, 2049.
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5	9-4-1003. Supplemental coverage program for university
6	revenue bonds.
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8	(a) The state loan and investment board shall
9	administer a university revenue bond supplemental coverage
10	program in accordance with this section and may promulgate
11	rules to implement it. This program applies to bonds issued
12	by the University of Wyoming under W.S. 21-17-402 through
13	21-17-450 <u>.</u> on or before November 1, 2015, only. The program
14	is intended to benefit the university by providing
15	supplemental coverage for payment of bonded indebtedness of
16	the university thereby reducing the interest rate at which
17	the bonds may be issued.
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(b) If the university seeks supplemental coverage for its revenue bonds under this program, the university shall apply to the board on forms prescribed by the board following legislative authorization of the university to issue revenue bonds. In no case shall the board approve supplemental

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1	coverage for bonds if the sale of the bonds would reduce the
2	ratio of university pledged revenue that is available for
3	debt servicing to the cost of interest and principal payments
4	to a level of less than <del>two and five tenths (2.5) one (1)</del> to
5	one (1). The board shall review the application and determine
6	whether to approve the application based upon:
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8	Section 3.
9	
10	(a) There is created the University of Wyoming student
11	housing project. The project shall be completed in phases,
12	as follows:
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14	(i) Phase 1 of the project shall be intended to
15	replace existing dormitory rooms on the University of Wyoming
16	Laramie campus. Phase 1 of the student housing project shall:
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18	(A) Provide housing for approximately two
19	thousand (2,000) students. Dormitory buildings shall be
20	constructed to accommodate between three hundred (300) and
21	six hundred (600) students each and shall not exceed six (6)
22	stories of above grade, usable, occupiable space. The
23	dormitory buildings may include classroom space, retail space

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1 and all necessary student services recommended by the task 2 force on University of Wyoming housing and approved by the 3 trustees;

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5 The dormitory buildings and supporting (B) dining services and other student life facilities shall be 6 constructed on the University of Wyoming campus within the 7 following bounded areas: beginning at the southeast corner of 8 9 the Wyoming Union, thence northeast to the southeast corner 10 of Half Acre Gymnasium, thence north to the east side of 11 McWinnie Hall, following the east side of McWinnie Hall to 12 the southeast corner of the parking lot north of McWinnie 13 Hall, thence west along said south edge of the parking lot to the west edge of the parking lot, thence north along the west 14 edge of the parking lot to the south boundary of Lewis Street, 15 16 thence west to the intersection of Lewis Street and  $13^{th}$ Street, thence north along 13<sup>th</sup> Street to Bradley Street, 17 thence east along Bradley Street to the west side of 15th 18 19 Street, thence south to Sorority Row, thence west to the point 20 of beginning; and the block bounded by Grand Avenue, 14<sup>th</sup> Street, Ivinson Avenue and 15<sup>th</sup> Street. Dining services shall 21 22 be provided within the new dormitory buildings, a new dining 23 facility, and in a renovated Wyoming Union extending to the

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1 east of that building as determined by the trustees. The 2 area east of the Wyoming Union shall be a common space that 3 accentuates the history, climate and outdoor nature of 4 Wyoming;

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6 (C) Support structures for the student housing project and the university, including, but not 7 8 limited to, parking garages, campus security and utility stations shall be located north of Lewis Street and south of 9 10 Flint Street as determined by the trustees. Additional parking garages included in the project may be located on the 11 12 south side of campus as determined by the trustees. Parking 13 added during the project shall result in a net increase in 14 parking spaces available for use by the university community; 15

16 (D) Phase 1 shall include appropriate 17 landscaping and other outdoor amenities to enhance the 18 student living environment, including outdoor recreational 19 activities for students to engage in throughout the entire 20 calendar year;

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(E) In addition, all buildings constructed orrenovated in phase 1 shall be constructed in accordance with

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1 the report of the task force on University of Wyoming housing 2 submitted on November 1, 2018 to the University of Wyoming 3 board of trustees, the management council and the joint 4 appropriations committee. The report is on file with the 5 legislative service office.

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7 (ii) Phase 2 of the project shall include 8 demolition and renovation of specified buildings and sites within the existing student housing complex north of Grand 9 Avenue, east of 15<sup>th</sup> Street, west of 19<sup>th</sup> Street and south of 10 11 King Row (Ivinson Avenue). All existing buildings in this 12 specified area shall be demolished or otherwise no longer 13 used for student housing when dormitories in phase 1 are ready for occupancy if recommended by the task force and approved 14 by the board of trustees. The task force may recommend, and 15 16 the board of trustees may determine that some existing buildings in this area be retained, renovated and repurposed 17 to be used as classroom space, office space, reduced dining 18 19 facility services and student housing alternatives to student 20 housing completed in phase 1 of the project.

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(b) All student housing constructed during the projectshall:

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2 (i) Strive to create, enhance and sustain living 3 and learning communities on the University of Wyoming campus. 4 The student housing should achieve these goals by providing 5 the appropriate percentage of room types, living spaces and 6 communities, with flexibility for fit and varying price 7 points; 8 9 (ii) Conform to the board of trustees' historic 10 preservation plan, be recommended by the task force on 11 University of Wyoming student housing, be reviewed by the 12 board of trustees' exterior design committee and be approved by the full board of trustees; 13 14 15 (iii) Include the planning and construction of all 16 necessary components for the new student housing, including: 17 18 (A) Construction of appropriate dining 19 facilities to support the new housing and the overall mission 20 of the university; 21 (B) 22 Demolition or renovation of existing 23 student housing;

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1 2 (C) Adequate and appropriate parking; 3 4 (D) Adequate and appropriate infrastructure; 5 (E) A traffic plan focusing primarily on б pedestrian traffic first and with secondary provisions for 7 8 emergency vehicle and delivery traffic to accommodate the 9 project. 10 11 (iv) Be built in a construction method consistent 12 with an expected useful life span that is appropriate for the mission of the student housing and is similar to the useful 13 life expectancy of the campus buildings in proximity to the 14 15 new student housing on the university campus. 16 17 Section 4. There is created the University of Wyoming student housing account. Funds from the account shall be 18 19 expended for the University of Wyoming student housing 20 project as provided in this act. The treasurer shall disburse funds from the account upon request of the University of 21 Wyoming board of trustees. Funds in the account appropriated 22 under Section 7 of this act may only be expended by the 23

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1 trustees of the university for the payment of principal and 2 interest on any outstanding securities issued by the 3 university as of March 1, 2019 and for other initial costs of 4 construction for phase 1 and phase 2 of the student housing 5 project. Funds in the account shall be invested by the state treasurer's office. Notwithstanding 6 W.S. 9-2-1008 and 9-4-207, any earnings from the account shall be credited to 7 8 the legislative stabilization reserve account. The University 9 of Wyoming shall repay on a twenty (20) year accrual schedule 10 all funds expended by the university from the account at an 11 annually adjusted interest rate of one-quarter of one percent 12 (.25%) higher than the return received by the state in the 13 immediately preceding fiscal year on the portion of the legislative stabilization reserve account that 14 is not 15 invested in equities. The interest rate shall be capped at a maximum rate of four and one-half percent (4.5%) per annum. 16 17 All interest and principal payments made by the university in repayment of monies expended from the account shall be 18 19 credited to the legislative stabilization reserve account. 20 The University of Wyoming board of trustees may dedicate any 21 available funds to repay funds expended from this account. Repayment of funds under this section shall commence on July 22 1 of the year following the year in which the funds were 23

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1 expended. Notwithstanding any other provision of law, all 2 unobligated and unencumbered funds in the account on June 30, 3 2029 shall revert to the legislative stabilization reserve 4 account. 5 6 Section 5. 2018 Wyoming Session Laws Chapter 136, 7 Section 13(a), (g) and by creating a new subsection (j) is 8 amended to read: 9 10 [TASK FORCE ON UNIVERSITY OF WYOMING HOUSING] 11 12 Section 13. 13 14 (a) There is created a task force on 15 University of Wyoming housing comprised of the 16 following members, appointed not later than March 17 31, 2018: 18 19 (i) Two (2) members of the senate, 20 appointed by the president of the senate; 21

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1 (ii) Two (2) members of the house of 2 representatives, appointed by the speaker of the house; 3 4 (iii) One (1) employee or elected 5 б official of the executive branch appointed by the 7 governor to serve as his designee; 8 9 (iv) One (1) member appointed by the 10 treasurer who shall be informed of state funding 11 options, state investment goals and public purpose 12 investments; 13 14 (v) Two (2) members of the board of trustees of the University of Wyoming appointed by 15 16 the University of Wyoming board of trustees; 17 (vi) One (1) member Two (2) members 18 19 appointed by the president of the University of 20 Wyoming; 21

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1	(v)[(vii)] One (1) member appointed by
2	the governor with experience in providing large
3	scale private student housing in Laramie;
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5	(vi)[(viii)] One (1) member appointed
б	by the governor from the University of Wyoming
7	foundation with experience in public and private
8	finance.
9	
10	(vii) One (1) member representing the
11	Laramie Community appointed by the mayor.
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13	(g) Members of the task force who are
14	government employees or public officials shall be
15	considered on official business of their agency or
16	of the legislature when performing duties as
17	members of the task force. There is appropriated
18	sixteen thousand dollars (\$16,000.00) from the
19	general fund to the legislative service office.
20	This appropriation shall be for the period
21	beginning with the effective date of this section
22	and ending June 30, 2019. This appropriation shall
23	only be expended for the purpose of funding salary,

1	mileage and per diem of legislative members of the
2	task force for attendance at meetings of the task
3	force. Notwithstanding any other provision of law,
4	this appropriation shall not be transferred or
5	expended for any other purpose and any unexpended,
6	unobligated funds remaining from this appropriation
7	shall revert as provided by law on June 30, 2019.
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9	(j) After March 1, 2019 the task force shall:
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11	<u>(i) Serve in an advisory role and</u>
12	provide recommendations to the University of
13	Wyoming board of trustees for the development,
14	planning and construction of phase 1 and phase 2 of
15	the student housing project;
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17	<u>(ii) While serving in an advisory role,</u>
18	the task force shall:
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20	(A) Receive and, when necessary,
21	request information from the University of Wyoming
22	facilities construction management department,
23	student affairs office and other relevant and

1	necessary university personnel to stay informed on
2	all aspects of the student housing project;
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4	(B) Closely monitor the
5	procurement of professional services and progress
б	on the planning and design of the student housing
7	project;
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9	(C) When necessary or prudent,
10	make recommendations to the University of Wyoming
11	board of trustees and the University of Wyoming
12	administration regarding any aspect of the student
13	housing project;
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15	(D) Provide interim reports on the
16	activities of the task force to the joint education
17	interim committee not later than October 1 of each
18	year that the task force is in existence;
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20	(E) Include in each interim report
21	any recommendations for legislative action that
22	should be considered during the legislative session
23	immediately following the report as necessary to

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1 continue, complete or modify any aspect of the student housing project. 2 3 4 Section 6. 2018 Wyoming Session Laws Chapter 136, 5 Section 13(f) and (h) is repealed. б 7 Section 7. 8 9 There is appropriated eighty-eight million dollars (a) 10 (\$88,000,000.00) from the legislative stabilization reserve account to the University of Wyoming student housing account 11 12 created by this act. Funds from this appropriation may only 13 be expended by the trustees of the university for the payment 14 of principal and interest on any outstanding securities 15 issued by the university before March 1, 2019 and for other initial costs of construction for phase 1 and phase 2 of the 16 17 student housing project. 18

(b) There is appropriated three million five hundred thousand dollars (\$3,500,000.00) from the general fund to the state loan and investment board to provide grants to the city of Laramie to conduct a traffic study and to improve traffic efficiency on 9<sup>th</sup> Street between Ivinson Avenue and Flint

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1 Street and 22<sup>nd</sup> Street between Grand Avenue and Willett Drive 2 to mitigate any potential impacts created by the restricted 3 access to 15<sup>th</sup> Street from Ivinson Avenue to Lewis Street 4 necessitated by the construction and implementation of the University of Wyoming student housing project. Funds shall 5 be released under this section by the state loan and 6 investment board to the city of Laramie upon submittal of a 7 8 mitigation proposal and cost estimates by the city for traffic 9 efficiency improvements under this subsection.

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11 There appropriated forty-four (C) is thousand 12 (\$44,000.00) from the general fund to the legislative service office for payment of salary, per diem and mileage for the 13 legislative members of the University of Wyoming student 14 housing task force. Notwithstanding any other provision of 15 16 law, funds in this account shall revert on June 30, 2020.

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Section 8. The University of Wyoming shall reduce its standard budget request for the 2021-2022 biennium by an amount equal to the maximum amount of funds authorized to be deposited to the account for the University of Wyoming under W.S. 9-4-601(d)(ix) during the biennium.

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1	Section 9. This act is effective immediately upon
2	completion of all acts necessary for a bill to become law as
3	provided by Article 4, Section 8 of the Wyoming Constitution.
4	
5	( END )