

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AMENDMENTS**

3 2022 GENERAL SESSION

4 STATE OF UTAH

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

6 Senate Sponsor: Chris H. Wilson

7

8 **LONG TITLE**

9 **General Description:**

10 This bill enacts provisions relating to calendar year 2022 revenue bonds and capital
11 facility design and construction authorizations.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ increases the amount of revenue bonds previously approved for construction of the
15 Impact-Epicenter building at the University of Utah;

16 ▶ expresses the Legislature's intent relating to the Utah Board of Higher Education's
17 issuance, sale, and delivery of revenue bonds to finance:

18 • the construction of the fourth wing of Kahlert Village at the University of Utah;
19 • the construction of the West Valley Health and Community Center at the
20 University of Utah;

21 • the construction of improvements to Maverik Stadium at Utah State University;

22 • the construction of Campus View Suites Phase Three at Dixie State University;

23 • the construction of a parking garage at Utah Valley University;

24 • the construction of the Applied Sciences Building at the University of Utah;

25 • the construction of the Mental Health Facility at the University of Utah; and

26 • the purchase, on behalf of Southern Utah University, of The Cottages at
27 Shakespeare Lane apartment complex and adjoining home; and



28 ▶ expresses the Legislature's intent relating to the State Building Ownership
29 Authority's issuance of obligations to finance:

- 30 • a new state liquor store in Park City; and
- 31 • a new state liquor store in St. George.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 None

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **63B-31-201**, as enacted by Laws of Utah 2021, Chapter 320

39 ENACTS:

40 **63B-32-101**, Utah Code Annotated 1953

41 **63B-32-102**, Utah Code Annotated 1953



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

44 Section 1. Section **63B-31-201** is amended to read:

45 **63B-31-201. Revenue bond authorizations -- Utah Board of Higher Education.**

46 (1) The Legislature intends that:

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

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

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

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

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

64 (2) The Legislature intends that:

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

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

73 (c) the amount of revenue bonds or evidences of indebtedness authorized by this
74 Subsection (2) may not exceed [~~\$85,700,000~~] \$118,700,000 for acquisition and construction
75 proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized
76 interest, and fund any debt service reserve requirements;

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

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

81 (3) The Legislature intends that:

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

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

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

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

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

99 (4) The Legislature intends that:

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

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

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

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

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

115 (5) The Legislature intends that:

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

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

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

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

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

132 Section 2. Section **63B-32-101** is enacted to read:

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

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

135 **63B-32-101. Revenue bond authorizations -- Utah Board of Higher Education.**

136 (1) The Legislature intends that:

137 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may
138 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of
139 Utah to borrow money on the credit, revenues, and reserves of the university, other than
140 appropriations of the Legislature, to finance the cost of constructing the fourth wing of Kahlert
141 Village;

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

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

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

151 (e) the university may not request state funds for operation and maintenance costs or

152 capital improvements.

153 (2) The Legislature intends that:

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

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

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

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

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

171 (3) The Legislature intends that:

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

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

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

182 (d) the university may plan, design, and construct improvements to Maverik Stadium

183 subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
184 (e) the university may not request state funds for operation and maintenance costs or
185 capital improvements.

186 (4) The Legislature intends that:

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

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

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

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

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

203 (5) The Legislature intends that:

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

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

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

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

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

218 (6) The Legislature intends that:

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

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

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

230 (7) The Legislature intends that:

231 (a) the Utah Board of Higher Education, on behalf of the University of Utah, may
232 issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of
233 Utah to borrow money on the credit, revenues, and reserves of the university, other than
234 appropriations of the Legislature, to finance the University's share of the cost of constructing a
235 Mental Health Facility;

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

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

242 (8) The Legislature intends that:

243 (a) the Utah Board of Higher Education, on behalf of Southern Utah University, may
244 issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah

245 University to borrow money on the credit, revenues, and reserves of the university, other than
246 appropriations of the Legislature, to finance the cost of purchasing The Cottages at
247 Shakespeare Lane apartment complex and adjoining home;

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

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

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

257 Section 3. Section **63B-32-102** is enacted to read:

258 **63B-32-102. State Building Ownership Authority obligations for new state liquor**
259 **stores.**

260 (1) The Legislature intends that:

261 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
262 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may
263 enter into or arrange for a lease-purchase agreement in which participation interests may be
264 created, to provide up to \$8,214,253 for a Summit County market area liquor store in Park
265 City, together with additional amounts necessary to pay costs of issuance, pay capitalized
266 interest, and fund any existing debt service reserve requirements;

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

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

272 (2) The Legislature intends that:

273 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
274 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may
275 enter into or arrange for a lease-purchase agreement in which participation interests may be

276 created, to provide up to \$7,455,342 for a Washington County area market liquor store in St,
277 George, together with additional amounts necessary to pay costs of issuance, pay capitalized
278 interest, and fund any existing debt service reserve requirements;

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

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