

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

**REVENUE BOND AND CAPITAL FACILITIES**

**AMENDMENTS**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Douglas V. Sagers**

Senate Sponsor: Chris H. Wilson

**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

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



- 26 • the purchase, on behalf of Southern Utah University, of The Cottages at
- 27 Shakespeare Lane apartment complex and adjoining home; and
- 28 • the construction of an indoor football practice facility at the University of Utah;
- 29 ▶ expresses the Legislature's intent relating to the State Building Ownership
- 30 Authority's issuance of obligations to finance:
- 31 • a new state liquor store in Park City; and
- 32 • a new state liquor store in St. George;
- 33 ▶ creates the State Store Land Acquisition and Building Construction Fund (fund);
- 34 ▶ authorizes uses for the fund; and
- 35 ▶ makes conforming changes.

36 **Money Appropriated in this Bill:**

37 None

38 **Other Special Clauses:**

39 This bill provides a coordination clause.

40 **Utah Code Sections Affected:**

41 AMENDS:

- 42 **32B-2-307**, as enacted by Laws of Utah 2018, Chapter 329
- 43 **63B-31-201**, as enacted by Laws of Utah 2021, Chapter 320
- 44 **63B-31-202**, as enacted by Laws of Utah 2021, Chapter 320

45 ENACTS:

- 46 **63B-32-101**, Utah Code Annotated 1953
- 47 **63B-32-102**, Utah Code Annotated 1953

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

- 49 **32B-2-307**, as enacted by Laws of Utah 2018, Chapter 329



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

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

53 **32B-2-307. State Store Land Acquisition and Building Construction Fund.**

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

56 ~~(1)~~ (2) There is created an enterprise fund known as the State Store Land Acquisition

57 and Building Construction Fund.

58 ~~[(2)]~~ (3) The ~~[State Store Land Acquisition Fund]~~ fund is funded from the following  
59 sources:

60 (a) appropriations made to the ~~[State Store Land Acquisition Fund]~~ fund by the  
61 Legislature; ~~[and]~~

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

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

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

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

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

68 ~~[(3)]~~ (5) Subject to Subsection ~~[(4)]~~ (6), the department may use the money deposited  
69 into the ~~[State Store Land Acquisition Fund to purchase or lease property for new state stores.]~~  
70 fund:

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

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

73 ~~[(4)]~~ (6) (a) Before the department spends or commits money from the ~~[State Store~~  
74 ~~Land Acquisition Fund]~~ fund, the department shall:

75 (i) present to the Infrastructure and General Government Appropriations Subcommittee  
76 a description of how the department will spend the money[-]; and

77 (ii) if the department intends to spend or commit money from the fund for construction  
78 of a new state store:

79 (A) receive approval from the state building board, created in Section [63A-5b-201](#); and

80 (B) receive authorization in an appropriations act.

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

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

86 (7) (a) If the department uses money in the fund for a purpose described in Subsection  
87 (5), and subsequently issues a revenue bond for [the state store for which the department

88 ~~purchased or leased the property~~ that purpose, the department shall repay the money [~~used to~~  
89 ~~purchase or lease the property~~] with proceeds from the revenue bond.

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

93 (i) with proceeds from liquor revenue in the Liquor Control Fund, created in Section  
94 32B-2-301, on a long-term payment schedule set by the state treasurer; and

95 (ii) before the transfer described in Subsection 32B-2-301(7).

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

97 **63B-31-201. Revenue bond authorizations -- Utah Board of Higher Education.**

98 (1) The Legislature intends that:

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

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

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

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

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

116 (2) The Legislature intends that:

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

119 Utah to borrow money on the credit, revenues, and reserves of the university, other than  
120 appropriations of the Legislature, to finance the cost of constructing the Impact - Epicenter  
121 building;

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

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

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

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

133 (3) The Legislature intends that:

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

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

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

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

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

150 capital improvements.

151 (4) The Legislature intends that:

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

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

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

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

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

167 (5) The Legislature intends that:

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

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

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

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

181 Facilities; and

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

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

185 **63B-31-202. State Building Ownership Authority obligations for new state liquor**  
186 **stores.**

187 (1) The Legislature intends that:

188 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter  
189 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may  
190 enter into or arrange for a lease-purchase agreement in which participation interests may be  
191 created, to provide up to \$11,725,700 for a Salt Lake City market area liquor store in  
192 Sugarhouse, together with additional amounts necessary to pay costs of issuance, pay  
193 capitalized interest, and fund any existing debt service reserve requirements;

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

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

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

200 (2) The Legislature intends that:

201 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter  
202 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may  
203 enter into or arrange for a lease-purchase agreement in which participation interests may be  
204 created, to provide up to \$5,524,000 for a Salt Lake City area market liquor store in east Sandy,  
205 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,  
206 and fund any existing debt service reserve requirements;

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

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

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

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

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

215 **63B-32-101. Revenue bond authorizations -- Utah Board of Higher Education.**

216 (1) The Legislature intends that:

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

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

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

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

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

233 (2) The Legislature intends that:

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

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

242 (c) the amount of revenue bonds or evidences of indebtedness authorized by this



243 Subsection (2) may not exceed \$400,000,000 for acquisition and construction proceeds,  
244 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and  
245 fund any debt service reserve requirements;

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

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

251 (3) The Legislature intends that:

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

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

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

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

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

266 (4) The Legislature intends that:

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

272 (b) Dixie State University use student housing rental fees and other auxiliary revenues  
273 as the primary revenue sources for repayment of any obligation created under authority of this

274 Subsection (4):

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

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

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

283 (5) The Legislature intends that:

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

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

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

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

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

298 (6) The Legislature intends that:

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

304 (b) the University of Utah use donations and University funds as the primary revenue

305 sources for repayment of any obligation created under authority of this Subsection (6); and

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

310 (7) The Legislature intends that:

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

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

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

322 (8) The Legislature intends that:

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

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

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

335 (d) the university may not request state funds for operation and maintenance costs or

336 capital improvements.

337 (9) The Legislature intends that:

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

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

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

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

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

353 Section 5. Section **63B-32-102** is enacted to read:

354 **63B-32-102. State Building Ownership Authority obligations for new state liquor**  
355 **stores.**

356 (1) The Legislature intends that:

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

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

366 (c) the Department of Alcoholic Beverage Control may request operation and

367 maintenance funding from sales revenues.

368 (2) The Legislature intends that:

369 (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3,  
370 State Building Ownership Authority Act, may issue or execute obligations or may enter into or  
371 arrange for a lease-purchase agreement in which participation interests may be created, to  
372 provide up to \$7,455,342 for a Washington County area market liquor store in St. George,  
373 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,  
374 and fund any existing debt service reserve requirements;

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

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

380 **Section 6. Coordinating H.B. 191 with S.B. 82 -- Substantive amendment.**

381 If this H.B. 191 and S.B. 82, State Facilities Management Amendments, both pass and  
382 become law, it is the intent of the Legislature that the Office of Legislative Research and  
383 General Counsel shall prepare the Utah Code database for publication by modifying Subsection  
384 [32B-2-307\(6\)\(a\)\(ii\)\(A\)](#) to read:

385 "(A) receive approval from the Division of Facilities Construction and Management,  
386 created in Section [63A-5b-301](#)."