



Rep. Joe Sosnowski

Filed: 4/4/2017

10000HB3407ham001

LRB100 05870 MLM 24700 a

1 AMENDMENT TO HOUSE BILL 3407

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3407 on page 5, line  
3 9, by replacing "interest" with "interest"; and

4 on page 5, by replacing line 10 with "~~derivative~~ agreements",  
5 "forward payment conversion agreements","; and

6 on page 6, line 23, by replacing "and" with "~~and~~"; and

7 by replacing line 16 on page 26 through line 18 on page 27 with  
8 the following:

9 "The resolution of the governing board authorizing the  
10 issuance of the bonds may provide that interest rates may vary  
11 from time to time depending upon criteria established by the  
12 governing board, which may include, without limitation, a  
13 variation in interest rates as may be necessary to cause bonds  
14 to be remarketable from time to time at a price equal to their  
15 principal amount, and may provide for appointment of a national

1 banking association, bank, trust company, investment banker,  
2 or other financial institution to serve as a remarketing agent  
3 in that connection. The resolution of the governing board  
4 authorizing the issuance of the bonds may provide that  
5 alternative interest rates or provisions will apply during such  
6 times as the bonds are held by a person providing a letter of  
7 credit or other credit enhancement arrangement for those bonds.  
8 ~~Without limiting the terms which may be included in any such~~  
9 ~~credit agreements or remarketing agreements, the ordinance may~~  
10 ~~or, if hereinafter so required, shall provide as follows:~~

11 ~~(a) Interest rates on the bonds may vary from time to time~~  
12 ~~depending upon criteria established by the governing body,~~  
13 ~~which may include, without limitation: (i) a variation in~~  
14 ~~interest rates as may be necessary to cause bonds to be~~  
15 ~~remarketed from time to time at a price equal to their~~  
16 ~~principal amount plus any accrued interest; (ii) rates set by~~  
17 ~~auctions; or (iii) rates set by formula.~~

18 ~~(b) A national banking association, bank, trust company,~~  
19 ~~investment banker or other financial institution may be~~  
20 ~~appointed to serve as a remarketing agent in that connection,~~  
21 ~~and such remarketing agent may be delegated authority by the~~  
22 ~~governing body to determine interest rates in accordance with~~  
23 ~~criteria established by the governing body.~~

24 ~~(c) Alternative interest rates or provisions may apply~~  
25 ~~during such times as the bonds are held by the person or~~  
26 ~~persons (financial providers) providing a credit agreement or~~

1 ~~remarketing agreement for those bonds and during such times,~~  
2 ~~the interest on the bonds may be deemed not exempt from income~~  
3 ~~taxation under the Internal Revenue Code for purposes of State~~  
4 ~~law, as contained in the Bond Authorization Act, relating to~~  
5 ~~the permissible rate of interest to be borne thereon.".~~