

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

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Date

March 14, 2019

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB19-1179 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 2, after line 1 insert:
- 2 "SECTION 1. In Colorado Revised Statutes, 24-75-601, **add** (4)
- 3 and (5) as follows:
- 4 **24-75-601. Definitions.** (4) "NATIONALLY RECOGNIZED
- 5 STATISTICAL RATING ORGANIZATIONS" OR "NRSROs" MEANS A CREDIT
- 6 RATING AGENCY THAT IS REGISTERED WITH THE U.S. SECURITIES AND
- 7 EXCHANGE COMMISSION'S OFFICE OF CREDIT RATINGS.
- 8 (5) "NEGOTIABLE CERTIFICATE OF DEPOSIT" MEANS AN
- 9 UNSECURED, NONCOLLATERALIZED OBLIGATION OF A BANK TO PAY THE
- 10 HOLDER OF A NEGOTIABLE CERTIFICATE OF DEPOSIT SPECIFIED PRINCIPAL,
- 11 PLUS INTEREST, UPON A PARTICULAR MATURITY. A NEGOTIABLE
- 12 CERTIFICATE OF DEPOSIT IS A SECURITY SUBJECT TO FEDERAL SECURITIES
- 13 LAW AND CAN BE UNIQUELY IDENTIFIED BY A SECURITY IDENTIFIER ISSUED
- 14 BY THE COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION
- 15 PROCEDURES."
- 16 Renumber succeeding sections accordingly.
- 17 Page 2, line 3, strike "(1)(b)(I),".
- 18 Page 2, line 4, after "(1)(k)(III)," insert "(1)(l)(I),".
- 19 Page 2, line 5, strike "(1)(m)(I)(C) and".

- 1 Page 2, strike lines 8 through 20.
- 2 Page 3, strike lines 1 through 3.
- 3 Page 4, line 12, after "funds." insert "THE FUND MUST HAVE AN
- 4 INVESTMENT POLICY OR OBJECTIVE WHICH SEEKS TO MAINTAIN A STABLE
- 5 NET ASSET VALUE OF ONE DOLLAR PER SHARE."
- 6 Page 4, after line 23 insert:
- 7 "(I) (I) Any guaranteed investment contract, guaranteed interest
- 8 contract, annuity contract, or funding agreement if, at the time the
- 9 contract or agreement is entered into, the long-term credit rating, financial
- 10 obligations rating, claims paying ability rating, or financial strength rating
- 11 of the party, or of the guarantor of the party, with whom the public entity
- 12 enters the contract or agreement is, at the time of issuance, rated in one
- 13 of the two highest rating categories by two or more ~~nationally recognized~~
- 14 ~~statistical rating organizations~~ NRSROs."
- 15 Page 4, line 27, strike "nationally recognized statistical ratings
- 16 organizations," and substitute "~~nationally recognized statistical ratings~~
- 17 ~~organizations~~ NRSROs,".
- 18 Page 5, strike lines 2 through 6.
- 19 Page 5, line 11, strike "LIMITATIONS" and substitute "PROTECTIONS".
- 20 Page 5, line 12, strike "TITLE 11." and substitute "TITLE 11, OR INSURED
- 21 BY THE FEDERAL DEPOSIT INSURANCE CORPORATION."
- 22 Page 5, strike lines 20 through 25 and substitute:
- 23 "(I) Established by reference to ~~the rate on a United States~~
- 24 ~~treasury security with a maturity of one year or less or to the United States~~
- 25 dollar London interbank offer rate of one year or less maturity, ~~or to~~ THE
- 26 SECURED OVERNIGHT FINANCING RATE, THE FEDERAL FUNDS RATE, OR
- 27 OTHER REFERENCE RATES WHICH ARE SIMILAR TO THE UNITED STATES
- 28 DOLLAR LONDON INTERBANK OFFER RATE, THE SECURED OVERNIGHT
- 29 FINANCING RATE, THE FEDERAL FUNDS RATE, the cost of funds index, or
- 30 the prime rate as published by the federal reserve; and"
- 31 Strike "organizations" and substitute "~~organizations~~ NRSROs" on: **Page**

1 3, lines 12 and 22.

2 Strike "nationally recognized statistical rating organizations" and  
3 substitute "~~nationally recognized statistical rating organizations~~  
4 NRSROs" on: **Page 3**, lines 7 and 8 and line 18; and **Page 4**, lines 1 and  
5 2.

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