

HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE McKean

1 Amend printed bill, page 16, after line 9, insert:

2 "SECTION 13. In Colorado Revised Statutes, 32-1-1107, **add** (7)
3 as follows:

4 **32-1-1101. Common financial powers.** (7) (a) PRIOR TO ISSUING
5 DEBT TO A DIRECTOR OF A METROPOLITAN DISTRICT OR TO AN ENTITY
6 WITH RESPECT TO WHICH A DIRECTOR OF A METROPOLITAN DISTRICT MUST
7 MAKE DISCLOSURE UNDER SECTION 24-18-109, THE BOARD OF THE
8 METROPOLITAN DISTRICT MUST RECEIVE A STATEMENT OF A REGISTERED
9 MUNICIPAL ADVISOR CERTIFYING THAT THE INTEREST RATE OF THE DEBT
10 DOES NOT EXCEED THE LESSER OF:

11 (I) THE INTEREST RATE ALLOWED UNDER SUBSECTION (7)(b) OF
12 THIS SECTION; OR

13 (II) THE CURRENT MARKET INTEREST RATE FOR THE DEBT BASED
14 ON CRITERIA DETERMINED BY THE MUNICIPAL ADVISOR, INCLUDING THE
15 RESTRUCTURE OF THE DEBT, THE MATURITIES, REDEMPTION PROVISIONS,
16 THE REVENUES PLEDGED FOR REPAYMENT, AND OTHER TERMS OF THE
17 DEBT, CONSIDERING THE FINANCIAL CIRCUMSTANCES OF THE
18 METROPOLITAN DISTRICT.

19 (b) THE INTEREST RATE ON DEBT ISSUED BY A METROPOLITAN
20 DISTRICT TO A DIRECTOR OF A METROPOLITAN DISTRICT OR TO AN ENTITY
21 WITH RESPECT TO WHICH A DIRECTOR OF A METROPOLITAN DISTRICT MUST
22 MAKE DISCLOSURE UNDER SECTION 24-18-109 MUST NOT EXCEED THE
23 MUNICIPAL MARKET DATA "AAA" GENERAL OBLIGATION, THIRTY-YEAR
24 CONSTANT MATURITY, OR SUCCESSOR INDEX IF REPLACED, PLUS FOUR
25 HUNDRED POINTS, AS OF THE SEVENTH BUSINESS DAY PRIOR TO THE DATE
26 OF ISSUANCE OF THAT DEBT AND MUST HAVE A MAXIMUM FINAL MATURITY
27 OF NOT MORE THAN FORTY YEARS FROM THE DATE OF ISSUANCE.

28 (c) AS USED IN THIS SUBSECTION (7), "REGISTERED MUNICIPAL
29 ADVISOR" MEANS A "MUNICIPAL ADVISOR", AS THAT TERM IS DEFINED IN
30 SECTION 15b OF THE FEDERAL "SECURITIES EXCHANGE ACT OF 1934,"
31 THAT IS REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION
32 UNDER SECTION 15b OF THE FEDERAL "SECURITIES EXCHANGE ACT OF
33 1934".

34 (d) THIS SUBSECTION (7) ONLY APPLIES TO METROPOLITAN
35 DISTRICTS CREATED ON OR AFTER JANUARY 1, 2023."

36 Renumber succeeding sections accordingly.

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