

## AMENDMENTS TO SENATE BILL NO. 903

Sponsor: SENATOR EICHELBERGER

Printer's No. 1513

1 Amend Bill, page 1, lines 16 through 20, by striking out "  
2 FOR THE" in line 16, all of lines 17 through 19 and "AN  
3 AUTHORITY" in line 20

4 Amend Bill, page 2, line 12, by striking out "SECTIONS" and  
5 inserting

6 a section

7 Amend Bill, page 2, lines 18 through 30; page 3, lines 1 and  
8 2, by striking out all of said lines on said pages

9 Amend Bill, page 3, lines 7 through 30, by striking out all  
10 of said lines

11 Amend Bill, page 4, lines 10 through 21, by striking out  
12 "(B)" in line 10 and all of lines 11 through 21

13 Amend Bill, page 23, line 16, by striking out "8281(B)(2)"  
14 and inserting

15 8281(a)(1), (b)(2)

16 Amend Bill, page 23, by inserting between lines 21 and 22

17 (1) Except as set forth in paragraph (4),  
18 notwithstanding any other law to the contrary, a local  
19 government unit may negotiate and enter into qualified  
20 interest rate management agreements consistent with the  
21 provisions of this subchapter. A local government unit may  
22 only authorize a qualified interest rate management agreement  
23 under this subchapter.

24 Amend Bill, page 23, lines 28 and 29, by striking out "THREE"  
25 in line 28 and all of line 29 and inserting

1 one year after the effective date of the  
2 Amend Bill, page 24, lines 4 through 6, by striking out all  
3 of said lines and inserting

4 a fixed or variable rate of interest determined using either an  
5 index published by the Securities Industry and Financial Markets  
6 Association or an index that references the London Interbank  
7 Offered Rate.

8 Amend Bill, page 24, lines 9 and 10, by striking out "\_\_  
9 TAKING INTO ACCOUNT ANY NETTING OF OFFSETTING TRANSACTIONS,"

10 Amend Bill, page 24, line 14, by striking out "CAPACITY"

11 Amend Bill, page 24, lines 15 through 17, by striking out  
12 "THIS PARAGRAPH SHALL NOT APPLY TO A" in line 15 and all of  
13 lines 16 and 17

14 Amend Bill, page 26, lines 13 through 24, by striking out all  
15 of said lines and inserting

16 (iv) Certifies that the information provided to the  
17 local government unit, whether in solicitations or in  
18 response to requests for information from the local  
19 government unit as to potential positive or negative  
20 impacts of entering into the qualified interest rate  
21 management agreement, is mathematically correct and  
22 conforms to Title VII of the Dodd-Frank Wall Street  
23 Reform and Consumer Financial Protection Act (Public Law  
24 111-203, 124 Stat. 1641).

25 (v) Certifies that it acted in good faith and made  
26 full and fair disclosure of the material facts and any  
27 conflicts of interest regarding the qualified interest  
28 management agreement.

29 (vi) Believes that the interest rate management  
30 agreement is consistent with the policy of the  
31 Commonwealth that a local government unit not enter into  
32 the agreement if it involves unreasonable speculation.

33 Amend Bill, page 26, lines 28 through 30; page 27, lines 1  
34 and 2, by striking out all of said lines on said pages and  
35 inserting

36 (viii) (Reserved).

37 Amend Bill, page 27, lines 12 and 13, by striking out "A CITY

1 OR COUNTY OF THE FIRST CLASS AND"

2 Amend Bill, page 27, lines 21 and 22, by striking out "A CITY

3 OR COUNTY OF THE FIRST CLASS AND"

4 Amend Bill, page 27, lines 27 and 28, by striking out "A CITY

5 OR COUNTY OF THE FIRST CLASS AND"

6 Amend Bill, page 28, lines 3 and 4, by striking out "A CITY

7 OR COUNTY OF THE FIRST CLASS AND"

8 Amend Bill, page 28, by inserting between lines 13 and 14

9 (b) Quarterly report.--A local government unit that  
10 authorizes a qualified interest rate management agreement shall  
11 report on the performance of the qualified interest rate  
12 management agreement quarterly at a public meeting. At a  
13 minimum, the reporting shall include a current mark to market  
14 valuation of the agreement.

15 Amend Bill, page 28, line 14, by striking out "(B)" and

16 inserting

17 (c)

18 Amend Bill, page 28, lines 16 and 17, by striking out "A CITY

19 OR COUNTY OF THE FIRST CLASS AND"

20 Amend Bill, page 28, lines 18 through 21, by striking out all

21 of said lines and inserting

22 Section 6. Applicability.

23 The following shall apply:

24 (1) This act shall apply to all interest rate management  
25 agreements entered into on or after the effective date of  
26 this act.

27 (2) This act shall not apply to any amendment,  
28 termination or novation of an interest rate management  
29 agreement where the interest rate management agreement was  
30 entered into prior to the effective date of this act as long  
31 as the term of the interest rate management agreement is not  
32 extended.