

AMENDMENTS TO HOUSE BILL NO. 882

Sponsor: REPRESENTATIVE B. MILLER

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1 Amend Bill, page 1, line 8, by inserting after "for" where it
2 occurs the first time

3 ordinance authorizing issuance of bonds or notes or instruments
4 evidencing lease rental debt, for

5 Amend Bill, page 1, line 10, by inserting after "for" where
6 it occurs the first time

7 fees for filing, for

8 Amend Bill, page 3, line 21, by striking out ", 8007 and
9 8026(a)(5)" and inserting

10 and 8007

11 Amend Bill, page 4, line 25, by striking out "it" and
12 inserting

13 the local government unit

14 Amend Bill, page 5, line 30, by inserting before "The"

15 (a) Included costs.--

16 Amend Bill, page 6, line 19, by striking out "Costs paid,
17 from sources other than the debt" and inserting

18 (b) Excluded costs.--Costs paid, from sources other than the
19 debt

20 Amend Bill, page 6, line 26, by striking out "Costs" and
21 inserting

22 (c) Funding of unfunded debt.--Costs

23 Amend Bill, page 6, by inserting after line 30

24 Section 3. Section 8026(a)(5) of Title 53 is amended and the
25 section is amended by adding a subsection to read:

Amend Bill, page 7, by inserting between lines 23 and 24

(c) Change in circumstances.--If there has been a change in circumstances and the local government unit has existing debt that was previously approved by the department as self-liquidating or subsidized, a new certification shall be filed. The certification shall specify whether or not the debt should continue to be treated as self-liquidating or subsidized and state whether any decrease in the amount to be excluded is required by any change in circumstances, other than resulting from the payments of debt.

Amend Bill, page 7, line 24, by striking out "3" and inserting

4

Amend Bill, page 7, line 27, by striking out "Prior" and inserting

At least 10 days prior

Amend Bill, page 10, by inserting between lines 5 and 6

(13) A statement as to whether or not the bonds or notes are zero coupon or capital appreciation bonds or notes and, if so, the ratio of total estimated principal and interest payments over the proceeds of the issue.

Amend Bill, page 11, line 14, by striking out "4" and inserting

5

Amend Bill, page 11, line 14, by inserting after "Sections" 8103(a)(1),

Amend Bill, page 11, by inserting between lines 15 and 16

§ 8103. Ordinance authorizing issuance of bonds or notes or instruments evidencing lease rental debt.

(a) General rule.--The ordinance or ordinances or, in the case of notes issued under section 8109 (relating to small borrowing for capital purposes), the resolution authorizing the issuance of bonds or notes or the execution of a lease, guaranty, subsidy contract or other agreement evidencing lease rental debt by a local government unit shall contain, in substance:

(1) In all cases, including lease rental debt, the following:

(i) A brief description of the project for which the debt is to be incurred and, if a capital project, a

1 realistic estimated useful life thereof.

2 (ii) A statement of the aggregate principal amount
3 of bonds or notes proposed to be issued pursuant to the
4 ordinance or, as the case may be, to be secured by the
5 instrument evidencing lease rental debt.

6 (iii) A statement whether the debt is to be incurred
7 as electoral debt, nonelectoral debt or lease rental
8 debt.

9 (iv) An authorization and direction to one or more
10 specified officers and their successors to prepare and
11 certify and, except in the case of notes issued under
12 section 8109, to file the debt statement required by
13 section 8110 (relating to debt statement), to execute and
14 deliver the bonds or notes or the instrument evidencing
15 lease rental debt and to take other necessary action.
16 This designation may be changed from time to time
17 thereafter.

18 (v) In the case of nonelectoral or lease rental debt
19 which is subject to exclusion as subsidized debt or self-
20 liquidating debt if the exclusion is presently desired,
21 an authorization to the proper officers of the local
22 government unit to prepare and file any statements
23 required by Subchapter B of Chapter 80 (relating to
24 limitations on debt of local government units) which are
25 necessary to qualify all or any portion of the debt for
26 exclusion from the appropriate debt limit as self-
27 liquidating debt or subsidized debt. If an exclusion is
28 to be claimed that the debt will be self-liquidating, the
29 identity of the expert relied upon to make that
30 determination.

31 (vi) As an exhibit, a disclosure statement in a
32 format prescribed by the department containing
33 information as to the following:

34 (A) The principal amount of the debt, the term
35 over which the debt will be repaid and the estimated
36 net debt service obligation to the local government
37 unit.

38 (B) A breakdown of the expected use of debt
39 proceeds for:

40 (I) The acquisition and construction of real
41 estate, including land, buildings, easements,
42 rights and other appurtenances deemed necessary
43 for the project.

44 (II) Equipment and furnishings.

45 (III) Fees of architects, engineers,
46 financial advisors, attorneys and other
47 professionals incurred in connection with the
48 project.

49 (IV) Costs of necessary printing and
50 advertising.

51 (V) Costs of preliminary feasibility studies

1 and tests.

2 (VI) Working capital for operating the
3 project.

4 (C) A description of the basis for the decision
5 that the bonds or notes are to be sold at a public
6 sale, at a private sale by negotiation or upon
7 invitation at the price the governing body
8 determines.

9 (D) The identity of the bond counsel.

10 (E) The identity of the sinking fund depository
11 and paying agent.

12 (F) The identities of the purchasers of the
13 bonds or notes.

14 (G) Whether a qualified interest rate management
15 agreement is associated with the debt.

16 (H) Whether the project involves the sale of
17 assets owned by the local government unit.

18 (I) The local government unit's plan to provide
19 necessary tax or other revenues to pay the debt
20 service on the debt.

21 * * *

22 Amend Bill, page 13, line 7, by striking out "5" and
23 inserting

24 6

25 Amend Bill, page 13, line 30, by striking out "6" and
26 inserting

27 7

28 Amend Bill, page 13, line 30, by inserting after "Sections"
29 8203,

30 Amend Bill, page 14, by inserting between lines 1 and 2
31 \$ 8203. Fees for filing.

32 [Every] (a) General rule.--Except as provided in subsection
33 (b), every filing with the department shall be accompanied by a
34 filing fee as determined in section 605-A of the act of April 9,
35 1929 (P.L.177, No.175), known as The Administrative Code of
36 1929.

37 (b) Exception.--A preliminary filing under section 8102.1
38 (relating to preliminary filings with department prior to
39 issuance of certain debt) shall be accompanied by a fee of \$50.

40 (c) Payments.--No submission shall constitute a filing until
41 the proper fee is paid. All fees received under this section
42 shall be paid by the department into the State Treasury through
43 the Department of Revenue.

44 Amend Bill, page 15, lines 9 and 10, by striking out all of

1 said lines and inserting
2 (a) Retention period.--
3 (1) The department shall keep all proceedings, including
4 all applications and statements by a local
5 Amend Bill, page 15, line 20, by striking out "The" and
6 inserting
7 (2) The
8 Amend Bill, page 16, line 6, by striking out "7" and
9 inserting
10 8
11 Amend Bill, page 19, line 18, by striking out "8" and
12 inserting
13 9
14 Amend Bill, page 19, line 22, by striking out "9" and
15 inserting
16 10