

SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee

February 27, 2020

Date

Committee on Local Government.

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

SB20-139 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, strike line 6.
- 2 Page 2, line 7, strike "A" and substitute:
 - 3 "(ll) TO ENTER INTO LOAN AGREEMENTS WITH ANY".
- 4 Page 2, line 14, strike "COUNTY MAY AUTHORIZE THE COUNTY
5 TREASURER" and substitute "COUNTY, IN CONSULTATION WITH THE
6 COUNTY TREASURER, IS AUTHORIZED".
- 7 Page 2, line 17, strike "ANY SUCH LOAN IS" and substitute "THE BOARD OF
8 COUNTY COMMISSIONERS SHALL ANALYZE OR CAUSE TO BE ANALYZED
9 ANY SUCH LOAN USING THE UNDERWRITING STANDARDS ADOPTED
10 PURSUANT TO SUBSECTION (3) OF THIS SECTION BEFORE MAKING THE
11 LOAN, AND ANY SUCH LOAN IS ALSO".
- 12 Page 2, line 20, strike "OBLIGATED;" and substitute "OBLIGATED, AND THE
13 AMOUNT LOANED MUST NOT CAUSE THE TOTAL OUTSTANDING PRINCIPAL
14 BALANCE OF ALL LOANS MADE PURSUANT TO THIS SUBSECTION (1) TO
15 EXCEED EIGHT PERCENT OF THE AMOUNT OF SUCH MONEY AVAILABLE AT
16 THE TIME THE LOAN IS MADE;".
- 17 Page 3, line 5, strike "AND".

1 Page 3, line 9, strike "TRANSPORTATION, UTILITY," and substitute
2 "TRANSPORTATION".

3 Page 3, strike line 10 and substitute "INFRASTRUCTURE; AND

4 (d) THE BOARD OF COUNTY COMMISSIONERS SHALL MAKE THE
5 LOAN BY ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE
6 LOAN RECIPIENT THAT ESTABLISHES THE TERMS AND CONDITIONS OF THE
7 LOAN. BEFORE ENTERING INTO SUCH AN INTERGOVERNMENTAL
8 AGREEMENT:

9 (I) THE BOARD OF COUNTY COMMISSIONERS SHALL APPROVE THE
10 PUBLIC INFRASTRUCTURE PROJECT TO BE FUNDED BY THE LOAN AND THE
11 TERMS AND CONDITIONS OF THE LOAN AT A MEETING OF THE BOARD HELD
12 IN ACCORDANCE WITH THE OPEN MEETING REQUIREMENTS OF PART 4 OF
13 ARTICLE 6 OF TITLE 24; AND

14 (II) THE BOARD OF COUNTY COMMISSIONERS OR THE LOAN
15 RECIPIENT SHALL PURSUE PRIVATE SECTOR OPTIONS, INCLUDING BUT NOT
16 LIMITED TO FINANCIAL INSTITUTIONS DOING BUSINESS WITHIN THE
17 COUNTY, FOR FUNDING THE PUBLIC INFRASTRUCTURE PROJECT TO BE
18 FUNDED BY THE LOAN AND REPORT REGARDING THE OPTIONS PURSUED AT
19 THE BOARD MEETING HELD PURSUANT TO SUBSECTION (1)(d)(I) OF THIS
20 SECTION."

21 Page 3, after line 14 insert:

22 "(3) BEFORE MAKING LOANS AS AUTHORIZED BY SUBSECTION (1)
23 OF THIS SECTION, THE BOARD OF COUNTY COMMISSIONERS SHALL ADOPT
24 UNDERWRITING STANDARDS. THE UNDERWRITING STANDARDS MUST
25 REQUIRE, AT A MINIMUM, THAT EACH PROPOSED LOAN BE ANALYZED WITH
26 RESPECT TO THE RISKS OF THE LOAN, MARKET RATES, AND LOAN TERMS."

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