

1 **SB 6828** - H AMD TO H AMD (H-4864.3/02) **0545 FAILED 3-12-02**

2 By Representative ____

3 On page 6 of the striking amendment, after line 32, insert the
4 following:

5 "(2) Prior to issuing bonds pursuant to this section, the
6 authority shall determine whether in any year annual debt service
7 payments attributable to those bonds will exceed twenty percent of the
8 projected payment to the state for that year under the master
9 settlement agreement. If the authority determines that in any year the
10 annual debt service payments will exceed twenty percent of projected
11 payments for that year, then the authority's ability to issue bonds
12 pursuant to this section is terminated, and any sales agreement between
13 the state and the authority pursuant to section 7 of this act is null
14 and void."

15 Renumber remaining subsections consecutively and correct internal
16 references accordingly.

EFFECT: If debt service payments for the bonds are projected to exceed twenty percent of tobacco revenues, then the Authority may not issue the bonds and the state's sale of the right to receive the tobacco revenues is null and void.