

1 **SB 6828** - H AMD TO H AMD (H-4864.3/02) **0547 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 calculate the ratio of expected net proceeds to the  
7 present value of the total future payments that the state would  
8 otherwise receive under the master settlement agreement from the  
9 portion sold under section 7 of this act. If the authority determines  
10 that the expected net proceeds will be less than eighty-five percent of  
11 the present value of the total future payments that the state would  
12 otherwise receive, then the authority's ability to issue bonds  
13 pursuant to this section is terminated, and any sales agreement between  
14 the state and the authority pursuant to section 7 of this act is null  
15 and void."

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

**EFFECT:** If the Authority determines that projected net proceeds from the sale will be less than 85% of the present value of the future payments securitized, 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.