

1 **SB 6828** - H AMD TO H AMD (H-4864.3/02) **0564 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 be
7 deposited in the tobacco securitization trust account to the total
8 future payments under the master settlement agreement that the state
9 would otherwise receive from the portion sold under section 7 of this
10 act. If the authority determines that the expected net proceeds will
11 be less than twenty-five percent of the total future payments that the
12 state would otherwise receive from the portion sold under section 7 of
13 this act, then the authority's ability to issue bonds pursuant to this
14 section is terminated, and any sales agreement between the state and
15 the authority pursuant to section 7 of this act is null and void."

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

EFFECT: If the Authority determines that projected net revenues from the sale will be less than 25% of the total of future payments under the Master Settlement Agreement for the portion sold, 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.