

Adopted Rejected

# COMMITTEE REPORT

YES: 21  
NO: 1

**MR. SPEAKER:**

*Your Committee on Ways and Means, to which was referred Senate Bill 388, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete line 8, begin a new line block indented and insert:
- 2 "IC 8-9.5-4, except that the term does not include a swap
- 3 agreement entered into by an issuing body (as defined in
- 4 section 17(b) of this chapter) if none of the payments owed by
- 5 the issuing body under the agreement, including any
- 6 termination or settlement payments, are payable out of:
- 7 (A) a public fund (as defined in IC 36-1-12-1.2); or
- 8 (B) a special assessment."
- 9 Page 1, line 13, delete "As used in this section, "issuing body"" and
- 10 insert "This section does not apply to a political subdivision or other
- 11 local entity when the political subdivision or other local entity
- 12 participates in a program sponsored by the Indiana bond bank in
- 13 which the actions of the Indiana bond bank are subject to this
- 14 section."

- 1 Page 1, delete line 14, begin a new paragraph and insert:
- 2 **"(b) As used in this section, "issuing body" includes:"**.
- 3 Page 2, line 1, delete "(except a local airport authority".
- 4 Page 2, line 2, delete "established for a county having a consolidated
- 5 city)".
- 6 Page 2, line 10, delete "(b)" and insert **"(c)"**.
- 7 Page 2, line 14, delete "(c)" and insert **"(d)"**.
- 8 Page 2, line 20, delete "(d)" and insert **"(e)"**.
- 9 Page 2, line 25, delete "aggregate outstanding notional amounts of
- 10 all its" and insert **"percentage determined in STEP FOUR of the**
- 11 **following STEPS"**.
- 12 Page 2, line 26, delete "outstanding swap agreements".
- 13 Page 2, line 26, after "(20%)" insert "**:**
- 14 **STEP ONE: Determine:**
- 15 **(i) the aggregate outstanding notional amounts of all the**
- 16 **issuing body's outstanding swap agreements; minus**
- 17 **(ii) the aggregate outstanding notional amounts of the**
- 18 **issuing body's outstanding swap agreements that were**
- 19 **issued in connection with obligations for which no tax**
- 20 **revenues were pledged as a means to repay the**
- 21 **obligations.**
- 22 **STEP TWO: Add:**
- 23 **(i) all aggregate outstanding obligations of the issuing**
- 24 **body; plus**
- 25 **(ii) obligations not yet issued but for which one (1) or**
- 26 **more swap agreements have been entered into by the**
- 27 **issuing body.**
- 28 **STEP THREE: Determine:**
- 29 **(i) the STEP TWO result; minus**
- 30 **(ii) the aggregate amount of all obligations included in**
- 31 **the STEP TWO result for which no tax revenues were**
- 32 **pledged as a means to repay the obligations.**
- 33 **STEP FOUR: Divide:**
- 34 **(i) the STEP ONE result; by**
- 35 **(ii) the STEP THREE result.**
- 36 **Multiply the quotient by one hundred (100) to convert the**
- 37 **quotient to a percentage."**
- 38 Page 2, delete lines 27 through 32.

- 1 Page 3, line 4, delete "state".
- 2 Page 3, line 21, delete "(e)" and insert "**(f)**".
- 3 Page 3, line 26, delete "(f)" and insert "**(g)**".  
(Reference is to SB 388 as reprinted February 18, 2011.)

**and when so amended that said bill do pass.**

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Representative Espich