

SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 30, 2026
Date

Committee on Finance.

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

SB26-178 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 3, line 15, strike "(6.5), (16), and (17)" and
2 substitute "(1.3), (1.5), (6.5), and (16)".

3 Page 3, after line 17 insert:

4 "(1.3) "BOND" MEANS ANY BOND, NOTE, INTERIM CERTIFICATE,
5 COMMERCIAL PAPER, CONTRACT, OR OTHER EVIDENCE OF INDEBTEDNESS
6 OF THE ENTERPRISE AUTHORIZED BY THIS PART 12.

7 (1.5) "BOND OBLIGATIONS" MEANS THE DEBT SERVICE ON, AND
8 RELATED COSTS AND OBLIGATIONS IN CONNECTION WITH, BONDS,
9 INCLUDING:

10 (a) PAYMENTS WITH RESPECT TO PRINCIPAL, INTEREST,
11 PREPAYMENT PREMIUMS, RESERVE FUNDS, SURPLUS FUNDS, SINKING
12 FUNDS, AND COSTS OF ISSUANCE;

13 (b) PAYMENTS RELATED TO ANY CREDIT ENHANCEMENT, LIQUIDITY
14 SUPPORT, OR INTEREST RATE PROTECTION FOR BONDS;

15 (c) FEES AND EXPENSES OF ANY TRUSTEE, BOND REGISTRAR,
16 PAYING AGENT, AUTHENTICATING AGENT, REBATE ANALYST OR
17 CONSULTANT, CALCULATION AGENT, REMARKETING AGENT, OR CREDIT
18 ENHANCEMENT, LIQUIDITY SUPPORT, OR INTEREST RATE PROTECTION
19 PROVIDER;

20 (d) COVERAGE REQUIREMENTS; AND

21 (e) OTHER COSTS, FEES, AND EXPENSES RELATED TO ANY OF THE
22 OBLIGATIONS SPECIFIED IN SUBSECTIONS (1.5)(a) TO (1.5)(d) OF THIS
23 SECTION AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO
24 THE PROVISIONS OF ANY DOCUMENTS AUTHORIZING THE ISSUANCE OF THE
25 BONDS."

- 1 Page 4, strike lines 3 and 4.
- 2 Page 4, line 7, before "(2)(f)," insert "(2)(d),".
- 3 Page 5, after line 1 insert:
- 4 "(d) To issue revenue bonds payable from the revenues AND
5 OTHER AVAILABLE MONEY of the enterprise PLEDGED FOR THEIR PAYMENT
6 AS AUTHORIZED IN SECTION 10-16-1213;".
- 7 Page 5, line 6, strike "FUND" and substitute "FUND, OTHER THAN
8 PROCEEDS FROM THE SALE OF BONDS OR EARNINGS ON SUCH PROCEEDS
9 INVESTED PURSUANT TO SECTION 10-16-1213 (2),".
- 10 Page 7, line 15, after "THEREAFTER," insert "THE PROCEEDS FROM THE
11 ISSUANCE OF REVENUE BONDS PURSUANT TO SECTION 10-16-1213,".
- 12 Page 7, line 16, strike "THEREAFTER," and substitute "THEREAFTER".
- 13 Page 8, strike line 25 and substitute "(1)(d), (1)(h), (1)(i), and (2); and
14 **add** (1)(j) as follows:".
- 15 Page 9, after line 2 insert:
- 16 "(d) The ~~revenue~~ PROCEEDS collected from revenue bonds issued
17 pursuant to ~~section 10-16-1204 (1)(b)(H)~~ SECTION 10-16-1213 AND ANY
18 EARNINGS ON THE INVESTMENT OF BOND PROCEEDS INVESTED PURSUANT
19 TO SECTION 10-16-1213 (2);".
- 20 Page 9, line 7, after "(1)(a)(III);" add "AND".
- 21 Page 9, strike lines 8 through 10.
- 22 Reletter succeeding paragraph accordingly.
- 23 Page 9, strike lines 13 through 27.
- 24 Page 10, strike lines 1 through 7 and substitute:
- 25 "(2) (a) Money in the fund shall not be transferred to any other
26 fund, except as provided in section 10-16-1205 (2), and shall not be used
27 for any purpose other than the purposes specified in this part 12.
28 (b) BEFORE ALLOCATING ANY MONEY IN THE FUND FOR PROGRAMS

1 FUNDED BY THE ENTERPRISE PURSUANT TO THIS PART 12, THE ENTERPRISE
2 SHALL FIRST PAY FOR BOND OBLIGATIONS ON REVENUE BONDS ISSUED
3 PURSUANT TO SECTION 10-16-1213."

4 Page 11, line 6, strike "Spanish" and substitute "Spanish, INCLUDING
5 MAKING WRITTEN MATERIALS AND PRESENTATIONS AVAILABLE NOT LATER
6 THAN SEVEN DAYS AFTER MEETINGS,".

7 Page 11, line 19, after "**amend**" insert "(1)(b)(I)(F) and".

8 Page 11, after line 26 insert:

9 "(F) Any revenue collected from revenue bonds pursuant to
10 ~~section 10-16-1204 (1)(b)(H)~~ SECTION 10-16-1213;".

11 Page 12, strike lines 5 through 7 and substitute:

12 "(J) ANY PROCEEDS FROM THE ISSUANCE OF REVENUE BONDS
13 PURSUANT TO SECTION 10-16-1213;".

14 Page 12, line 8, after "10-16-1212" insert "and 10-16-1213".

15 Page 12, strike lines 26 and 27.

16 Strike pages 13 and 14.

17 Page 15, strike lines 1 through 18 and substitute:

18 "**10-16-1213. Bonds - investments - bonds eligible for**
19 **investment and exempt from taxation.**

20 (1) (a) THE ENTERPRISE MAY ISSUE BONDS TO GENERATE
21 PROCEEDS OF UP TO A TOTAL OF ONE HUNDRED MILLION DOLLARS FOR ANY
22 OF THE BUSINESS PURPOSES SPECIFIED IN THIS PART 12, INCLUDING TO
23 FUND THE PROGRAMS SPECIFIED IN THIS PART 12. THE BONDS SHALL BE
24 ISSUED PURSUANT TO RESOLUTION OF THE BOARD AND SHALL BE PAYABLE
25 SOLELY OUT OF ALL OR A SPECIFIED PORTION OF THE MONEY IN THE FUND.

26 (b) BONDS MAY BE EXECUTED AND DELIVERED BY THE ENTERPRISE
27 AT SUCH TIMES; MAY BE IN SUCH FORM AND DENOMINATIONS AND
28 INCLUDE SUCH TERMS AND MATURITIES; MAY BE SUBJECT TO OPTIONAL OR
29 MANDATORY REDEMPTION PRIOR TO MATURITY WITH OR WITHOUT A
30 PREMIUM; MAY BE IN FULLY REGISTERED FORM OR BEARER FORM
31 REGISTRABLE AS TO PRINCIPAL OR INTEREST OR BOTH; MAY BEAR SUCH
32 CONVERSION PRIVILEGES; MAY BE PAYABLE IN SUCH INSTALLMENTS AND

1 AT SUCH TIMES NOT EXCEEDING FORTY-FIVE YEARS FROM THE DATE OF
2 ISSUANCE; MAY BE PAYABLE AT SUCH PLACE OR PLACES WHETHER WITHIN
3 OR WITHOUT THE STATE; MAY BEAR INTEREST AT SUCH RATE OR RATES PER
4 ANNUM, WHICH MAY BE FIXED OR VARY ACCORDING TO INDEX,
5 PROCEDURE, OR FORMULA OR AS DETERMINED BY THE ENTERPRISE OR ITS
6 AGENTS, WITHOUT REGARD TO ANY INTEREST RATE LIMITATION
7 APPEARING IN ANY OTHER LAW OF THE STATE; MAY BE SUBJECT TO
8 PURCHASE AT THE OPTION OF THE HOLDER OR THE ENTERPRISE; MAY BE
9 EVIDENCED IN SUCH MANNER; MAY BE EXECUTED BY SUCH OFFICERS OF
10 THE ENTERPRISE, INCLUDING THE USE OF ONE OR MORE FACSIMILE
11 SIGNATURES SO LONG AS AT LEAST ONE MANUAL SIGNATURE APPEARS ON
12 THE BONDS, WHICH MAY BE EITHER OF AN OFFICER OF THE ENTERPRISE OR
13 OF AN AGENT AUTHENTICATING THE SAME; MAY BE IN THE FORM OF
14 COUPON BONDS THAT HAVE ATTACHED INTEREST COUPONS BEARING A
15 MANUAL OR FACSIMILE SIGNATURE OF AN OFFICER OF THE ENTERPRISE;
16 AND MAY CONTAIN SUCH PROVISIONS NOT INCONSISTENT WITH THIS PART
17 12, ALL AS PROVIDED IN THE RESOLUTION OF THE BOARD UNDER WHICH
18 THE BONDS ARE AUTHORIZED TO BE ISSUED OR AS PROVIDED IN A TRUST
19 INDENTURE BETWEEN THE ENTERPRISE AND ANY COMMERCIAL BANK OR
20 TRUST COMPANY HAVING FULL TRUST POWERS.

21 (c) BONDS OF THE ENTERPRISE MAY BE SOLD AT PUBLIC OR
22 PRIVATE SALE AT SUCH PRICE OR PRICES, IN SUCH MANNER, AND AT SUCH
23 TIMES AS DETERMINED BY THE BOARD, AND THE BOARD MAY PAY ALL
24 FEES, EXPENSES, AND COMMISSIONS THAT IT DEEMS NECESSARY OR
25 ADVANTAGEOUS IN CONNECTION WITH THE SALE OF THE BONDS. THE
26 POWER TO FIX THE DATE OF SALE OF THE BONDS, TO RECEIVE BIDS OR
27 PROPOSALS, TO AWARD AND SELL BONDS, TO FIX INTEREST RATES, AND TO
28 TAKE ALL OTHER ACTION NECESSARY TO SELL AND DELIVER THE BONDS
29 MAY BE DELEGATED TO AN OFFICER OR AGENT OF THE ENTERPRISE. ANY
30 OUTSTANDING BONDS MAY BE REFUNDED BY THE ENTERPRISE PURSUANT
31 TO ARTICLE 56 OF TITLE 11. ALL BONDS AND ANY INTEREST COUPONS
32 APPLICABLE TO THE BONDS ARE DECLARED TO BE NEGOTIABLE
33 INSTRUMENTS.

34 (d) THE RESOLUTION OR TRUST INDENTURE AUTHORIZING THE
35 ISSUANCE OF THE BONDS MAY PLEDGE ALL OR A PORTION OF THE FUND;
36 MAY PLEDGE ALL OR A PORTION OF THE RIGHTS OF THE ENTERPRISE TO
37 IMPOSE, AND RECEIVE THE REVENUES GENERATED BY, THE FEE
38 AUTHORIZED BY SECTION 10-16-1205 (1)(a)(I), THE SUPPLEMENTAL
39 ASSESSMENT AUTHORIZED BY SECTION 10-16-1205 (1)(a)(III), AND ANY
40 OTHER REVENUES GENERATED OR RECEIVED BY THE ENTERPRISE, OTHER
41 THAN ANY FEDERAL MONEY THE ENTERPRISE MAY RECEIVE; MAY CONTAIN
42 SUCH PROVISIONS FOR PROTECTING AND ENFORCING THE RIGHTS AND
43 REMEDIES OF HOLDERS OF ANY OF THE BONDS AS THE ENTERPRISE DEEMS

1 APPROPRIATE; MAY SET FORTH THE RIGHTS AND REMEDIES OF THE
2 HOLDERS OF ANY OF THE BONDS; AND MAY CONTAIN PROVISIONS THAT THE
3 ENTERPRISE DEEMS APPROPRIATE FOR THE SECURITY OF THE HOLDERS OF
4 THE BONDS, INCLUDING PROVISIONS FOR LETTERS OF CREDIT, INSURANCE,
5 STANDBY CREDIT AGREEMENTS, OR OTHER FORMS OF CREDIT ENSURING
6 TIMELY PAYMENT OF THE BONDS, INCLUDING THE REDEMPTION PRICE OR
7 THE PURCHASE PRICE.

8 (e) ANY PLEDGE OF THE FUND IS VALID AND BINDING FROM THE
9 TIME THE PLEDGE IS MADE. THE PLEDGED FUND IS IMMEDIATELY SUBJECT
10 TO THE LIEN OF THE PLEDGE WITHOUT ANY PHYSICAL DELIVERY OR
11 FURTHER ACT, AND THE LIEN OF THE PLEDGE IS VALID AND BINDING
12 AGAINST ALL PARTIES HAVING CLAIMS OF ANY KIND IN TORT, CONTRACT,
13 OR OTHERWISE AGAINST THE PLEDGING PARTY REGARDLESS OF WHETHER
14 THE CLAIMING PARTY HAS NOTICE OF THE LIEN. THE INSTRUMENT BY
15 WHICH THE PLEDGE IS CREATED NEED NOT BE RECORDED OR FILED.

16 (f) NEITHER THE MEMBERS OF THE BOARD, NOR EMPLOYEES OF THE
17 ENTERPRISE, NOR ANY PERSON EXECUTING THE BONDS IS LIABLE
18 PERSONALLY ON THE BONDS OR SUBJECT TO ANY PERSONAL LIABILITY BY
19 REASON OF THE ISSUANCE OF THE BONDS.

20 (g) THE ENTERPRISE MAY PURCHASE ITS BONDS OUT OF ANY
21 AVAILABLE MONEY AND MAY HOLD, PLEDGE, CANCEL, OR RESELL SUCH
22 BONDS SUBJECT TO AND IN ACCORDANCE WITH AGREEMENTS WITH THE
23 BOND HOLDERS.

24 (2) THE ENTERPRISE MAY INVEST OR DEPOSIT ANY PROCEEDS AND
25 ANY INTEREST FROM THE SALE OF BONDS IN THE MANNER PROVIDED BY
26 PART 6 OF ARTICLE 75 OF TITLE 24. IN ADDITION, AN ISSUING ENTERPRISE
27 MAY DIRECT A CORPORATE TRUSTEE THAT HOLDS THE BOND PROCEEDS
28 AND ANY INTEREST TO INVEST OR DEPOSIT THE PROCEEDS AND INTEREST
29 IN INVESTMENTS OR DEPOSITS OTHER THAN THOSE SPECIFIED BY SAID PART
30 6 IF THE BOARD DETERMINES, BY RESOLUTION, THAT THE INVESTMENT OR
31 DEPOSIT MEETS THE STANDARD ESTABLISHED IN SECTION 15-1-304, THE
32 INCOME IS AT LEAST COMPARABLE TO INCOME AVAILABLE ON
33 INVESTMENTS OR DEPOSITS SPECIFIED BY SAID PART 6, AND THE
34 INVESTMENT WILL ASSIST THE ENTERPRISE IN FUNDING PROGRAMS
35 SPECIFIED IN THIS PART 12.

36 (3) ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN
37 ASSOCIATIONS, INSURANCE COMPANIES, EXECUTORS, ADMINISTRATORS,
38 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES MAY LEGALLY INVEST
39 ANY MONEY WITHIN THEIR CONTROL IN ANY BONDS ISSUED UNDER THIS
40 PART 12. PUBLIC ENTITIES, AS DEFINED IN SECTION 24-75-601 (1), MAY
41 INVEST PUBLIC MONEY IN SUCH BONDS ONLY IF THE BONDS SATISFY THE
42 INVESTMENT REQUIREMENTS ESTABLISHED IN PART 6 OF ARTICLE 75 OF
43 TITLE 24.

1 (4) THE INCOME OR OTHER REVENUES OF THE ENTERPRISE, BONDS
2 ISSUED BY THE ENTERPRISE, AND THE TRANSFER OF AND THE INCOME FROM
3 ANY BONDS ISSUED BY THE ENTERPRISE ARE EXEMPT FROM ALL TAXATION
4 AND ASSESSMENTS IN THE STATE. IN THE RESOLUTION OR INDENTURE
5 AUTHORIZING THE BONDS, THE ENTERPRISE MAY WAIVE THE EXEMPTION
6 FROM FEDERAL INCOME TAXATION FOR INTEREST ON THE BONDS. BONDS
7 ISSUED BY THE ENTERPRISE ARE EXEMPT FROM THE PROVISIONS OF
8 ARTICLE 51 OF TITLE 11."

9 Renumber succeeding sections accordingly.

** ** ** ** **