

HB 722 -- BONDS

SPONSOR: O'Donnell

This bill provides that bonds, notes, or other forms of indebtedness may be issued in book-entry or registered form and may be sold at any sale, at the lowest true interest cost that is obtained, not less than 50% of the par value and not more than 120% of the par value. The bill prescribes similar requirements for industrial development revenue bonds, bonds issued by any housing authority, and revenue bonds issued for airport purposes.

The bill deletes the current language which provides for a political subdivision to have an unenhanced bond rating of AA+ or higher or comparable rating, and replaces it with a bond rating that is one of the two highest long-term ratings or the highest short-term rating issued by a nationally recognized rating agency on its outstanding general obligation.

This bill is similar to HB 2552 (2022).