

PROPOSED AMENDMENT

SENATE AMENDMENTS TO S.B. 1294

(Reference to printed bill)

1 Page 3, after line 44, insert:

2 "Sec. 4. Section 37-295, Arizona Revised Statutes, is amended to read:

3 37-295. Disposition of long-term commercial lease prepayments;
4 prepayment fund

5 A. If the department receives prepayments of rent paid from long-term
6 commercial leases under any provision of this chapter, the monies received
7 shall be transmitted to the state treasurer for investment in a prepayment
8 fund for the appropriate beneficiary. Any interest earned from the
9 investments of monies in the prepayment fund shall be credited to the
10 prepayment fund. For each lease that is prepaid, the ~~department shall give~~
11 ~~notice to the treasurer of the amount of rent annually due to the beneficiary~~
12 ~~according to a schedule maintained by the department. The~~ treasurer shall
13 ~~remit to the department an amount from~~ AMORTIZE the prepayment TOGETHER WITH
14 THE INTEREST EARNED FROM THE fund ~~that is equal to the amount stated in the~~
15 ~~notice. The department shall transfer the remittance to the~~ OVER THE
16 REMAINING TERM OF THE LEASE AND REMIT TO THE credit of the ~~fund of the~~
17 appropriate beneficiary A CORRESPONDING AMOUNT ON AN ANNUAL BASIS ACCORDING
18 TO THE ANNIVERSARY DATE OF THE LEASE.

19 B. For leases entered into through December 31, 2000, the discount
20 rate for prepayments made pursuant to subsection A shall be no greater than
21 the current prevailing long-term interest rate established by the state
22 treasurer on the date the lease is approved by the board of appeals.

23 C. For leases entered into from and after December 31, 2000, the
24 discount rate for prepayments made pursuant to subsection A shall be no
25 greater than the twenty-four month average yield for a fixed income security
26 with a ten year maturity or average life which is eligible for purchase by
27 the permanent fund managed by the state treasurer. The twenty-four month

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- 1 average calculation ends on the last day of the month before the month in
- 2 which the board of appeals approves the lease."
- 3 Amend title to conform

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