

(H. B. 2186)

(No. 84)

(Approved May 9, 2006)

AN ACT

To amend subsection (a) of Section 1 of Article 3 and Article 9 of Act Number 39 of August 1, 2005, known as the “Commonwealth of Puerto Rico and the Public Buildings Authority Qualified Interest Rate Exchange Agreements Act of 2006,” in order to modify the amount of the profit generated for the Commonwealth of Puerto Rico by qualified interest rate exchange agreements; and to establish the immediate effectiveness of the aforementioned Act.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Subsection (a) of Section 1 of Article 3 of Act Number 39 of August 1, 2005 is hereby amended to read as follows:

“Article 3.- Commonwealth of Puerto Rico Qualified Interest Rate Exchange Agreements.

Section 1.- Authorization to execute qualified interest rate exchange agreements.

- (a) The Secretary of the Treasury is hereby authorized to negotiate and execute with any bank, investment bank or securities issuing bank or other financial institution, provided they have (directly or through guarantees) a high credit classification (of not less than investment grade), one or more qualified interest rate exchange agreements which the Secretary may determine to be for the best interests of the Commonwealth in relation to any other obligation of the Commonwealth, or otherwise, in relation to the management of the

risks or costs of the Commonwealth related to the fluctuations in the interest rates, investments, changes in the level of prices or the credit risks of any obligation, or in relation to obtaining economic benefits equal to a reduction in the interest rates or in the service of the debt of the outstanding bonds so as to generate a profit for the Commonwealth of up to one hundred million dollars (\$100,000,000) under the terms and conditions which the Secretary of the Treasury determines to be in the best interests of the Commonwealth.

(b) ...”

Section 2.- Article 9 of Act Number 39 of August 1, 2005 is hereby amended to read as follows:

“Article 9.- Effectiveness.

This Act shall take effect immediately after its approval.”

Section 3.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 84 (H.B. 2186) of the 3rd Session of the 15th Legislature of Puerto Rico:

AN ACT to amend subsection (a) of Section 1 of Article 3 and Article 9 of Act Number 39 of August 1, 2005, known as the “Commonwealth of Puerto Rico and the Public Buildings Authority Qualified Interest Rate Exchange Agreements Act of 2006,” in order to modify the amount of the profit generated for the Commonwealth of Puerto Rico by qualified interest rate exchange agreements; and to establish the immediate effectiveness of the aforementioned Act,

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, today 6th of June of 2006.

Francisco J. Domenech
Director