

200 KAR 21:040. Selection of national comanaging underwriters.

RELATES TO: KRS 45A.850(4)

STATUTORY AUTHORITY: KRS 45A.850(4), 45A.879

NECESSITY, FUNCTION, AND CONFORMITY: KRS 45A.850(4) provides that national comanaging underwriters for bond issues of state bond issuing agencies shall be selected pursuant to an administrative regulation promulgated by the Office of Financial Management. This administrative regulation establishes the procedure for selecting national comanaging underwriters for bond issues of state bond issuing agencies.

Section 1. Definition. For purposes of this administrative regulation the term "national comanaging underwriter" shall mean a financial institution whose headquarters are located outside the Commonwealth of Kentucky, which has offices in multiple states, and which assists in the structuring, underwriting and marketing of bonds issued by governmental agencies.

Section 2. Selection of National Comanaging Underwriters.

(1) National comanaging underwriters for bond issuances of state bond issuing agencies, as defined in KRS 45A.840(3), shall be selected pursuant to the request for proposal process established by KRS 45A.853 and 45A.857 for the same bond issuing agency or bond project for which the request for proposals was issued for underwriters.

(2) After an underwriter has been selected for a bond issuing agency or bond project, a national comanaging underwriter may be selected based on the rankings of the selection committee. The national comanaging underwriter, if any, shall be the highest ranked firm, other than the underwriter selected, which has a municipal bonds sales office located in the Commonwealth.

(3) If the Executive Director of the Office of Financial Management recommends, pursuant to KRS 45A.850(4), that more than one (1) national comanaging underwriter should be utilized on a bond issuance, any additional national comanaging underwriters shall be selected in the order of the ranking as determined by the selection committee for the respective bond issuing agency or bond project.

(21 Ky.R. 1990; eff. 3-22-1995; TAM eff. 11-15-2018; Crt eff. 4-8-2019.)