

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 3931-04  
Bill No.: Truly Agreed to and Finally Passed HCS for SCS for SB 1093  
Subject: Political Subdivisions: Finances, Investments  
Type: Original  
Date: May 24, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials of the **Office of State Treasurer** assumes no fiscal impact.

Officials of the **Jasper, Platte, and Jefferson County Commissions** assume no fiscal impact

**In response to almost identical legislation (3931-03)** officials of **Little Blue Valley Sewer District** assume no fiscal impact.

**Officials of the City of Springfield, and City of North Kansas City** assume no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

This act allows political subdivisions and other public entities to invest funds that are not immediately needed for their intended use. For such investments, certain conditions must be met, which include placing the funds in a financial institution, the financial institution must arrange for the deposit of the funds in certificates of deposit, each certificate of deposit must be insured by the FDIC, the financial institution must act as custodian for the public entity with respect to the certificate of deposit, and the financial institution must receive an equal amount of deposits from customers of other banking institutions to that of the public funds initially placed by the public entity.

This act allows a bank, credit union, trust company, a savings and loan association or savings bank, to act as a custodian and place funds in other financial institutions as long as they are insured by the FDIC.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

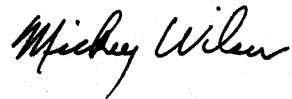
### SOURCES OF INFORMATION

Office of State Treasurer  
Jasper County Commission  
Little Blue Valley Sewer District  
Platte County Commission  
Jefferson County Commission  
City of Springfield  
City of North Kansas City

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NOT RESPONDING

Oversight sent all political subdivisions that are on our respondents list a request for fiscal impact. Only those listed above responded.

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
May 24, 2004