



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 507 of the 128th G.A.](#) **Date:** June 1, 2010
Status: As Reported by House Finance & Appropriations **Sponsor:** Rep. Slesnick

Local Impact Statement Procedure Required: No — No local cost

Contents: To alter the authority of the Treasurer of State to invest in single-issuer debt

State Fiscal Highlights

- The bill expands the Treasurer of State's investment authority to invest the state interim funds in qualified debt of a single issuer that is a foreign nation.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill revises the authority of the Treasurer of State to invest the state interim funds¹ in debt interests issued by a single issuer that is a foreign nation diplomatically recognized by the United States government. The bill would allow the Treasurer to invest up to 1% of the state's portfolio of the state interim funds in such debt. Currently, the Treasurer may invest up to one-half of 1% of the state's total average portfolio of the state interim funds in debt interests issued by any single issuer that is a foreign nation. The expansion allows the Treasurer to invest more of the state interim funds in those types of debts and, presumably, generate potentially greater returns for the state's portfolio. The bill has no direct fiscal effect on local governments.

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¹ Interim funds are state moneys that are not needed to meet the immediate needs of the state.