



# Ohio Legislative Service Commission

*Terry Steele*

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## Fiscal Note & Local Impact Statement

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**Bill:** Sub. S.B. 173 of the 129th G.A. **Date:** September 19, 2011

**Status:** As Reported by Senate Financial Institutions **Sponsor:** Sen. Hughes

**Local Impact Statement Procedure Required:** No

**Contents:** Expands the investment authority of the Treasurer of State and political subdivisions

### State Fiscal Highlights

- No direct fiscal effect on the state.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

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### Detailed Fiscal Analysis

The bill allows the Treasurer of State (TOS) and political subdivisions to authorize a public depository, on or after receiving a deposit of public money, to redeposit the amount into deposit accounts in one or more federally insured banks or savings and loan associations located in the United States. By allowing TOS and political subdivision deposits to be subdivided among various financial institutions insured by the Federal Deposit Insurance Corporation (FDIC), the bill could ensure that the TOS and political subdivisions are able to protect a greater share of public funds under the \$250,000 coverage limit that currently applies to FDIC-insured accounts. With respect to the Treasurer of State, this authority would primarily be used for interim funds, such as fee or tax receipts that have been collected, but are not immediately needed to meet obligations. Overall, the bill does not appear to generate new costs for the Treasurer of State or political subdivisions depositing the money.

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