LEGISLATIVE BILL 594

Introduced by Hardin, 48; Ballard, 21; Brewer, 43; Halloran, 33.

Read first time January 17, 2023

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to political subdivisions; to provide for
2 investment in commercial paper by local government investment pools.
3 Be it enacted by the people of the State of Nebraska,
Section 1. (1) For purposes of this section, local government investment pool means an investment pool or trust created pursuant to the laws of this state, including, but not limited to, the Interlocal Cooperation Act, for the purpose of investing the funds of two or more political subdivisions.

(2) A local government investment pool shall have the power and authority to invest and reinvest funds in its custody in commercial paper, if such commercial paper:

   (a) Has a stated maturity of three hundred ninety days or fewer from its date of issuance; and

   (b) Receives an investment quality rating of not less than A-1 or P-1, or an equivalent rating, by a nationally recognized investment rating firm.

(3) Nothing in this section shall be construed to expand the investment authority of the separate participants in a local government investment pool.