

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB428 changes provisions relating to the deposit of public funds. Provisions of current law require public fund deposits in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC) to be secured either by pledged securities or a guarantee bond. The bill would modify the requirement so as to provide that public fund deposits in excess of amounts insured or guaranteed by the FDIC would be required to be secured. To the extent FDIC-guaranteed public fund deposits represent no greater risk of loss than FDIC-insured public fund deposits, the bill would represent no fiscal implications with respect to security of deposited public funds.

LB428 would also authorize a Nebraska political subdivision located in a community where there is no bank, capital stock financial institution, or qualifying mutual financial institution to deposit public funds with a state or federal mutual organized credit union located in the community where the office of the political subdivision is located. Related deposits would be limited to the amount insured or guaranteed by the National Credit Union Administration or to the extent secured by pledged securities or a guarantee bond beyond such insured or guaranteed levels.