



- Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one of the three highest rated categories by a competent rating agency.

The Kentucky Association of Counties (KACo) and the Kentucky League of Cities (KLC) indicate that this legislation will have a minimal yet positive financial and administrative impact.

Additionally, KLC stated that this legislation will allow additional investment opportunities without adding additional risk. It allows each local government to set their own policies and could be more restrictive.

KLC also provided that in FY 2018, cities reported over \$21.6 million dollars in investment earnings. Cities had a combined total of approximately \$2.59 billion dollars in cash and investments at the end of FY 2018

**The fiscal impact of HB 493 on local governments is indeterminable but it is expected to be minimally positive.**

### **Part III: Differences to Local Government Mandate Statement from Prior Versions**

The Part II section above pertains to the bill as introduced.

**Data Source(s):** Kentucky League of Cities, Kentucky Association of Counties, LRC Staff

**Preparer:** Mark Offerman      **Reviewer:** KHC      **Date:** 2/28/20