

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317)232-9855

**FISCAL IMPACT STATEMENT**

**LS 7365**

**BILL NUMBER: HB 1371**

**DATE PREPARED: Jan 6, 1999**

**BILL AMENDED:**

**SUBJECT:** Conservancy district investments.

**FISCAL ANALYST:** Beverly Holloway

**PHONE NUMBER:**

**FUNDS AFFECTED:**      **GENERAL**  
                                 **DEDICATED**  
                                 **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill allows the Lawrenceburg Conservancy District to invest public funds in municipal securities and equity securities. It allows the Lawrenceburg Conservancy District investments to have a maturity of not more than five years. (Current state law restricts public funds to investments that have a maturity of not more than two years.)

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** This bill extends the authority for the Lawrenceburg Conservancy District to invest public funds in municipal and equity securities with a maturity of not more than 5 years. The fiscal impact of this provision is indeterminable. According to the Office of the Treasurer of State, research shows that about 80% of the increased yield that can be gained by investing in longer term securities is realized when the investments have a maturity of five years or less.

**State Agencies Affected:**

**Local Agencies Affected:** Lawrenceburg Conservancy District.

**Information Sources:** Office of the Treasurer of State, (317) 232-6388.