

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1707 – SB 2684

March 8, 2018

SUMMARY OF ORIGINAL BILL: Authorizes the State Treasurer to accept state or municipal bonds from other states or from municipalities in other states as collateral security from state depositories.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014582): Deletes all language after the enacting clause such that the only substantive change is to add language to the original bill to require state or municipal bonds from other states to meet certain requirements in order to qualify as collateral.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The State Treasurer will evaluate the market value of any bonds pledged as collateral and will hold or sell such bonds in the event of default.
- Adding another form of collateral that may be accepted will not significantly change the operations or responsibilities of the State Treasurer; therefore, any fiscal impact is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/jaw

HB 1707 – SB 2684