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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 1/24/2020

**SPONSOR** Rodriguez      **LAST UPDATED** \_\_\_\_\_      **HB** \_\_\_\_\_

**SHORT TITLE** Types of Federally Insured Obligations      **SB** 49

**ANALYST** Torres

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY20	FY21	FY22		
NFI	NFI	NFI	Recurring	General Fund & Other State Funds
NFI	NFI	NFI	Recurring	Local Governments

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates, conflicts with, companion to, relates to: HB120, SB120

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

State Treasurer's Office (STO)  
 New Mexico Attorney General (NMAG)  
 New Mexico County Treasurer's Affiliate

### SUMMARY

#### Synopsis of Bill

Senate Bill 49 proposes to make a technical amendment to NMSA 1978, Section 6-10-10(F) (3) by removing the phrase "registry service" and replacing it with the phrase "placement services." Counties and municipalities would be expressly authorized to invest funds in "certificate of deposit account placement services." As both the currently-permitted certificate of deposit account registry service and the proposed certificate of deposit account placement services appear to allow depositors to invest with a participating FDIC-insured depository institution to avoid having funds above the Federal Deposit Insurance Corporation ("FDIC") deposit insurance limit in any one bank, this appears to be a technical correction that would have the effect of providing greater flexibility to county and municipal treasurers.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

**FISCAL IMPLICATIONS**

No significant fiscal implications are expected from Senate Bill 49.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Related (closely, and *almost* functions as a duplicate) to House Bill 120, which proposes the same amendment to Section 6-10-10(F) (3). House Bill 120 differs from Senate Bill 49 by proposing additional amendments which would add to Section 6-10-10(N) and create a new subsection (O) permitting the state treasurer and the respective treasurer of “any public body, irrigation district, conservation district or educational institution of the state” to invest in federally insured obligations and specifically certificate of deposit account placement services.

Related to Senate Bill 120, which proposes to amend Section 6-10-10(G).

IT/sb