

## **HB 1205 Fact Sheet**

### *Concerning the Investment of State Moneys*

This bill provides additional flexibility in investing state moneys in the following ways:

#### ***Redefines the statutory definition of “loss” to a more portfolio-based approach.***

- Currently, statutes do not allow any kind of loss principal to any individual investment.
- This bill would reflect a more industry standard, portfolio-based approach with respect to loss.

#### ***Updates statutory language that currently allows the State Treasurer to invest in securities denominated in US dollars.***

- This portion of HB1205 was based on a recommendation by the Legislative Audit committee.
- This recommendation has already been implemented in local investment statutes through last year’s HB 12-1005.

#### ***Allows the State Treasurer to invest state moneys in municipal bonds and covered bonds***

- Requires that such investments are rated in one of the highest two rating categories by a nationally recognized rating organization.