

**FISCAL NOTE**

The fiscal impact is indeterminable.

This legislation requires the State Treasurer to develop and maintain a list of financial institutions engaged in discrimination against energy companies. Compiling this information, keeping it updated and issuing required notifications would be new duties added to the State Treasurer's Office (STO). STO reported a possible expenditure increase due to this legislation but did not estimate the resources it could require.

This legislation also requires the State Treasurer and State Auditor to refuse to enter into a banking contract with a financial institution on the list of those engaged in discrimination against energy companies. If STO's custodial bank or depository bank implemented a discriminatory policy against an energy company, it could require STO transition to different financial institutions. In such an event, STO may have to conduct a request for proposal to select new financial services providers. Subsequently, contracting arrangements with existing investment managers and other business partners may require revision. The STO indicated it is unknown whether changing financial institutions would require modification of the existing accounting and investment computer operating systems.

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