

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**March 20, 2003**

**TO:** Honorable Kenny Marchant, Chair, House Committee on State Affairs

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1109** by King (Relating to collateral eligible to be pledged with the comptroller to secure state deposits.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Chapter 404 of the Government Code to include letters of credit among the direct obligations of or obligations guaranteed by agencies or instrumentalities of the United States government on the list of collateral eligible to be pledged with the Comptroller to secure state deposits.

The bill would open a wider range of options that could be used to provide collateral by specified public agencies. The degree to which the new collateral options would be used cannot be predicted. According to the Comptroller's office the fiscal implications, if any, would appear insignificant.

The bill would take effect September 1, 2003.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller Of Public Accounts

**LBB Staff:** JK, RR, WP