

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

TO: Honorable Vicki Truitt, Chair, House Committee on Pensions & Investments

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1575 by Wentworth (Relating to the issuance of obligations by political subdivisions to pay unfunded liabilities for certain retirement benefits of officers and employees of the political subdivisions.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would add Chapter 1436 to Subtitle H, Title 9 of the Government Code to authorize a political subdivision to issue obligations to fund all or any part of an unfunded liability. Requirements related to this authorization are stipulated in the bill. Obligations may not be issued after December 31, 2011.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, KJG, DB