

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 8, 2011

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

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

IN RE: SB1543 by Wentworth (Relating to the authority of independent school districts to invest in corporate bonds.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

The bill would authorize school districts with a student population of at least 50,000 in average daily attendance to invest in corporate bonds, debentures, and similar debt obligations as long as these products received a qualified rating from a nationally recognized investment rating firm. According to the Texas Education Agency there are currently 14 school districts that have 50,000 or more students in average daily attendance. Fiscal implications for affected school districts would vary depending upon local investment decisions.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, LXH, JSp