

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 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 an independent school district to invest in corporate bonds.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

The bill would authorize school districts meeting the definition of issuer under Section 1371.001, Government Code, to invest in corporate bonds subject to certain limitations. At present, Section 1371.001, Government Code defines issuer to include independent school districts that have 50,000 or more students in average daily attendance. 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