

## **BILL ANALYSIS**

H.B. 3408  
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Government Transparency & Operation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current state law requires municipalities to post their budgets online if they maintain a website. While the annual budget document is an important component of the overall budgetary process and enables citizens to get an idea of what a municipality is spending, it is not a final accounting of actual expenditures. For that, interested parties explain, a comprehensive annual financial report is a much more relevant document, showing actual expenditures during a fiscal year. H.B. 3408 seeks to address this issue by providing a means for the public to monitor the fiscal health of their municipal government.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 3408 amends the Local Government Code to require a municipality that maintains a website to post the municipality's comprehensive annual financial report on the website as soon as the report is available and maintain the posting at all times until at least the third anniversary of the date the report is first posted. The bill defines "comprehensive annual financial report" as a written report prepared by or for a municipality at the end of each fiscal year that provides at a minimum a detailed accounting of all funds received and disbursed by the municipality during the fiscal year and all outstanding debt obligations of the municipality as of the last day of the fiscal year.

### **EFFECTIVE DATE**

January 1, 2016.