

By: Krause

H.B. No. 3606

A BILL TO BE ENTITLED

AN ACT

relating to requirements for acceptance or expenditure of federal funds by a political subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 140, Local Government Code, is amended by adding Section 140.011 to read as follows:

Sec. 140.011. ACCEPTANCE AND EXPENDITURE OF FEDERAL FUNDS.

(a) Before a political subdivision may accept or expend a federal grant or other funds that have not been appropriated by the legislature, the political subdivision shall report to the Legislative Budget Board, the comptroller, and the governor:

(1) the total amount of federal funds to be received or expended;

(2) the proposed use of the federal funds; and

(3) the potential impact use of the federal funds may have on the state budget.

(b) A political subdivision may not accept or expend a federal grant or other funds if, on or before the 10th business day after the date a report was made under Subsection (a), the political subdivision receives a written disapproval of the acceptance or expenditure from the Legislative Budget Board, the comptroller, or the governor.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2015.