

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 6, 2015**

**TO:** Honorable Tan Parker, Chair, House Committee on Investments & Financial Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB4209** by Capriglione (Relating to investment of public funds.), **Committee Report 1st House, Substituted**

The bill would authorize eligible entities to expand investment options including investing in hedging contracts and insurance agreements. Depending upon the investment decisions that would be made by eligible entities, there could be an indeterminate financial impact to the state.

The bill would amend Chapter 2256 of the Government Code, which governs certain public funds in the custody of state and local agencies. For affected entities, the bill would amend regulations governing the types of investments in which entities could invest funds. Because the financial impact of investment decisions authorized by the bill is unknown, the fiscal impact to state agencies cannot be estimated.

**Local Government Impact**

The fiscal implications to units of local government cannot be determined at this time.

**Source Agencies:** 304 Comptroller of Public Accounts, 347 Public Finance Authority, 601 Department of Transportation, 701 Central Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

**LBB Staff:** UP, CL, JJ, THo