

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 9, 2017

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB878 by King, Ken (Relating to the extension and modification of a public school district depository contract.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would allow school districts and their depository banks to agree to extend a depository contract for additional two-year terms and to modify the contract for any extension.

Local Government Impact

Based on information provided by the Texas Education Agency, school districts that chose to extend their depository contracts beyond current statutory requirements could realize a savings resulting from less frequent requests for proposals for depository contracts. Depending on the decreased number of requests for proposals, such savings could be significant.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, AH