

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 8, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2648** by Stephenson (Relating to including the obligations of Federal Home Loan Banks as authorized investments for a governmental entity.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 2256 of the Government Code, regarding public funds investment. The bill would add Federal Home Loan Banks to the list of approved issuers of obligations, including letters of credit, of the U.S. or its agencies and instrumentalities that are authorized investments for governmental entities.

Local Government Impact

According to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

According to the County Treasurers' Association of Texas (CTAT), the fiscal implication to counties cannot be determined but could be significant due to the potential loss of county monies on investments under the provisions of the bill.

Source Agencies: 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 580 Water Development Board, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: UP, CL, JJ, BRi, EK, JGA