

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 2, 2017**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Finance

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

**IN RE:** SB446 by Burton (Relating to the acceptance or expenditure of federal funds by a political subdivision.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Local Government Code requiring before a political subdivision accepts or expends federal funds that have not been appropriated by the legislature that the political subdivision report the federal funds to the comptroller. The report would include the total amount of federal funds and the proposed use of the federal funds.

The comptroller would develop and maintain an online reporting system for submission of the report and make available to the public a searchable database on the comptroller's website of the reported information.

The Comptroller of Public Accounts indicates there would be a cost to implement the provisions of the bill; this analysis assumes the cost can be absorbed within existing resources.

The bill would take effect immediately if it receives two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

**Local Government Impact**

According to Texas Municipal League, no significant fiscal impact is anticipated.

According to Texas Education Agency (TEA), most districts receive federal funding only after an appropriation from the legislature. Therefore, TEA does not expect this bill's provisions to impact most districts. For the districts impacted it will necessitate additional reporting which TEA estimates can be done at nominal cost.

**Source Agencies:** 304 Comptroller of Public Accounts, 701 Texas Education Agency

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