

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 15, 2019

TO: Honorable Joan Huffman, Chair, Senate Committee on State Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB2706** by Capriglione (relating to authorized investments for governmental entities and a study of the investment and management of funds by public schools.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to expand the types of investments that would be considered authorized investments for local government entities. The bill would direct the Texas Education Agency (TEA) to conduct a study regarding the investment and management of funds by school districts and open-enrollment charter schools.

According to the Comptroller of Public Accounts, the bill would have no administrative costs to the Office.

According to TEA, complying with the provisions of the bill relating to the study regarding the investment and management of funds would be accomplished through implementing a survey in fiscal year 2020. It is assumed that the costs associated with this survey implementation could be absorbed using existing funds.

Local Government Impact

According to the Bond Review Board, the fiscal implications of the bill to local government cannot be determined at this time because the extent to which local government entities would utilize the expansion of authorized types of investments cannot be estimated.

According to the Texas Municipal League, the bill is not anticipated to have a significant fiscal impact to cities.

Source Agencies: 701 Texas Education Agency, 304 Comptroller of Public Accounts, 352
 Bond Review Board

LBB Staff: WP, CMa, SD, GP, LLo, LCO