

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 10, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1003 by Capriglione (Relating to investment of public funds.), **As Engrossed**

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, regarding public funds investment. For affected entities, the bill would amend regulations governing the types of investments in which entities could invest funds. The bill would modify criteria for determining if the chapter applies to an institution of higher education. Because the financial impact of investment decisions authorized by the bill is unknown, the fiscal impact to state agencies is unknown.

Local Government Impact

According to the Texas Association of Counties, the fiscal impact cannot be determined.

Source Agencies: 304 Comptroller of Public Accounts, 347 Public Finance Authority, 580 Water Development Board, 601 Department of Transportation, 701 Texas Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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