	LEGISLATIVE FISCAL O Fiscal Note	FFICE								
		Fiscal Note On:	SB	384	SLS 1	14RS	630			
::Legiliative	Bill Text Version: REENGROSSED									
FiscaleDffice	Opp. Chamb. Action: w/ HSE FLOOR AMD									
		Proposed Amd.:								
TANTILIAN DITS		Sub. Bill For.:								
Date: May 22, 2014	10:01 AM	Aut	thor: L	AFLEUI	R					
Dept./Agy.: State Bond Com	mission									
Subject: Mandates compl	Mandates compliance with SEC continuing disclosure rules Analyst: Deborah Vivien									

BONDS

REF NO IMPACT GF EX See Note

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Requires issuers of state municipal securities to comply with certain continuing disclosure rules of the United States Securities and Exchange Commission. (8/1/14)

Proposed law provides for procedures of compliance and audit for municipal securities issued in the state, in keeping with the federal Securities and Exchange Commission regulations. All public entities shall maintain certain records, including a list of securities issued, a copy of all continuing disclosure agreements to which the public entity is a party, and current bond ratings (if required by the agreement). The records are to be made available for audit along with a sample of Electronic Municipal Market Access (EMMA) filings which should be in compliance with the continuing disclosure agreements. The records will be reviewed within the annual financial audit of the public entity.

EXPENDITURES	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2014-15	2015-16	2016-17	2017-18	<u>2018-19</u>	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

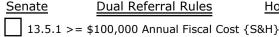
EXPENDITURE EXPLANATION

There is no anticipated direct material effect on state governmental expenditures as a result of this measure. Bonds issued by the state are currently in compliance with this bill. To the extent that local public entities must adjust procedures for compliance, certain expenses may be incurred. Presumably, since the bill mirrors federal regulations and federal compliance is likely, few, if any, adjustments are expected.

Note: Any additional audit expenses incurred by the Legislative Auditor in relation to this bill are expected to be small, less than \$1,000 per audit for fewer than 10 audits, especially without a mandatory reporting requirement and review of a sample of EMMA filings. Any additional costs will be included in the audit fee paid by the audited entity. In the case of audited state agencies, the appropriate means of finance will be used to pay what may be a slightly higher audit fee.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.



Dual Referral Rules

<u>House</u> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

eggy V. albert **Gregory V. Albrecht**

Chief Economist

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}