

## **BILL ANALYSIS**

Senate Research Center  
85R8336 CJC-D

H.B. 1930  
By: Frullo (Perry)  
State Affairs  
5/11/2017  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties contend that it is important that governmental entities comply with generally accepted accounting principles when performing financial accounting and reporting duties due to the clarity, consistency, and widespread usage of such accounting principles. H.B. 1930 seeks to address this issue by prohibiting certain county auditor regulations from being inconsistent with such principles and repealing provisions that establish certain alternative accounting principles with regard to postemployment benefits.

H.B. 1930 amends current law relating to financial accounting and reporting requirements for this state and political subdivisions of this state.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Repealer: Chapter 2266 (Financial Accounting and Reporting), Government Code.

SECTION 2. Amends Section 112.002, Local Government Code, by adding Subsection (c), to prohibit a regulation adopted under this section (Accounting System in County With County Auditor and Population of 190,000 or More) from being inconsistent with generally accepted accounting principles as established by the Governmental Accounting Standards Board.

SECTION 3. Provides that the changes in law made by this Act apply to financial accounting and reporting by a governmental entity that, immediately before the effective date of this Act, was subject to Chapter 2266, Government Code, as repealed by this Act, beginning with the governmental entity's first fiscal year that begins on or after September 1, 2018.

SECTION 4. Effective date: upon passage or September 1, 2017.