

2015 PFIA Legislative Changes

Two Legislative bills were passed that will impact the Texas Public Funds Investment Act 2256 effective September 1, 2015:

HB 870

Reduces the amount of Public Funds Investment Act (Chapter 2256.008, Texas Government Code) training hours for city and school district finance and investment officers from ten hours every two years to eight hours every two years. City and school district finance and investment officers must still initially receive ten hours of training within 12 months after taking office or assuming investment duties. Effective September 1, 2015.

HB 1148

Provides that a city finance or investment officer must take only the initial 10 hour training under the Public Funds Investment Act (Chapter 2256.008, Texas Government Code) but no continuing investment training if the city: (1) does not invest city funds; or (2) only deposits city funds in interest-bearing deposit accounts or certificates of deposit. Effective September 1, 2015.

Since the phrase “does not invest city funds” is not defined in the bill, any city finance or investment officer desiring to forgo investment training under this bill may want to provide a definition of this phrase in the city’s approved investment policy, which is still a requirement under the Public Funds Investment Act.

Additionally, it is recommended that any city finance or investment officer desiring to forgo investment training under this bill may want to confirm the applicability of the training hour changes with their local attorney/auditor.