

By: King

H.B. No. 1109

A BILL TO BE ENTITLED

1 AN ACT

2 relating to collateral eligible to be pledged with the comptroller
3 to secure state deposits.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 404.0221(b) and (d), Government Code,
6 are amended to read as follows:

7 (b) For the purposes of Section 404.022, collateral
8 eligible to be pledged with the comptroller to secure state
9 deposits includes:

10 (1) direct obligations of or obligations the principal
11 and interest of which are guaranteed by the United States
12 government;

13 (2) direct obligations of or obligations guaranteed by
14 agencies or instrumentalities of the United States government,
15 including letters of credit; and

16 (3) a general or special obligation issued by a public
17 agency and approved by the attorney general that is payable from
18 taxes, revenues, or both.

19 (d) Eligible collateral includes only:

20 (1) a security with fixed, stated rates; or

21 (2) a letter of credit described by Subsection (b)(2)
22 for a stated amount.

23 SECTION 2. This Act takes effect September 1, 2003.