

By: Van de Putte

S.B. No. 1318

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authorization of securities lending for
3 governmental entities.

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

5 SECTION 1. Section 2256.011, Government Code, is amended by
6 amending the heading and adding Subsection (e) to read as follows:

7 Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS
8 AND SECURITIES LENDING PROGRAM.

9 (e) Securities or investments purchased or held under the
10 provisions of this chapter may be loaned to securities dealers or
11 financial institutions if the loan is collateralized by cash or
12 securities having a market value of at least 100 percent of the
13 market value of the securities loaned.

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