

By: Villarreal

H.B. No. 3361

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a study by the comptroller on the use of call options by  
3 state government as a hedge against inflation in the cost of  
4 commodities purchased by state government.

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

6 SECTION 1. Subchapter B, Chapter 2155, Government Code, is  
7 amended by adding Section 2155.0615 to read as follows:

8 Sec. 2155.0615. STUDY ON USE OF CALL OPTIONS. (a) The  
9 comptroller shall conduct a study on the feasibility and  
10 advisability of the use of call options by state government as a  
11 hedge against the possibility of dramatic inflation in the cost of  
12 commodities purchased by state government.

13 (b) The study must address the costs, potential cost  
14 savings, and risks involved in the use by state government of call  
15 options for purchased commodities and the conditions under which  
16 the use of call options would and would not be advisable.

17 (c) The comptroller shall complete the study and make the  
18 results of the study available electronically not later than  
19 January 2, 2011.

20 (d) This section expires September 1, 2011.

21 SECTION 2. This Act takes effect September 1, 2009.