

By: Nelson, Davis

S.B. No. 894

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to municipal investment of public funds received from the  
3 management and development of mineral rights.

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

5 SECTION 1. Subchapter A, Chapter 2256, Government Code, is  
6 amended by adding Section 2256.0202 to read as follows:

7 Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS  
8 FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In  
9 addition to other investments authorized under this subchapter, a  
10 municipality may invest funds received by the municipality from a  
11 lease or contract for the management and development of land owned  
12 by the municipality and leased for oil, gas, or other mineral  
13 development in any investment authorized to be made by a trustee  
14 under Subtitle B, Title 9, Property Code (Texas Trust Code).

15 (b) Funds invested by a municipality under this section  
16 shall be segregated and accounted for separately from other funds  
17 of the municipality.

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