

1-1 By: Nelson, Davis S.B. No. 894  
1-2 (In the Senate - Filed February 17, 2009; March 9, 2009,  
1-3 read first time and referred to Committee on Intergovernmental  
1-4 Relations; April 17, 2009, reported favorably by the following  
1-5 vote: Yeas 3, Nays 0; April 17, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to municipal investment of public funds received from the  
1-9 management and development of mineral rights.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter A, Chapter 2256, Government Code, is  
1-12 amended by adding Section 2256.0202 to read as follows:

1-13 Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS  
1-14 FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In  
1-15 addition to other investments authorized under this subchapter, a  
1-16 municipality may invest funds received by the municipality from a  
1-17 lease or contract for the management and development of land owned  
1-18 by the municipality and leased for oil, gas, or other mineral  
1-19 development in any investment authorized to be made by a trustee  
1-20 under Subtitle B, Title 9, Property Code (Texas Trust Code).

1-21 (b) Funds invested by a municipality under this section  
1-22 shall be segregated and accounted for separately from other funds  
1-23 of the municipality.

1-24 SECTION 2. This Act takes effect September 1, 2009.

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