

BILL ANALYSIS

H.B. 2928
By: Stephenson
Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that confusion exists regarding whether obligations of Federal Home Loan Banks and certain in-state certificates of deposit or share certificates are authorized investments under the Public Funds Investment Act. H.B. 2928 seeks to resolve this confusion by making such obligations and certificates authorized investments under the act.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2928 amends the Government Code to include obligations, including letters of credit, of the Federal Home Loan Banks as authorized investments for governmental entities under the Public Funds Investment Act and to clarify that a certificate of deposit or share certificate issued by a depository institution that has its main office or a branch office in Texas and secured in accordance with the Public Funds Collateral Act is an authorized investment for governmental entities under the Public Funds Investment Act.

EFFECTIVE DATE

September 1, 2017.