

By: Stephenson

H.B. No. 2648

A BILL TO BE ENTITLED

AN ACT

relating to including the obligations of Federal Home Loan Banks as authorized investments for a governmental entity.

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

SECTION 1. Section 2256.009(a), Government Code, is amended to read as follows:

(a) Except as provided by Subsection (b), the following are authorized investments under this subchapter:

(1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

(2) direct obligations of this state or its agencies and instrumentalities;

(3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

(4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

1 (5) obligations of states, agencies, counties,
2 cities, and other political subdivisions of any state rated as to
3 investment quality by a nationally recognized investment rating
4 firm not less than A or its equivalent; and

5 (6) bonds issued, assumed, or guaranteed by the State
6 of Israel.

7 SECTION 2. This Act takes effect September 1, 2017.