

CHAPTER 7

S.B. No. 259

AN ACT

relating to the investment of certain funds by the Texas Water Development Board.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subdivision (13), Section 17.001, Water Code, as amended, is amended to read as follows:

(13) "Lending rate" means *the rate [an amount] of interest determined by the board to be the lending rate [calculated by adding one-half percent to the weighted average of the cost of uncommitted funds secured from the sale of Texas Water Development Bonds as of the date of the latest sale of Texas Water Development Bonds].*

SECTION 2. Section 17.083, Water Code, as amended, is amended to read as follows:

Sec. 17.083. INVESTMENT OF RESERVE MONEY. The board may invest any money credited to the *development fund and not immediately required for its intended use and money in the interest and sinking fund, including the reserve portion of the interest and sinking fund, in:*

- (1) direct obligations of the United States;
- (2) other obligations unconditionally guaranteed by the United States;
- (3) *obligations [bonds]* of the State of Texas; and
- (4) *obligations [bonds]* of counties, cities, and other political subdivisions of *any [the] state of the United States*, except bonds issued by a political subdivision to finance a project or treatment works described in this chapter.

SECTION 3. The following provisions of the Water Code are repealed:

- (1) Subdivisions (12) and (13), Section 16.001;
- (2) Subdivision (8), Section 17.001;
- (3) Subdivision (14), Section 17.001, as amended by Chapter 795, Acts of the 69th Legislature, Regular Session, 1985; and
- (4) Sections 17.085 and 17.086.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on February 16, 1987, by the following vote: Yeas 29, Nays 0.

Passed the House on March 12, 1987, by the following vote: Yeas 131, Nays 0, one present not voting.

Approved March 24, 1987.

Effective March 24, 1987.