



OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GERALD C. MANN
ATTORNEY GENERAL

Honorable D. C. Greer
State Highway Engineer
Austin, Texas

Dear Sir:

Opinion Number O-5264
Re: Investment of moneys in
State Highway Fund in
obligations of the United
States of America.

We have before us your letter of April 29, 1943, in which you ask whether certain moneys in the State Highway Fund may be invested by the Highway Commission in obligations of the United States of America.

The Forty-eighth Legislature has passed Senate Bill No. 199 which was approved by the Governor and became effective on April 12, 1943. Section 1 of Senate Bill No. 199 provides as follows:

"That where the State of Texas has heretofore or hereafter accumulated funds for certain purposes and is unable to obtain labor or materials to carry out such purposes, such funds may be invested in defense bonds or other obligations of the United States of America; provided, however, that when war time or any other regulations shall permit the state to acquire the necessary labor and materials, the obligations of the United States in which said funds are invested shall be sold or redeemed and the proceeds of said obligations shall be used for the purpose for which the funds were originally authorized or collected."

Honorable D. C. Greer, page #2

This bill was passed to permit investment of the moneys mentioned for two purposes: (1) To permit the safe investment of such moneys which could not otherwise be used because of shortages in labor or materials, and (2) To aid the federal government in carrying the burdens of war.

You have informed us that because of war conditions you are unable to obtain materials for highway construction at this time, and that, as a consequence, considerable moneys are lying idle in the Highway Fund. In other words, this is plainly a condition which the Legislature in Senate Bill No. 199 attempts to remedy or correct.

It is our opinion that this situation comes squarely within the provisions of Section 1 of Senate Bill No. 199. For that reason, you are advised that in accordance with and under the terms of Section 1 of Senate Bill No. 199 the Highway Commission may invest certain moneys of the Highway Fund in obligations of the United States of America, which moneys because of shortages in labor and materials cannot be otherwise used to carry out the purposes for which the same were raised.

APPROVED MAY 29, 1942

Genard C. Mann

ATTORNEY GENERAL OF TEXAS

Very truly yours

ATTORNEY GENERAL OF TEXAS

By *George W. Sparks*
George W. Sparks
Assistant

OWS-s

O.K.

C.C.R.

