



**THE ATTORNEY GENERAL  
OF TEXAS**

**AUSTIN 11, TEXAS**

**GROVER SELLERS**  
~~WEDDOKWOCUCSEKX~~  
**ATTORNEY GENERAL**

Hon. J. F. Holubec  
County Auditor  
Lavaca County  
Hallettsville, Texas

Dear Sir:

Opinion No. 0-5831  
Re: May the Commissioners Court of  
Lavaca County invest in U. S.  
War Bonds funds of the Lavaca  
County Flood Control District  
accumulated because of the un-  
foreseen conditions caused by  
the War?

This office has your request for opinion, which is  
as follows:

"By Act of the 47th Legislature (1941) H.B. 361, appearing on page 763 of the printed Acts of said 47th Legislature 'Regular Session,' 'General and Special Laws, Texas', copy of which no doubt you have on your desk, there was donated and granted by the State of Texas to the Lavaca County Flood Control District of Lavaca County, Texas, one-half of all the State ad valorem taxes collected in Lavaca County for general revenue purposes for a period of ten years, commencing with Sept. 1st, following the adoption of the Act. The taxes so remitted are to be used by said Lavaca County Flood Control District for the prevention of continued public calamities caused by great floods, and for the purpose of constructing improvements to control flood-waters in said county for the protection of life, property, soil, forests and public highways, lying within said County, etc.

"To date a good deal of the improvements in and along the Lavaca River, in Lavaca County, are under construction with funds derived from such tax remission, but by reason of the War and War Emergency, Lavaca County has been unable to purchase the necessary machinery, or unable to contract for same, and unable to secure labor in sufficient number for the purpose to fully carry out said improve-

ments as provided in said Act at this time, and by reason thereof a sum of money has accumulated in said Fund, and apparently cannot be expanded for the purpose indicated for at least twelve months because of such material, machinery and labor shortage, and the COMMISSIONERS COURT IS DESIROUS TO KNOW IF BY ANY LEGAL CONSTRUCTION OF SAID ACT THEY WOULD BE PERMITTED TO INVEST THIS ACCUMULATED FUND IN BONDS OF THE PRESENT WAR LOAN, making said investment in such bonds maturing within one year.

"The Court is fully aware of the fact that when the Act was passed it was not anticipated that the funds would accumulate, but unforeseen conditions have brought this accumulation of fund about, and the Court, if permissible, is interested to help the Government with such fund for at least one year's time because it now appears that the money will be on hand and idle for at least that period of time.

"Your opinion will be appreciated."

The Lavaca County Flood Control District was created by the Acts of 1941, 47th Legislature, H.B. No. 362.

Among other things said Act provides that "Such district shall be a governmental agency and body politic and corporate with the powers of government. . . .

"The Commissioners Court of Lavaca County, Texas, is hereby designated as the governing body of such district and the agency through which the management and control of the district shall be administered and it is hereby empowered to do any and all things necessary to carry out the aims and purposes of this Act. . . .

". . . In addition to the powers given to the Commissioners Court by general laws and in addition to the general powers herein given it shall be authorized in connection with the Lavaca County Flood Control District to exercise the following added rights, powers, privileges and functions:

The Act further provides that the said district is empowered "to do any and all other acts or things necessary or proper to carry into effect the foregoing powers."

And said Act further provides:

". . . All existing State laws, general or special, applicable to contracts to the receipt and

disbursement of, and accounting for, public funds in Lavaca County are hereby made applicable to the contracts to the receipt and disbursement of, and accounting for, any funds collected and disbursed under the terms of this Act. The provisions of this Act shall be cumulative of any other laws upon the subject matter."

Said Act also provides that:

"Any taxes hereafter donated, granted, diverted or remitted to Lavaca County or the Flood Control District created herein by the State of Texas, collected during the remainder of the year may be utilized for the purpose consistent with this Act. . . ."

From the foregoing it is apparent that the Lavaca County Flood Control District is a political subdivision of the State of Texas.

Section 1 of House Bill No. 746, Acts of the 48th Legislature, Regular Session, 1943, reads as follows:

"All political subdivisions of the State of Texas which have balances remaining in their accounts at the end of any fiscal year may invest such balances in Defense Bonds or other obligations of the United States of America; provided, however, that when such funds are needed and the obligations of the United States in which such balances are invested shall be sold or redeemed the proceeds of said obligations shall be deposited in the accounts from which they are originally drawn."

It is our opinion, and you are therefore so advised, that the political subdivision of the State of Texas known as the Lavaca County Flood Control District may at the end of any fiscal year invest such balances as it may have on hand derived from the tax funds donated and granted by the State of Texas for the construction of flood control improvements and the maintenance or operation thereof under the terms of House Bill No. 361 of the Regular Session, 47th Legislature, in the securities of the United States of America described in your request for opinion.

By the terms of the law creating said district this power may be exercised by the Commissioners Court of Lavaca County.

Yours very truly

ATTORNEY GENERAL OF TEXAS

By s/Geo. P. Blackburn  
George P. Blackburn  
Assistant

GPB:AMM:wc

APPROVED FEB 8, 1944  
s/Grover Sellers  
ATTORNEY GENERAL OF TEXAS

Approved Opinion Committee By s/BWB Chairman