TO DIRECT THAT ALL FUNDS OF THE AUTHORITIES, INSTRUMENTALITIES, AGENCIES, BOARDS, AND COMMISSIONS OF THE GOVERNMENT OF PUERTO RICO, WITH THE EXCEPTION, UPON AUTHORIZATION OF THE GOVERNOR, OF THE FUNDS BELONGING TO THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO, SHALL BE DEPOSITED IN BANKS PREVIOUSLY DESIGNATED BY THE TREASURER OF PUERTO RICO AS DEPOSITARIES OF THE PUBLIC FUNDS, AND PROTECTED WITH SUFFICIENT COLLATERAL IN THE FORM OF SECURITIES PREVIOUSLY SELECTED ACCORDING TO THE REGULATIONS PRESCRIBED FOR THE PURPOSE BY THE GOVERNOR OF PUERTO RICO; TO APPOINT THE TREASURER OF PUERTO RICO AS SOLE TRUSTEE AND GUARDIAN OF SUCH COLLATERAL, AND FOR OTHER PURPOSES.

Be it enacted by the Legislature of Puerto Rico:

Section 1.—It is hereby provided and directed that all funds belonging to the authorities, instrumentalities, agencies, boards, and commissions of the Government of Puerto Rico, shall be deposited in banks previously designated by the Treasurer of Puerto Rico as depositaries of public funds, and protected by sufficient collateral in the form of securities previously selected according to the regulations prescribed by the Governor of Puerto Rico for the purpose; Provided, however, That the Government Development Bank for Puerto Rico, upon the authorization of the Governor, shall be exempt from the provisions of this Act, on account of the nature of the institution and the specialization of its transactions; Provided, however, That notwithstanding the provisions of this Act, in the case of contracts for the financing of authorities where the creation of special trust funds is required, the Treasurer of Puerto Rico, upon approval of the Governor, may exempt deposits thereof from the regulations for general collaterals and accept a different form of collateral security as required by the circumstances in the case.

Section 2.—The Treasurer of Puerto Rico is hereby designated and appointed as sole trustee and guardian of said collateral; Provided, That an exception may be made in the case of trust funds as described in the preceding section.

Section 3.—This Act, being of an urgent and necessary character, shall take effect immediately after its approval.

Approved, May 13, 1949.