

BILL ANALYSIS

Senate Research Center

S.B. 537
By: Ogden
Education
3-6-97
Committee Report (Amended)

DIGEST

Currently, the Texas Constitution prohibits the granting of extra compensation to a state employee after service has been rendered. However, institutions of higher education are not prohibited from awarding contracts permitting settlements to an employee when he or she leaves. This bill establishes certain restrictions on contracts with and compensation of administrators of public institutions of higher education.

PURPOSE

As proposed, S.B. 537 establishes certain restrictions on contracts with and compensation of administrators of public institutions of higher education.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 51Z, Education Code, by adding Section 51.945, as follows:

Sec. 51.945. RESTRICTIONS ON CONTRACTS WITH ADMINISTRATORS. Authorizes the governing board (board) of an institution of higher education (institution) to enter into an employment contract with an administrator that is to be paid in whole or in part from appropriated funds only if, before the date the contract is executed, the board determines that the contract is in the best interest of the institution. Prohibits a contract that is entered into by a board from making certain provisions. Prohibits an institution from paying a salary to a person who is reassigned from an administrative position to a faculty or other position at the institution that exceeds the salary of other persons with similar qualifications performing similar duties. Sets forth requirements for an administrator receiving development leave. Provides that a record relating to a contract between an institution and an administrator, including certain terms, is public information and may not be withheld from public disclosure. Defines "administrator," "governing board," and "institution of higher education."

SECTION 2. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 3. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

Amends SECTION 1, Section 51.945(b), Education Code, to insert on page 1, line 22, ", Sec. 51.105" after "Subchapter C" and before the semicolon.