

BILL ANALYSIS

Senate Research Center

S.B. 616
By: Sibley
Education
3-2-97
As Filed

DIGEST

Currently, a corporation's representatives are prohibited from certain actions. These prohibitions may limit a representative's ability to recruit senior personnel and in some instances, contracts with major investment service providers may be voided. This bill defines the acts in which a representative of a corporation is prohibited from participating by defining the intent of the participation.

PURPOSE

As proposed, S.B. 616 defines the acts in which a representative of a corporation is prohibited from participating by defining the intent of the participation.

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 Section 66.08, Education Code, by amending Subsections (i) and (l), and adding Subsections (m) - (o), by deleting the prohibition that a nonprofit corporation (corporation) may not enter into an agreement with certain persons or business entities of the corporation on or before certain dates. Prohibits a former director of a corporation from making appearances before certain persons by a certain date under certain circumstances. Prohibits a former officer or employee of a corporation from representing any person or receiving compensation for services rendered for certain matters. Defines "participated," and "particular matter." Provides that an individual commits a Class A misdemeanor, if the individual violates Subsection (l) or (m) of this section. Makes conforming changes.

SECTION 2. Emergency clause.
Effective date: upon passage.