

## **BILL ANALYSIS**

Senate Research Center  
76R2917 JRD-D

S.B. 191  
By: Ogden  
State Affairs  
2/21/1999  
Committee Report (Amended)

### **DIGEST**

Currently, under Texas law, the grant of extra compensation to a state employee after service has been rendered is prohibited. Additionally, the state's doctrine of at-will employment and restrictions on contracting for amounts of money beyond the biennium essentially prohibit state agencies from entering into employment contracts that include severance provisions. However, in the few cases in which severance payments have occurred, questions of their appropriateness and legality have arisen. This bill would clarify the actions a governing board of a state agency or state-supported institution of higher education may take in the settlement agreement between a current or former employee of the agency or institution.

### **PURPOSE**

As proposed, S.B. 191 restricts certain actions involving the executive head of a state agency, and provides a penalty for violation of those restrictions.

### **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 Title 6A, Government Code, by adding Chapter 618, as follows:

#### **CHAPTER 618. RESTRICTIONS ON CERTAIN ACTIONS INVOLVING EXECUTIVE HEAD OF STATE AGENCY**

Sec. 618.001. DEFINITIONS. Defines "executive head of a state agency" and "state agency."

Sec. 618.002. REASSIGNMENT OF EXECUTIVE HEAD OF STATE AGENCY. Prohibits the reassignment of the executive head of a state agency to another position in the agency or at another agency that is also controlled by the same governing body unless the governing body, in an open meeting, votes to approve the proposed reassignment.

Sec. 618.003. CONTRACTING WITH EXECUTIVE HEAD OF STATE AGENCY. Prohibits a state agency from entering into a contract with the executive head, a person who at any time during the four years before the date of the contract was the executive head, or with a person who employs a current or former executive head unless certain requirements are met.

Sec. 618.004. ACTIONS INVOLVING EXECUTIVE HEAD ARE OPEN RECORDS. Establishes that the terms of the reassignment of an executive head and the terms of a contract with a current or former executive head are subject to disclosure under Chapter 552 and prohibits the exemption of those terms from required disclosure under that chapter. Requires public disclosure of a record that pertains to the reassignment of an executive head, the terms of a consulting service contract with a current or former executive head, or an agreement under which a state agency has paid or will pay or extend any monetary or other consideration to an executive head in connection with the settlement, compromise, or other resolution of any difference between the parties. Provides that a person who attempts to withhold from public disclosure a record under this subsection commits a Class A misdemeanor.

SECTION 2. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 3. Emergency clause.

**SUMMARY OF COMMITTEE CHANGES**

Relating Clause

Deletes reference to “special district.”

SECTION 1.

Amends Title 6A, Chapter 618, Government Code, to delete references to “special district” or “district” throughout the bill. Defines “state agency.”