

BILL ANALYSIS

Senate Research Center
76R6329 SKT-D

S.C.R. 33
By: Ratliff
Jurisprudence
4/9/1999
As Filed

DIGEST

In 1997 and 1998, the Texas Natural Resource Conservation Commission (TNRCC) performed an audit on Gibson Recycling, Inc. (Gibson), a tire recycling program participant. TNRCC determined that Gibson had been overpaid and proceeded to withhold a \$400,000 payment for work that had already been approved. Subsequently, Gibson hired outside auditors who discovered that TNRCC manipulated the figures to achieve an incorrect result, yet TNRCC refuses to grant Gibson a hearing and still withholds the \$400,000 payment. S.C.R. 33 grants Gibson permission to sue the State of Texas and TNRCC, under certain conditions.

PURPOSE

As proposed, S.C.R. 33 submits the following resolutions:

That Gibson Recycling, Inc.(Gibson), is granted permission to sue the State of Texas and the Texas Natural Resource Conservation Commission (TNRCC), subject to Chapter 107, Civil Practice and Remedies Code.

That remedies available to Gibson are limited traditional remedies available for breach of contract, but prohibits Gibson from the recovery of punitive or exemplary damages resulting from any breach of contract.

That Gibson and TNRCC are authorized to agree to submit the subject of this resolution to binding arbitration.

That the TNRCC executive director be served process as provided by Section 107.002(a)(3), Civil Practice and Remedies Code.