

BILL ANALYSIS

Senate Research Center
83R2022 ATP-D

H.B. 483
By: Aycock (Fraser)
Open Government
5/9/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties assert that a payment by a political subdivision to an employee or former employee that is more than an amount owned under a contract with the political subdivision could constitute a gift of public funds. These parties contend that a public hearing on the matter would clarify the situation and provide the political subdivision an opportunity to detail the reasons for the payment in excess of the contract.

H.B. 483 amends current law relating to a public hearing held on the issue of making a payment in excess of the compensation contracted for by a political subdivision.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 180, Local Government Code, by adding Section 180.007, as follows:

Sec. 180.007. PAYMENTS IN EXCESS OF CONTRACTUAL AMOUNT. (a) Prohibits a political subdivision from paying an employee or former employee more than an amount owed under a contract with the employee unless the political subdivision holds at least one public hearing under this section.

(b) Requires that notice be given of the hearing in accordance with notice of a public meeting under Subchapter C (Notice of Meetings), Chapter 551 (Open Meetings), Government Code.

(c) Requires the governing body of the political subdivision to state the following at the public hearing:

(1) the reason the payment in excess of the contractual amount is being offered to the employee or former employee, including the public purpose that will be served by making the excess payment; and

(2) the exact amount of the excess payment, the source of the payment, and the terms for the distribution of the payment that effect and maintain the public purpose to be served by making the excess payment.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2013.