

By: Van Arsdale

H.B. No. 104

A BILL TO BE ENTITLED

AN ACT

relating to service contracts involving retired superintendents.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 44, Education Code, is amended by adding Section 44.045 to read as follows:

Sec. 44.045. CERTAIN SCHOOL DISTRICT SERVICE CONTRACTS INVOLVING RETIRED SUPERINTENDENTS PROHIBITED. (a) In this section, "business entity" has the meaning assigned by Section 171.001, Local Government Code.

(b) For purposes of this section, a retired superintendent has a substantial interest in a business entity if the retired superintendent would have a substantial interest in that business entity under Section 171.002(a), Local Government Code.

(c) The board of trustees of a school district may not enter into, with a person who has retired from service as the superintendent of the district or of a contiguous district or with a business entity in which such a retired superintendent has a substantial interest, a contract under which the district agrees to pay for services provided to the district.

SECTION 2. Section 44.045, Education Code, as added by this Act, applies only to a contract executed on or after September 1, 2005. A contract executed before September 1, 2005, is governed by the law as it existed on the date the contract was executed, and the former law is continued in effect for that purpose.

1 SECTION 3. This Act takes effect September 1, 2005.