

By: Carona

S.B. No. 1457

A BILL TO BE ENTITLED

AN ACT

relating to a waiver of sovereign or governmental immunity by governmental entities that fail to make a timely payment under the Prompt Payment Act.

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

SECTION 1. Subchapter D, Chapter 2251, Government Code, is amended by adding Section 2251.056 to read as follows:

Sec. 2251.056. WAIVER OF IMMUNITY. A governmental entity that fails to make an invoice payment to a vendor in the time prescribed by this chapter waives sovereign or governmental immunity from suit by the vendor to collect the invoice payment, interest and attorney's fees due under this chapter, or any other amount due under this chapter.

SECTION 2. The change in law made by this Act applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2009.