

## **BILL ANALYSIS**

S.B. 899  
By: Ogden  
State Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Texas Legislature recently enacted legislation to ensure that the legislature determines the extent to which the state waives its sovereign immunity with regard to a settlement of a claim or action against the state that requires an expenditure of state funds. That measure set a limit on the amount of a settlement that the state's attorney may enter into without legislative consent or approval by prohibiting any settlement that requires the state to pay total monetary damages exceeding \$25 million in a state fiscal biennium or commits the state to a course of action likely to entail a continuing increased expenditure of state funds over subsequent state fiscal biennia.

Observers have noted that, while the legislature has the authority to approve any settlement, it recognizes that doing so is impractical in every case and has chosen to apply the authority specifically to cases involving substantial amounts of funds. In keeping with the need for increased scrutiny of state expenditures in the current fiscal climate, S.B. 899 lowers from \$25 million to \$10 million the threshold settlement amount above which legislative approval is required.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 899 amends the Civil Practice and Remedies Code, in a provision prohibiting the attorney general or other attorney representing the state from entering into a settlement of a claim or action against the state without the legislature's consent or approval if the settlement requires the state to pay total monetary damages in an amount that exceeds a specified threshold amount in a state fiscal biennium or that commits the state to a continuing increased expenditure of state funds over subsequent biennia, to decrease that threshold amount from \$25 million to \$10 million.

### **EFFECTIVE DATE**

September 1, 2011.