

By: Lucio

S.B. No. 868

A BILL TO BE ENTITLED

AN ACT

relating to severance payments to superintendents of independent school districts.

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

SECTION 1. Section 11.201(c), Education Code, is amended to read as follows:

(c) For purposes of this subsection, "severance payment" means any amount paid by the board of trustees of an independent school district to or in behalf of a superintendent on early termination of the superintendent's contract that exceeds the amount earned by the superintendent under the contract as of the date of termination, including any amount that exceeds the amount of earned standard salary and benefits that is paid as a condition of early termination of the contract. The board of trustees that makes a severance payment to a superintendent shall report the terms of the severance payment to the commissioner. The commissioner shall reduce the district's Foundation School Program funds by an amount equal to the severance payment made by the board of trustees to the superintendent [~~any amount that the amount of the severance payment to the superintendent exceeds an amount equal to one year's salary and benefits under the superintendent's terminated contract~~]. The commissioner may adopt rules as necessary to administer this subsection.

SECTION 2. Section 11.201(c), Education Code, as amended

1 by this Act, applies only to a severance payment made by the board
2 of trustees of an independent school district to a superintendent
3 under an agreement entered into on or after the effective date of
4 this Act. A severance payment made by the board of trustees to a
5 superintendent under an agreement entered into before the effective
6 date of this Act is governed by the law in effect at the time the
7 agreement was made, and that law is continued in effect for that
8 purpose.

9 SECTION 3. This Act takes effect September 1, 2011.