

BILL ANALYSIS

Senate Research Center
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H.B. 3188
By: Otto (Williams)
Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

At the conclusion of each biennium, the state has a number of outstanding claims and judgments against it for varying amounts of money, such as warrants voided by the statute of limitations, outstanding invoices to private vendors, unpaid charges for Medicaid recipients, or court judgment settlements. These claims require additional appropriations to be made to honor the state's obligations under the law. H.B. 3188 sets forth sums of money appropriated out of various accounts to pay certain claims and judgments against the state.

H.B. 3188 amends current law relating to directing payment, after approval, of certain miscellaneous claims and judgments against the state out of funds designated by this Act, and makes appropriations.

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. Appropriates the following sums of money out of the General Revenue Fund Account No. 0001 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay Hilliard Munoz Gonzalez, LLP, the following amount payable under the conditional settlement agreement made after mediation in *Inez Baltazar Hernandez, et al. v. Texas Department of Aging and Disability Services, et al.*, Civil Action No. 2:09-CV-00163, in the United States District Court for the Southern District of Texas, Corpus Christi Division, from which attorney's fees, litigation expenses, and court costs are required to be deducted, with the remainder to be placed into five separate subaccounts in the Arc of Texas Master Pooled Trust, for the benefit of Armando Hernandez, Jr., David P. Hernandez, George Brazil, Angel Jose Mata, and Christopher Norris for a total appropriation of \$1,200,000.00

To pay Sawicki & Lauten, LLP, attorney's fees in connection with the settlement of claims in *Farhat Chishty v. Texas Department of Aging and Disability Services, et al.*, Cause No. 2011-20160-158, 158th Judicial District Court, Denton County, Texas, for a total appropriation of \$500,000.00

To fund the corpus of a Special Needs Trust for the benefit of Haseeb Chishty, the following amount payable under the conditional settlement agreement made after mediation in the case of *Farhat Chishty v. Texas Department of Aging and Disability Services, et al.*, Cause No. 2011-20160-158, 158th Judicial District Court, Denton County, Texas, with that settlement agreement containing the following conditions: that on the death of Haseeb Chishty, the remaining corpus be paid to the State of Texas; that the Special Needs Trust be administered by an independent trustee not related to the Chishty family; and on any other conditions as the Texas Attorney General and Texas Department of Aging and Disability Services are required to agree, for a total appropriation of \$3,500,000.00

To pay Christopher Koustoubardis and his attorney Don Tittle in a case involving a whistleblower judgment (plus 5 percent interest) from November 22, 2010, until paid in the case of *Christopher Koustoubardis v. Texas Youth Commission* (now known as the Texas Juvenile Justice Department), Cause No. DC-08-15532, 101st Judicial District Court, Dallas County, Texas, Attorney General No. 093096832, for a total appropriation of \$959,668.97

To pay confidential payee for claim number 94M10308 for replacement of a void warrant for a tax refund issued April 4, 2002, \$119.10

To pay confidential payee for claim number 94M10421 for replacement of void warrants for tax refunds issued in July, 1997, and April, 2001, \$424.63

To pay confidential payee for claim number 94M10479 for replacement of a void warrant for a tax refund issued in May, 2001, \$23,171.60

To pay confidential payee for claim number 94M10484 for replacement of a void payroll warrant issued in May, 2002, \$338.96

To pay confidential payee for claim number 94M20034 for replacement of a void warrant for a tax refund issued in January, 2009, \$275,000.00

To pay confidential payee for claim number 94M20067 for replacement of a void warrant for a tax refund issued in July, 2004, \$602.42

To pay confidential payee for claim number 94M20161 for replacement of a void payroll warrant issued in August, 1996, \$94.54

To pay confidential payee for claim number 94M20170 for replacement of a void warrant for a tax refund issued in July, 2000, \$343.59

To pay confidential payee for claim number 94M20521 for replacement of seventeen void payroll warrants issued from January, 1998, to May, 1999, \$13,422.83

To pay confidential payee for claim number 94M20524 for replacement of a void warrant for a tax refund issued in April, 2003, \$52.00

To pay confidential payee for claim number 94M20527 for replacement of a void warrant for a tax refund issued in March, 2001, \$225.49

To pay confidential payee for claim number 94M30025 for replacement of a void warrant for a tax refund issued in July, 2010, \$144,030.72

To pay confidential payee for claim number 94M30226 for replacement of a void warrant for a tax refund issued in May, 2008, \$338,631.36

To pay confidential payee for claim number 95M30005 for replacement of a void warrant for a tax refund issued in March, 2010, \$54,991.08

To pay confidential payee for claim number 95M30009 for replacement of a void warrant for a tax refund issued in January, 2010, \$82,984.53

To pay confidential payee for claim number 95M30021 for replacement of a void payroll warrant issued in June, 2004, \$120.76

To pay James P. Ford for replacement of warrants issued from November, 1998, to January, 1999, \$300.00

To pay Ralph N. Lester for replacement of a warrant issued in December, 1985, \$75.00

To pay Victoria Suarez for replacement of a warrant issued in March, 2000, \$475.00

To pay Lindy Levit for replacement of a warrant issued in May, 2002, \$279.63

To pay TIBH Industries, Inc., for temporary services provided in July, 2010 (invoice number 682623; order number 00413651), \$273.90

To pay TIBH Industries, Inc., for temporary services provided in June, 2010 (invoice number 680615; order number 00411689), \$773.64

To pay TIBH Industries, Inc., for temporary services provided in February, 2010 (invoice number 660442; order number 00392417), \$642.02

To pay TIBH Industries, Inc., for temporary services provided in January, 2010 (invoice number 652240; order number 00385146), \$744.77

To pay Golden Age Management Company, LLC, DBA Golden Age Manor Nursing Services, for nursing home services performed between August, 2009, and August, 2010, \$27,087.61

To pay Graceland Personal Care Home, Inc., for community-based services performed between July, 2008, and July, 2009, \$31,643.37

To pay Katherine A. Hunter for replacement of a void warrant issued in June, 2000, \$39.19

To pay D&S Residential Services, LP, for community-based alternative services performed between September, 2008, and November, 2008, \$61,029.90

SECTION 2. Appropriates the following sums of money out of the State Highway Fund No. 0006 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay Teleport Communications Houston, Inc., for utility adjustment of fiber cable completed in February, 2005, \$97,416.10

To pay City of Grapevine for the Oak Grove Trail Project from February, 2003, to September, 2007, \$51,185.50

To pay City of Dallas for the acquisition of land for parcel number 3 and appraisal work performed on or near February 1, 2003, \$31,415.20

To pay City of Dallas Public Works and Transportation for the Katy Trail Extension Phase II from December, 2001, to May, 2006, \$30,896.22

To pay TVMAX Houston, LP, for utility adjustment performed from September, 2006, to August, 2007, \$161,564.90

To pay TVMAX Houston, LP, for utility adjustment under utility agreement U8257 from September, 2007, to August, 2008, \$110,496.77

To pay TVMAX Houston, LP, for utility adjustment under utility agreement U8269 from September, 2007, to August, 2008, \$119,548.30

To pay County of Dallas Public Works Department for professional engineering services performed from June, 1996, to August, 1996, \$49,749.29

To pay County of Dallas Public Works Department for professional engineering services performed from February, 2002, to February, 2003, \$2,698.69

To pay County of Dallas Public Works Department for professional engineering services performed from February, 2001, to April, 2001, \$3,808.80

To pay County of Dallas Public Works Department for professional engineering services performed from October, 1996, to December, 1996, \$16,149.22

To pay City of Frisco for utility adjustment from September, 2004, to August, 2005, \$274,710.00

To pay City of Sinton for claim number 94M20421 for utility adjustment from December, 2007, to February, 2008, \$87,025.10

To pay Entergy Texas, Inc., for utility adjustment from September, 2007, to August, 2008, \$607,808.67

To pay Energy Transfer Fuel, LP, for utility adjustment from January, 2008, to August, 2008, \$370,136.25

To pay CPS Energy for utility adjustment from October, 2002, to January, 2004, \$271,709.62

To pay Southwestern Bell Telephone Company for utility adjustment from October, 2007, to November, 2008, \$455,965.56

To pay confidential payee for claim number 94M20546 for replacement of a void net payroll warrant issued on October 1, 2003, \$57.71

To pay City of Grand Prairie for fiscal year 2003 reimbursement for land and title on parcel number 14, \$2,038.20

To pay City of Grand Prairie for reimbursement for land and title on parcel number 18 on December 2, 2003, \$887.52

To pay City of Grand Prairie for reimbursement for land and title on parcel number 16 on December 27, 2001, \$8,725.19

To pay City of Grand Prairie for reimbursement for land and title on parcel number 25TE on May 15, 2003, \$1,583.95

To pay City of Edinburg for reimbursement for land acquisition for parcel number 83 on March 8, 2001, \$2,360.67

To pay Upshur Rural Electric Cooperative for utility adjustment on parcel U11763, \$30,619.22

To pay AT&T for utility adjustment under utility agreement U8087 for relocated telephone facilities along Interstate Highway 10 from south of Bellaire Boulevard to south of Westpark in December, 2005, \$113,995.96

To pay AT&T for utility adjustment work under utility agreement U10563 on Interstate Highway 410, Austin Highway to Nacogdoches Road, for widening project from December, 2005, to March, 2009, \$2,965,114.19

To pay AT&T for utility adjustment work from December, 2005, to July, 2009, \$294,160.75

To pay AT&T for utility adjustment work from August, 2006, to November, 2008, \$1,132,424.96

SECTION 3. Appropriates the following sums of money out of the Unemployment Compensation Clearance Account No. 0936 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay Gold's Texas GP, Inc., for replacement of a void surplus tax credit warrant issued September 20, 2007, \$63,864.86

To pay Terri G. Edgmon for replacement of a void surplus tax credit warrant issued December 20, 2001, \$135.95

SECTION 4. Appropriates the following sums of money out of the Lottery Account No. 5025 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay Joyce Ivy for lottery winnings held in error on March 14, 2001, \$263.97

SECTION 5. (a) Requires that any claim or judgment, before the claim or judgment is authorized to be paid from money appropriated by this Act, be verified and substantiated by the administrator of the special fund or account against which the claim or judgment is to be charged and be approved by the attorney general and the comptroller of public accounts. Prohibits any claim or judgment itemized in this Act that has not been verified and substantiated by the administrator of the special fund or account and approved by the attorney general and the comptroller of public accounts of the State of Texas (comptroller) by August 31, 2015, from being paid from money appropriated by this Act.

(b) Requires that each claim or judgment paid from money appropriated by this Act contain such information as the comptroller requires but at a minimum is required to contain the specific reason for the claim or judgment. Requires that the claim, if the claim is for a void warrant, include a specific identification of the goods, services, refunds, or other items for which the warrant was originally issued. Requires that the claim, in addition, include a certification by the original payee or the original payee's successors, heirs, or assigns that the debt is still outstanding. Requires that the claim, if the claim or judgment is for unpaid goods or services, be accompanied by an invoice or other acceptable documentation of the unpaid account and any other information that is authorized to be required by the comptroller.

SECTION 6. Authorizes and directs the comptroller, subject to the conditions and restrictions in this Act and provisions stated in the judgments, to issue one or more warrants on the state treasury, as soon as possible following the effective date of this Act, in favor of each of the individuals, firms, or corporations named or claim numbers identified in this Act, in an amount not to exceed the amount set opposite their respective names or claim numbers and requires the comptroller to mail or deliver to each of the individuals, firms, or corporations associated with each claim one or more warrants in payment of all claims included in this Act.

SECTION 7. Effective date: September 1, 2013.