## A BILL TO BE ENTITLED

## AN ACT

relating to a public hearing held on the issue of making a payment in excess of the compensation contracted for by a political subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Chapter 180, Local Government Code, is amended by adding Section 180.007 to read as follows:

Sec. 180.007. PAYMENTS IN EXCESS OF CONTRACTUAL AMOUNT. (a) A political subdivision may not pay an employee or former employee more than an amount owed under a contract with the employee unless the political subdivision holds at least one public hearing under this section.
(b) Notice must be given of the hearing in accordance with notice of a public meeting under Subchapter C, Chapter 551, Government Code.
(c) The governing body of the political subdivision must state the following at the public hearing:
(1) the reason the payment in excess of the contractual amount is being offered to the employee or former employee, including the public purpose that will be served by making the excess payment; and
(2) the exact amount of the excess payment, the source of the payment, and the terms for the distribution of the payment that effect and maintain the public purpose to be served by making

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[^0]:    the excess payment.
    SECTION 2. The change in law made by this Act applies only to a payment made by a political subdivision on or after the effective date of this Act. A payment made before the effective date of this Act is governed by the law in effect when the payment was made, and the former law is continued in effect for that purpose.

    SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

