

BILL ANALYSIS

C.S.H.B. 769
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Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Reports indicate that in recent years public school districts have made severance payments to terminated superintendents totaling millions of dollars. Since these payments come at direct cost to school districts and students, there are concerns that greater transparency and accountability is needed with respect to these situations. C.S.H.B. 769 seeks to address these concerns by requiring school districts to request commissioner approval of certain severance payments.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 769 amends the Education Code to require the board of trustees of a public school district to receive approval from the commissioner of education for any severance payment to a superintendent who is terminated by the district's board of trustees based on malfeasance, resigns from the position of superintendent to avoid being terminated based on malfeasance, or is terminated or resigns in lieu of termination while under investigation for malfeasance. The bill defines "malfeasance" as an act that is an element of a criminal offense under state or federal law, is unethical, or constitutes a breach of fiduciary duty. The board of trustees must include in a request for approval of a severance payment the district fund from which the severance payment would be paid, provided that foundation school program funds received from the state may not be used, and the manner in which the funds would be used if the district did not make the severance payment. The bill prohibits the commissioner from approving the severance payment to a superintendent if less than 51 percent of the superintendent's contract is completed. The bill authorizes the commissioner to adopt rules as necessary to administer the bill's provisions.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 769 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the definition of "malfeasance" from intentional misconduct or the knowingly improper performance of any act, duty, or responsibility, including unethical or criminal conduct, to an act that is an element of a criminal offense under state or federal law, is unethical, or constitutes a breach of fiduciary duty.

The substitute does not include a temporary reporting requirement for a district that made an applicable severance payment to a superintendent before September 1, 2019.