86R33658 CAE-D

By:  Campbell, et al. S.B. No. 722

(Huberty)

Substitute the following for S.B. No. 722:

By:  Ashby C.S.S.B. No. 722

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting a severance payment to a superintendent of a school district in certain circumstances.

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 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 board of trustees may not make any severance payment if the superintendent's contract was terminated for cause under Section 21.211 or not renewed for cause or if the superintendent resigned in lieu of termination or nonrenewal for cause. The commissioner may adopt rules as necessary to administer this subsection.

SECTION 2.  This Act takes effect September 1, 2019.