

By: Campbell, Hall

S.B. No. 722

A BILL TO BE ENTITLED

AN ACT

relating to a severance payment to a superintendent or administrator serving as educational leader and chief executive officer of a school district or an open-enrollment charter school.

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 may not make a severance payment to a superintendent in an amount greater than one year's salary under the superintendent's terminated 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 commissioner may adopt rules as necessary

1 to administer this subsection.

2 SECTION 2. Section 12.104, Education Code, is amended by
3 adding Subsection (b-4) to read as follows:

4 (b-4) Section 11.201(c) applies to an open-enrollment
5 charter school as though the governing body of the school were the
6 board of trustees of a school district and to the superintendent or,
7 as applicable, the administrator serving as educational leader and
8 chief executive officer of the school as though that person were the
9 superintendent of a school district.

10 SECTION 3. (a) Section 11.201(c), Education Code, as
11 amended by this Act, applies only to a severance payment made by the
12 board of trustees of an independent school district to a
13 superintendent under an agreement entered into on or after the
14 effective date of this Act. A severance payment made by the board
15 of trustees of an independent school district to a superintendent
16 under an agreement entered into before the effective date of this
17 Act is governed by the law in effect at the time the agreement was
18 made, and that law is continued in effect for that purpose.

19 (b) Section 12.104(b-4), Education Code, as added by this
20 Act, applies only to a severance payment made by the governing body
21 of an open-enrollment charter school to a superintendent or
22 administrator serving as educational leader and chief executive
23 officer under an agreement entered into on or after the effective
24 date of this Act. A severance payment made by the governing body of
25 an open-enrollment charter school to a superintendent or
26 administrator serving as educational leader and chief executive
27 officer under an agreement entered into before the effective date

1 of this Act is governed by the law in effect at the time the
2 agreement was made, and that law is continued in effect for that
3 purpose.

4 SECTION 4. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2019.