By: Campbell, et al. (Huberty)

S.B. No. 722

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

By: Ashby C.S.S.B. No. 722

A BILL TO BE ENTITLED

1 AN ACT

2 relating to prohibiting a severance payment to a superintendent of

3 a school district in certain circumstances.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 11.201(c), Education Code, is amended to

6 read as follows:

7 (c) For purposes of this subsection, "severance payment" means any amount paid by the board of trustees of an independent 8 school district to or in behalf of a superintendent on early 9 termination of the superintendent's contract that exceeds the 10 11 amount earned by the superintendent under the contract as of the 12 date of termination, including any amount that exceeds the amount of earned standard salary and benefits that is paid as a condition 13 14 of early termination of the contract. The board of trustees that makes a severance payment to a superintendent shall report the 15 16 terms of the severance payment to the commissioner. The commissioner shall reduce the district's Foundation School Program 17 funds by any amount that the amount of the severance payment to the 18 superintendent exceeds an amount equal to one year's salary and 19 20 benefits under the superintendent's terminated contract. The board 21 of trustees may not make any severance payment superintendent's contract was terminated for cause under Section 22

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21.211 or not renewed for cause or if the superintendent resigned in

lieu of termination or nonrenewal for cause. The commissioner may

C.S.S.B. No. 722

- 1 adopt rules as necessary to administer this subsection.
- 2 SECTION 2. This Act takes effect September 1, 2019.