

AN ACT

relating to invoices and payments under certain state contracts for outside legal services.

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

SECTION 1. Section 402.0212, Government Code, is amended by amending Subsection (b) and adding Subsections (b-1), (b-2), and (b-3) to read as follows:

(b) An invoice submitted to a state agency under a contract for legal services as described by Subsection (a) must be:

(1) submitted to the attorney general by the agency's office of general counsel not later than the 25th day after the date the agency receives the invoice except as provided by Subsection (b-2); and

(2) reviewed by the attorney general only to determine whether the legal services for which the agency is billed were performed within the term of the contract and are within the scope of the legal services authorized by the contract and are therefore ~~[the invoice is]~~ eligible for payment.

(b-1) A state agency's office of general counsel shall include with an invoice submitted under Subsection (b)(1) a written certification that the legal services for which the agency is billed were performed within the term of the contract, are within the scope of the legal services authorized by the contract, and are reasonably necessary to fulfill the purpose of the contract. To

1 certify an invoice under this subsection, a state agency must, at a
2 minimum, determine that the following items are supported by proper
3 documentation and submitted to the agency under the requirements of
4 the contract:

5 (1) the amount and types of expenses billed under the
6 invoice;

7 (2) the rates for legal services under the invoice;
8 and

9 (3) the number of hours billed for legal services
10 under the invoice.

11 (b-2) If a state agency that receives an invoice under a
12 contract for legal services as described by Subsection (a) rejects
13 or disputes the invoice as not certifiable under Subsection (b-1),
14 the agency shall, not later than the 21st day after the date the
15 agency receives the invoice, notify the attorney or law firm
16 providing the invoice and request a corrected invoice. The period
17 under Subsection (b)(1) begins on the date the agency receives a
18 corrected invoice that is certifiable under Subsection (b-1).

19 (b-3) If the attorney general rejects or disputes an invoice
20 and certification submitted by a state agency under this section,
21 the attorney general shall notify the agency that the invoice is not
22 eligible for payment. A state agency may submit a corrected invoice
23 and certification, and the requirements of Subsections (b), (b-1),
24 and (b-2) apply to the corrected invoice and certification.

25 SECTION 2. Section 2251.021, Government Code, is amended by
26 amending Subsection (a) and adding Subsection (b-1) to read as
27 follows:

1 (a) Except as otherwise provided by this section
2 [~~Subsection (b)~~], a payment by a governmental entity under a
3 contract executed on or after September 1, 1987, is overdue on the
4 31st day after the later of:

5 (1) the date the governmental entity receives the
6 goods under the contract;

7 (2) the date the performance of the service under the
8 contract is completed; or

9 (3) the date the governmental entity receives an
10 invoice for the goods or service.

11 (b-1) A payment under a contract for legal services
12 described by Section 402.0212 owed by a state agency is overdue on
13 the 46th day after the date the agency receives an invoice for the
14 legal services.

15 SECTION 3. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1370 passed the Senate on April 25, 2019, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1370 passed the House on May 16, 2019, by the following vote: Yeas 130, Nays 0, three present not voting.

Chief Clerk of the House

Approved:

Date

Governor