

BILL ANALYSIS

Senate Research Center

S.B. 1605
By: Huffman
Finance
6/11/2021
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

At the conclusion of each biennium, the state has a number of outstanding claims and judgments against it for varying amounts of money, such as warrants voided by the statute of limitations, outstanding invoices to private vendors, unpaid charges for Medicaid recipients, or court judgment settlements. These claims require additional appropriations to be made to honor the state's obligations under the law.

S.B. 1605 sets forth sums of money appropriated out of various accounts to pay certain claims and judgments against the state. S.B. 1605 amends current law relating to direct payment, after approval, of certain miscellaneous claims and judgments against the state out of funds designated by this Act and makes appropriations.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1605 amends current law relating to directing payment, after approval, of certain miscellaneous claims and judgments against the state out of funds designated by this Act and makes appropriations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Provides that the following sums of money are appropriated out of the General Revenue Fund No. 0001 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay claim number 95M00025 to a confidential payee for replacement of a void franchise tax warrant issued October 6, 2016: \$89,667.22

To pay claim number 95M00032 to Sadler Clinic Association for replacement of a void warrant for workers' compensation issued December 3, 2009: \$15.00

To pay claim number 95M00078 to a confidential payee for replacement of a void franchise tax warrant issued September 17, 2015: \$433,228.77

To pay claim number 95M00079 to Lone Star Overnight for pickup and delivery services, invoice number 4746152, from September 10, 2010, to September 20, 2010: \$14.60

To pay claim number 95M00081 to Craig Eiland for replacement of void travel warrants issued July 8, 2011, and August 1, 2011: \$213.90

To pay claim number 95M00134 to Pharr-San Juan-Alamo Independent School District for invoice 32, services for June 2017 for the Texas Migrant Interstate Program, contract 3255, purchase order 36209: \$36,455.58

To pay claim number 95M00136 to Pharr-San Juan-Alamo Independent School District for invoice 34, services for August 2017 for the Texas Migrant Interstate Program, contract 3255, purchase order 36209: \$84,106.54

To pay claim number 95M00154 to Texas A&M University for expenses associated with student identification number 420005904 between August 30, 2010, and December 15, 2010: \$2,323.39

To pay claim number 95M00161 to a confidential payee for replacement of a void franchise tax warrant issued July 26, 2007: \$1,250.92

To pay claim number 95M00207 to Opportunities Counseling Center for group, individual, and family counseling services, invoice 32255178, in June 2015: \$16,662.39

To pay claim number 95M00223 to a confidential payee for replacement of a void sales tax warrant issued October 25, 2016: \$59,096.76

To pay claim number 95M00262 to a confidential payee for replacement of a void payroll warrant issued August 3, 2009: \$2,774.47

To pay claim number 95M00340 to The University of Texas at San Antonio - Financial Service for Title IV-E training - direct, indirect, and stipend costs from October 1, 2016, to August 31, 2017, contract 530-17-0073-00001: \$172,159.27

To pay claim number 95M00381 to ACH Child and Family Services for confidential adoption services, account 24128869 - various adoptions occurring from February 29, 2016, to May 2, 2017: \$68,200.00

To pay claim number 95M00408 to Ultimate Pediatric Care, Inc. for nursing home services provided from August 16, 2010, to January 31, 2012: \$47,482.70

To pay claim number 95M00448 to Touchstone Strategies, LLC for nursing home services from June 1, 2013, to December 30, 2013: \$56,440.85

To pay claim number 95M00452 to Courage Health Care Services, Inc. for community care services from September 1, 2009, to December 31, 2010: \$22,187.58

To pay claim number 95M00454 to a confidential payee for replacement of a void franchise tax warrant issued October 1, 2009: \$6,498.48

To pay claim number 95M00463 to a confidential payee for replacement of a void sales tax warrant issued March 31, 2015: \$574,471.27

To pay claim number 95M00465 to Carol Lynn Whalen for replacement of a void unclaimed property warrant issued July 19, 2016: \$1,827,682.53

To pay claim number 95M10010 to a confidential payee for replacement of a void franchise tax warrant issued August 8, 2017: \$57,729.72

To pay claim number 95M10012 to a confidential payee for replacement of a void franchise tax warrant issued August 7, 2017: \$11,203.82

To pay claim number 95M10021 to Tarrant County, Texas for Title IV-E other administration, indirect administration, foster care maintenance from January 2017 to August 2017, contract number 24736951: \$52,960.05

To pay claim number 95M10039 to a confidential payee for replacement of a void franchise tax warrant issued October 16, 2014: \$121,061.13

To pay claim number 95M10055 to a confidential payee for replacement of a void franchise tax warrant issued July 6, 2017: \$186,137.55

To pay claim number 95M10066 to a confidential payee for replacement of a void sales tax warrant issued July 29, 2011: \$241.23.

To pay claim number 95M10081 to a confidential payee for replacement of a void franchise tax warrant issued September 6, 2011: \$1,484.88

To pay claim number 95M10088 a confidential payee for replacement of a void sales tax warrant issued March 2, 2010: \$527.19

To pay claim number 95M10090 to SSC McAllen Las Palmas Operating Company, LLC for nursing home services from September 2, 2012, to August 31, 2013: \$29,946.12

To pay claim number 95M10144 to a confidential payee for replacement of a void insurance premium tax warrant issued March 12, 2013: \$239,797.74

To pay claim number 95M90218 to a confidential payee for replacement of a void franchise tax warrant issued December 7, 2007: \$4,667.38

To pay claim number 95M90222 to a confidential payee for replacement of a void franchise tax warrant issued January 16, 2008: \$1,185.70

To pay claim number 95M90232 to BearingPoint, Inc. Liquidating Trust for replacement of a void warrant for fees for receiving electronic payment, issued April 20, 2008: \$10,886.00

To pay claim number 95M90233 to BearingPoint, Inc. Liquidating Trust for replacement of a void warrant for fees for receiving electronic payment issued April 1, 2010: \$325.36

To pay claim number 95M90239 to Bettye J. Taylor for replacement of a void warrant for cigarette vending machine decals issued March 20, 1984: \$10.00

To pay claim number 95M90253 to a confidential payee for replacement of a void franchise tax warrant issued December 21, 2012: \$56,951.44

To pay claim number 95M90255 to a confidential payee for replacement of a void hotel tax warrant issued July 9, 2007: \$7,135.76

To pay claim number 95M90265 to Hope Home Care, Inc. for community-based alternative care from July 1, 2010, to September 15, 2010: \$1,757.57

To pay claim number 95M90267 to Cuidado Casero Home Health Central, Inc. for community care services from January 1, 2011, to December 31, 2011: \$3,871.35

To pay claim number 95M90288 to Diamond Care Health Services, LLC for community care services from January 16, 2011, to April 15, 2011: \$512.44

To pay claim number 95M90319 to a confidential payee for replacement of a void franchise tax warrant issued September 7, 2010: \$150.00

To pay claim number 95M90320 to Christopher Cooke for replacement of a void binding arbitration warrant issued March 19, 2009: \$450.00

To pay claim number 95M90332 to Barnett Lane Investments, Inc. for a refund of an overpayment of dry cleaning fees from July 13, 2009, to January 6, 2015: \$9,000.00

To pay claim number 95M90340 to St. Agnes Health Care Professionals, Inc. for community-based alternative from April 1, 2010, to January 13, 2011: \$801.42

To pay claim number 95M90366 to a confidential payee for replacement of a void franchise tax warrant issued April 26, 2013: \$309,604.50

To pay claim number 95M90454 to a confidential payee for replacement of a void franchise tax warrant issued November 17, 2010: \$4,198.46

To pay claim number 95M90457 to a confidential payee for replacement of a void sales tax warrant issued June 29, 2016: \$70,808.30

To pay claim number 95M90458 to a confidential payee for replacement of a void insurance premium tax warrant issued March 25, 2016: \$194,951.47

To pay claim number 95M90462 to a confidential payee for replacement of a void insurance premium tax warrant issued March 18, 2016: \$60,609.70

To pay claim number 95MT1001 to Morrison & Foerster, LLP for attorney fees and costs in a lawsuit, *Women's Whole Health et al. vs John Hellerstedt et al.*, AG No. 143495125, litigated before the United States District Court for the Western District of Texas, in a case challenging the constitutionality of regulation of abortion procedures: \$2,563,875.56 (plus 1.94 percent interest compounded annually from August 9, 2019, until paid)

To pay claim number 95MT1002 to the Children's Rights, Inc. for attorney fees and costs in a lawsuit, *M.D. et al., v. Governor Greg Abbott, et al.*, AG No. 113255954, litigated before the United States District Court, Southern District of Texas, Corpus Christi Division, in a case alleging systemic problems in the Department of Family and Protective Service's (DFPS) administration of the foster care system: \$6,272,552.05 (plus 0.15 percent interest per annum compounded annually from July 14, 2020, until paid)

To pay claim number 95MT1003 to A Better Childhood, Inc. for attorney fees and costs in a lawsuit, *M.D. et al., v. Governor Greg Abbott, et al.*, AG No. 113255954, litigated before the United States District Court, Southern District of Texas, Corpus Christi Division, in a case alleging systemic problems in DFPS' administration of the foster care system: \$479,055.91 (plus 0.15 percent interest per annum, compounded annually from July 14, 2020, until paid)

To pay claim number 95MT1004 to Haynes & Boone, LLP, for attorney fees and costs in a lawsuit, *M.D. et al., v. Governor Greg Abbott, et al.*, AG No. 113255954, litigated before the United States District Court, Southern District of Texas, Corpus Christi Division, in a case alleging systemic problems in DFPS' administration of the foster care system: \$1,205,678.68 (plus 0.15 percent interest per annum, compounded annually from July 14, 2020, until paid)

To pay claim number 95MT1005 to Yetter Coleman, LLP, for attorney fees and costs in a lawsuit, *M.D. et al., v. Governor Greg Abbott, et al.*, AG No. 113255954, litigated before the United States District Court, Southern District of Texas, Corpus Christi Division, in a case alleging systemic problems in DFPS' administration of the foster care system: \$4,493,682.96 (plus 0.15 percent interest per annum, compounded annually from July 14, 2020, until paid)

To pay the United States of America the amount payable under the settlement agreement dated December 20, 2019, entered into between the United States of America, acting through the United States Department of Justice and on behalf of the United States Department of Agriculture, and the Health and Human Services Commission regarding civil claims arising from the payment of accuracy performance bonuses and reimbursement of administrative quality control costs for the Supplemental Nutrition Assistance Program: \$15,294,360.00

SECTION 2. Provides that the following sums of money are appropriated out of the State Highway Fund No. 0006 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay claim number 95M00057 to Consor Engineers, LLC, for professional engineering services, Project B200180.01, Contract No. 36-6IDP5347(5798) WA#1, Invoice No. 1, from April 13, 2017, to May 31, 2017: \$67,726.82

To pay claim number 95M00194 to Paul Gajkowski for replacement of void employee expense reimbursement warrants issued October 15, 2008: \$370.97

To pay claim number 95M00364 to Camp County Land Abstract & Title Company for title company work, Invoice 5391, District 19- Atlanta, RCSJ 0248-02-058 Parcel 10: \$1,286.00

To pay claim number 95M00480 to Travis County Central Collections for Travis County Court Costs from October 11, 2002, to September 1, 2004: \$4,185.00

To pay claim number 95M00488 to Montgomery County, Texas for reimbursement for acquisition and title fees for Houston District - RCSJ 1259-01-035 Parcel 77, on August 23, 2017: \$166,117.73

To pay claim number 95M10031 to Montgomery County, Texas for reimbursement for acquisition and title fees for Houston District - RCSJ 1259-01-035 Parcel 65: \$180,257.65

To pay claim number 95M10104 to Fenway Development, Inc. for temporary construction easement, Account No. 6012-50-009, Right Of Way Control Section Job: 8170-12-002, Parcel 15TCE, on September 13, 2016: \$188,038.00

To pay claim number 95M10107 to Fort Bend County, Texas for local public agency/title expense reimbursements, Control Job Number: 1415-03-011, Parcel 006 FM 2759 Crabb River Road, on January 3, 2018: \$86,190.65

To pay claim number 95M10150 to United States Fish and Wildlife Services for payment for closeout of insurance, Invoice 0090357473R from January 1, 2015, to June 30, 2015. 576XXF9001; Purchase Order-601CT00000006973: \$66,910.47

SECTION 3. Provides that the following sums of money are appropriated out of the Lottery General Revenue Account No. 5025 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay claim number 95M10038 to Rudolph Properties, Inc. for replacement of void retailer commissions warrant issued June 6, 2011: \$5,500.00

SECTION 4. Provides that the following sums of money are appropriated out of the Designated Trauma Facility and Emergency Medical Services General Revenue Account No. 5111 for payment of itemized claims and judgments plus interest, if any, against the State of Texas:

To pay claim number 95M90283 to Memorial Hermann Hospital System for replacement of void warrant for fees for uncompensated trauma care, issued July 17, 2018: \$317,870.51

SECTION 5. (a) Requires that the claim or judgment, before any claim or judgment is authorized to be paid from money appropriated by this Act, be verified and substantiated by the administrator of the special fund or account against which the claim or judgment is to be charged and be approved by the attorney general and the Comptroller of Public Accounts of the State of Texas (comptroller). Prohibits any claim or judgment itemized in this Act that has not been verified and substantiated by the administrator of the special fund or account and approved by

the attorney general and the comptroller by August 31, 2023, from being paid from money appropriated by this Act.

(b) Requires that each claim or judgment paid from money appropriated by this Act contain such information as the comptroller requires but at a minimum contain the specific reason for the claim or judgment. Requires that the claim, if the claim is for a void warrant, include a specific identification of the goods, services, refunds, or other items for which the warrant was originally issued. Requires that it, in addition, include a certification by the original payee or the original payee's successors, heirs, or assigns that the debt is still outstanding. Requires that it, if the claim or judgment is for unpaid goods or services, be accompanied by an invoice or other acceptable documentation of the unpaid account and any other information that may be required by the comptroller.

SECTION 6. Provides that, subject to the conditions and restrictions in this Act and provisions stated in the judgments, the comptroller is authorized and directed to issue one or more warrants on the state treasury, as soon as possible following the effective date of this Act, in favor of each of the individuals, firms, corporations, or other entities named or claim numbers identified in this Act, in an amount not to exceed the amount set opposite their respective names or claim numbers and is required to mail or deliver to each of the individuals, firms, corporations, or other entities associated with each claim one or more warrants in payment of all claims included in this Act.

SECTION 7. Effective date: September 1, 2021.