

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 4486
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Finance
5/23/2025
Committee Report (Substituted)

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.

While the Comptroller of Public Accounts of the State of Texas (comptroller) is authorized to pay claims from existing appropriations, the following types of claims are required to be approved by the legislature before any payments are made:

- certain court judgments or legal settlements greater than \$250,000 (Section 16.02, Article IX of the General Appropriations Act);
- claims greater than \$50,000 for which there is not otherwise an appropriation (Section 403.074(d), Government Code); and
- claims older than eight years (Section 403.074(e), Government Code).

All claims for which there is not otherwise an appropriation in excess of \$50,000 or older than eight years that are made during a biennium are presented in the "Miscellaneous Claims Bill" at the start of the next legislative session.

The Legislative Budget Board, with the assistance of the comptroller and the Texas Legislative Council, prepares the "miscellaneous claims bill" for the Senate Finance Committee and the House Appropriations Committee.

H.B. 4486 is this session's "miscellaneous claims bill."

After the "miscellaneous claims bill" has been approved by the legislature and signed by the governor, the comptroller begins paying claims in September of the new fiscal year

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

C.S.H.B. 4486 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 certain sums of money are appropriated out of the General Revenue Fund No. 0001 for payment of certain itemized claims and judgments plus interest, if any, against the State of Texas.

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

SECTION 3. Provides that a certain sum of money is appropriated out of the Federal Disaster Fund No. 0092 for payment of certain itemized claims and judgments plus interest, if any, against the State of Texas.

SECTION 4. Provides that a certain sum of money is appropriated out of the Coronavirus Relief Fund No. 0325 for payment of a certain itemized claim and judgments plus interest, if any, against the State of Texas.

SECTION 5. Provides that a certain sum of money is appropriated out of the Economic Stabilization Fund No. 0599 for payment of a certain itemized claim and judgments plus interest, if any, against the State of Texas.

SECTION 6. Provides that a certain sum of money is appropriated out of the Sales Tax Guaranty Trust Account No. 0962 for payment of a certain itemized claim and judgments plus interest, if any, against the State of Texas.

SECTION 7. Provides that certain sums of money are appropriated to the Office of the Attorney General (OAG) out of the suspense account established by the Comptroller of Public Accounts of the State of Texas (comptroller) and the attorney general in the General Revenue Fund No. 0001 for payment of certain itemized claims and judgments plus interest, if any, against the State of Texas.

SECTION 8. Provides that, contingent upon reaching a final judgment or settlement agreement and meeting all requirements of Subchapter C (Contingent Fee Contract for Legal Services), Chapter 2254 (Professional and Consulting Services), Government Code, out of amounts transferred to the General Revenue Fund No. 0001 from the suspense account established by the comptroller and the attorney general in the General Revenue Fund No. 0001, there is appropriated to OAG the amounts necessary for the payment of certain legal fees and expenses as calculated pursuant to Subchapter C, Chapter 2254, Government Code.

SECTION 9. Provides that, notwithstanding Section 10 of this Act, \$63,750.00 is appropriated from the General Revenue Fund No. 0001 for payment of an itemized claim or judgement against the State of Texas to pay Warren Kenneth Paxton, Jr. for salary he did not receive during the period of impeachment.

SECTION 10. (a) Requires that a 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. 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 the second anniversary of the effective date of this Act 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 the claim or judgment, if it 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 11. 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, or corporations 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, or corporations associated with each claim one or more warrants in payment of all claims included in this Act.

SECTION 12. (a) Provides that, subject to Subsection (b) of this section, this Act takes effect immediately.

(b) Provides that Section 5 of this Act takes effect only if this Act received a vote of two-thirds of the members present in each house of the legislature, as provided by Section 49g(m) (relating to authorizing appropriate amounts from the economic stabilization fund to be appropriated at any time and for any purpose), Article III (Legislative Department), Texas Constitution.