## **BILL ANALYSIS**

Senate Research Center 77R9356 CAS-D

S.B. 1446 By: Van de Putte Education 3/26/2001 As Filed

## **DIGEST AND PURPOSE**

As proposed, S.B. 1446 prevents large cash payments referred either as a settlement or severance payment made to a school superintendent upon their termination from a school district by requiring the commissioner of education to reduce a school district's state funding by any amount that exceeds an amount equal to one year's salary and benefits under the superintendent's terminated contract.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the commissioner of education in SECTION 1, (Section 11.201, Education Code), of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.201(c), Education Code, to define "severance payment" for the purposes of this subsection. Deletes language relating to the commissioner of education (commissioner) reducing a school district's Foundation School Program funds for the school year following the school year in which the first severance payment is made by an amount equal to the severance payment made by the board of trustees of the school district to the superintendent. Changes language relating to the commissioner reducing a districts 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. Authorizes the commissioner to adopt rules as necessary to administer this subsection.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2001.