

1-1 By: Nichols S.B. No. 1370
1-2 (In the Senate - Filed March 1, 2019; March 14, 2019, read
1-3 first time and referred to Committee on State Affairs;
1-4 April 17, 2019, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 17, 2019,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Huffman	X		
1-10	Hughes	X		
1-11	Birdwell	X		
1-12	Creighton	X		
1-13	Fallon	X		
1-14	Hall	X		
1-15	Lucio	X		
1-16	Nelson	X		
1-17	Zaffirini	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1370 By: Lucio

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to invoices and payments under certain state contracts for
1-22 outside legal services.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 402.0212, Government Code, is amended by
1-25 amending Subsection (b) and adding Subsections (b-1), (b-2), and
1-26 (b-3) to read as follows:

1-27 (b) An invoice submitted to a state agency under a contract
1-28 for legal services as described by Subsection (a) must be:

1-29 (1) submitted to the attorney general by the agency's
1-30 office of general counsel not later than the 25th day after the date
1-31 the agency receives the invoice except as provided by Subsection
1-32 (b-2); and

1-33 (2) reviewed by the attorney general only to determine
1-34 whether the legal services for which the agency is billed were
1-35 performed within the term of the contract and are within the scope
1-36 of the legal services authorized by the contract and are therefore
1-37 [the invoice is] eligible for payment.

1-38 (b-1) A state agency's office of general counsel shall
1-39 include with an invoice submitted under Subsection (b)(1) a written
1-40 certification that the legal services for which the agency is
1-41 billed were performed within the term of the contract, are within
1-42 the scope of the legal services authorized by the contract, and are
1-43 reasonably necessary to fulfill the purpose of the contract. To
1-44 certify an invoice under this subsection, a state agency must, at a
1-45 minimum, determine that the following items are supported by proper
1-46 documentation and submitted to the agency under the requirements of
1-47 the contract:

1-48 (1) the amount and types of expenses billed under the
1-49 invoice;

1-50 (2) the rates for legal services under the invoice;

1-51 and

1-52 (3) the number of hours billed for legal services
1-53 under the invoice.

1-54 (b-2) If a state agency that receives an invoice under a
1-55 contract for legal services as described by Subsection (a) rejects
1-56 or disputes the invoice as not certifiable under Subsection (b-1),
1-57 the agency shall, not later than the 21st day after the date the
1-58 agency receives the invoice, notify the attorney or law firm
1-59 providing the invoice and request a corrected invoice. The period
1-60 under Subsection (b)(1) begins on the date the agency receives a

2-1 corrected invoice that is certifiable under Subsection (b-1).
2-2 (b-3) If the attorney general rejects or disputes an invoice
2-3 and certification submitted by a state agency under this section,
2-4 the attorney general shall notify the agency that the invoice is not
2-5 eligible for payment. A state agency may submit a corrected invoice
2-6 and certification, and the requirements of Subsections (b), (b-1),
2-7 and (b-2) apply to the corrected invoice and certification.

2-8 SECTION 2. Section 2251.021, Government Code, is amended by
2-9 amending Subsection (a) and adding Subsection (b-1) to read as
2-10 follows:

2-11 (a) Except as otherwise provided by this section
2-12 [~~Subsection (b)~~], a payment by a governmental entity under a
2-13 contract executed on or after September 1, 1987, is overdue on the
2-14 31st day after the later of:

2-15 (1) the date the governmental entity receives the
2-16 goods under the contract;

2-17 (2) the date the performance of the service under the
2-18 contract is completed; or

2-19 (3) the date the governmental entity receives an
2-20 invoice for the goods or service.

2-21 (b-1) A payment under a contract for legal services
2-22 described by Section 402.0212 owed by a state agency is overdue on
2-23 the 46th day after the date the agency receives an invoice for the
2-24 legal services.

2-25 SECTION 3. This Act takes effect September 1, 2019.

2-26 * * * * *