

1-1 By: Bettencourt S.B. No. 2237
1-2 (In the Senate - Filed March 11, 2025; March 25, 2025, read
1-3 first time and referred to Committee on Local Government;
1-4 April 7, 2025, reported favorably by the following vote: Yeas 6,
1-5 Nays 0; April 7, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Middleton	X			
1-9 Cook	X			
1-10 Gutierrez	X			
1-11 Nichols	X			
1-12 Paxton	X			
1-13 West			X	

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to severance pay for certain political subdivision
1-18 employees.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Chapter 180, Local Government Code, is amended
1-21 by adding Section 180.011 to read as follows:

1-22 Sec. 180.011. LIMITATION ON SEVERANCE PAY FOR EXECUTIVE
1-23 EMPLOYEES. (a) In this section:

1-24 (1) "Misconduct" means an act or omission by an
1-25 employee of a political subdivision in the performance of the
1-26 employee's duties that the governing body of the political
1-27 subdivision determines to be misconduct. The term includes any
1-28 finding of criminal conduct.

1-29 (2) "Severance pay" means dismissal or separation
1-30 income paid on termination of the employment of an employee that is
1-31 in addition to the employee's usual earnings from the employer at
1-32 the time of termination.

1-33 (b) A person is an executive employee of a political
1-34 subdivision for purposes of this section if the person is:

1-35 (1) a chief executive officer of a political
1-36 subdivision other than a school district;

1-37 (2) an agency or department head; or

1-38 (3) the superintendent of a school district or the
1-39 chief executive officer of an open-enrollment charter school.

1-40 (c) A political subdivision that enters into an employment
1-41 agreement, or renewal or renegotiation of an existing employment
1-42 agreement, that contains a provision for severance pay with an
1-43 executive employee must include:

1-44 (1) a requirement that severance pay that is paid from
1-45 tax revenue may not exceed the amount of compensation, at the rate
1-46 at the termination of employment, the executive employee would have
1-47 been paid for 20 weeks, excluding paid time off or accrued vacation
1-48 leave; and

1-49 (2) a prohibition of the provision of severance pay
1-50 when the executive employee is terminated for misconduct.

1-51 (d) A political subdivision shall post each severance
1-52 agreement in a prominent place on the political subdivision's
1-53 Internet website.

1-54 (e) This subsection applies to an action brought against a
1-55 political subdivision by an executive employee of the political
1-56 subdivision arising from the termination of the person's
1-57 employment. A court may not issue a writ of execution or mandamus
1-58 in connection with a judgment in the action if the judgment does not
1-59 comply with this section.

1-60 SECTION 2. Section 180.011, Local Government Code, as added
1-61 by this Act, applies only to an employment agreement entered into or

2-1 an action filed on or after the effective date of this Act.

2-2 SECTION 3. This Act takes effect September 1, 2025.

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