

- SUBJECT:** Appropriation to pay an outstanding judgment award
- COMMITTEE:** Appropriations — favorable, without amendment
- VOTE:** 25 ayes — Pitts, Luna, Berman, Branch, B. Brown, F. Brown, Chisum, Crownover, J. Davis, Gattis, Guillen, Haggerty, Hamric, Hegar, Hope, Hopson, T. King, Kolkhorst, Martinez, McClendon, Pena, Pickett, T. Smith, Truitt, Turner
- 0 nays
- 4 absent — Dukes, Edwards, Isett, Menendez
- WITNESSES:** For — None
- Against — None
- On — Melinda Bozarth, Texas Department of Criminal Justice; Amy Borgstedte, Michael VanderBurg, Legislative Budget Board; Ken Welch, Comptroller's Office
- BACKGROUND:** Art. 9, section 6.22, Judgments and Settlements, of the fiscal 2006-07 general appropriations act (SB 1 by Ogden, regular session) limits the payment of judgments against state agencies. These payments are limited to \$250,000 per claim and may not exceed, in aggregate, 10 percent of an agency's annual total funds appropriation. Judgments greater than that threshold may be paid only through a specific appropriation.
- DIGEST:** HB 114 would appropriate \$640,226 in general revenue to the Comptroller's Office to pay damages and attorney's fees plus interest in the case *Patricia King v. Texas Department of Criminal Justice, et al.* (No. 99-064-B).
- The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect on the 91st day after the last day of the third called session (August 15, 2006, if the special session lasts the full 30 days).

**SUPPORTERS
SAY:**

HB 114 would pay finally the judgment against the state in a harassment case involving two employees of the Texas Department of Criminal Justice (TDCJ). In 1999, a TDCJ employee accused another of harassment, and the offending employee was disciplined following confirmation of the claim by an internal investigation. The plaintiff sued TDCJ, and a jury awarded \$250,000 for mental anguish, \$785 for lost wages, and \$89,000 for attorney fees. The state appealed the decision, but it was upheld by the appellate court in 2003, and the Texas Supreme Court declined to take the case. The appellate court set interest at 10 percent, compounded daily.

While this judgment is part of a larger issue — whether or not the state should settle all outstanding judgments — it is important to pay this one now. The plaintiff was awarded this money six years ago and should not have to wait any longer. In addition, because the interest is compounded daily, this judgment should be paid quickly to avoid incurring additional costs. Miscellaneous claims bills that contain many items should be addressed during the regular session.

**OPPONENTS
SAY:**

This judgment should be paid as part of a miscellaneous claims bill, such as SB 1606 by Ogden, which was approved by the Senate but died in the House Appropriations Committee in the regular session of the 79th Legislature. There are more than 600 other outstanding obligations that have not been funded, including a utility bill dating from August 2000 of more than \$94,000 owed to the city of Hondo by a state correctional facility. The state should pay timely all judgments, bills, and other money it owes.