

SB319 INTRODUCED



1 SB319
2 EEZ8CC2-1
3 By Senator Albritton
4 RFD: Finance and Taxation General Fund
5 First Read: 11-Apr-24



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SYNOPSIS:

This bill would provide that a state agency may not execute a settlement agreement for a claim made against the state unless the state agency has sufficient funds available to the state agency to pay the full amount owed under the settlement agreement.

This bill would also provide that if a state agency does not have sufficient funds available to pay the full amount owed under a proposed settlement agreement, the state agency must provide the terms of the settlement agreement to specified public officials at least 90 days in advance of executing a settlement agreement.

A BILL
TO BE ENTITLED
AN ACT

Relating to state agencies; to prohibit state agencies from settling claims against the state agency unless the agency has sufficient funding to pay the amount prescribed in the settlement agreement; and to require a state agency that lacks sufficient funding to pay the full amount of a settlement agreement to provide certain notice to certain



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29 public officials.

30 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

31 Section 1. (a) As used in this section, "state agency"
32 means any department, agency, board, commission, or bureau,
33 and "settlement" means the compromise of any claim made
34 against a state agency or the entry into a consent decree,
35 whether in the course of litigation or not, and whether the
36 compromise contemplates the payment of money or a change in
37 practices.

38 (b) No state agency shall have the authority to execute
39 a settlement unless the state agency has sufficient funds
40 available at the time of settlement or compromise to pay the
41 full amount of the settlement.

42 (c) If a state agency does not have sufficient funds
43 available to pay the full amount of a proposed settlement, the
44 state agency, at least 90 days before entering into the
45 settlement, shall provide the proposed terms of the settlement
46 to the Governor, the Attorney General, the Speaker of the
47 House of Representatives, the President Pro Tempore of the
48 Senate, the Chair of the House of Representatives Ways and
49 Means Education Committee, the Chair of the House of
50 Representatives Ways and Means General Fund Committee, the
51 Chair of the Senate Finance and Taxation Education Committee,
52 the Chair of the Senate Finance and Taxation General Fund
53 Committee, the Finance Director, and the Director of the
54 Legislative Services Agency.

55 Section 2. This act shall become effective on October
56 1, 2024.