

- SUBJECT:** Early termination of certain teachers as a reduction in force
- COMMITTEE:** Public Education — favorable, without amendment
- VOTE:** 7 ayes — Eissler, Aycock, Huberty, Shelton, T. Smith, Strama, Weber
2 nays — Dutton, Guillen
2 absent — Hochberg, Allen
- WITNESSES:** For — David Hodgins, Texas Association of School Boards Council of School Attorneys; (*Registered, but did not testify:* Amy Beneski, Texas Association of School Administrators; Melva Cardenas, Texas Association of School Personnel Administrators; Bill Hammond, Texas Association of Business; Julie Haney, Texas Association of Community Schools; Don Rogers, Texas Rural Education Association; Julie Shields, Texas Association of School Boards; Maria Whitsett, Texas School Alliance; Gilbert Zavala, Austin Chamber of Commerce)

Against — Ted Melina Raab, Texas American Federation of Teachers; (*Registered, but did not testify:* Portia Bosse, Texas State Teachers Association; Zeph Capo, Houston Federation of Teachers; Tom Carlin; Gwen Dunivent, Transport Workers Union of America; Shannon Jones; Rene Lara, Texas AFL-CIO)

On — Lonnie Hollingsworth, Texas Classroom Teachers Association
- BACKGROUND:** A principal, teacher, supervisor, counselor, or other full-time professional employee can be employed by a school district through a probationary, continuing, or term contract.
- Continuing contracts.** Education Code, ch. 21, subch. D, permits a school district to hire a full-time employee on a continuing contract, which is valid until the employee resigns, retires, is discharged, is released as a part of a necessary personnel reduction, or is returned to probationary status. Reductions to personnel on continuing contracts must occur based on reverse seniority, often referred to as “first in, first out.” If an employee wishes to protest a discharge, suspension, or personnel reduction, the employee must notify the school district board within 10 days after

notification and is entitled to a hearing before the board with a hearing examiner.

DIGEST: HB 21 would no longer require a school district to terminate teachers on continuing contracts at the end of a school year according to the reverse order of seniority when making a necessary reduction in personnel.

The bill would take effect on the 91st day after the last day of the legislative session.

SUPPORTERS SAY: HB 21 would permit school districts flexibility when necessary personnel reductions require termination of teacher continuing contracts at the end of a school year. It would allow school districts to set their own priorities in determining which teachers could be terminated should a personnel reduction be required. The bill would not violate the legal terms of a continuing contract because such contract terms no longer continue in effect once the employee leaves voluntarily, is terminated for good cause, or is released as part of a necessary reduction in personnel.

OPPONENTS SAY: HB 21 would leave veteran teachers vulnerable when a school district sought to alleviate budget constraints, since they have the highest salaries. These employees are entitled to the protections afforded by the existing continuing-contract provisions because the district has determined that their performances warrant continuing-contract status.

The bill seeks to alter the contract rights of teachers with continuing contracts. It would materially change the terms of the existing contract, violating the precedent set by *Central Education Agency v. George West I.S.D.*, 783 S.W.2d 200 (Tex. 1989), which held that the material terms of a contract cannot be abrogated during the term of a contract. To protect against legal concerns, the proposed changes should apply to future contracts and exclude current contracts.

NOTES: A similar provision was included in HB 400 by Eissler during the regular session of the 82nd Legislature, which was placed on the Major State Calendar repeatedly and finally postponed on May 12.