

SUBJECT: Allowing public schools to buy insurance for CTE programs

COMMITTEE: Public Education — committee substitute recommended

VOTE: 6 ayes — Huberty, Bernal, Gooden, K. King, Koop, VanDeaver

0 nays

4 absent — Allen, Bohac, Deshotel, Meyer

1 present not voting — Dutton

WITNESSES: For — Scott Bland, Texas Association of Builders; Paul Taylor, Texas Association of School Boards Risk Management Services; (*Registered, but did not testify*: Michael Chatron, AGC Texas Building Branch; Jon Fisher, Associated Builders and Contractors of Texas; Marty De Leon, Career and Technical Association of Texas; Louann Martinez, Dallas ISD, the Texas Urban Council; Katija Gruene, Green Party of Texas; Mike Meroney, Huntsman Corporation, BASF Corporation, and Texas Workforce Coalition; Annie Spilman, National Federation of Independent Business/Texas; Priscilla Camacho, San Antonio Chamber of Commerce; Seth Rau, San Antonio ISD; Shannon Noble, Texas Air Conditioning Contractors Association; Courtney Boswell, Texas Aspires; Houston Tower, Texas Aspires; Miranda Goodsheller, Texas Association of Business; Barry Haenisch, Texas Association of Community Schools; Stephanie Simpson, Texas Association of Manufactures; Amy Beneski, Texas Association of School Administrators; Grover Campbell, Texas Association of School Boards; Michelle Smith, Texas Association of School Business Officials; Justin Yancy, Texas Business Leadership Council; Michael White, Texas Construction Association; Janna Lilly, Texas Council of Administrators of Special Education; Carlton Schwab, Texas Economic Development Council; Jim Reaves, Texas Farm Bureau; Colby Nichols, Texas Rural Education Association)

Against — None

On — Quentin Suffren, Texas Education Agency; Will Adams, Texas Trial Lawyers Association; (*Registered, but did not testify*: Von Byer and Eric Marin, Texas Education Agency)

**BACKGROUND:** Observers suggest that students participating in career and technology programs off campus may encounter certain risks while at job sites or being transported to and from school, raising concerns about accident liability for students, schools, and partnering organizations.

**DIGEST:** CSHB 639 would allow the board of trustees of a school district or the governing body of an open-enrollment charter school to obtain accident, liability, or automobile insurance coverage to protect:

- a business or entity that provided a career and technology (CTE) program to students; and
- a district or school that participated in a CTE program.

The coverage would be required to be obtained from a reliable insurer authorized to engage in business in Texas or provided through a school district's self-funded risk pool.

The amount of coverage obtained by a district or charter would have to be reasonable considering the financial condition of the district or charter and could not exceed the amount reasonably necessary in the opinion of, as applicable, the district's board of trustees or the governing body of the school.

If a board of trustees or governing body obtained accident, liability, or automobile insurance coverage, an administrator designated by the board of trustees or governing body would be required to notify parents of each student participating in the CTE program.

A district or charter could not charge a student participating in a CTE program or the student's parent for the cost of providing insurance.

The failure of a board of trustees or a governing body to obtain a specific

amount of coverage would not place any legal liability on the officers, agents, or employees of the district or charter.

A student who participated in a CTE program would be entitled to the same immunity as a volunteer to a district or charter.

The bill would repeal a provision in current law relating to specific types of insurance coverage for certain businesses that partner with a school district for a CTE program.

This 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 September 1, 2017, and would apply beginning with the 2017-18 school year.

NOTES: Two companion bills, SB 1880 by Menéndez and SB 1898 by West, were referred to the Senate Committee on Education on March 23.