

BILL ANALYSIS

Senate Research Center

H.B. 639
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Education
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties have noted that students who participate in career and technology programs should have more liability protection from accidents that may occur during their participation. H.B. 639 seeks to address this concern by allowing public schools to obtain certain insurance coverage for the benefit of businesses and students participating in career and technology programs and providing for immunity from liability of certain public school students participating in career and technology programs.

Many view the reform of Texas high schools in H.B. 5 as one of the most momentous achievements of the 83rd Legislature. That legislation allows parents and students to choose between different pathways towards graduation, including providing a pathway for students who would be more successful in a workforce bound pathway over the traditional college route. In response, many school districts have created Career and Technology Education (CTE) campuses that coordinate with surrounding independent school district (ISD's) to allow students to participate in various CTE programs during their junior and senior years. These CTE campuses partner with businesses to develop curriculum and to offer hands-on internships for the students. School officials and their partnering businesses have recognized the need for insurance coverage for students while they are participating in CTE programs. School districts do not normally provide liability coverage for students, and students have no immunity protections for their actions as do school employees. The potential for unlimited liability against a CTE student makes any coverage expensive if not impossible to procure. Interested parties have noted that students who participate in career and technology programs should have more liability protection from accidents that may occur during their participation. C.S.H.B. 639 seeks to address this concern by allowing public schools to obtain certain insurance coverage for the benefit of businesses and students participating in career and technology programs and providing for immunity from liability of certain public school students participating in career and technology programs.

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H.B. 639 amends current law relating to authorizing the purchase of certain insurance coverage by public schools for the benefit of businesses and students participating in career and technology programs and providing for immunity from liability of certain public school students participating in career and technology programs.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter F, Chapter 29, Education Code, by adding Sections 29.191 and 29.192, as follows:

Sec. 29.191. ACCIDENT, LIABILITY, AND AUTOMOBILE INSURANCE COVERAGE. (a) Authorizes 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 participates with the district or school to provide district or school students a career and technology program, and a district or school student who participates in a district or school career and technology program.

(b) Requires the coverage authorized by this section to be obtained from a reliable insurer authorized to engage in business in this state or, for a district, provided through the district's self-funded risk pool.

(c) Requires the amount of coverage a district or school obtains to be reasonable considering the financial condition of the district or school. Prohibits the amount of coverage a district or school obtains from exceeding the amount that is reasonably necessary in the opinion of, as applicable, the board of trustees of the district or the governing body of the school.

(d) Requires an administrator designated by the board of trustees of the district or governing body of the school, if the board of trustees of a district or the governing body of a school obtains accident, liability, or automobile insurance coverage under this section, as applicable, to notify the parent or guardian of each student participating in the career and technology program.

(e) Prohibits a district or school from directly or indirectly charging a student or the student's parent or guardian for the cost of providing the student insurance under this section.

(f) Prohibits the failure of any board of trustees of a district or the governing body of a school to obtain coverage authorized by this section or to obtain a specific amount of coverage under this section from being construed as placing any legal liability on, as applicable, the district or the district's officers, agents, or employees or the school or the school's officers, agents, or employees.

Sec. 29.192. IMMUNITY FROM LIABILITY. Provides that a student who participates in a career and technology program approved by a school district or an open-enrollment charter school is entitled to immunity in the same manner provided under Section 22.053 (School District Volunteers) as a volunteer who is serving as a direct service volunteer of a district or school.

SECTION 2. Repealer: Section 29.187(f) (relating to authorizing the board of trustees of a school district to provide certain insurance to protect a business who contracts with the district), Education Code.

SECTION 3. Provides that this Act applies beginning with the 2017-2018 school year.

SECTION 4. Effective date: upon passage or by September 1, 2017.