

By: Hayes

H.B. No. 506

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting certain nonprofit state associations and organizations from providing training and insurance and risk pool contracts to public educational entities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 1, Education Code, is amended by adding Section 1.008 to read as follows:

Sec. 1.008. RESTRICTION ON ENTITIES THAT MAY PROVIDE CERTAIN TRAINING AND CONTRACTS TO PUBLIC EDUCATIONAL INSTITUTIONS.

A nonprofit state association or organization that primarily represents school boards of trustees or other public educational institutions and adopts as part of its mission statement or organizing principles a concept described by Section 28.0022(a)(4)(A) may not provide directly or by subsidiary or contract with a third party to a public primary or secondary school in this state, the Texas Education Agency, or a regional education service center:

(1) any training or instruction; or

(2) contracts of any value for insurance or participation in a risk pool.

SECTION 2. Section 1.008, Education Code, as added by this Act, applies only to a contract entered into on or after the effective date of this Act. A contract entered into before the effective date of this Act is governed by the law in effect on the

1 date the contract was entered into, and the former law is continued
2 in effect for that purpose.

3 SECTION 3. This Act takes effect September 1, 2025.