

BILL ANALYSIS

C.S.H.B. 3220
By: Hancock
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, open-enrollment charter schools are not included under certain sections of the Education Code and Labor Code that grant protections and opportunities to other standing governmental units. The cap on the number of open-enrollment charter schools that can be granted is set at 215. This limit was reached in November 2008, which demonstrates the growing need for open-enrollment charter schools.

C.S.H.B. 3220 grants open-enrollment charter schools greater protections against civil liability under the Texas Tort Claims Act by specifically defining an open-enrollment charter school as a governmental unit as that term is defined in that act and in other applicable statutes. The bill provides open-enrollment charter schools greater flexibility and affordability in planning for and managing risks associated with civil liability, employee benefits, and workers' compensation by allowing such charter schools to be considered as either a local government or a political subdivision for purposes of the applicable statutes.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3220 amends the Education Code to establish that an open-enrollment charter school is a governmental unit, as that term is defined by state law with respect to tort claims, and is subject to liability only as provided by provisions governing tort claims and only in the manner that liability is provided by those provisions for a school district. The bill establishes that an open-enrollment charter school is a local government as that term is defined by state law with respect to tort claims payments by local governments and requires a payment on a tort claim to comply with those provisions governing tort claims payments by local governments.

C.S.H.B. 3220 establishes that an open-enrollment charter school is considered to be a local government for purposes of the Interlocal Cooperation Act and for purposes of self-insurance by governmental units under applicable statutory provisions, with the exception that an open-enrollment charter school is prohibited from issuing securities to establish a self-insurance fund as provided by state law for other governmental units. The bill establishes that an open-enrollment charter school is considered a political subdivision for purposes of the Texas Political Subdivision Employees Uniform Group Benefits Act. The bill authorizes an open-enrollment charter school to elect to extend workers' compensation benefits to school employees through any method available to a political subdivision under the statutory provisions governing workers' compensation insurance coverage for political subdivision employees. The bill establishes that an open-enrollment charter school that elects to extend workers' compensation benefits under these provisions is considered to be a political subdivision for all purposes of workers' compensation insurance coverage for political subdivision employees under applicable statutory provisions.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3220 differs from the original, in the provision establishing an open-enrollment charter school as a local government for purposes of self-insurance by governmental units, by adding an exception prohibiting an open-enrollment charter school from issuing public securities to establish a self-insurance fund.

C.S.H.B. 3220 differs from the original by authorizing an open-enrollment charter school to elect to extend workers' compensation benefits to school employees through any method available to a political subdivision under state law governing workers' compensation insurance coverage for political subdivision employees, whereas the original authorizes an open-enrollment charter school to extend workers' compensation benefits to school employees by becoming a self-insurer under the same statutory provisions. The substitute adds a provision not in the original establishing that an open-enrollment charter school electing to extend workers' compensation benefits under the bill's provision is considered to be a political subdivision for all purposes of the statutory provisions above.

C.S.H.B. 3220 removes a provision included in the original authorizing an open-enrollment charter school to extend workers' compensation benefits to school employees by becoming a self-insurer.