BILL ANALYSIS

Senate Research Center 84R7567 CAE-F H.B. 1171 By: Farney et al. (Lucio) Education 5/13/2015 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, open-enrollment charter schools enjoy the same immunity from liability that public schools do; however, the law is less clear on the degree to which charters are immune from suit or subject to liability limits under the Texas Torts Claims Act. Recently, the Dallas Court of Appeals ruled that charters should be treated the same as public schools with regard to immunity from suit. Because this ruling only applies to that court's jurisdiction, however, charter schools will continue to fight costly legal battles to dismiss suits that should not have been filed in the first place.

H.B. 1171 addresses the uncertainties surrounding charter schools' legal status by defining them as public schools for purposes of immunity from both liability and suit. The bill also clarifies that charter schools are eligible for the cap on liabilities under the Texas Torts Claims Act. These provisions will keep schools from expending their limited budgets on expensive court costs, and ensure that public money meant for education remains in the classrooms.

H.B. 1171 amends current law relating to the applicability of certain immunity and liability laws to open-enrollment charter schools.

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 Section 12.1056, Education Code, as follows:

Sec. 12.1056. New heading: IMMUNITY. (a) Creates this subsection from existing text. Provides that an open-enrollment charter school or charter holder, in matters related to operation of an open-enrollment charter school, is immune to the same extent as a school district, and the employees and volunteers of the open-enrollment charter school or charter holder are immune to the same extent as school district employees and volunteers, rather than providing that an open-enrollment charter school, is immune from liability to the same extent as a school district, and its employees and volunteers are immune from liability to the same extent as a school district employees and volunteers. Provides that a member of the governing body of an open-enrollment charter school or of a charter holder is immune to the same extent as a school district trustee, rather than immune from liability to the same extent as a school district trustee.

(b) Provides that an open-enrollment charter school is a governmental unit as defined by Section 101.001 (Definitions), Civil Practice and Remedies Code, and is subject to liability only as provided by Chapter 101 (Tort Claims), Civil Practice and Remedies Code, and only in the manner that liability is provided by that chapter for a school district.

(c) Provides that an open-enrollment charter school is a local government as defined by Section 102.001 (Definitions), Civil Practice and Remedies Code, and

a payment on a tort claim must comply with Chapter 102 (Tort Claims Payments by Local Governments), Civil Practice and Remedies Code.

(d) Provides that an open-enrollment charter school is a local governmental entity as defined by Section 271.151 (Definitions), Local Government Code, and is subject to liability on a contract as provided by Subchapter I (Adjudication of Claims Arising Under Written Contracts with Local Governmental Entities), Chapter 271 (Purchasing and Contracting Authority of Municipalities, Counties, and Certain other Local Governments), Local Government Code, and only in the manner that liability is provided by that subchapter for a school district.

SECTION 2. Effective date: upon passage or September 1, 2015.