Amend Amendment No. 2 by Paddie to **SB 2078** by adding the following appropriately numbered item to the amendment:

(____) Add the following appropriately numbered SECTION to the bill and renumber SECTIONS of the bill accordingly:

SECTION _____. Subchapter D, Chapter 37, Education Code, is amended by adding Section 37.114 to read as follows:

Sec. 37.114. STATE INDEMNIFICATION. (a) The state shall indemnify a school district or open-enrollment charter school or an employee of a district or charter school for damages, attorney's fees, and other costs paid as required by a judgment on or settlement of a claim arising out of a policy on the use of a multiple-occupancy bathroom or changing facility by a person's sex.

(b) This section prevails over any other law, including Chapter 104, Civil Practice and Remedies Code, to the extent of any conflict.