

Amend CSHB 2 (89R 31606) by adding the following appropriately numbered SECTIONS to Article 7 of the bill and renumbering subsequent SECTIONS of that article accordingly:

SECTION _____. (a) The Texas Education Agency, in collaboration with the Legislative Budget Board, shall conduct a study regarding state assistance for the uniform group coverage program for active school employees. The study must include:

(1) an evaluation of the amount by which costs for coverage under the program have increased since the last increase in the amount of the state's contribution under Section 1579.251, Insurance Code; and

(2) cost estimates for increasing the state's contribution under Section 1579.251, Insurance Code, based on:

(A) an across-the-board increase in the amount of the state contribution; and

(B) an increase in the amount of the state contribution based on whether the employee has been employed by a participating entity, as defined by Section 1579.002, Insurance Code, for 5, 10, or 20 or more years.

(b) Not later than September 1, 2026, the Texas Education Agency, in collaboration with the Legislative Budget Board, shall provide to the legislature a written report that includes the results of the study conducted under Subsection (a) of this section and any recommendations for legislative or other action based on the study.

(c) This section expires September 1, 2027.

SECTION _____. (a) In this section:

(1) "Agency" means the Texas Education Agency.

(2) "Office" means the State Office of Risk Management.

(b) The office shall, in collaboration with the agency, conduct an interim study on the costs of insuring public school real property, using information provided by the agency, to develop a statewide strategy to lower the costs of property and casualty insurance for public schools in this state while ensuring that all real property owned by public schools in this state, including buildings, facilities, and land, is adequately insured.

(c) The agency shall require each school district and open-enrollment charter school to submit to the agency by a date prescribed by the agency the following information:

(1) the total insurable value of each building or facility owned or leased by the district or school;

(2) the costs of property damage incurred by the district or school during the preceding 10 years;

(3) the cost of property and casualty insurance to insure all of the district's or school's assets; and

(4) the district's or school's protocols for replacing or repairing damaged property.

(d) The agency shall report the information submitted by each school district and open-enrollment charter school to the office by a date prescribed by the office.

(e) In conducting the interim study under Subsection (b) of this section, the office shall collect information and solicit input from risk pools in which school districts and open-enrollment charter schools participate.

(f) Not later than September 1, 2026, the office shall prepare and submit to the legislature and each risk pool described by Subsection (e) of this section a report regarding the office's findings and recommendations based on the interim study conducted under this section. The report must include recommendations regarding:

(1) a statewide strategy to lower the costs of property and casualty insurance for public schools in this state while ensuring that all real property owned by public schools in this state is adequately insured;

(2) actions school districts and open-enrollment charter schools can individually take to alleviate property and casualty insurance costs;

(3) actions risk pools in which school districts and open-enrollment charter schools participate can take to lower costs and remain resilient in the long term; and

(4) if the office recommends creating a statewide risk pool to provide property and casualty insurance to school districts and open-enrollment charter schools, the amount necessary for the

state to allocate to create that risk pool and the estimated savings from operating a risk pool.

(g) This section expires September 1, 2027.