

BILL ANALYSIS

Senate Research Center
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S.B. 111
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Education K-16
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

When independent school districts and charter schools engage in litigation processes costing thousands of dollars, taxpayers are footing the bill on both ends. For example, if a parent files a due process complaint to resolve an issue at the local level related to receiving special education services, often a lengthy litigation process ensues. While parents pay out of pocket for legal representation, school districts use special education financial resources—derived from taxpayers—to cover their legal fees. Thus, a parent's tax dollars pay both the attorney arguing the case against the child and the school district's legal representation. School districts have spent thousands of dollars in legal fees without attendant transparency. Information about the total costs of the legal proceedings comes following the case's resolution and must be obtained via a formal public information request.

Legislative changes are necessary to reduce legal costs and increase transparency between taxpayers and public schools.

S.B. 111 would:

- Apply to due process complaints relating to violations of special education laws where the district may contract legal services of up to \$10,000 per case;
- Require notification from the district superintendent and a report on the case to the board of trustees when legal proceedings have reached 80 percent of allowable expenditures;
- Require board authorization to exceed \$10,000 in expenditures to continue the litigation;
- Require a district to update monthly on their website information regarding legal proceedings in which the district is engaged and the related costs;
- Require the Texas Education Agency (TEA) to publish and update monthly on its website the number of complaints statewide that exceeded \$10,000 in legal fees; and
- Require TEA to post disaggregated information on the statewide average and the average for each regional education service center of legal fees spent by school districts.

As proposed, S.B. 111 amends current law relating to transparency in special education legal proceedings involving a school district and a limit on legal fees that may be spent by a school district in special education legal proceedings.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of education in SECTION 1 (Section 44.903, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter Z, Chapter 44, Education Code, by adding Section 44.903, as follows:

Sec. 44.903. BOARD AUTHORIZATION TO SETTLE OR CONTEST SPECIAL EDUCATION LAWSUITS; REPORTS TO AGENCY. (a) Provides that this section applies only to a due process complaint against a school district alleging a violation of federal or state special education laws.

(b) Prohibits a school district, except as otherwise provided by this section, from spending more than \$10,000 in legal fees to defend the district in a legal proceeding to which this section applies.

(c) Requires a school district superintendent, if the school district spends an amount in legal fees to defend the district in a legal proceeding to which this section applies that is at least 80 percent of the limit imposed by Subsection (b) and intends to continue the proceeding, to submit to the board of trustees of the district (board) a report that:

(1) states that the current cost in legal fees in the proceeding is approaching the limit imposed by Subsection (b); and

(2) includes:

(A) a summary of the facts, legal claims, defenses, and relief sought in the proceeding; and

(B) an estimate of the total amount in legal fees that will be required to defend the district in the proceeding.

(d) Provides that a report submitted under Subsection (c) is confidential and not subject to disclosure under Chapter 552 (Public Information), Government Code.

(e) Requires the board, as soon as practicable after receipt of a report under Subsection (c), to direct the district to settle the legal proceeding before the total cost in legal fees exceeds the limit imposed by Subsection (b) or authorize the district to spend an amount in legal fees in excess of the limit imposed by Subsection (b) to defend the district in the legal proceeding.

(f) Requires a school district, each month, to post on the district's Internet website and submit to the Texas Education Agency (TEA) a report regarding each ongoing legal proceeding to which this section applies for which the district's legal fees exceed the limit imposed by Subsection (b), including the general subject matter of the proceeding and the total amount of legal fees incurred by the district for the proceeding as of the date on which the report is made.

(g) Prohibits the report required under Subsection (f) from including personally identifiable student information and requires that it comply with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(h) Requires TEA, each month, to compile and post on TEA's Internet website the information reported to TEA under Subsection (f) for the preceding month. Requires that the information be both aggregated statewide and disaggregated by school district.

(i) Authorizes the commissioner of education to adopt rules as necessary to implement this section.

SECTION 2. Makes Section 44.903, Education Code, as added by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2025.