

By: Cain

H.B. No. 3170

A BILL TO BE ENTITLED

AN ACT

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.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter 2, Chapter 44, Education Code, is amended by adding Section 44.903 to read as follows:

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

(b) Except as otherwise provided by this section, a school district may not spend more than \$10,000 in legal fees to defend the district in a legal proceeding to which this section applies.

(c) If a 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, the district superintendent shall submit to the board of trustees of the district 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,

1 defenses, and relief sought in the proceeding; and

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

4 (d) A report submitted under Subsection (c) is confidential  
5 and not subject to disclosure under Chapter 552, Government Code.

6 (e) As soon as practicable after receipt of a report under  
7 Subsection (c), the board of trustees of the school district shall:

8 (1) direct the district to settle the legal proceeding  
9 before the total cost in legal fees exceeds the limit imposed by  
10 Subsection (b); or

11 (2) authorize the district to spend an amount in legal  
12 fees in excess of the limit imposed by Subsection (b) to defend the  
13 district in the legal proceeding.

14 (f) Each month, a school district shall post on the  
15 district's Internet website and submit to the agency a report  
16 regarding each ongoing legal proceeding to which this section  
17 applies for which the district's legal fees exceed the limit  
18 imposed by Subsection (b), including:

19 (1) the general subject matter of the proceeding; and  
20 (2) the total amount of legal fees incurred by the  
21 district for the proceeding as of the date on which the report is  
22 made.

23 (g) A report required under Subsection (f) may not include  
24 personally identifiable student information and must comply with  
25 the Family Educational Rights and Privacy Act of 1974 (20 U.S.C.  
26 Section 1232g).

27 (h) Each month, the agency shall compile and post on the

1 agency's Internet website the information reported to the agency  
2 under Subsection (f) for the preceding month. The information must  
3 be both aggregated statewide and disaggregated by school district.

4 (i) The commissioner may adopt rules as necessary to  
5 implement this section.

6 SECTION 2. Section 44.903, Education Code, as added by this  
7 Act, applies only to a legal proceeding to which that section  
8 applies that is filed on or after the effective date of this Act.

9 SECTION 3. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2025.