

BILL ANALYSIS

H.B. 1170
By: Farney
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that while open-enrollment charter schools are similar to traditional public school districts in that they receive state funds, charter schools are not afforded some of the statutory protections that help safeguard public funds and sustain financial viability that are afforded to school districts. H.B. 1170 seeks to enable open-enrollment charter schools to better plan and manage risks associated with civil liability, employee benefits, and workers' compensation insurance coverage.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1170 amends the Education Code to establish that an open-enrollment charter school is considered to be a local government for purposes of the Interlocal Cooperation Act; a local government for purposes of Government Code provisions relating to self-insurance by governmental units, except that an open-enrollment charter school is prohibited from issuing public securities; and a political subdivision for purposes of the Texas Political Subdivision Employees Uniform Group Benefits Act.

H.B. 1170 authorizes an open-enrollment charter school to elect to extend workers' compensation benefits to employees of the school through any method available to a political subdivision under Labor Code provisions relating to workers' compensation insurance coverage for employees of political subdivisions. The bill establishes that an open-enrollment charter school that elects to do so is considered to be a political subdivision for all purposes under those provisions and that an open-enrollment charter school that self-insures either individually or collectively under those provisions is considered to be an insurance carrier for purposes of the Texas Workers' Compensation Act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.