

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB 1985
Version:	CS
Request Number:	7725
Author:	Rep. Lepak
Date:	3/13/2019
Impact:	Per OMES:
	Estimated Impact:
	\$56,225 - \$168,675

Research Analysis

The committee substitute to HB1985 creates the Educators' Professional Liability Insurance Program for all full-time and part-time personnel of public schools, and requires the program to provide liability coverage for employees up to two million dollars (\$2,000,000.00) in coverage per occurrence.

The measure directs the Office of Management and Enterprise Services (OMES) to administer the program, and authorizes OMES to contract liability insurance from a licensed insurer, to create a self-insured risk pool or to use a combination of both.

HB1985 requires the Legislature to provide an annual appropriation to cover the costs and any associated premiums for the program.

Prepared By: Emily Wendler

Fiscal Analysis

Per OMES:

The figures listed below are an estimate which carry with them a very wide range. OMES would need to verify data and competitively bid to get a more accurate number. However, based on the limited information we have and with some assumptions, we have developed this breakdown:

Total Revenue Available To School Districts (2018 OCAS School District Revenue Report):
\$5,622,499,168

Premium Cost per \$1,000 of Revenue:
1st Quartile: \$0.00 Median: \$0.01
3rd Quartile: \$0.03 Average: \$0.01
Market Basket: \$0.01

Results for a Consolidated Professional Educator Liability program:

At \$0.03 per \$1,000 of Revenue:	\$168,675
At \$0.01 per \$1,000 of Revenue:	\$56,225

Number of Education Employees:	83,000
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Costs per employee: \$0.68- \$2.03

Prepared By: Cole Stout

Other Considerations

None.

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