

May 17, 2015

The Honorable Joe Straus
Speaker of the Texas House of Representatives
P.O. Box 2910
Austin, Texas 78768

HAND DELIVERED

Dear Speaker Straus,

The Texas Association of Rural Schools (TARS) is an organization of nearly 500 rural school districts across Texas. We serve to protect and advance the interests of rural schools and their students at the legislature, particularly with regard to issues affecting public school funding and finance.

As a result, I write this letter to communicate to you our opposition to HB 3646 and SB 1628. Every member of TARS has the utmost respect for Rep. John Smithee and Sen. Larry Taylor. In fact, I testified in favor of SB 750, by Sen. Taylor, which recognizes that property and casualty insurance premiums are a significant cost to school district operations.

However, HB 3646 and SB 1628 would eliminate statutory safeguards regarding fair and prompt payment of insurance policy claims. Elimination of these safeguards could result in unnecessary payment denials, or delays, of legitimate claims by school districts. Such unwarranted denials and delays would damage the ability of school districts to provide a high-quality education to our students and threaten our students' futures.

We understand that the goal of these bills is to curb and prevent both frivolous claims and lawsuit abuse. However, the members of TARS have no desire to undertake any such activity. We therefore expect the legislature to maintain the safeguards the school districts of Texas and their students currently have from any insurance company that would unfairly deny or delay payment of legitimate claims.

Of course, I am available should you wish to discuss this matter. Thank you for your dedication and service to the people of Texas.

Sincerely,


Bill Grusendorf
Executive Director
Texas Association of Rural Schools

cc: Rep. John Smithee
Sen. Larry Taylor