

# ROBERT V. REIM COMPANY

INSURANCE CONSULTING  
BID MANAGEMENT



## SCHOOL INSURANCE NEWSLETTER

March 2026

### **Statutory Immunity and Sexual Abuse of Students**

Under the newly enacted Chapter 118 of the Texas Civil Practice and Remedies Code School districts can be liable for up to \$500,000 plus court costs and attorney fees, if found grossly negligent in hiring, supervising, or employing an employee who commits sexual abuse against a student, or if the district fails to report abuse or neglect. The employee who committed the act or omission must be named as a defendant. Immunity is waived.

This makes comprehensive pre-employment checks a necessity.

Does your liability coverage extend to provide this important protection? Are the limits sufficient?

### **Reporting of Employee Misconduct and Child Abuse**

Education Code Chapter 22A as amended

1. Requires immediate reporting of employee misconduct.
2. Makes it a state jail felony for superintendents failing to report misconduct with the intent to conceal it.
3. Mandates that school applicants disclose any previous investigations, charges, or convictions related to misconduct.
4. Ensures investigations even if an employee resigns.

### **Increasing Replacement Costs Increases Premiums**

Building costs continue to rise. A recent appraisal shows these averaged replacement costs for school buildings. The figures are for one high school districts. Larger districts' costs are often higher because of more expensive facilities. The costs shown are the replacement costs per square foot.

Building Type	Building	Contents
Administrative	\$240	\$25
High School	\$290	\$30
Middle School	\$270	\$30
Elementary School	\$250	\$25
Portables	\$145	\$16

These replacement costs are causing insured limits and therefore premiums to increase. In order to evaluate renewal costs, compare rates, not premiums.