

## **BILL ANALYSIS**

Senate Research Center

H.B. 3372  
By: Metcalf; Leo Wilson (Middleton)  
Education K-16  
5/22/2025  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The bill author has informed the committee that some Texas school administrators have used their public positions to profit from private educational consulting contracts while directing district contracts to those same entities and that such conflicts of interest have often occurred without proper disclosure, raising serious concerns about ethics and the misuse of taxpayer funds. H.B. 3372 seeks to prevent these conflicts of interest by prohibiting public school district administrators from receiving payment for personal services from businesses that contract with their district, educational service providers, or certain other education entities. The bill establishes a \$10,000 civil penalty for each violation.

H.B. 3372 amends current law relating to prohibiting certain personal services performed by school district administrators and provides a civil penalty.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 11, Education Code, by adding Section 11.006, as follows:

Sec. 11.006. PROHIBITED ACTIVITIES BY ADMINISTRATORS. (a) Defines "administrator."

(b) Prohibits an administrator from receiving any financial benefit for the performance of personal services for any business entity that conducts or solicits business with the school district that employs the administrator, an education business that provides services regarding the curriculum or administration of any school district, or another school district, open-enrollment charter school, or regional education service center.

(c) Provides that an administrator who violates this section is liable to the state for a civil penalty in the amount of \$10,000 for each violation.

SECTION 2. Repealer: Section 11.201(e) (relating to prohibiting the superintendent of a school district from receiving financial benefit for personal services for certain business entities), Education Code.

SECTION 3. Effective date: upon passage or September 1, 2025.