

**BILL ANALYSIS**

S.B. 2540  
By: Nichols  
Public Education  
Committee Report (Unamended)

**BACKGROUND AND PURPOSE**

The bill sponsor has informed the committee that school districts occasionally enter into agreements involving minor boundary adjustments to better serve student populations and improve resource allocation, however the districts are not required to outline ongoing terms, restrictions, or responsibilities that remain in effect after the territory transfer; this lack of clarity can result in disputes or misunderstandings that may arise over property restrictions, contractual obligations, or district responsibilities following a territory transfer. S.B. 2540 seeks to address the lack of transparency and long-term clarity in minor boundary adjustment agreements between contiguous school districts.

**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**

S.B. 2540 amends the Education Code, with respect to public school districts that share a common boundary, to require a minor boundary adjustment agreement executed on or after January 1, 2025, to include, if applicable, the following:

- any term or terms of the agreement, including restrictions, covenants, or contracts, that will continue to apply in force and effect with respect to the real property in the territory following the transfer of that territory from one district to the other; and
- a brief explanation of the privileges, rights, and responsibilities of each district with respect to those terms.

The bill establishes that such a term under an agreement executed on or after January 1, 2025, but before the bill's effective date, is effective as of January 1, 2025, or a subsequent date agreed to by the parties.

**EFFECTIVE DATE**

September 1, 2025.