

By: Capriglione, Lopez of Cameron, Tepper,
DeAyala

H.B. No. 4359

A BILL TO BE ENTITLED

AN ACT

relating to the review of school districts by the Sunset Advisory
Commission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 325, Government Code, is amended by
adding Section 325.026 to read as follows:

Sec. 325.026. REVIEW OF SCHOOL DISTRICTS. (a) In this
section, "education service center region" means a geographic
region served by a regional education service center under Chapter
8, Education Code.

(b) The commission shall review the operations and conduct a
forensic audit of certain independent school districts or
consolidated school districts. The commission shall review two
school districts each review cycle. A school district identified
for review by the commission under this section is subject to the
requirements of this chapter as if it was a state agency but may not
be abolished.

(c) Not later than October 31 of each odd-numbered year, the
commission shall select an education service center region from
which the school districts to be reviewed will be selected. The
commission shall review the school district within the selected
region that has the lowest instructional spending per student and
the school district within the selected region that has the highest
instructional spending per student according to the most recent

1 information reported to the Texas Education Agency.

2 (d) Not later than January 1 of each odd-numbered year, the
3 commission shall prepare a report identifying areas of each
4 district's operations that do not effectively or efficiently use
5 the district's funds and that detract from instructional spending
6 and make recommendations to address its findings. The commission's
7 review may also include recommendations related to the district's
8 governance, management, operating structure, and compliance with
9 legislative requirements.

10 SECTION 2. This Act takes effect September 1, 2025.