

By: Capriglione

H.B. No. 4359

Substitute the following for H.B. No. 4359:

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C.S.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) The commission shall prepare a report identifying areas
3 of each district's operations that do not effectively or
4 efficiently use the district's funds and that detract from
5 instructional spending and make recommendations to address its
6 findings. The commission's review may also include recommendations
7 related to the district's governance, management, operating
8 structure, and compliance with legislative requirements.

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