

SENATE AMENDMENTS
2nd Printing

By: Metcalf

H.B. No. 3372

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting certain personal services performed by school district administrators; providing a civil penalty.

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

SECTION 1. Subchapter A, Chapter 11, Education Code, is amended by adding Section 11.006 to read as follows:

Sec. 11.006. PROHIBITED ACTIVITIES BY ADMINISTRATORS. (a)
In this section, "administrator" means a person who has significant administrative duties relating to the operation of a school district, including the operation of a campus, program, or other subdivision of the district. The term does not include a school district employee whose employment contract responsibilities primarily include the in-classroom instruction of students.

(b) An administrator may not receive any financial benefit for the performance of personal services for:

(1) any business entity that conducts or solicits business with the school district that employs the administrator;

(2) an education business that provides services regarding the curriculum or administration of any school district;
or

(3) another school district, open-enrollment charter school, or regional education service center.

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

1 violation.

2 SECTION 2. Section 11.201(e), Education Code, is repealed.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2025.

ADOPTED

MAY 27 2025

FLOOR AMENDMENT NO. 1

Lacey Law
Secretary of the Senate

BY:

Mayer Middleton

Amend H.B. No. 3372 (senate committee report) in SECTION 1 of the bill, in added Section 11.006, Education Code, as follows:

(1) In added Subsection (b)(2) (page 1, line 38), between "(2)" and "an", insert "except as provided by Subsection (c),".

(2) In added Subsection (b)(3) (page 1, line 41), between "(3)" and "another", insert "except as provided by Subsection (c),".

(3) After added Subsection (b) (page 1, between lines 42 and 43), add the following and reletter subsequent subsections and cross-references to those subsections accordingly:

(c) An administrator, other than a trustee, member of a board of managers, superintendent, or assistant superintendent, may receive a financial benefit under Subsections (b)(2) and (3) if:

(1) a written contract describing the services to be performed by the administrator is provided to the board of trustees of the administrator's employing district; and

(2) the board of trustees for the administrator's employing district votes to approve the contract after determining that:

(A) the contract will not harm the district;

(B) the arrangement does not present a conflict of interest; and

(C) the services to be performed by the administrator will be performed entirely on the administrator's personal time.

(d) A contract provided to a board of trustees under
Subsection (c) is subject to disclosure under Chapter 552,
Government Code.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 28, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3372 by Metcalf (Relating to prohibiting certain personal services performed by school district administrators; providing a civil penalty.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 701 Texas Education Agency

LBB Staff: JMc, NC, SL, ANa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 22, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3372 by Metcalf (Relating to prohibiting certain personal services performed by school district administrators; providing a civil penalty.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 701 Texas Education Agency

LBB Staff: JMc, NC, SL, ANa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 5, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB3372** by Metcalf (relating to prohibiting certain personal services performed by school district administrators; providing a civil penalty.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 701 Texas Education Agency

LBB Staff: JMc, NC, SL, ANa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 28, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3372 by Metcalf (Relating to prohibiting certain personal services performed by school district administrators; providing a civil penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 701 Texas Education Agency

LBB Staff: JMc, NC, SL, ANa