



August 26th, 2026

Chairman Vasut and Members
House Select Committee on Governmental Oversight
Texas House of Representatives

RE: Written Testimony on Education Foundations

Chairman Vasut and Members of the Committee,

Thank you for the opportunity to provide comments regarding education foundations affiliated with Texas public school districts.

Private charitable organizations are an important part of civil society. Our affiliated organization, Texas Policy Research Initiative, is itself organized as a 501(c)(3) educational nonprofit. We therefore recognize the importance of preserving the independence of genuinely private organizations from unnecessary government regulation. Private donations, associations, and constitutionally protected speech should not become subject to government control merely because an organization supports public education or interacts with a governmental entity.

The more fundamental question before the Legislature should be whether governmental entities should be donating or otherwise transferring taxpayer resources to private foundations in the first place.

Public school districts are entrusted with taxpayer resources for authorized public purposes and are subject to transparency, budgeting, auditing, and other safeguards precisely because they are governmental entities. Transferring public resources to a legally private organization to hold, invest, grant, or expend can weaken the direct line of accountability between taxpayers and the officials entrusted with their money.

This should be distinguished from a governmental entity contracting with a private organization for a specific service in exchange for appropriate consideration. A legitimate contractual relationship with defined deliverables and appropriate safeguards is fundamentally different from transferring taxpayer resources to a foundation for discretionary management or expenditure.

Texas Policy Research Action therefore encourages the Legislature to first examine whether such transfers should be prohibited or substantially restricted rather than responding by imposing broader governmental regulation on private nonprofits.

If transfers of taxpayer resources remain permissible, transparency and accountability should follow those resources. The Legislature should also examine conflicts of interest when public officials exercise influence over both the governmental entity transferring resources and the private organization receiving them.

The same principle informs our support for ending taxpayer-funded lobbying, a reform included in the Texas Liberty Compact. Government should not be permitted to accomplish indirectly through an intermediary what it could not or should not accomplish directly with taxpayer resources.

Public money should not become private money merely because government transfers it to a nonprofit. But the solution should not be turning private nonprofits into arms of the state.

The Legislature should focus its restrictions on government and its use of taxpayer resources while protecting private organizations, private donations, private associations, and protected speech from unnecessary government intrusion.

Thank you for your consideration.

For Liberty, For Texas!

Jeramy D. Kitchen
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