



October 6<sup>th</sup>, 2026

Chairwoman Campbell and Members  
Senate Committee on Education  
Texas Senate

**RE: Written Testimony on Shifting Enrollment and Right-Sizing School Districts**

Chairwoman Campbell and Members of the Committee,

Thank you for the opportunity to provide comments regarding shifting student enrollment and the need for school districts to right-size their operations.

Declining enrollment creates real challenges for districts, particularly because buildings, transportation systems, staffing structures, and debt obligations cannot always be adjusted immediately. But declining enrollment does not justify preserving every existing campus, program, position, or expenditure indefinitely.

Public education exists to serve students. It does not exist to guarantee that institutions retain the same funding, facilities, or staffing levels after the population they serve has changed.

The state should begin with transparent and comparable information. Lawmakers and taxpayers should be able to see campus capacity, current enrollment, utilization rates, staffing, administrative costs, outstanding debt, facility conditions, and enrollment projections. The facility information required under Senate Bill 12 should help establish that baseline, but the data must be presented in a form that allows meaningful comparisons across campuses and districts.

Enrollment changes should then be addressed locally. Elected trustees are better positioned than the state to decide whether a district should consolidate campuses, sell unused property, reduce administrative staffing, renegotiate transportation systems, share services, or discontinue programs that no longer serve enough students to justify their costs.

State policy should not reward districts for avoiding those decisions. Permanent hold-harmless provisions, enrollment floors, and special funding adjustments can delay necessary reforms and shift the cost of local inaction onto taxpayers elsewhere in Texas. Transitional assistance may sometimes be justified when enrollment changes rapidly, but it should be temporary, transparent, and conditioned on a credible right-sizing plan.

The Legislature should distinguish unavoidable transition costs from institutional resistance to change. A district may need time to close a campus responsibly or restructure transportation routes. That is different from maintaining excess facilities or staffing indefinitely because consolidation is politically difficult.

School districts should also examine their property portfolios. Vacant buildings and underused land impose maintenance, insurance, security, and opportunity costs. Districts should be encouraged to sell or lease property they no longer need rather than holding it without a defined educational purpose. Disposal procedures should remain transparent and protect taxpayers from insider arrangements or below-market transfers.

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Right-sizing should not become a pretext for state micromanagement. Texas should establish neutral fiscal rules, require useful disclosure, and allow local boards to make decisions. If voters disagree with those decisions, they can hold trustees accountable. The state's role is not to operate every district from Austin.

Lawmakers should also recognize that enrollment may shift because families are exercising educational choice. Charter schools, private schools, home schools, virtual programs, and education savings accounts do not "take" students from districts. Parents choose alternatives when they believe those alternatives better serve their children.

The appropriate response is not to insulate districts from the fiscal effects of family decisions. It is to allow resources and institutional capacity to adjust as enrollment changes. Funding should follow students, while districts should remain responsible for aligning their operations with the number of students they actually serve.

That principle must be applied carefully because public-school formulas include fixed costs, weighted allotments, local revenue, and other factors. The Legislature should examine those components transparently rather than relying on the inaccurate assumption that every dollar associated with a departing student immediately disappears or, conversely, that no spending adjustment is possible.

Texas Policy Research recommends that the Legislature require clear capacity and utilization reporting, limit transition assistance in duration, reject permanent enrollment guarantees, encourage the disposition of surplus property, and preserve local responsibility for consolidation and staffing decisions.

A smaller student population does not necessarily require lower educational quality. Properly managed, right-sizing can redirect resources from empty classrooms, excess facilities, and administrative overhead toward the students and teachers who remain.

The objective should not be to preserve the educational system exactly as it exists today. It should be to ensure that the system adapts responsibly as Texas families and communities change.

Thank you for your consideration.

For Liberty, For Texas!

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