

SUNSET ADVISORY COMMISSION

Final Results of Sunset Reviews 2024-25

2024-25
89TH LEGISLATURE



SUNSET ADVISORY COMMISSION



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Cover photo: The Texas State Capitol was completed in 1888. With the Goddess of Liberty atop the dome, the Texas State Capitol Building is 19 feet taller than the U.S. Capitol Building in Washington, D.C. The photo shows the south facade of the Capitol. Photo Credit: Janet Wood

SUMMARY OF FINAL RESULTS

While 12 entities under review is a historically low number for the Sunset Commission, the biennium covered very critical areas of state government, including criminal justice, administration and regulation of the controversial state lottery, technology and cybersecurity, and Texas' disclosure-based ethics system. This cycle also included a special-purpose review of the Texas Real Estate Commission and the last four of the original 18 river authorities the Legislature placed under Sunset review in 2015. Of the 12 entities reviewed, nine were not subject to abolishment.

Ultimately, the 89th Legislature adopted most of the changes recommended by the Sunset Commission, passing six of the eight Sunset bills and the state budget, which contained 78 percent of the commission's statutory recommendations and 57 percent of the commission's funding recommendations, respectively. Together, these 100 statutory provisions, seven funding recommendations, and 106 management directives will result in approximately \$1.8 million in costs over the next two years, but will save the state more than \$135 million over the next five years by eliminating waste and inefficiency, positioning the state to better serve and protect the people of Texas. Significant changes enacted through the Sunset process included enhancing the accountability of state lottery operations, improving accountability and cost effectiveness of inmate rehabilitation and parole decision making, and providing more resources to the state's cybersecurity as well as more assistance and training on IT procurements to state agencies.

This report provides an overview of actions the Sunset Commission and Legislature took regarding each reviewed entity this biennium. The table on the following page, *Sunset Legislation Information — 89th Legislature (Regular Session)*, provides a link to the staff report with final results for each entity reviewed and lists the Sunset bill number, authors, overall two- and five-year fiscal impacts of recommendations, and final actions taken on each entity.

Major changes adopted through the Sunset process this biennium are highlighted below.

- **DIR.** The Sunset Commission's review of the Department of Information Resources (DIR) found the agency had made significant improvements in its operations from its previous Sunset review 12 years ago, including implementing contracting best practices and working hard to improve customer satisfaction. To position DIR for future success, the DIR Sunset bill adjusts DIR's advisory committees and restructures its board to better represent and serve government entities with widely differing IT needs. Moreover, the bill requires DIR to provide more training and assistance to other agencies with their own IT procurements, given the risk to the state of those high-dollar contracts. In addition to the DIR Sunset bill, the Legislature passed House Bill 150, which transfers DIR's cybersecurity functions to the newly created Texas Cyber Command and includes Sunset Commission recommendations to strengthen statewide cybersecurity training and reporting.
- **TDCJ/Criminal Justice Entities.** The Sunset Commission's review of the Texas Department of Criminal Justice (TDCJ), the Board of Pardons and Paroles (BPP), Windham School District, and Correctional Managed Health Care Committee found the entities confronting serious challenges in executing their mission to safely confine, supervise, and provide services for adults convicted of certain crimes in Texas. The Sunset Commission's recommendations will help TDCJ and its counterparts prevent current problems from becoming unmanageable, widespread crises in the coming years. To address these challenges, the Sunset bill for these entities requires long-term planning for future facility and capacity needs, requires TDCJ to improve rehabilitation programming critical to successful inmate reentry into society, and addresses several deficiencies in parole and early release duties as administered by TDCJ and BPP.

Sunset Legislation Information - 89th Legislature (Regular Session)

Agency	Bill Number	Senate Bill Author	House Bill Author	Two-Year Net Fiscal Impact	Five-Year Net Fiscal Impact	Final Action
Angelina and Neches River Authority	HB 1520	Blanco	Kitzman	No fiscal impact	No fiscal impact	Not subject to abolishment
Texas Department of Criminal Justice	SB 2405	Parker	Canales	\$1,469,752	\$151,008,670	Continued for 12 years
Board of Pardons and Paroles						
Correctional Managed Health Care Committee						
Windham School District						
Texas Ethics Commission	SB 2403	Middleton	Shaheen	(\$230,448)	(\$576,120)	Failed to pass, not subject to abolishment, review in 12 years
Department of Information Resources	HB 1500	Parker	Bell	(\$3,000,000)	(\$15,000,000)	Continued, with cybersecurity and network security functions transferred to the Texas Cyber Command through HB 150
Texas Lottery Commission	SB 3070	Hall	Geren	Fiscal impact for Sunset recommendations cannot be determined	Fiscal impact for Sunset recommendations cannot be determined	Abolished and transferred
Lower Neches Valley Authority	SB 2407	Sparks	Kitzman	No fiscal impact	No fiscal impact	Not subject to abolishment
Texas Real Estate Commission (Special-purpose review)	N/A	N/A	N/A	No fiscal impact	No fiscal impact	Not subject to abolishment
Sabine River Authority of Texas	SB 2406	Paxton	Kitzman	No fiscal impact	No fiscal impact	Not subject to abolishment
Trinity River Authority of Texas	HB 1535	Parker	Kitzman	No fiscal impact	No fiscal impact	Not subject to abolishment
Net Fiscal Impact				(\$1,760,696)	\$135,432,550	

- **TLC.** The Sunset Commission's review of the Texas Lottery Commission (TLC) found the commission often played a passive role in critical functions, leaving the agency with no clear vision for its future and struggling to adapt to current circumstances. The review also identified operational inefficiencies in the agency's charitable bingo regulation. The Sunset Commission directed staff to conduct a second review focused on evaluating the effectiveness of TLC leadership and studying potential options for regulating lottery ticket couriers. Following these reports and a series of missteps by the agency, the Legislature did not pass the TLC Sunset bill. Instead, the Legislature abolished the agency and transferred its functions to the Texas Department of Licensing and Regulation through Senate Bill 3070. That bill includes many of the Sunset Commission's statutory recommendations for TLC. Additionally, in SB 3070, the Legislature banned lottery ticket courier services, established a cap on the number of tickets purchasable in a single transaction, and required a limited-scope Sunset review of the state lottery during the 2028-29 biennium.

In addition to the TLC Sunset bill, the Legislature did not pass the Texas Ethics Commission Sunset bill this session, but the agency is not subject to abolishment and is scheduled for review again in 12 years. Over the next two years, the Sunset Commission will review and make recommendations on 16 entities. Key upcoming reviews will include the Health and Human Services Commission, Department of State Health Services, Department of Family and Protective Services, and Texas Workforce Commission. Below is a complete list of entities subject to Sunset review for the 90th Legislature.

Sunset Review Schedule 2026-27

Aging Services Coordinating Council, Statewide Interagency

Civil Commitment Office, Texas

Developmental Disabilities, Texas Council for

Family and Protective Services, Department of

Funeral Service Commission, Texas (Limited-scope review)

Health and Human Services Commission

Health Services, Department of State

Health Services Authority, Texas

Juvenile Justice Department, Texas (Limited-scope review)

Maternal Mortality and Morbidity Review Committee, Texas

People with Disabilities, Governor's Committee on

Perinatal Advisory Council

Public Health Funding and Policy Committee

State Use Program (WorksWonders)

Workforce Commission, Texas

Workforce Investment Council, Texas

