

1-1 By: Zedler, et al. (Senate Sponsor - Wentworth) H.B. No. 2560
1-2 (In the Senate - Received from the House May 14, 2007;
1-3 May 15, 2007, read first time and referred to Committee on
1-4 Education; May 21, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 1;
1-6 May 21, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2560 By: Patrick

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the availability of certain school district financial
1-11 information on districts' Internet websites.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter A, Chapter 44, Education Code, is
1-14 amended by adding Sections 44.0031 through 44.0035 to read as
1-15 follows:

1-16 Sec. 44.0031. ELECTRONIC CHECKING ACCOUNT TRANSACTION
1-17 REGISTER. (a) A school district shall maintain the transaction
1-18 register for the district's checking account in a searchable
1-19 electronic spreadsheet format in which the transaction register is
1-20 readily available for purposes of Subsections (d) and (e). Except
1-21 as provided by Subsection (b) or (c), the electronic checking
1-22 account transaction register must include for each check written
1-23 from a district checking account:

- 1-24 (1) the transaction amount;
1-25 (2) the check number;
1-26 (3) the name of the payee; and
1-27 (4) either:

1-28 (A) a statement of the purpose of the expenditure
1-29 for which the check was written; or

1-30 (B) identification of the purpose of the
1-31 expenditure, using the function code assigned to the expenditure
1-32 for purposes of meeting state reporting requirements.

1-33 (a-1) Notwithstanding Subsection (a), beginning September
1-34 1, 2007, a school district's electronic checking account
1-35 transaction register must contain the information required by
1-36 Subsections (a)(1), (2), and (3) for each check dated on or after
1-37 August 1, 2007. Beginning September 1, 2008, a district's
1-38 electronic checking account transaction register must contain the
1-39 information required by Subsections (a)(1) through (4) for each
1-40 check dated on or after August 1, 2008. This subsection expires
1-41 October 1, 2008.

1-42 (a-2) If the school district complies with Subsection
1-43 (a)(4) in the manner provided by Subsection (a)(4)(B), the district
1-44 shall post on the district's Internet website:

1-45 (1) a description of each function code used for state
1-46 reporting requirements; or

1-47 (2) a link to a page on the agency's Internet website
1-48 that describes each function code used for state reporting
1-49 requirements.

1-50 (b) A school district may not include in the district's
1-51 electronic checking account transaction register a check issued to
1-52 a district employee in payment of:

- 1-53 (1) salary, wages, or an employment stipend; or
1-54 (2) a workers' compensation income benefit, medical
1-55 benefit, death benefit, or burial benefit that is issued by a school
1-56 district operating as a self-insurer under Chapter 504, Labor Code.

1-57 (c) This section does not apply to a checking account
1-58 maintained by a school district or school campus solely for a
1-59 student activity fund.

1-60 (d) A school district shall prominently post the electronic
1-61 checking account transaction register at all times on the
1-62 district's Internet website for viewing and downloading by
1-63 interested persons.

(e) A school district shall share data from the electronic checking account transaction register with any interested person who requests the data pursuant to Chapter 552, Government Code.

(f) A school district shall:

(1) update the electronic checking account transaction register at least once each month, not later than the 90th day after the closing date of the most recent monthly statement for the checking account; and

(2) maintain each transaction or listing in the electronic checking account transaction register on the district's Internet website until the second anniversary of the date of the transaction or listing.

Sec. 44.0032. POSTING OF DISTRICT CREDIT CARD TRANSACTIONS.

(a) A school district shall post on the district's Internet website a monthly listing of each transaction made using a credit card issued to:

(1) the district; or

(2) a district officer or employee for use in connection with district business.

(b) The listing of credit card transactions under Subsection (a) must include, for each transaction:

(1) the month and year of the transaction;

(2) the amount of the transaction; and

(3) the name of the payee.

(c) A school district may comply with Subsection (a) by posting a credit card statement on the district's Internet website. Before posting a credit card statement as permitted by this subsection, a school district shall remove or obliterate the name of the credit card issuer, the credit card number, the name of the person to whom the card is issued, the day of the month on which each transaction shown was made, and the expiration date.

(d) A school district shall:

(1) post each credit card transaction not later than the 30th day after the first date the district pays any portion of the balance due shown on the credit card statement that contains the transaction; and

(2) maintain the listing of a credit card transaction on the district's Internet website until the second anniversary of the date of the transaction.

(e) A school district shall post on the district's Internet website the first monthly listing of credit card transactions by listing each transaction on the first monthly statement the district receives that covers a billing period that ends after August 1, 2007. This subsection expires December 1, 2007.

Sec. 44.0033. POSTING OF DISTRICT EMPLOYEE COMPENSATION INFORMATION. (a) In this section, "compensation" means salaries, wages, and employment stipends.

(b) Not later than the 30th day after the date the agency posts the information submitted by the district under the Public Education Information Management System (PEIMS), a school district shall post on the district's Internet website a listing of the total amounts budgeted for district employees' compensation for the school year, grouped by the following categories of employees:

(1) prekindergarten and kindergarten teachers;

(2) elementary school teachers;

(3) secondary school teachers;

(4) special education teachers;

(5) educational supervisors;

(6) counselors;

(7) educational diagnosticians;

(8) librarians;

(9) nurses and physicians;

(10) therapists;

(11) psychologists and associate psychologists;

(12) educational support personnel other than those listed in Subdivisions (5) through (11);

(13) administrative or instructional officers;

(14) principals;

(15) assistant principals;

(16) superintendents;
 (17) assistant superintendents;
 (18) educational aides; and
 (19) all other employees.

(c) For each category of employees under Subsection (b), the district shall post:

- (1) the number of full-time employees; and
- (2) the average compensation.

(d) A school district shall maintain the employee compensation information for a school year on the district's Internet website until the district posts the information for the following school year.

Sec. 44.0034. POSTING OF DISTRICT FUND BALANCES. (a) A school district shall post on the district's Internet website a statement of the district's obligated and unobligated fund balances.

(b) A school district shall:
(1) update the statement of fund balances at least once each month; and

(2) maintain each statement of fund balances on the district's Internet website until the second anniversary of the date of the statement.

Sec. 44.0035. INAPPLICABILITY TO SMALL SCHOOL DISTRICTS OF REQUIREMENTS RELATING TO POSTING OF FINANCIAL INFORMATION. A school district with a student enrollment of fewer than 500 students in kindergarten through grade 12 is not required to comply with Sections 44.0031 through 44.0034.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2007.

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