## **BILL ANALYSIS**

C.S.H.B. 1693 By: Hochberg Public Education Committee Report (Substituted)

#### **BACKGROUND AND PURPOSE**

A school district's ability to make data-informed financial decisions and gauge overall financial well-being is largely dependent upon the quality and capabilities of its school financial accounting system. At present, Texas has no standards by which to certify the performance and interoperability of school financial and attendance accounting software, leaving school districts without guidance or guidelines in determining which system to use. Standards-aligned software will enable school districts to manage their finances and share and report data in a more timely and accurate manner.

C.S.H.B. 1693 requires the commissioner of education and Department of Information Resources to adopt performance and interoperability standards software used by school districts for financial accounting or attendance reporting. The bill requires the department to establish vendor contracting requirements and to negotiate state contract pricing for software products that meet the standards established in this bill.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 1693 amends the Education Code to require the commissioner of education, in consultation with the Department of Information Resources, to adopt performance and interoperability standards for software used by school districts for financial accounting or attendance reporting. The bill requires standards to ensure the software will enable a school district to share and report information in a timely manner for the purposes of financial management, operational decision-making, and transparency of district operations to the public. The bill requires the department to include compliance with standards adopted above as a requirement in any solicitation for financial and attendance accounting software and to require a vendor awarded a contract in response to such a solicitation to certify that the software complies with the standards; the bill authorizes the department to negotiate state contract pricing for software that complies with the commissioner-adopted standards.

# **EFFECTIVE DATE**

September 1, 2009.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 1693 differs from the original by specifying that the software standards are for attendance reporting or financial accounting software used by school districts, rather than for school financial and attendance accounting software as in the original. The substitute specifies that the standards are required to ensure the software enable a school district to share and report

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information, rather than data, for purposes of transparency of district operations to the public, rather than for public transparency as in the original.

C.S.H.B. 1693 differs from the original by requiring the Department of Information Resources to include compliance with the standards adopted under the bill's provisions as a requirement in any solicitation for software anticipated to be used for the purposes described above, whereas the original requires inclusion of the standards as a requirement in the solicitations for school financial and attendance accounting software. The substitute addresses the software compliance with the standards, whereas the original addresses software that meets the standards.

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