

BILL ANALYSIS

H.B. 882
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Technology
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, school districts are not required to maintain public transaction registers. Interested parties contend that it would be helpful for both local residents and the state to see where and how local school districts are spending taxpayer dollars. H.B. 882 seeks to increase transparency of expenditures in certain school districts.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill.

ANALYSIS

H.B. 882 amends the Education Code to require a school district that is ranked among the 50 highest in student enrollment, as determined by the commissioner of education, to maintain the transaction register for the district's checking account in a searchable electronic spreadsheet format in which the transaction register is readily available for purposes of posting on the district's Internet website and sharing the data with any interested person who requests it. The bill requires the electronic transaction register to include certain information for each check written from a district checking account.

H.B. 882 adds temporary provisions, set to expire October 1, 2014, to require the electronic transaction register, beginning September 1, 2013, to include for each check written from a district checking account the transaction amount and the name of the payee and, beginning September 1, 2014, either a statement of the purpose of the expenditure for which the check was written or identification of the purpose of the expenditure, using the function code assigned to the expenditure for purposes of meeting state reporting requirements. The bill requires a school district that includes the latter to post on the district's website a description of each function code or a link to a page on the Texas Education Agency's (TEA) website that describes each function code.

H.B. 882 prohibits a school district from including in its electronic transaction register a check issued to a district employee in payment of salary, wages, or an employment stipend or a workers' compensation income benefit, medical benefit, death benefit, or burial benefit that is issued by a school district operating as a self-insurer. The bill's provisions do not apply to a checking account maintained by a school district or school campus solely for a student activity fund. The bill requires a school district to prominently post the electronic transaction register at all times on the district's website for viewing and downloading by interested persons, to share data from the electronic transaction register with any interested person who requests it, and to update the electronic transaction register at least once each month, by a certain deadline, and maintain each transaction or listing in the electronic transaction register on the district's website until the second anniversary of the date of the transaction or listing.

H.B. 882 requires a school district to post on the district's website a monthly listing of each

transaction made using a credit card issued to the district or a district officer or employee for use in connection with district business. The bill requires the listing to include, for each transaction, the month, year, and amount of the transaction and the name of the payee. The bill authorizes a school district to comply with the listing requirements by posting a credit card statement on the district's website but requires the school district before doing so to remove or obliterate certain information. The bill requires a school district to 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 statement that contains the transaction and to maintain the listing on the district's website until the second anniversary of the date of the transaction. The bill adds a temporary provision, set to expire December 1, 2013, to require a school district to post on the district's 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, 2013.

H.B. 882 requires a school district, not later than the 30th day after the date TEA posts the information submitted by the district under the Public Education Information Management System (PEIMS), to post on the district's website a listing of the total amounts budgeted for district employees' compensation for the school year, grouped by certain employee categories. The bill requires the district to post the number of full-time employees and the average compensation for each employee category and requires the district to maintain the compensation information for a school year on the district's website until the district posts the information for the following school year. The bill requires the commissioner of education to adopt rules as necessary concerning placing employees in categories.

H.B. 882 requires a school district to post on the district's website a statement of the district's obligated and unobligated fund balances, to update the statement of fund balances at least once each month, and to maintain each statement of fund balances on the district's website until the second anniversary of the date of the statement. The bill establishes that a school district should maintain minimum fund balances equal to at least two months of the district's operating budget.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.