**BILL ANALYSIS**

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| Senate Research Center | H.B. 396 |
|  | By: VanDeaver (Hughes) |
|  | Education |
|  | 5/8/2019 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Instructional Materials and Technology Fund lists various allowable expenditures in Chapter 31 of the Education Code, including the instructional materials and technology allotment, various expenses related to the education of the blind and deaf, expenses associated with the review and adoption of instructional materials, and funding for the technology lending grant program, among other things. One of those allowable expenses relates to shipping and freight costs associated with the purchase of instructional materials; however, only intrastate shipping costs are allowed under statute. H.B. 396 will add interstate shipping to those costs that may be covered by the instructional materials and technology fund.

The bill also restores inventory software as an allowable expense of the fund. Beginning in 2011, public schools used these instructional materials funding to purchase software to track, store, and manage educational materials and technology. A change in commissioner rules (19 TAC 66.1307) in May 2017 reversed this policy and created confusion in public school purchasing policies. H.B. 396 clarifies that important inventory software products are allowable expenditures under the instructional materials and technology fund.

H.B. 396 amends current law relating to acceptable uses of the instructional materials and technology fund and the instructional materials and technology allotment.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Reenacts Section 31.021(c), Education Code, as amended by Chapters 581 (S.B. 810) and 705 (H.B. 3526), Acts of the 85th Legislature, Regular Session, 2017, and amends it, as follows:

(c) Requires money in the state instructional materials and technology fund to be used to:

(1)–(4) makes no changes to these subdivisions;

(5) pay the expenses associated with the purchase of instructional material, including freight and shipping and the insurance expenses associated with freight and shipping, rather than intrastate freight and shipping and the insurance expenses associated with intrastate freight and shipping; and

(6)–(8) makes no changes to these subdivisions.

SECTION 2. Amends Section 31.0211(c), Education Code, as follows:

(c) Authorizes funds allotted under this section, subject to Subsection (d), to be used to:

(1) purchase:

(A)-(G) makes no changes to these paragraphs;

(H) makes a nonsubstantive change to this paragraph;

(I) makes no change to this paragraph; and

(J) inventory software or systems for storing, managing, and accessing instructional materials and analyzing the usage and effectiveness of the instructional materials; and

(2) makes no changes to this subdivision.

SECTION 3. Effective date: September 1, 2019.