

SUBJECT: Electronic checkbook registers on school district websites

COMMITTEE: Public Education — committee substitute recommended

VOTE: 6 ayes — Eissler, Zedler, Branch, Hochberg, Olivo, Patrick
0 nays
3 absent — Delisi, Dutton, Mowery

WITNESSES: For — Brooke Terry, Texas Public Policy Foundation, and four others;
(*Registered, but did not testify:* April Brown, Texas Conservative Coalition; MerryLynn Gerstenschlager, Texas Eagle Forum; Bill Hammond, Texas Association of Business; Michael Schneider, Texas Association of Broadcasters; Michael Quinn Sullivan, Texans for Fiscal Responsibility)

Against — None

On — Rebecca Flores, Houston Independent School District; Jackie Lain, Texas Association of School Boards; Ken McCraw, Texas Association of Community Schools; Lynn Moak, Texas School Alliance; Mike Motheral, Texas Association of School Administrators; Gwendolyn Santiago, Texas Association of School Business Officials

DIGEST: CSHB 2560 would require school districts to maintain the transaction record for the district's checking account in a searchable electronic spreadsheet format. For each check written, the transaction register would have to include specific information, including the transaction amount, the check number, and the name of the payee. This information would have to be included in a district's check register beginning September 1, 2007.

Additional information, including a detailed statement of the purpose of the transaction, would have to be included beginning September 1, 2008. Checks issued as salaries, wages, or employment stipends would not have to be included.

This information would have to be posted prominently on the district's website for viewing and downloading at all times. An explanation of each

function code that relates to direct instructional expenditures would also have to be posted on the district's website.

The electronic checking account would have to be updated monthly, and remain on the district website until the second anniversary of the date of the transaction or listing.

Monthly credit card statements also would have to be posted on the district website. Beginning with the 2009-10 school year, the district also would have to post the total amount budgeted for compensation, grouped by different categories of employees. For each category of employee, the number of full-time employees and average salary would have to be posted. This information would have to be maintained on the website for one year.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

NOTES: The committee substitute added requirements for reporting payroll information.