

## **BILL ANALYSIS**

Senate Research Center  
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S.B. 902  
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As Filed

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

The current system of accounting for how school districts spend their money lacks transparency and is difficult for the average taxpayer to ascertain. Financial reports provided by school districts lump expenditures into a limited number of line items—each with generic titles such as “Instruction”—with no supporting underlying schedules. These reporting practices preclude the public from figuring out exactly how the district uses any of its funding. Consequently, the only way to actually determine school district expenditures is for a third party to reconstruct a district's financial statements from the receipt level on up. Surprisingly, doing so is not too difficult given that most of the larger school districts rely on databases to store this data. The data is stored in a series of hundreds of different fields (e.g., name of vendor, purpose, purchase order, amounts, names of teachers, compensation, et cetera).

Interested parties contend that the school districts have the data readily accessible and available by open records request, however the districts utilize a series of tactics that allow them use the nuances of the Open Records Act to block prospective outside parties from getting this data. Tactics include providing incomplete data, making the data cost-prohibitive despite the marginal incremental costs of retrieving and providing the data, working with vendors to block requests, and claiming to have protection through proprietary software rights.

S.B. 902 amends the Texas Public Information Act to require that the control files of a database used by a school district to record financial information, or a similar program, be disclosed as public information. The bill requires that a school district cooperate with a request for financial information within a district's database in the most efficient and cost-effective manner. The intent of the legislation is to allow for greater transparency in how school districts are spending taxpayer dollars and to provide an avenue by which the average citizen can track how their children's district is spending their tax dollars.

As proposed, S.B. 902 amends current law relating to the disclosure of certain public information by a public school district.

### **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. Amends Subchapter B, Chapter 552, Government Code, by adding Section 552.030, as follows:

Sec. 552.030. REQUESTS FOR INFORMATION MADE TO SCHOOL DISTRICTS.

(a) Provides that the control files of a database used by a school district to record financial information, or an analogous component that records the physical structure of the district's database, are public information subject to disclosure under this chapter.

(b) Requires a school district to cooperate with a requestor to provide information requested under this chapter in the most efficient and cost-effective manner practicable.

(c) Provides that this section does not require the disclosure of information for which an employee declines public access under Section 552.024 (Electing to Disclose Address and Telephone Number) or of information made confidential under Section 552.135 (Exception: Confidentiality of Certain Information Held by School District) or 552.147 (Social Security Numbers).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2015.