

BILL ANALYSIS

Senate Research Center
82R7998 PAM-F

S.B. 872
By: Shapiro
Education
3/4/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Improving education requires a look not just at how much money is spent, but how money is spent. This apex between academic accountability and financial accountability is educational productivity. Future progress must come not from merely layering on new programmatic initiatives, but by actively understanding the performance attained from different programs relative to the resources required. Only by understanding how productive our resources are, will policy makers at both the state and school level be able to make informed data driven decisions.

The public school system deserves to know how productively institutions spend public funds. This legislation establishes an independent policy center that focuses on continuously improving the productivity of public education in Texas. The Center for Financial Accountability and Productivity (center) will be governed by appointees from the speaker, lieutenant governor, and governor. An independent center can focus exclusively on developing methods to measure and rank productivity, ensure timely and user-friendly data, and recommend practices to enhance cost-effectiveness. As a long term solution the center will allow Texas to unbundle information to make it useful, identify areas to deregulate state mandates, show productive ways to reallocate resources, and thus spur innovation throughout the educational system.

As proposed, S.B. 872 amends current law relating to the study of productivity and cost-effectiveness in public education.

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 Subtitle B, Title 2, Education Code, by adding Chapter 9, as follows:

CHAPTER 9. CENTER FOR FINANCIAL ACCOUNTABILITY AND PRODUCTIVITY IN PUBLIC EDUCATION

Sec. 9.001. DEFINITIONS. Defines, in this chapter, "board" and "center."

Sec. 9.002. CENTER FOR FINANCIAL ACCOUNTABILITY AND PRODUCTIVITY IN PUBLIC EDUCATION. (a) Provides that the Center for Financial Accountability and Productivity in Public Education (center) is created as an independent policy center.

(b) Requires the center to represent business, finance, public policy, education, and other interests considered appropriate by the center.

(c) Requires the center, in performing the duties provided by this chapter, to work directly with the governor, lieutenant governor, speaker of the house of representatives, and members of the legislature, and work with the Texas Education Agency (TEA) and other state agencies, regional education service centers, school districts, and open-enrollment charter schools.

Sec. 9.003. CENTER DUTIES. (a) Requires the center to examine the productivity and cost-effectiveness of the public school system, and promote the use of successful methods to increase productivity and cost-effectiveness at the school district and campus levels.

(b) Requires the center to evaluate and rank the productivity and cost-effectiveness of each school district, campus, and open-enrollment charter school and provide a progress report and recommendations each year to the governor, lieutenant governor, speaker of the house of representatives, Legislative Budget Board (LBB), commissioner of education (commissioner), and State Board of Education (SBOE), and districts, campuses, and open-enrollment charter schools.

(c) Authorizes the center to assist the legislature with policy studies related to the center's duties. Authorizes the center to participate in collaborative studies with a foundation or organization inside or outside this state related to the center's duties.

(d) Requires the center to seek information, data, and best practices from state, regional, and national sources to use in performing the center's duties provided by this chapter.

(e) Authorizes the center to contract with independent experts, academic scholars, and other appropriate professionals in performing the center's duties provided by this chapter.

Sec. 9.004. BOARD. (a) Provides that the Center for Financial Accountability and Productivity in Public Education Board (board) is created as the primary policy-making body of the center.

(b) Provides that the board is composed of three members. Requires the governor, lieutenant governor, and speaker of the house of representatives to each appoint one member. Requires the board members appointed under this section to include individuals in the private sector who have an interest in improving productivity in public education and significant experience in organizational management, finance, or business. Prohibits a board member:

(1) from being a member of the board of trustees or an employee of a school district or a member of the governing body or an employee of or a charter holder of a charter for an open-enrollment charter school; or

(2) from having a financial relationship with a vendor or contractor who provides goods or services to any part of the public education system of this state.

(c) Provides that board members serve four-year terms.

(d) Requires board members to annually elect one member as the presiding officer.

(e) Prohibits a board member from receiving a salary for services as a board member, but requires that a board member be reimbursed for expenses incurred in attending board meetings.

Sec. 9.005. BOARD DUTIES. (a) Requires the board to study the elements of a productive and cost-effective public education system and make recommendations to:

(1) improve the productivity and cost-effectiveness of the public education system to meet the demands of the current century;

(2) provide greater financial accountability in the public education system;

(3) improve the state's ability to compete educationally and economically with other states and countries; and

(4) provide the public with information on public education productivity and cost-effectiveness.

(b) Requires the board to provide a report of the board's study and recommendations under Subsection (a) to the LBB at least once each year, and the governor, lieutenant governor, speaker of the house of representatives, legislature, commissioner, and SBOE before the convening of each regular session.

Sec. 9.006. SUPPORT FOR PERFORMANCE OF DUTIES. (a) Requires state agencies, regional education service centers, school districts, and open-enrollment charter schools to fully cooperate with and assist the center at the board's request.

(b) Requires that data and information necessary to perform the center's duties under this chapter be provided at the board's request in a timely manner and at minimal cost. Requires the board and center to require confidentiality and other security measures for student data and information consistent with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

Sec. 9.007. FUNDING. Authorizes the center to be funded by donations, grants, and legislative appropriations.

SECTION 2. Effective date: upon passage or September 1, 2011.