

Model Bill:

Education and Government Spending Transparency Act

SECTION 1. This Act shall be known and may be cited as the “Education and Government Spending Transparency Act.”

(A) Purpose. This Act will empower parents, educators, school leaders, and taxpayers with better information about how their state and local government, institutions of higher education, and local schools spend taxpayer funds. The purpose of this Act is to ensure that the public can act on information about where taxpayer funds are spent in order to ensure that education and government are as efficient and effective as possible.

(B) Definitions. As used in this Act:

“Submitting Party” or “Submitting Parties” means entities required to submit expenditures to the State Transparency Database, including:

- (a) All state agencies under *[statutory citation]*.
- (b) All municipal governments in the state under *[statutory citation]*.
- (c) Local education agencies under *[statutory citation]*.
- (d) Public institutions of higher education under *[statutory citation]*.

SECTION 2. A new section of State Code is created, which shall read:

(A) State Transparency Database. No later than *[Implementation date]* the *[State Treasurer or other appropriate office]* shall establish an internet-based portal freely available to the public which details information about expenditures made by Submitting Parties in each fiscal year that commences after the effective date of this section. The features of the database shall include at least:

(i) A detailed ledger of all expenditures made in a fiscal year by each Submitting Party, including, for each:

- (a) The amount of the expenditure;
- (b) The date the expenditure was paid;
- (c) The name of the individual or entity to which the expenditure was paid; and
- (d) The name of the Submitting Party which paid for or authorized the expenditure.
- (e) If the expenditure is a payment to an employee, the employee’s job title or other information that identifies their role within the organization
- (f) If the expenditure is for curriculum, textbooks, software, or other educational materials used in the education of students shall include the name and organization responsible for development of each product or service purchased.
- (g) Each transaction from a state agency or municipal government shall be assigned an expenditure category defined by U.S. Census Bureau.
- (h) Each transaction from a school district shall be assigned a function and subfunction category as defined by the National Center for Education Statistics.

(i) Each transaction from an institution of higher education shall be assigned a functional classification category defined by the National Association of College and University Business Officers.

(ii) The ability to search or browse all individual expenditures in each fiscal year

(iii) The ability to aggregate data and where appropriate, through interactive software, generate totals, averages, and other summary statistics broken down by year, Submitting Party, spending categories described in Section 2(A)(i) and other criteria that may be useful to the public.

(iv) The ability to easily download all or a subset of expenditure data in a format that is widely usable and useful to members of the public.

(v) The ability to browse and search anonymized annual salary and benefit information for all employees of each Submitting Party.

(B) Collection of data. Submitting parties shall assist in the development, establishment, operation, storage, hosting, and support of the database. Submitting Parties shall submit data to the *[State Treasurer or other appropriate office]* in a manner and on a schedule prescribed by the *[State Treasurer or other appropriate office]*.

(i) Nothing in this section shall be construed to prohibit the *[State Treasurer or other appropriate office]* from including any information in the database that is not required to be included under this section and that is available to the public.

(ii) The *[State Treasurer or other appropriate office]* shall enter into an annual agreement with the *[department of administration or similar]* and other appropriate agencies to define data storage, privacy and security, data handling, user interface requirements, and other provisions considered necessary to ensure the proper maintenance and operation of the database.

(iii) The *[State Treasurer or other appropriate office]* shall ensure that the database does not include any confidential information, information that is not eligible for release under *[state public records law]*, or the names, social security numbers, or any other personally identifiable information about employees of Submitting Parties or other individuals.

(iv) The *[State Treasurer or other appropriate office]* shall, on an ongoing basis, develop standardized reporting procedures and methodologies and may develop secure application programming interfaces so that data can be reported with minimal administrative burden on the *[State Treasurer or other appropriate office]*, Submitting Parties, and others.

(C) Training provided. The *[State Department of Education]* shall contract with one or more third parties to provide in-person or virtual training to member of local education agency boards under *[statutory citation]*, local education agency superintendents under *[statutory citation]*, school building principals under *[statutory citation]*, school business officers under *[statutory citation]*, and other administrators on matters related to school finance and academic achievement, including at least the following topics:

(i) instruction and program, including but not limited to research on proven practices in reading and mathematics and how to interpret and act upon state and local testing data;

(ii) personnel, including but not limited to (if applicable) the requirements of collective bargaining and flexibilities within contracts for innovative practices;

(iii) fiscal management, including but not limited to budgeting practices and requirements for transparency;

(iv) operations, including but not limited to capital planning; and

(v) governance, including but not limited to requirements of state and federal law and flexibilities within those laws for innovative practices

(E) Appropriations. Notwithstanding any other law, including the [*General Appropriations Act*], all appropriations for each institution's general operations appropriation shall be limited to the lesser of (1) the amount that does not exceed the appropriation determined under paragraph (C) of this section or (2) an amount appropriated by the Legislature for such purpose. Appropriations with a specified purpose other than general operations shall be made separately from the appropriation determined under paragraph (C) of this section. Submitting parties shall comply with this section using existing resources.

(F) Rulemaking. The [*State Treasurer or other appropriate office*] shall promulgate all necessary rules and regulations for the administration of this Act within ninety days of the enactment.

(G) Location and links to the database. The database shall be hosted and featured prominently on the website [*State Treasurer or other appropriate office*]. Each Submitting Party shall display on its web site a prominent internet link to a page within the database that displays a summary of the expenditures from the Submitting Party in the most recent fiscal year.

SECTION [X]. This Act takes effect on [*January 1, 20XX*].