



SENATE BILL 257: 2026 Appropriations Act, Sec. 7.46: School Business Systems Modernization.

2025-2026 General Assembly

Analysis of: S.L. 2026-41, Sec. 7.46

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Section 7.46 of S.L. 2026-41 (Senate Bill 257) directs the Department of Public Instruction (DPI), by November 1, 2026, to develop a plan to transition all public school units (PSUs) to using a single enterprise resource planning (ERP) platform under a statewide contract. The "Statewide Platform Provider" is the ERP platform provider selected for the statewide contract.

Transition Plan – The plan to transition PSUs to using a single ERP platform must provide for the following:

- Selection criteria for the Statewide Platform Provider.
- A timeline for the plan, from generating requests for proposals to complete plan implementation. Except for PSUs granted a delay, the plan must have all PSUs transitioned to the Statewide Platform Provider's ERP platform by June 30, 2031.
- A process for PSUs to request a delay in transitioning to the Statewide Platform Provider's ERP platform. DPI can only grant a delay to a PSU until the end of an existing contract if it can show that, as of July 1, 2026, the PSU met one of the following conditions:
 - The PSU was operating under an existing contract with an ERP platform provider.
 - The PSU had engaged extensively with an ERP platform provider and entered into a contract with that provider within seven months.
- Prioritization of transitioning PSUs by the date the PSU's contract with its current ERP platform provider expires.

Funding – Of the nonrecurring funds appropriated to DPI for the purpose of school business systems modernization in the 2021 Appropriations Act, DPI can use up to \$300,000 dollars of the remaining funds in the 2026-2027 fiscal year to contract with a third party to assist in developing and implementing the transition plan, including consultation on plan requirements, developing requests for proposals, or evaluating response proposals. Any funds that have been appropriated to DPI for the purpose of school business systems modernization that have not been obligated by June 30, 2031, will revert to the General Fund.

Report – DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division the following information by the following dates:

- By November 15, 2026, a copy of the transition plan and the name of any third parties with which DPI contracted.
- By April 15, 2027, and annually thereafter until April 15, 2031, a progress report on the transition plan, including the following:

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- A copy of the transition plan, including any updates or amendments to the plan.
 - Any third parties with which DPI has contracted.
 - The Statewide Platform Provider, once selected.
 - The number of PSUs that have been transitioned to the Statewide Platform Provider's ERP platform and the number of PSUs remaining to be transitioned.
 - The status of any delays granted, including the date those PSUs will be transitioned to the Statewide Platform Provider's ERP platform.
- By April 15, 2032, a final report on school business systems modernization, including the following:
 - An accounting of any reverting funds.
 - Any anticipated future costs associated with the transition.
 - The status of any remaining delayed transitions.
 - Any information DPI deems relevant to evaluation of the modernization process, including suggested legislative changes to assist with similar future processes.

This section became effective July 1, 2026.