

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 10, 2003

TO: Honorable Kenny Marchant, Chair, House Committee on State Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1166 by Solomons (Relating to the on-line information needs and requirements of licensing agencies and their license holders.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1166, As Introduced: a negative impact of (\$373,142) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$247,765)
2005	(\$125,377)
2006	(\$125,377)
2007	(\$125,377)
2008	(\$125,377)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2004	(\$247,765)
2005	(\$125,377)
2006	(\$125,377)
2007	(\$125,377)
2008	(\$125,377)

Fiscal Analysis

This bill requires the Secretary of State to establish an on-line system in which a license holder could file a change of address notifying one or more licensing authorities of the change.

Methodology

The Secretary of State (SOS) does not have an existing database from which the on-line system could be developed. It is anticipated that implementation will result in a cost to the state of \$153,920 in fiscal year 2004 for development and operation of the system and \$5,600 in the subsequent years for operation of the system. Additional personnel will be required including a programmer in fiscal year 2004 to set up the database and one administrative technician for a total cost of \$93,845. After fiscal year 2004 two administrative technicians will be necessary to run the program. Total cost for these

full time employees is \$119,777. It is anticipated that the SOS system will be required to process between 19,000 to 22,000 changes of address transactions in the first year of implementation. This transaction figure is likely to increase in subsequent fiscal years as more licensees utilize the system and as additional categories are added. No gain to the general revenue is anticipated, as the bill does not authorize the collection of a fee from licensing authorities or license holders.

Technology

This bill requires the development of a web data entry application, web inquiry application, new Oracle database with applicable tables, programs, reports, and additional disk space for UNIX and database files.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary Of State, 313 Department Of Information Resources

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