

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 16, 2003

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1152 by Shapleigh (Relating to the use of TexasOnline.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1152, As Introduced: a positive impact of \$216,000 through the biennium ending August 31, 2005.
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The bill amends Section 2054 of the Government Code relating to the use of TexasOnline. The bill would implement recommendation GG 21 from the Comptroller's *e-Texas* report, *Limited Government, Unlimited Opportunity*. The bill would require a state agency that uses TexasOnline to assist the TexasOnline Authority with marketing efforts regarding the use of TexasOnline, and it would require each state agency that maintains a generally accessible Internet site and that uses TexasOnline to include a link to TexasOnline on the front page of its Web site. It is assumed that these provisions could be implemented by state agencies without additional resources. The Act takes effect immediately if it receives a vote of two-thirds of all members of each house; otherwise it takes effect September 1, 2003.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$72,000
2005	\$144,000
2006	\$505,440
2007	\$505,440
2008	\$505,440

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1
2004	\$72,000
2005	\$144,000
2006	\$505,440
2007	\$505,440
2008	\$505,440

Fiscal Analysis

The Comptroller of Public Accounts assumed that increased visibility of TexasOnline on state agency Web sites, and the increased marketing support by agencies for TexasOnline services provided on behalf of agencies by TexasOnline, would increase portal visits and transaction volumes. These increases would provide additional revenues from convenience fees and transaction fees established

by the TexasOnline Authority without establishing new fees or raising existing fees. Any costs or savings associated with adding new licensing authorities to the TexasOnline license project, with granting the authority to waive participation by license agencies, and by new contracting provisions cannot be estimated. Any costs associated with assigning personal identification numbers to verify signatures used for government services provided through the project, if any, cannot be estimated.

Methodology

By reclassifying vehicle registrations as a state service, current law provides that the state would begin receiving 10 percent of the \$2 fee charged by the TexasOnline Authority for online vehicle registrations. The increased marketing efforts by the Texas Department of Transportation for this online service would increase citizen usage of this service. In addition to the 10 percent share of TexasOnline revenues, existing law provides that the state would begin receiving an extra 50 percent of net revenues once the private vendor's investments have been paid off in fiscal 2006, based on current projections.

Technology

No technology cost impacts were identified by the Comptroller of Public Accounts or the Department of Information Resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 304 Comptroller of Public Accounts, 313 Department of Information Resources

LBB Staff: JK, GO, BL