

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 14, 2005

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

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB1002 by Madla (Relating to creating a TexasOnline project concerning grant assistance provided by state agencies.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill requires the Department of Information Resources (DIR) to establish and operate an electronic government project to develop a website through TexasOnline that provides a single location for state agencies to post state grant assistance opportunities, allows a person to search for state grant assistance programs, and permits electronic submission of state grant assistance applications. Total cost for the development of this website is estimated to be a one time cost of \$203,000. Under the current TexasOnline contract, the contractor, would cover the costs for the development of the online grant application website. However, this would delay total cost recovery for the contractor and delay the percentage increase in the State's share of revenue generated from TexasOnline.

The bill requires DIR, in coordination with the Governor's Office to direct, coordinate, and assist state agencies in establishing and operating a common electronic application and reporting system, and an interagency process for the coordination of grant information collection and sharing. No significant impact to the state is anticipated as costs for these activities can be absorbed by the agencies' current budgets.

The bill requires a state agency to incorporate common grant application forms developed by DIR and the Governor's Office into the agency's grant application and review processes. Any programming costs necessary to meet this requirement could be absorbed by larger agencies, however such a requirement could have significant fiscal impact on smaller agencies that administer many grant programs.

The bill provides that if DIR determines that money should be consolidated in the development of this project, DIR must provide a funding model to the Legislative Budget Board and the Governor.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 313 Department of Information Resources, 320 Texas Workforce Commission, 332 Department of Housing and Community Affairs, 529 Health and Human Services Commission, 537 Department of State Health Services, 580 Water Development Board, 582 Commission on Environmental Quality, 601 Department of Transportation, 701 Central Education Agency, 802 Parks and Wildlife Department, 813 Commission on the Arts

LBB Staff: JOB, LB, MS, SMi