

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 17, 2013

TO: Honorable Gary Elkins, Chair, House Committee on Technology

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB866 by Paxton (Relating to authorizing local governments to participate in statewide technology centers.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Department of Information Resources (DIR) to establish or expand a statewide technology center to include participation by a local government and authorize related services to include the deployment, development, and maintenance of local or statewide software applications. DIR would be authorized to charge a fee to participating local governments to cover the direct and indirect costs for services provided. Upon request of a local government to participate in a statewide technology center, the bill would require DIR to conduct a cost and requirements analysis. Upon selection for participation, DIR would provide to the selected local government a scope of the services to be provided; a schedule of anticipated costs; and implementation schedule. The selected local entity would be authorized to contract with DIR for the receipt of the identified services. The bill would take effect immediately upon receiving a two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2013.

DIR indicates that costs associated with the bill would include additional staff to prepare intergovernmental agreements; amend contracts with service providers; creation and execution of transition plans; and management of contracts and services. These costs would be dependent on the number of local government customers and volume of services provided, which are currently unknown, and would be offset through cost-recovery fees (appropriated receipts) paid by participating local government customers and deposited to the Statewide Technology Account.

Local Government Impact

There would be costs to a local government that chose to apply and participate in a statewide technology center; however, the amounts would vary depending on the scope of services the local government would apply for and the fee set and collected by DIR. It is assumed that a local government would only apply for participation in a statewide technology center if there were sufficient resources available, or the costs would not result in a negative fiscal impact.

Source Agencies: 313 Department of Information Resources

LBB Staff: UP, RB, EP, LCO, TP, KJo