

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 30, 2017

TO: Honorable Gary Elkins, Chair, House Committee on Government Transparency & Operation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3780 by Capriglione (Relating to the establishment of a state secondary Internet website domain name server.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3780, As Introduced: a negative impact of (\$526,344) through the biennium ending August 31, 2019.

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
2018	(\$374,372)
2019	(\$151,972)
2020	(\$151,972)
2021	(\$151,972)
2022	(\$151,972)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2017
2018	(\$374,372)	1.0
2019	(\$151,972)	1.0
2020	(\$151,972)	1.0
2021	(\$151,972)	1.0
2022	(\$151,972)	1.0

Fiscal Analysis

The bill relates to the establishment of a state secondary Internet website domain name server. Under provisions of the bill, the Texas Higher Education Coordinating Board (THECB) would select an appropriate department or entity of an institution of higher education to develop and

build a secondary Internet website domain name server (DNS). The governor is responsible for managing the operations of the secondary Internet website DNS and may contract with a third party for managing the DNS operations. The governor may deploy the DNS at the governor's discretion. The department or entity of an institution of higher education selected by THECB must complete building of the domain name server not later than December 31, 2108. The Act would take effect September 1, 2017.

Methodology

The analysis assumes that in FY 2018 the Trusteed Programs within the Governor's Office will require one FTE at \$81,972 (salary and benefits) per year, development and creation of a secondary DNS with two redundant connections and servers at \$25,000 per year with ongoing yearly maintenance of \$45,000 beginning in FY 2019.

This analysis also assumes that the Office will require one-time costs for hardware and software for \$223,400.

Based on the analysis provided by institutions of higher education, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

House Bill 1 as Engrossed includes \$500,000 in Economic Stabilization Funds for the 2018-19 biennium for the Higher Education Coordinating Board for cybersecurity hardware services.

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, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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