

## **BILL ANALYSIS**

S.B. 1541  
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State Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In 2017, the Texas Legislature enacted legislation requiring a state agency proposing to spend appropriated funds for a major information resources project to first conduct an execution capability assessment. The implementation of this requirement led to state agencies conducting self-assessments of their own capabilities, which resulted in biased measurements. Subsequent legislation in the following legislative session repealed this requirement and instead required a state agency to prepare a business case providing initial justification for each proposed major information resources project.

However, it has been suggested that the State of Texas currently does not use modern business practices for evaluating major information resources projects, whereas major industries use proven evaluation tools to determine the feasibility of successful completion before launching large IT projects. The failure to use a high quality project evaluation process has contributed to the failure of numerous IT modernization projects and cost the state millions of dollars. S.B. 1541 seeks to improve the overall success rate of these projects and save taxpayer dollars by providing a statutory definition for "business case" as the term relates to major information resources projects.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 1541 amends the Government Code to define "business case" for purposes of the Information Resources Management Act as a comparison of business solution costs and project benefits based on a solution assessment and validation for a major information resources project, which may include the following:

- alternative financing models, such as system as a service; and
- a readiness score of the project using an evidence-based scoring method delivered by an independent third party that includes measurement and corrective actions for the state agency's operational and technical strengths and weaknesses related to the project.

### **EFFECTIVE DATE**

September 1, 2021.