

SUBJECT: Authorizing TexasOnline Authority's use of TexasOnline revenue

COMMITTEE: Government Reform — favorable, without amendment

VOTE: 6 ayes — Uresti, Otto, Frost, Gonzales, Hunter, Veasey

0 nays

1 absent — Y. Davis

SENATE VOTE: On final passage, April 28 — 31-0, on Local and Uncontested Calendar

WITNESSES: No public hearing

BACKGROUND: The Department of Information Resources (DIR) provides staff for the TexasOnline Authority, which oversees Texas Online. TexasOnline is an Internet portal designed to provide a single point for citizens and businesses to access e-government services in Texas. The 77th Legislature in 2001 enacted SB 187 by Shapleigh, which expands the use of the TexasOnline project and authorizes inclusion of wide area networks into the electronic infrastructure. The 78th Legislature in 2003 enacted SB 1152 by Shapleigh, which requires that DIR assist in the establishment and maintenance of an education Internet portal for use by school districts, teachers, parents, and students.

TexasOnline is developed by an independent contractor that has invested its private funds to create the project's infrastructure. Texas receives a share of the gross annual revenue from TexasOnline. Part of the funding goes to DIR and the majority to general revenue.

DIGEST: SB 825 would authorize the TexasOnline Authority to use not more than 50 percent of the state's share of revenue generated by TexasOnline to develop Internet portals that provide access to information regarding education, business, and state employees.

The bill would take immediate effect if finally passed by a two-thirds

record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS
SAY:**

The fact that the TexasOnline Authority continues to receive mandates to add more projects to TexasOnline is a validation of the value that TexasOnline has thus far afforded the state and the potential it has to continue to improve services to citizens, businesses, and government. Unfortunately, much of this potential has thus far gone unrealized because most of these mandates have been unfunded. SB 825 would reinvest funds generated by the TexasOnline project to further develop the education, business, and state employee portals.

The projects that SB 825 proposes to fund are worthwhile and would save the state money over time through increased efficiency and decreased need to provide services through other avenues. Through the authorization of wide area networks in SB 187 in 2001, the state could have created a site that would have answered questions commonly asked by state employees that currently must be answered using a variety of other costly resources. Although projects such as a state employee portal would require an initial investment for infrastructure, they would save the state money in the future by eliminating the need to use other, less efficient mechanisms.

TexasOnline already has a business portal that has been successful in increasing the resources available to Texas businesses. Services already offered include posting jobs, renewing licenses, browsing procurement opportunities, and accessing information resources. Continuing to develop the business portal would build on this. SB 825 also would provide the first step toward funding the education portal that the TexasOnline Authority is required to develop according to the provisions of SB 1152 enacted in 2003.

**OPPONENTS
SAY:**

Although many of the resources available on TexasOnline are beneficial, the designation of more general revenue for the development of further projects comes at the cost of using those funds for other priorities. At a time when the state is trying to locate more funding for health care and education, Internet convenience is not a priority given that the same resources that would be placed online still would be available through conventional means elsewhere.

NOTES:

A floor amendment will be offered to provide that the authority could not use any more of the state's share of revenue generated by

TexasOnline than necessary to cover the cost of the development of the education, business, and state employee Internet portals.