## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 2048 By: Uresti (Ellis) Government Organization 5/18/2005 Committee Report (Substituted)

## **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

In August 2000, Texas launched its official e-government website for state and local government businesses: TexasOnline. Since that time, demand for TexasOnline's services has steadily increased. However, questions have arisen concerning whether and how certain transactions can be conducted using TexasOnline.

C.S.H.B. 2048 clarifies agency procedures for contracting with a third party for Internet application developments that duplicate a TexasOnline function. It also clarifies several provisions in the Government Code to better direct the Department of Information Resources and other state agencies in working with the TexasOnline Authority.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Department of Public Safety in SECTION 14 (Section 548.258, Transportation Code) of this bill.

## SECTION BY SECTION ANALYSIS

[While the statutory reference is to the TexasOnline Authority, the following amendments affect the Department of Information Resources (department), pursuant to Section 2054.001, [name of code not given in bill], as added by this Act.]

SECTION 1. Amends Section 2054.111(e), Government Code, to specify that a state agency that uses the TexasOnline project (project) may charge a fee under Subchapter I (TexasOnline Authority and Project) under certain conditions.

SECTION 2. Amends Section 2054.1115(b), Government Code, to make a conforming change.

SECTION 3. Amends Section 2054.113(c), Government Code, to require the state agency, before contracting with a third party for certain Internet application development, to notify the TexasOnline Authority and the Department of Information Resources (department), rather than just the TexasOnline Authority, of its intent to bid for such services. Authorizes the department, rather than the program management office, to exempt a state agency from this section under certain circumstances.

SECTION 4. Amends Subchapter F, Chapter 2054, Government Code, by adding Section 2054.129, as follows:

Sec. 2054.129. ADVERTISING ONLINE OPTIONS. Requires each state agency to advertise the options for completing transactions with that agency online.

[While the statutory reference in this subchapter is to the "authority," the following amendments affect the department, pursuant to Section 2054.001, [name of code not given in bill], as added by this Act.]

SECTION 5. Amends Section 2054.251, [code not given in bill], to redefine "authority" and provide that all references in the statute to the TexasOnline Authority mean the Department of Information Resources.

- SECTION 6. Amends Section 2054.252 (e), Government Code, to require the authority to charge fees to licensing entities as provided by this subchapter. Prohibits the authority from charging the subscription fee [to be paid by each licensing entity] until the service for which the fee is charged is available on the Internet.
- SECTION 7. Amends Section 2054.258, Government Code, to delete the requirement that members of the authority learn about the legislation that created the TexasOnline division (division). Makes conforming changes.
- SECTION 8. Amends Section 2054.259, Government Code, to require the authority to develop project pricing policies, including policies regarding any fees that a state agency, including the authority, may charge for a transaction that uses the project. Deletes existing text regarding advising the department about the project. Makes a nonsubstantive change.
- SECTION 9. Amends Subchapter I, Chapter 2054, Government Code, by adding Sections 2054.2591 and 2054.2595, as follows:
  - Sec. 2054.2591. FEES. (a) Requires the authority to set fees that a state agency, including the authority, or a local government may charge for a transaction that uses the project. Requires the authority to set fees at amounts sufficient to recover the direct and indirect costs of the project.
    - (b) Provides that a fee set by the authority for using the project is in addition to any other statutory fees. Requires the revenue collected from the fees to be used to support the project, including the recovery of project costs.
    - (c) Prohibits a fee from being charged to certain persons authorized to file electronically under Section 195.003 (Persons Authorized to File Electronically), Local Government Code, for filing, recording, access to or electronic copies of a real property record subject to Chapter 195 (Electronic Filing of Records with and Recording by County Clerk), Local Government Code, with certain exceptions.
  - Sec. 2054.2595. FEE EXEMPTIONS. Prohibits the authority from charging the State Board of Barber Examiners or the Texas Cosmetology Commission a fee to use the project for the issuance or renewal of an occupational license.
- SECTION 10. Amends Section 2054.260, Government Code, to require the authority to report on financial matters, including project costs and revenues, not later than September 1 of each even-numbered year. Requires the authority to report on additional financial or contract performance matters as required by the department. Requires the authority to provide the report to certain persons and governmental entities. Deletes existing text requiring reporting to the department and the requirements of the department.
- SECTION 11. Amends Section 2054.265, Government Code, to require the authority to develop and implement policies that clearly separate the policymaking responsibilities of the authority and the management responsibilities of the department, rather than the division.
- SECTION 12. Amends Subchapter I, Chapter 2054, Government Code, by adding Section 2054.272, as follows:
  - Sec. 2054.272. INDEPENDENT ANNUAL AUDIT. (a) Requires the vendor operating the TexasOnline Portal, not later than August 1 of each year, to have an audit of the vendor's finances associated with management and operation of the TexasOnline Portal performed by an independent certified public accountant selected by the state, paid by the portal vendor.
    - (b) Requires the authority to provide a copy of the audit report to certain persons not later than August 15 of each year.

- (c) Requires the authority to keep a copy of the audit report and make the audit report available for inspection by any interested person during regular business hours.
- SECTION 13. Amends Subchapter I, Chapter 2054, Government Code, by adding Section 2054.273, as follows:
  - Sec. 2054.273. RECOVERY OF FEES. Authorizes a person that pays a fee for using the project to recover the fee in the ordinary course of business.
- SECTION 14. Amends Subchapter E, Chapter 548, Transportation Code, by adding Section 548.258, as follows:
  - Sec. 548.258. USE OF TEXASONLINE. (a) Defines "TexasOnline."
    - (b) Authorizes the Department of Public Safety (DPS) to adopt rules to require an inspection station to use TexasOnline to purchase inspection certificates or send to DPS a record, report, or other information required by DPS.
- SECTION 15. (a) Amends Section 531.0312, Government Code, by adding Subsection (e), to require each local workforce development board, the Texas Head Start State Collaboration Office, and each school district to provide the Texas Information and Referral Network with information regarding eligibility for and availability of child-care and education services for inclusion in the statewide information and referral network. Requires the local workforce development boards, Texas Head Start State Collaboration Office, and school districts to provide the information in a certain form. Defines "child-care and education services."
  - (b) Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.03131, as follows:
    - Sec. 531.03131. ELECTRONIC ACCESS TO CHILD-CARE AND EDUCATION SERVICES REFERRAL INFORMATION. (a) Defines "child-care and education services."
      - (b) Requires the Texas Information and Referral Network Internet site, in addition to providing health and human services information, to provide information to the public regarding child-care and education services provided by public or private entities throughout the state. Provides that the Internet site will serve as a single point of access through which a person may be directed on how or where to apply for all child-care and education services available in the person's community.
      - (c) Sets forth the requirements for the Internet site.
      - (d) Requires each entity, upon receipt of an electronic mail message from the Texas Information and Referral Network containing the name and contact information for each applicant and a description of the services the applicant is applying for, to contact the applicant to verify information regarding the applicant's eligibility for available child-care and education services and, on certifying eligibility, to match the applicant with entities providing those services in the applicant's community, including local workforce development boards, local child-care providers, or a Head Start or Early Head Start program provider.
      - (e) Requires the child-care resource and referral network under Chapter 310 (Child-Care Resource and Referral Network), Labor Code, and each entity providing child-care and education services in this state, including certain specified entities, to cooperate with the Texas Information and Referral Network as necessary in the administration of this section.

- (f) Requires the Health and Human Services Commission, not later than the last day of the month following each calendar quarter, to file with the legislature a report regarding the use of the Internet site in the provision and delivery of child-care and education services during the reporting period. Sets forth the information the report is required to include.
- (c) Authorizes delay of implementation until any necessary federal waivers or authorizations are obtained.

SECTION 16. Repealer: Sections 2054.251(2) (definition of "division"), 2054.253 (Membership), 2054.254 (Terms), 2054.255 (Presiding Officer), 2054.256 (Meetings), 2054.257 (Reimbursement of Expenses), 2054.258 (Training for Authority Members), 2054.264 (TexasOnline Division), 2054.2645 [sic], and 2054.265 (Separation of Responsibilities), Government Code, and Section 7 (expiration of Section 2054.252(g), Government Code, on September 1, 2005), Chapter 342, Acts of the 77th Legislature, Regular Session, 2001.

SECTION 17. Makes application of Section 2054.113(c), as amended by this Act, prospective.

SECTION 18. Provides that in the event of a conflict between a provision of this section and another Act passed by the 79th Legislature, Regular Session, 2005, that becomes law, this section prevails and controls regardless of the relative dates of enactment.

SECTION 19. Effective date: upon passage or the 91st day after adjournment.