



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 213** SLS 11RS 319
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 25, 2011	6:12 AM	Author: MICHOT
Dept./Agy.: Executive		
Subject: LA Enhanced Governmental Access Portal		Analyst: Travis McIlwain

Establishes the Louisiana Enhanced Governmental Access Portal within the division of administration and provides its functions and duties. (gov sig)

Proposed legislation provides for the creation of the Louisiana Enhanced Governmental Access Portal. Proposed legislation provides that all state agencies may participate with the portal. Proposed legislation provides that the portal is to be supported primarily through value-added charges paid by users for transactions conducted through the portal and not primarily through appropriated dollars. Proposed legislation provides that the commissioner of administration & the CIO shall the value-added charges and also provides that the commissioner of administration may approve classes of transactions for which nothing is be charged and establish governmental users that shall not be charged. Proposed legislation provides that the commissioner of administration shall use a competitive bid process to contract with a private entity to serve as out sourced portal manager. Proposed legislation provides for certain duties of the portal manager of which is to primarily fund ongoing portal operations through online transactions for which a value-added charge is collected. Proposed legislation provides that the portal manager shall not be subject to the Louisiana Procurement Code.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The impact of the proposed legislation on state expenditure is indeterminable. However, any additional state services provided online would be provided to constituents at a greater cost to the constituent due to provisions in the bill that allow the contractor to charge a “value-added charge” for providing the online state service. According to NIC, a private contractor that provides these services to various state governments, the “value-added charge” typically does not impact individuals, but businesses that choose to do business with the state through various online services. However, to the extent the business-to-government transactions are not sufficient to cover the contractor costs, it is unknown if the state would be required to fund any shortage.

There would be startup costs incurred by the contractor to redesign and set up the actual portal that communicates with existing state “back end” systems as well as the creation of any additional online services that could be provided. Some of the additional online services may include: inmate banking, various iPhone Apps, online appointment scheduling, etc.

The state currently has the louisiana.gov online portal that provides links to various state agency websites that do offer some payable online state services. According to OIT, the initial web portal start-up costs were \$998,590 in 2002 and currently require 1.5 FTEs for \$75,000 annually. The network charges are currently \$150/month. The LFO is uncertain as to whether these costs would continue if this legislation were adopted.

Creating the “Louisiana Enhanced Governmental Access Portal” would essentially replace the current louisiana.gov website and could include additional online services. According to NIC, this portal would not impact any state services currently provided online and it would merely provide a link to existing online state services.

According to NIC, in all the states it currently operates in each state has perpetual license ownership of the portal source code and the government services offered online.

REVENUE EXPLANATION

This bill allows for the contractor of the Louisiana Enhanced Governmental Access Portal to charge “value-added charges” from users of the portal services. These rates would be paid by constituents utilizing these online state services. The bill provides that the commissioner of administration shall recommend any of these charges for review and approval of the Joint Legislative Committee on the Budget (JLCB). It is unknown what specific new online state services would include the value-added charge or what those charges would be. Any revenues would accrue to the contractor and not the state.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<div>Evan Brasseaux</div> <div>Evan Brasseaux</div> <div>Staff Director</div>
		<input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	