

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB 423

House of Origin	<u>  X  </u>	Introduced	<u>      </u>	Substitute	<u>      </u>	Engrossed
Second House	<u>      </u>	In Committee	<u>      </u>	Substitute	<u>      </u>	Enrolled

**2. Patron:** Marshall

**3. Committee:** Appropriations

**4. Title:** Searchable budget database website.

**5. Summary:** Requires the Director of the Department of Planning and Budget (DPB) to maintain a searchable budget database website that would allow persons to search and aggregate information for individual or specific appropriations or budget items. The Director would be required to have the database operational by July 1, 2009. When fully operational, all data in the database would be continually updated and will house historical information for a minimum of last 10 years. The bill would require the Director to work with the Auditor of Public Accounts (APA) and the Joint Legislative Audit and Review Commission (JLARC) to avoid any duplication of efforts.

**6. Fiscal Impact Estimates:** Preliminary, See Item 8.

**7. Budget Amendment Necessary:** Yes, Item 268

**8. Fiscal Implications:** The bill requires a user friendly database on budget and expenditure information for the general public.

It is not feasible to have the database containing all the requirements specified within the bill operational by July 1, 2009. However, some portions of the database may be feasible by that time.

Data that is not currently available in the form required by the bill and data that will not be available by July 1, 2009 include: the funding source of the revenue expended (especially when there are multiple sources funding a particular expenditure) because expenditures are recorded on the state's accounting system by fund type not by revenue source; disbursement data by recipient which is not collected on the central accounting system; the expected performance outcome and the past performance outcomes for the funding action or expenditure.

Data that is currently available, but may be technically difficult to implement prior to July 1, 2009 includes: any state audit or report relating to the entity or recipient of funds or the budget program/activity or agency.

DPB estimates that costs to cover a pilot program will be at least \$1 million excluding potential systems changes to Department of Accounts (DOA) and Department of Taxation

(TAX) for information data interfaces. Currently, the APA Commonwealth DataPoint system contains information on certain expenditure, revenue and demographic information. While the information on the APA DataPoint system is much more limited than the requirements of this bill, the historical cost for the development and operations of the APA system serves as a starting point for cost estimates for developing and monitoring a new searchable database.

Based on the implementation costs of the DataPoint system, DPB anticipates implementation costs to begin at \$522,562 and 7,000 manhours (for hardware, software, and personnel) if the information can be made available from the accounting system and other sources. DPB would expect additional implementation costs to provide vendor data and to build a citizen friendly website using a business intelligence tool. Also there will be future ongoing costs estimated at a minimum of \$458,468 each year and four to five new programmers/database staff. These staff members will be responsible for data request, conversion of data into the correct format from various systems, tie control, loading, and maintenance of the database as well as maintenance of the website and user inquiries. These estimates do not include any costs associated with the DOA reporting system if changes are necessary to capture the expenditure information that may not be currently available. (For example, in the DOA CARS system revenues collected are not necessarily tied to the expenditure made especially when there are multiple sources that fund a particular expenditure.) In addition, costs do not include any expense associated with the TAX systems if changes are necessary to capture the revenue source information that may not be currently available.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Planning and Budget, Department of Accounts, Auditor of Public Accounts, Joint Legislative and Review Commission, all state agencies

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** 1/23/2008 dpb

**Document:** G:\2008FIS HB 423.doc

cc: Secretary of Finance