

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 274 (The Speaker. *et al.*)
(Administration)
Commerce and Government Matters

Electronic Government Initiative

This Administration bill requires all units of the executive branch, with the exception of public institutions of higher education, to have: (1) 50% of their public information and services available over the Internet by 2002; (2) 65% of their public information and services available over the Internet by 2003; and (3) 80% of their public information and services available over the Internet by 2004. Each unit must also provide the Secretary of the Department of Budget and Management (DBM) with an annual project plan outlining the status of their efforts to comply with the time frames. The Chief of Information Technology (CIT) within DBM is responsible for reviewing agency project plans. The CIT is also required to include in the statewide information technology master plan standards to assure nonvisual access to information and services made available to the public over the Internet.

The bill is effective July 1, 2000.

Fiscal Summary

State Effect: No additional funds would be needed in FY 2001. Future expenditures may increase as agencies evaluate their progress and determine how much funding they require to meet the standards. The expenditures that will be necessary to ensure that the time frames are met cannot be reliably estimated at this time but could total in the millions of dollars.

Local Effect: None.

Small Business Effect: A small business impact statement was not provided by the Administration in time for inclusion in this fiscal note. A revised fiscal note will be issued when the Administration's assessment becomes available.

Analysis

Current Law: Executive agencies are not required to provide information and services over the Internet.

Background: The bill's provisions come directly from recommendations made by the Maryland Information Technology Board (ITB) in their November 1999 report, *Internet Policy Recommendations*. The ITB reports that Maryland has "taken the first steps" toward complete public access to government information and services through the Maryland Electronic Capital, which provides a single interface (<http://www.mec.state.md.us>) with links to State agencies and other public sector sites. The time frames established by the bill are an attempt to ensure the continuation of Maryland's progress and to reassert the State's commitment to more extensive, convenient, and expeditious access to government information and services.

State Fiscal Effect: The DBM Office of Information Technology (OIT) estimates that State agencies are approaching, on average, a level of 15% of information and services available over the Internet. The OIT currently reviews upgrades to agency data collection and data management practices and encourages web enablement of processes where it is appropriate. According to the OIT, additional funds for information technology will not be needed in fiscal 2001. However, a reassessment of agencies' progress will be necessary to determine if additional funds will be necessary in future years. It is likely that some agencies will require additional funding to achieve the goals established in the bill. Enhancing nonvisual access to government web pages would also increase the costs associated with the bill. Conceivably, the costs necessary to meet the bill's standards could run into the millions of dollars. By way of comparison, from fiscal 1998 to fiscal 2000, Maryland appropriated \$97 million in general funds to address the Y2K problem. Another \$13 million is included in the proposed fiscal 2001 budget, of which \$10 million is a deficiency appropriation for fiscal 2000.

Long-term expenditures could be reduced by the increased use of the Internet to conduct business with the State. The impact may be significant but cannot be reliably estimated at this time.

Additional Information

Prior Introductions: None.

Cross File: SB 197 (The President, *et al.*) - Finance.

Information Source(s): Department of Budget and Management, Department of Legislative Services

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