

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 240 - A

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Directs governmental agencies of this state to use electronic records and electronic signatures by July 1, 2020.

Government Unit(s) Affected:

Statewide, Cities, Counties, Department of Administrative Services (DAS)

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Summary of Expenditure Impact:

Department of Administrative Services Office of the State Chief Information Officer

| | 2019-21 Biennium | 2021-23 Biennium |
|---------------------------|-------------------------|-------------------------|
| Personal Services | \$615,165 | \$246,740 |
| Services and Supplies | 324,200 | 324,200 |
| Total General Fund | \$939,365 | \$570,940 |
| Positions | 3 | 1 |
| FTE | 2.50 | 1.00 |

Analysis:

The measure would direct every governmental agency, to the extent practicable, to use electronic records and electronic signatures by July 1, 2020. It would require each governmental agency to develop and implement a plan for the use of electronic records and electronic signatures and a plan for website modernization. Each governmental agency would be required to submit its plan to the Department of Administrative Services Office of the State Chief Information Officer (DAS OSCIO) and the Legislative Assembly no later than September 15, 2020. Each governmental agency would be required to ensure its public website is effectively rendered on mobile devices and accessible for persons with disabilities by July 1, 2021. DAS OSCIO would have authority to develop and adopt rules regarding these planning requirements. The measure would take effect 91 days after the Legislative Assembly adjourns *sine die*.

Statewide:

The measure would require extensive research and planning by every governmental agency prior to its various operative dates. Each governmental agency, to the extent practicable, would need to evaluate its website, databases, forms, programs, and business processes to implement the requirements of the measure. Each governmental agency would need to conduct a full assessment of all processes and determine what products are available to digitize processes. At a minimum, this would probably involve needing to hire additional Information Services Specialist (ISS) position(s) to develop and implement a plan for the use of electronic records and electronic signatures and website modernization. It could also involve reprioritizing staff time, staff workload, or agency priorities, or delay other projects. The measure would also likely involve ongoing evaluation of data

analytics and the availability of electronic records in the 2019-21 biennium and beyond. Agencies may need to return to the Legislature with funding requests once they complete this research.

There are several variables, however, that make the fiscal impact of this measure indeterminate. First, many of the website requirements are already in place. And since agency websites are designed according to DAS OSCIO specifications, agencies have little control over the design of their websites. Second, it is unclear the extent to which DAS OSCIO would assist agencies in developing and implementing these plans. If DAS OSCIO were to institute an enterprise-wide solution, DAS OSCIO would presumably distribute that system to each governmental agency and each agency would then be assessed a fee or charged through the State Government Service Charge line item. But if agencies would be individually responsible for implementing the measure, it could require each agency to purchase software or licensing agreements and hire additional staff to carry out these transitions. Since DAS OSCIO's level of involvement is unclear, the statewide fiscal impact is indeterminate. The DAS OSCIO estimates below assume an enterprise-wide solution would be implemented.

Cities and Counties:

For some Cities and Counties, implementing this measure could have significant costs, particularly in terms of information technology (IT) upgrades, depending on the population of the jurisdiction involved and whether it has already performed these IT upgrades. Nevertheless, because the costs are difficult to quantify, the fiscal impact to Cities and Counties is indeterminate.

Department of Administrative Services (DAS):

DAS OSCIO anticipates that it would need to purchase a digital signature software subscription and a records management solution software program. It would need one full-time Information System Administrator (0.83 FTE in 2019-21, 1.00 in 2021-23), one limited duration or contract Business Analyst (0.83 FTE in 2019-21), and one limited duration or contract Project Manager (0.83 FTE in 2019-21) to implement and manage the new digital records and digital signatures. DAS OSCIO's estimated costs would be \$939,365 in the 2019-21 biennium and \$570,940 in the 2021-23 biennium. DAS also estimates increased data storage costs; however, those costs are difficult to quantify without knowing the amount of data involved.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on DAS.