



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0010 - Long-range information technology financings and appropriations (Hopkins, Mike)

Status: As Amended in House Committee

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| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
Expenditures:					
General Fund	\$0	\$76,694,664	\$76,694,664	\$0	\$0
LRIT	\$0	\$76,694,664	\$76,694,664	\$0	\$0
State Special Revenue	\$2,500,000	\$8,472,597	\$9,472,596	\$3,500,000	\$3,500,000
Federal Special Revenue	\$0	\$40,398,103	\$40,398,102	\$0	\$0
Revenue:					
General Fund	\$2,500,000	\$2,500,000	\$3,500,000	\$3,500,000	\$3,500,000
LRIT	\$0	\$76,694,664	\$76,694,664	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	\$2,500,000	(\$74,194,664)	(\$73,194,664)	\$3,500,000	\$3,500,000

Description of fiscal impact: HB 10 projects are investments in state information technology infrastructure and are funding in this long-range program. In addition to the transfer of general fund into this LRIT account, several state agencies have dedicated revenue that is being used for specific projects.

FISCAL ANALYSIS

Assumptions:


1. Projects authorized and appropriated in HB 10 are listed in Sections 2-4 of the bill along with applicable funding sources.
2. The appropriations are valid until projects are complete. The funding is shown as expenditures are anticipated to be made but are subject to change.
3. HB 10 requires the Department of Justice's to repay the general fund for the appropriation for the CARS system.

- a. Section 7(4)(b) requires a transfer of \$2.5 million by June 30 of each fiscal year through FY 2038. Since the bill is effective on passage and approval, the first transfer payment will be required in FY 2023.
 - b. Section 7(4)(c) requires a transfer of \$500,000 each fiscal year for FY 2025-FY 2034.
 - c. Section 8(4) requires a transfer of \$500,000 each fiscal year for FY 2025 – FY 2034.
 - d. The transfers are shown on this fiscal note as a transfer expense in the state special revenue fund and a revenue to the general fund.
4. The Long-Range IT account is funded through a general fund transfer.

	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>					
<u>Expenditures:</u>					
Transfers	\$2,500,000	\$79,194,664	\$80,194,664	\$3,500,000	\$3,500,000
Long Range		\$123,065,364	\$123,065,362	\$0	\$0
TOTAL Expenditures	\$2,500,000	\$202,260,028	\$203,260,026	\$3,500,000	\$3,500,000
<u>Funding of Expenditures:</u>					
General Fund (01)	\$0	\$76,694,664	\$76,694,664	\$0	\$0
State Special Revenue (02)	\$2,500,000	\$8,472,597	\$9,472,596	\$3,500,000	\$3,500,000
Federal Special Revenue (03)	\$0	\$40,398,103	\$40,398,102	\$0	\$0
LRIT (05)	\$0	\$76,694,664	\$76,694,664	\$0	\$0
TOTAL Funding of Exp.	\$2,500,000	\$202,260,028	\$203,260,026	\$3,500,000	\$3,500,000
<u>Revenues:</u>					
General Fund (01)	\$2,500,000	\$2,500,000	\$3,500,000	\$3,500,000	\$3,500,000
State Special Revenue (02)	\$0	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0	\$0
LRIT (05)	\$0	\$76,694,664	\$76,694,664	\$0	\$0
TOTAL Revenues	\$2,500,000	\$79,194,664	\$80,194,664	\$3,500,000	\$3,500,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>					
General Fund (01)	\$2,500,000	(\$74,194,664)	(\$73,194,664)	\$3,500,000	\$3,500,000
State Special Revenue (02)	(\$2,500,000)	(\$8,472,597)	(\$9,472,596)	(\$3,500,000)	(\$3,500,000)
Federal Special Revenue (03)	\$0	(\$40,398,103)	(\$40,398,102)	\$0	\$0
LRIT (05)	\$0	\$0	\$0	\$0	\$0

Long Term Impacts:

- 1. The general fund will continue to receive \$3.5 million per year from the Department of Justice from FY 2025-2034. For FY 2035 – FY 2038, general fund revenue will be \$2.5 million per year.

<hr/> Sponsor's Initials	<hr/> Date	<hr/>  Budget Director's Initials	<hr/> 3-31-23 Date
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