

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 31, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3045 by Cook, Robby (Relating to the limitation on the allocation of office space to state agencies.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3045, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

Fiscal Analysis

The bill would reduce the allocation of office space per FTE from the current amount of 153 square feet per employee to 135 square feet per employee.

The Building and Procurement Commission estimates that savings would average \$5.9 million over the next five years, beginning in the fiscal year 2004. However, any savings generated would be offset by costs incurred by state agencies related to moving staff into available state-owned space from leased space and from reconfiguring existing state-owned office space to accommodate the new square footage requirement.

Methodology

The Building and Procurement's estimates for cost savings were determined by using the square footage and annual rents for current, active office space leases as of March 20, 2003 and calculating

the estimated number of FTE's using the square footage divided by the average square feet per FTE in 2001, which was 235 square feet.

Estimates were calculated to determine the reduction of space caused by the 135 per square foot limit plus exempted space, and savings by annual rents by fiscal years. Lease costs were based on current current contract costs per square foot and do not include moving.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 303 Building and Procurement Commission, 701 Central Education Agency, 705 State Board for Educator Certification, 781 Higher Education Coordinating Board

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