

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 29, 2005

TO: Honorable Carlos Uresti, Chair, House Committee on Government Reform

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2442 by Leibowitz (Relating to power management software for state agencies and public institutions of higher education.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2442, Committee Report 1st House, Substituted: a negative impact of (\$8,432,348) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$4,216,174)
2007	(\$4,216,174)
2008	\$1,370,826
2009	\$1,370,826
2010	\$1,370,826

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable Savings from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable Savings from <i>GR DEDICATED</i> <i>ACCOUNTS</i> 994	Probable Savings from <i>FEDERAL FUNDS</i> 555
2006	(\$5,781,742)	\$1,565,568	\$130,464	\$1,141,560
2007	(\$5,781,742)	\$1,565,568	\$130,464	\$1,141,560
2008	(\$194,742)	\$1,565,568	\$130,464	\$1,141,560
2009	(\$194,742)	\$1,565,568	\$130,464	\$1,141,560
2010	(\$194,742)	\$1,565,568	\$130,464	\$1,141,560

Fiscal Year	Probable Savings from <i>OTHER FUNDS</i> 997	Change in Number of State Employees from FY 2005
2006	\$424,008	3.0
2007	\$424,008	3.0
2008	\$424,008	3.0
2009	\$424,008	3.0
2010	\$424,008	3.0

Fiscal Analysis

The bill requires the Department of Information Resources (DIR) to research and select available

power management software to be used by state agencies to reduce the amount of energy required to operate state computer networks and to track and verify the amount of energy savings realized by state agencies using the software.

The bill requires that each state agency that would benefit from power management software, as determined by DIR, to purchase or lease the power management software.

Methodology

The bill requires that each state agency that would benefit from power management software, as determined by DIR, to purchase or lease the power management software. This analysis assumes that approximately 302,000 workstations in state agencies and higher education institutions could be affected. The price of the power management software ranges from \$20 to \$190 per device managed. It is estimated that 80 percent of the workstations are capable of functioning with the least expensive type of power management software (\$20 per device), resulting in a \$4.8 million cost for the 2006-07 biennium. This analysis assumes the remaining 20 percent of workstations would require more expensive power management software. This analysis assumes an average software cost of \$105 per device resulting in a \$6.3 million cost for the 2006-07 biennium.

In addition, DIR would require 3 FTEs (at an annual salary of \$50,034 each) to administer and monitor the power management software.

This analysis assumes that an annual savings of \$27 per computer would result from the application of the power management software. Assuming 40 percent of users fail to power down their computer, annual savings would be approximately \$3.3 million in all funds.

Technology

There are a several fiscal impacts related to information technology. These are detailed in the methodology above.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 313 Department of Information Resources

LBB Staff: JOB, LB, MS, SMi, RC