

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

TO: Honorable Jerry Madden, Chair, House Committee on Corrections

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

IN RE: HB2905 by Haggerty (Relating to the usage of plumbing controls in correctional facilities in the Texas Department of Criminal Justice.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to require the Texas Department of Criminal Justice (TDCJ) to contract with a private vendor to install electronic water conservation devices on toilets, sinks, and showers in at least fifteen correctional facilities. The bill requires that the private vendor demonstrate savings of at least 50 percent of the amount of current plumbing operation costs. The bill directs TDCJ to consider the potential savings to the State, the age of the facility, and potential operations and security concerns when determining which facilities will receive the water conservation devices. The bill would take effect immediately if receiving a vote of two-thirds of all members of each house, or September 1, 2005.

TDCJ estimates that a 50 percent savings in water expenditures at all 106 TDCJ facilities would save the department approximately \$5,900,000 annually. Cost savings from installation of water conservation devices at fifteen facilities would be approximately \$834,906 each year (systemwide annual savings of \$5,900,000 divided by 106 facilities X 15 facilities). It is assumed these cost savings would be used to remunerate the vendor.

TDCJ reports that oversight of the installation and maintenance of the devices would be accomplished with existing staff and resources. To the extent that the savings on water costs exceed payments to the vendor, the bill would result in cost savings to the State.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 696 Department of Criminal Justice

LBB Staff: JOB, KJG, VDS, AM