

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**March 30, 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.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2905, As Introduced: a negative impact of (\$8,400,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	(\$4,200,000)
2007	(\$4,200,000)
2008	(\$4,200,000)
2009	(\$4,200,000)
2010	(\$4,200,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable (Cost) from GENERAL REVENUE FUND 1</b>	<b>Change in Number of State Employees from FY 2005</b>
2006	(\$4,200,000)	106.0
2007	(\$4,200,000)	106.0
2008	(\$4,200,000)	106.0
2009	(\$4,200,000)	106.0
2010	(\$4,200,000)	106.0

**Fiscal Analysis**

The bill would amend the Government Code to include a requirement that the Texas Department of Criminal Justice (TDCJ) contract with a private provider to install electronic water conservation devices for toilets, sinks and showers in all correctional facilities. The bill would take effect immediately if receiving a vote of two-thirds of all members elected to each house, or September 1, 2005.

**Methodology**

TDCJ reports that one new full-time position would be required at each correctional unit receiving the water conservation devices. The new position would be required to manage and oversee the logistics of the installations, including planning access for vendor staff, maintaining segregation of inmates and

vendor staff, and planning bed space and security for inmates moved from installation areas. Following the installation, one full-time position per unit would be required to monitor and maintain the electronic water conservation devices. The annual cost of \$4,200,000 is calculated by multiplying the number of units, 106, by the estimated cost of the full-time employee salary and benefits, \$39,623.

Based on a pilot project at the Ferguson Unit, TDCJ estimates the cost of the 127,000 electronic water conservation devices and their installation would be approximately \$34,000,000. Assuming the 50 percent savings that the bill mandates, this would save TDCJ \$5,900,000 annually in water expenses. If the vendor was paid for the devices from this annual savings, the vendor would not be fully reimbursed for the devices until the sixth year of payments.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 696 Department of Criminal Justice

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