

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 14, 2011

TO: Honorable Bill Callegari, Chair, House Committee on Government Efficiency & Reform

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

IN RE: HB2865 by Harper-Brown (Relating to the management of the state vehicle fleet.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2865, As Introduced: a negative impact of (\$2,069,000) through the biennium ending August 31, 2013.

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
2012	(\$1,600,000)
2013	(\$469,000)
2014	(\$469,000)
2015	(\$469,000)
2016	(\$469,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2012	(\$1,600,000)
2013	(\$469,000)
2014	(\$469,000)
2015	(\$469,000)
2016	(\$469,000)

Fiscal Analysis

The bill would require the Comptroller of Public Accounts (CPA) to develop a centralized statewide vehicle fleet management system, including: vehicle acquisition and maintenance; fueling operations; inventory management; and vehicle disposal. The bill would authorize the CPA to negotiate a contract with a private vendor to outsource one or more of the required functions or related software and services.

The bill would repeal several sections of Government Code related to state vehicle fleet management reporting requirements, maintenance activities, vehicle assignment, and application to institutions of higher education.

The provisions of the bill would take effect September 1, 2011.

Methodology

The Comptroller of Public Accounts reported that a contract with a private vendor would be necessary to fulfill the requirements of the bill's provisions. The CPA estimates costs associated with contract development, system implementation, and ongoing maintenance.

This analysis assumes that centralization of the state's vehicle fleet would result in an indeterminate level of operational savings and process efficiencies. The extent of such savings cannot be determined because the structure of future centralization efforts is undefined.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KM, JI, KY