

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 21, 2013

TO: Honorable Judith Zaffirini, Chair, Senate Committee On Government Organization

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB794 by Lucio (Relating to the development, hosting, and management of computer software for state agencies.), **Committee Report 1st House, Substituted**

Due to a lack of comprehensive data on the affected agencies, institutions, and courts, the fiscal implications of the bill cannot be determined at this time.

The bill would amend Chapter 2054 of the Government Code to require the Department of Information Resources (DIR) to provide for the coordinated development, hosting, and management of computer software for state agencies (including the judiciary, legislative agencies and institutions of higher education).

It is assumed that implementation of the bill would require transfer of information technology (IT) staff, software and equipment from agencies and institutions of higher education to DIR. The costs for consolidating IT staff and equipment centrally at DIR cannot currently be estimated. Amounts reported for IT-related expenses by agencies in the most recent Biennial Operating Plan (BOP) indicate an estimated total cost of \$3.3 billion for all methods of finance for the 2012-13 biennium. This figure does not include costs for certain judicial agencies, any legislative agency, and IT related capital budget projects for institutions of higher education. It is assumed that the method of finance for the transferred IT operations would be General Revenue at DIR and there would be a General Revenue cost for IT operations and projects currently funded through general revenue dedicated, federal and other funds (\$2.1 billion of the total \$3.3 billion reported in the BOP). In addition, any future savings from the consolidation of IT operations cannot be estimated at this time.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 313 Department of Information Resources

LBB Staff: UP, KJo, EP, LCO