

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 31, 2019

TO: Honorable Dade Phelan, Chair, House Committee on State Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB2884 by Miller (Relating to statewide technology centers and cloud computing services.), **As Introduced**

The services and costs for the services that agencies would select to directly provision through cloud service providers is unknown. The fiscal implications of the bill cannot be determined at this time.

The bill would amend Subchapter L, Chapter 2054, Government Code, relating to statewide technology centers or the Department of Information Resources' (DIR) data center services (DCS) program. The bill would specify that agencies have a choice in determining whether to utilize a cloud service provider and/or the statewide technology centers.

The bill would authorize a cloud service provider, in addition to DIR, to manage the operations of statewide technology centers to provide services to two or more state agencies.

The bill would require a state agency that DIR considers for participation in the DCS program to conduct a cost and requirements analysis to determine the agency's information resources needs and to consider using a cloud computing service.

The bill would repeal language in Subchapter L pertaining to the DIR's executive director approval of state agencies' expenditures and use of services other than services provided through the DCS program.

The fiscal impact of the bill's provisions cannot be estimated at this time. The overall impact to the DCS program is unclear. However, this analysis assumes that agencies that are currently required to use the DCS program have the option to seek a waiver from DIR to directly procure and contract for cloud services. Agencies that are not required to participate in the DCS program can utilize either the DCS program or a cloud service provider as identified in the bill. The services and costs for the services that agencies would select to provision through cloud service providers is unknown. It is also unknown the extent to which agencies that currently utilize services, including public cloud services, provided through the DCS program, would migrate services to a cloud service provider directly contracted by the agency.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 306 Library & Archives Commission, 307 Secretary of State, 313 Department of Information Resources, 320 Texas Workforce Commission, 452 Department of Licensing and Regulation, 455 Railroad Commission, 529 Health and Human Services Commission, 696 Department of Criminal Justice, 802 Parks and Wildlife Department

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