

UNSOLICITED
EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: May 1, 2017

Agency Submitting: Department of Administration

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

EITS anticipates a fiscal impact in future biennia resulting from the passage of AB302 (First Reprint), which upon passage will become effective July 1, 2019.

The Department of Public Safety (DPS), which currently includes the Division of Parole and Probation (P&P), receives and pays for information technology services provided by EITS. The EITS services provided include: 24/7 Helpdesk (P&P utilizes 1/3 of DPS services) Desktop and local area network (LAN) support (P&P utilizes 25%) managing the OTIS project programming, development and project management (P&P utilizes 25%). The EITS rates calculated FY17 and FY18, are based upon the 536 P&P employees remaining in DPS for 2017-19 biennium, as AB302 would not become effective until 7/1/19.

If on 7/1/19 the 536 P&P employees are transferred from DPS to the Department of Corrections (DOC) under AB302, DOC (which has its own IT division) may absorb the 24X7 Help Desk and Desktop Support functions for FY20. If so the removal of these 536 P&P employees from EITS rate base will likely result in an EITS rate increase in future biennia and/or require the elimination of EITS positions. However DPS P&P's fiscal note for this bill states that "it is imperative that EITS continues to support OITS in future biennia" if so EITS would expect to bill DOC/P&P for such IT services in future biennia. If EITS is to continue to support DOC/P&P the same as it has DPS/P&P, then DOC/P&P will be an EITS Agency IT customer subject to EITS' rates.

Based on further discussion with DOC to verify plans under AB302, they have no intention of cancelling any EITS services in FY20/21 and if it were to change it would be FY22/23.

Additionally, many of the EITS staff supporting P&P in Las Vegas are physically stationed within a DPS facility (which EITS pays rent), there would be a fiscal impact to EITS for the cost of relocating employees if required top due to the change.

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