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FISCAL IMPACT REPORT

SPONSOR Ogle DATE TYPED 1/29/04 HB 188

SHORT TITLE Information Technology Asset Inventory SB _____

ANALYST Paz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$350.0			Non-recurring	General Fund
			\$35.0-\$52.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Response Received From
Office of the Chief Information Officer

SUMMARY

Synopsis of Bill

House Bill 188 appropriates \$350 thousand from the general fund to the Office of the Chief Information Officer to procure a statewide information technology asset management system.

An information technology asset management system will enable the state to compile a summary of key software applications and hardware that support agency programs.

Significant Issues

Currently, the state lacks an automated mechanism for compiling an inventory of key information technology systems across all agencies. The only source of this information is manually documented within agency information technology plans.

The Office of the Chief Information Officer is responsible for publishing a state information architecture by May 1, 2004. A key component of this architecture is an inventory of key targeted information technology systems that are candidates for consolidation.

The first step towards defining where the state wants to go with information technology is to know what the state currently owns.

Purchase of a stand alone information technology asset management system may result in a duplication of resources. A project to implement an enterprise financial accounting system will contain modules that provide asset management.

FISCAL IMPLICATIONS

The appropriation of \$350 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2005 shall revert to the general fund.

Ongoing software and hardware maintenance is typically estimated at 10% to 15% of original cost. This could result in an annual recurring cost to the operating budget of the OCIO of \$35 to \$52 thousand.

ADMINISTRATIVE IMPLICATIONS

The bill requires coordination with the information technology groups at all large agencies to utilize an asset management system once this system is installed and put into operation.

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