House Bill 3564

Sponsored by Representative HARKER; Representatives HUFFMAN, NATHANSON, J SMITH

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Establishes Governor's Office of Information Technology and specifies powers, responsibilities and duties of office.

Transfers responsibility for coordinating information technology portfolio management and other statewide information technology development and implementation from Oregon Department of Administrative Services to office.

Becomes operative January 1, 2012.

Declares emergency, effective on passage.

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- 2 Relating to the creation of a Governor's Office of Information Technology; creating new provisions; 3 amending ORS 171.855, 181.715, 182.128, 184.475, 184.477 and 291.038; and declaring an emer-4 gency.
 - Be It Enacted by the People of the State of Oregon:
- 6 <u>SECTION 1.</u> (1) The Governor's Office of Information Technology is established within the office of the Governor.
 - (2) The Governor's Office of Information Technology shall:
 - (a) Establish a project management framework and methodology that is based on a project management body of knowledge for state government and agencies of state government to use in procuring and implementing information technology projects.
 - (b) Develop and implement a process to ensure accountability from contractors and vendors that provide goods and services related to information technology projects.
 - (c) Create a division for the purpose of managing and tracking state agency information technology projects as a portfolio and giving the information technology projects needed visibility and priority.
 - (d) Develop or acquire suitable project portfolio management software necessary to perform the functions specified in paragraph (c) of this subsection.
 - (e) Develop and implement a cost tracking methodology for state information technology expenditures at all levels of size or complexity.
 - (f) Develop guidelines and model policy directives for state government and state agencies to use to clearly define success and ensure accountability for information technology projects.
 - (g) Adopt rules that require state government and state agencies to:
 - (A) Clearly define project success criteria and standards for accountability before implementing an information technology project.
 - (B) Define success criteria and ensure project performance according to accountability standards that are based on the guidelines and model policy directives developed under par-

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agraph (f) of this subsection.

- (C) Use post-implementation reviews to demonstrate project success and adherence to accountability standards with respect to project performance, funding and resources provided.
- (D) Report the results of the review to the Director of the Governor's Office of Information Technology, to the Director of the Oregon Department of Administrative Services, to the administrator of the state agency that conducted the information technology project and to the Legislative Assembly.
- (E) Transfer funds budgeted to monitor quality assurance vendors in each information technology project with a contract price that exceeds \$250,000 to the Oregon Department of Administrative Services for the department to use to manage quality assurance oversight functions for the project through the Enterprise Information Strategy and Policy Division of the department.
- (h) Define requirements for when an information technology project requires a quality assurance contractor, what levels of funding are necessary for each project's size, type and complexity and other requirements to ensure that each project has an adequate amount of funding dedicated to quality assurance.
- (i) Adopt rules that require state government and state agencies that implement an information technology project with a contract price that exceeds \$1 million to release funds to contractors on a controlled basis, at clearly defined milestones and with adequate accountability.
- (j) Train employees of the Oregon Department of Administrative Services and state agencies that implement information technology projects in:
 - (A) Project management;
 - (B) Cost estimation;
 - (C) Requirements definition;
 - (D) Scope management; and
- (E) Other skills that enable department and state agency employees to manage information technology projects within a project framework.
- <u>SECTION 2.</u> (1) The Governor's Office of Information Technology shall develop and each biennium provide the Legislative Assembly a detailed plan, budget and staffing requirements for implementing the office's responsibilities under section 1 of this 2011 Act.
- (2) The office shall report on the results of the office's implementation of the office's responsibilities under section 1 of this 2011 Act each year on the date of the convening of the regular session of the Legislative Assembly as specified in ORS 171.010.
- (3) The office shall make recommendations for changes in the provisions of this section and sections 1, 3, 5, 6 and 7 of this 2011 Act on the basis of a business case and value proposition the office develops.
- <u>SECTION 3.</u> (1) The Governor's Office of Information Technology is under the supervision and control of a director, who is responsible for exercising the duties, functions and powers of the office.
- (2) The Governor shall appoint the State Chief Information Officer as the Director of the Governor's Office of Information Technology. The director holds the position of director at the pleasure of the Governor.
 - (3) The director shall be paid a salary as provided by law or, if not so provided, as pre-

scribed by the Governor.

- (4) For purposes of administration, subject to the approval of the Governor, the director may organize and reorganize the office as the director considers necessary to properly conduct the work of the office.
- (5) The director may divide the functions of the office into administrative divisions. Subject to the approval of the Governor, the director may appoint an individual to administer each division. The administrator of each division serves at the pleasure of the director and is not subject to the provisions of ORS chapter 240. An individual appointed under this subsection must be well qualified by technical training and experience in the functions the individual is responsible for performing.

<u>SECTION 4.</u> The appointment of the Director of the Governor's Office of Information Technology is subject to confirmation by the Senate in the manner prescribed in ORS 171.562 and 171.565.

- SECTION 5. (1) The Director of the Governor's Office of Information Technology shall, by written order filed with the Secretary of State, appoint a deputy director. The deputy director serves at the pleasure of the director, has authority to act for the director in the absence of the director and is subject to the control of the director at all times.
- (2) Subject to applicable provisions of ORS chapter 240, the director shall appoint subordinate officers and employees of the Governor's Office of Information Technology, prescribe the officers' and employees' duties and fix the officers' and employees' compensation.
- <u>SECTION 6.</u> In accordance with applicable provisions of ORS chapter 183, the Director of the Governor's Office of Information Technology may adopt rules necessary to administer the laws that the Governor's Office of Information Technology is charged with administering.
- SECTION 7. (1) To aid and advise the Director of the Governor's Office of Information Technology in performing the functions of the Governor's Office of Information Technology, the director may establish advisory and technical committees that the director considers necessary. The committees may be continuing or temporary. The director shall determine the representation, membership, terms and organization of the committees and shall appoint the members of the committees. The director is an ex officio member of each committee.
- (2) Members of the committees are not entitled to compensation, but in the discretion of the director may be reimbursed from funds available to the office for actual and necessary travel and other expenses the members incur in performing the members' official duties in the manner and amount provided in ORS 292.495.

SECTION 8. ORS 171.855 is amended to read:

- 171.855. The Joint Legislative Committee on Information Management and Technology shall:
- (1) Establish statewide goals and policy regarding information systems and technology, including telecommunications.
 - (2) Conduct studies of information management and technology efficiency and security.
- (3) Review the activities of the [Oregon Department of Administrative Services, Information Resources Management Council] Governor's Office of Information Technology.
- (4) Make recommendations regarding established or proposed information resource management programs and information technology acquisitions.

SECTION 9. ORS 181.715 is amended to read:

181.715. (1) The Department of State Police or another criminal justice agency designated by the Director of the [Oregon Department of Administrative Services] Governor's Office of Information

- **Technology** shall operate a Criminal Justice Information Standards program that coordinates information among state criminal justice agencies. The program shall:
- (a) Ensure that in developing new information systems, data can be retrieved to support evaluation of criminal justice planning and programs, including, but not limited to, the ability of the programs to reduce future criminal conduct;
 - (b) Ensure that maximum effort is made for the safety of public safety officers;
- (c) Establish methods and standards for data interchange and information access between criminal justice information systems, in compliance with the technology standards and policies of the [Oregon Department of Administrative Services] Governor's Office of Information Technology;
 - (d) Design and implement improved applications for exchange of agency information; and
 - (e) Implement the capability to exchange images between criminal justice agencies.
- (2) The program shall develop a plan to accelerate data sharing and information integration among criminal justice agencies. The plan shall include, but is not limited to, priorities, timelines, development costs, resources needed, the projected ongoing cost of support, critical success factors and any known barriers to accomplishing the plan. Representatives of criminal justice agencies and public safety agencies, including but not limited to local law enforcement agencies, courts of criminal jurisdiction, district attorneys, city attorneys with criminal prosecutive functions, public defender organizations established under ORS chapter 151, community corrections directors, jail managers and county juvenile departments, shall be invited to participate in the planning process. The program shall present the plan to the Director of the [Oregon Department of Administrative Services] Governor's Office of Information Technology no later than May 30 of each evennumbered year for development of the Governor's budget report. The program shall submit the plan to the Joint Legislative Committee on Information Management and Technology no later than December 31 of each even-numbered year.
- (3) Notwithstanding the meaning given "criminal justice agency" in ORS 181.010, as used in this section and ORS 181.720, "criminal justice agency" includes, but is not limited to:
 - (a) The Judicial Department;
- (b) The Attorney General;

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- (c) The Department of Corrections;
- (d) The Department of State Police;
- 31 (e) Any other state agency with law enforcement authority designated by order of the Governor;
- 32 (f) The Department of Transportation;
- 33 (g) The State Board of Parole and Post-Prison Supervision;
 - (h) The Department of Public Safety Standards and Training;
 - (i) The State Department of Fish and Wildlife;
- 36 (j) The Oregon Liquor Control Commission;
- 37 (k) The Oregon Youth Authority; and
- 38 (L) The State Commission on Children and Families.
- 39 **SECTION 10.** ORS 182.128 is amended to read:
 - 182.128. (1) There is created the Electronic Government Portal Advisory Board consisting of 13 members appointed as follows:
- 42 (a) The President of the Senate shall appoint two nonvoting members from among members of 43 the Senate.
- 44 (b) The Speaker of the House of Representatives shall appoint two nonvoting members from 45 among members of the House of Representatives.

1 (c) The Governor shall appoint:

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- 2 (A) Three members who represent state agencies;
- 3 (B) Two members who represent the public; [and]
- (C) One member who attends a school, community college or university in this state[.]; and
- (D) The Director of the Governor's Office of Information Technology.
- 6 (d) The Director of the Oregon Department of Administrative Services shall appoint [two mem-7 bers as follows:]
 - [(A) The State Chief Information Officer; and]
- 9 [(B)] a representative of the Oregon Department of Administrative Services.
- 10 (e) The State Treasurer shall appoint one member who represents the State Treasurer.
- 11 (2) Members of the Legislative Assembly who are members of the advisory board are nonvoting 12 members and may act only in an advisory capacity.
 - (3) The advisory board shall:
 - (a) Advise the Oregon Department of Administrative Services concerning:
- 15 (A) The development of electronic government portals for the department and other state agen-16 cies;
 - (B) The amount, collection methods or other aspects of a convenience fee that the department or an electronic government portal provider collects;
 - (C) The priority of new governmental service applications that may be provided by means of an electronic government portal;
 - (D) Terms and conditions of contracts between state agencies and electronic government portal providers; and
 - (E) Rules necessary to implement electronic government portals.
 - (b) Monitor the layout, content and usability of electronic government portals and advise the department on ways to improve the delivery of government services by means of electronic government portals, the accountability of state agencies' use of electronic government portals to provide government services and user satisfaction with electronic government portals.
 - (c) Study, propose, develop or coordinate activities that:
 - (A) Consider the needs of residents of this state;
 - (B) Evaluate the performance and transparency of state agency delivery of government services; and
 - (C) Further the effectiveness of and user satisfaction with:
 - (i) Electronic government portals; and
 - (ii) State agencies' performance and accountability in the use of electronic government portals to provide government services.
- 36 (4) A majority of the members of the advisory board constitutes a quorum for the transaction of business.
- 38 (5) Official action by the advisory board requires the approval of a majority of the members of 39 the advisory board.
- 40 (6) The advisory board shall elect one of the members of the advisory board to serve as chair-41 person.
 - (7) If a vacancy on the advisory board occurs for any cause, the appointing authority shall make an appointment to become immediately effective.
 - (8) The advisory board shall meet at times and places specified by the call of the chairperson or of a majority of the members of the advisory board.

- (9) The advisory board may adopt rules necessary for the operation of the advisory board.
- (10) The Oregon Department of Administrative Services shall provide staff support to the advisory board.
- (11) Members of the advisory board who are not members of the Legislative Assembly are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses the members incur in the performance of the members' official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions of the advisory board shall be paid out of funds appropriated to the Oregon Department of Administrative Services for purposes of the advisory board.
- (12) All state agencies shall assist the advisory board in the advisory board's performance of the advisory board's duties and, to the extent permitted by laws relating to confidentiality, to furnish information and advice as the members of the advisory board consider necessary to perform the duties of the advisory board.

SECTION 11. ORS 184.475 is amended to read:

184.475. (1) The purposes of information technology portfolio-based management are to:

- (a) Ensure that state agencies link [their] the state agencies' information technology investments with business plans;
 - (b) Facilitate risk assessment of information technology projects and investments;
- (c) Ensure that state agencies justify information technology investments on the basis of sound business cases;
- (d) Ensure that state agencies facilitate development and review of information technology performance related to business operations;
 - (e) Identify projects that can cross agency and program lines to leverage resources; and
- (f) Assist in state government-wide planning for common, shared information technology infrastructure.
- (2) [The Oregon Department of Administrative Services] Subject to section 1 of this 2011 Act, the Governor's Office of Information Technology shall integrate state agency strategic and business planning, technology planning and budgeting and project expenditure processes into the [department's] office's information technology portfolio-based management.
- (3) In cooperation with state agencies, the [department] office shall conduct and maintain a continuous inventory of each state agency's current and planned investments in information technology, a compilation of information about those assets and the total life cycle cost of those assets. Subject to section 1 of this 2011 Act, the [department] office shall develop and implement state government-wide standards, processes and procedures for [the required inventory and for the management of] taking inventory of and managing the state government-wide information technology portfolio. State agencies shall participate in the information technology portfolio-based management and shall comply with the standards, processes and procedures the office establishes [established by the department] under this subsection. The provisions of this subsection do not relieve [any] a state agency from accountability for equipment, materials, supplies and tangible and intangible personal property under [its] the agency's control.
- (4) The [department] office shall ensure that state agencies implement portfolio-based management of information technology resources in accordance with this section, with section 1 of this 2011 Act and with rules [adopted by] the Director of the Governor's Office of Information Technology and the Director of the Oregon Department of Administrative Services adopt under this section and under section 1 of this 2011 Act.

- (5) This section does not apply to competitive research grants and contracts at institutions of higher education listed in ORS 352.002.
- (6) In implementing the provisions of this section, the [department] office shall submit state government-wide policies for review to the Joint Legislative Committee on Information Management and Technology.

SECTION 12. ORS 184.477 is amended to read:

- 184.477. (1) The purpose of enterprise management is to create a plan and implement a state government-wide approach for managing distributed information technology assets to minimize total ownership costs from acquisition through retirement, while realizing maximum benefits for transacting the state's business and delivering services to its citizens.
- (2) With input and recommendations from state agencies, and subject to section 1 of this 2011 Act, the [Oregon Department of Administrative Services] Governor's Office of Information Technology shall develop a plan for the state government-wide management of distributed information technology assets. The plan shall prescribe the state government-wide infrastructure and services for managing these assets. The office shall submit the plan [shall be submitted] to the Joint Legislative Committee on Information Management and Technology for review.
- (3) Following review by the Joint Legislative Committee on Information Management and Technology, the [department] office shall ensure state agency implementation of the plan, including the development of appropriate standards, processes and procedures.
- (4) State agencies shall participate in the enterprise management of information technology assets and shall comply with the standards, processes and procedures of the [department] office.
- (5) This section does not apply to competitive research grants and contracts at institutions of higher education listed in ORS 352.002.

SECTION 13. ORS 291.038 is amended to read:

- 291.038. (1) [The planning, acquisition, installation and use of all information and telecommunications technology by state government and agencies of state government shall be coordinated so that statewide plans and activities, as well as those of individual agencies, are addressed in the most integrated, economic and efficient manner. To provide policy direction for and coordination of information technology for state government, the Director of the Oregon Department of Administrative Services shall chair and appoint not fewer than five agency executives to an Information Resources Management Council. The council membership shall include at least two members who represent the private sector and political subdivisions of the state.] The Governor's Office of Information Technology shall coordinate planning, acquisition, installation and use of information technology by state government and agencies of state government in accordance with the provisions of section 1 of this 2011 Act.
- (2) [To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the Oregon Department of Administrative Services] Subject to section 1 of this 2011 Act, the office shall adopt rules, policies and standards to plan for, acquire, implement and manage the state's information resources. In developing rules, policies and standards, the [department] office shall consult with state agencies that have needs that information resources may satisfy. State agencies shall cooperate with the [department] office in preparing and complying with rules, policies and standards. The rules, policies and standards must be formulated to promote electronic communication and information sharing among state agencies and programs, between state and local governments and with the public where appropriate.
 - (3) Subject to section 1 of this 2011 Act, the office shall formulate rules, policies, plans,

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standards and specifications [must be formulated] to ensure that information resources fit together in a statewide system capable of providing ready access to information, computing or telecommunication resources. Plans and specifications the [department] office adopts must be based on industry standards for open systems to the greatest extent possible. Before adopting rules described in subsection (2) of this section, the [department] office shall present the proposed rules to the appropriate legislative committee. The [department] office has the responsibility to review, oversee and ensure that state agencies' planning, acquisition and implementation activities align with and support the statewide information resources management plan. The [department] Oregon Department of Administrative Services is responsible for procuring information technology fairly, competitively and in a manner that is consistent with the department's rules.

- (4)(a) The policy of the State of Oregon is that state government telecommunications networks should be designed to provide state-of-the-art services where economically and technically feasible, using shared, rather than dedicated, lines and facilities.
- (b) The department shall, when procuring telecommunications network services, consider achieving the economic development and quality of life outcomes set forth in the Oregon benchmarks.
- (5)(a) The department, upon request, may furnish and deliver statewide integrated videoconferencing and statewide online access service to a public or private entity that primarily conducts activities for the direct good or benefit of the public or community at large in providing educational, economic development, health care, human services, public safety, library or other public services. The department shall adopt rules with respect to furnishing the service.
- (b) The department shall establish the statewide integrated videoconferencing and statewide online access user fees, services, delivery, rates and long range plans in consultation with the Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the department's cost in providing the service.
- (c) The department by rule shall restrict the department's furnishing or delivery of Internet access service to private entities when the service would directly compete with two or more local established providers of Internet access services within the local exchange telecommunications service area.
- (d) The rates and services established and provided under this section are not subject to the Public Utility Commission's regulation or authority.
- (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine members appointed by the Director of the Oregon Department of Administrative Services. In making appointments, the director shall give consideration to geographic balance and adequate representation of the department's users and providers and the general public.
- (b) The committee must consist of members who represent elementary or secondary education, higher education, community colleges, economic development, health care, human services and public safety. At least four members must reside in areas east of the Cascade Mountains.
- (c) The term of office of each member is three years, but a member serves at the sole discretion of the director. The director shall appoint a successor to a member before the member's term expires. A member is eligible for reappointment. If a position on the committee is vacant for any cause, the director shall make an appointment to the position that is immediately effective for the unexpired term.
- (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members of the committee are not entitled to compensation.

- (e) The director may establish additional advisory and technical committees as the director considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of the committee's functions.
- (f) The director may transfer or delegate to the [State Chief Information Officer] Director of the Governor's Office of Information Technology a duty, function or power that this subsection imposes upon the Director of the Oregon Department of Administrative Services.
- (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public or community at large in providing educational, economic development, health care, human services, public safety, library or other public services and have formed an affiliation with one or more federal, state or local governmental units within this state may apply to the department for designation as a community of interest. The application must be in the form prescribed by the department and contain information regarding the governmental affiliation relationship, the tax exempt status of each organization and the public benefit services to be provided. The department shall establish an application review and appeal process to ensure that designating the organizations as a community of interest for the purposes of including the organization in telecommunications contracts under ORS 283.520 will result in providing educational, medical, library or other services for public benefit.
- (8) This section does not apply to the State Board of Higher Education or [any] a state institution of higher education within the Oregon University System.
 - (9) As used in this section:

- (a) "Information resources" means media, instruments and methods for planning, collecting, processing, transmitting and storing data and information, including telecommunications.
- (b) "Information technology" includes, but is not limited to, present and future forms of hardware, software and services for data processing, office automation and telecommunications.
- (c) "Internet access service" means electronic connectivity to the Internet and the services of the Internet.
- (d) "Open systems" means systems that allow state agencies freedom of choice by providing a vendor-neutral operating environment where different computers, applications, system software and networks operate together easily and reliably.
- (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute digital communication signals that transmit voice, data, video and images over a distance.
- (f) "Telecommunications" means hardware, software and services for transmitting voice, data, video and images over a distance.
- (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of transmitting video, voice and data communications.
- (h) "Statewide online access" means electronic connectivity to information resources such as computer conferencing, electronic mail, databases and Internet access.
- <u>SECTION 14.</u> (1) Sections 1 to 7 of this 2011 Act and the amendments to ORS 171.855, 181.715, 182.128, 184.475, 184.477 and 291.038 by sections 8 to 13 of this 2011 Act become operative on January 1, 2012.
- (2) The Governor, the Director of the Oregon Department of Administrative Services and the administrative officers of state agencies that have responsibility for planning and implementing information technology projects may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the Governor, the director or the administrative officer to exercise, on and after the operative date specified in

subsection (1) of this section, all of the duties, functions and powers conferred on the Gov-
ernor, the director or the administrative officer by sections 1 to 7 of this 2011 Act and the
amendments to ORS 171.855, 181.715, 182.128, 184.475, 184.477 and 291.038 by sections 8 to 13
of this 2011 Act.

<u>SECTION 15.</u> This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.