

STAFF MEASURE SUMMARY**House Committee On Consumer Protection and Government Effectiveness****Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Action Date:** 04/16/15**Action:** Do Pass With Amendments, Be Printed Engrossed And Be Referred To Ways And Means By Prior Reference.**Meeting Dates:** 04/07, 04/16**Vote:**

Yeas: 7 - Buehler, Fagan, Holvey, McLain, Nearman, Rayfield, Stark

Prepared By: Wendy Simons, Committee Administrator

WHAT THE MEASURE DOES:

Provides that State Chief Information Officer (CIO) is the primary advisor to the Governor on information technology (IT) and telecommunications. Transfers authority for IT policy, including planning, rulemaking, and standard setting, from Department of Administrative Services to State CIO. Provides authority for State CIO to review IT solicitation documents and all IT procurements over \$1 million, and to direct state agencies to include State CIO as contracting party on behalf of state. Provides authority for State CIO to stop or modify implementation or cancel contract for IT projects over \$1 million.

ISSUES DISCUSSED:

- Whether State CIO should continue to be housed within DAS or should be a separate agency directly reporting to the Governor
- Effects of high turnover rate in State CIO position over past two decades
- Introduction of “stage-gate” system to spot failing IT projects earlier, make it easier to remedy problems
- Separation of the State CIO’s responsibility for IT oversight and planning functions from responsibility for IT operations and procurement on the part of DAS and state agencies
- Status of plans to replace outdated software for core state government systems
- Major state IT projects currently under way

EFFECT OF COMMITTEE AMENDMENT:

Deletes provisions creating Office of the State CIO as a separate executive branch agency. Deletes provisions transferring IT operations and procurement to State CIO. Provides that DAS must conduct IT operations and procurement in a manner consistent with State CIO plans, policies and standards. Expands State CIO role in IT procurement.

BACKGROUND:

The Department of Administrative Services (DAS) supports other state agencies by providing a variety of centralized and shared services, including human resources support, printing, leasing property and administering the state government motor pool. Most functions of state government relating to information technology (IT), geographic information systems and telecommunications are currently housed within DAS, with responsibility for planning, policy and rulemaking related to these functions given to the State Chief Information Officer (CIO) by the Legislative Assembly in House Bill 3258 (2013). The State CIO is appointed by the Governor and housed within DAS.

Under House Bill 3099-A, DAS retains responsibility for statewide IT and telecommunications operations and services, while state agencies continue to provide their own IT services. Likewise, DAS and the agencies retain responsibility for IT procurement. However, the bill provides for increased oversight by the State CIO over operations and procurement, including the discretion to review solicitation documents and direct agencies to include the State CIO as a contracting party on IT contracts. Furthermore, the State CIO is authorized to call for cure on contracts experiencing problems and must approve all IT contracts over \$1 million.