

SB 87 A STAFF MEASURE SUMMARY**Carrier:** Rep. Gomberg**Joint Committee On Ways and Means****Action Date:** 05/26/17**Action:** Do Pass the A-Eng bill.**House Vote****Yeas:** 9 - Gomberg, Holvey, Huffman, Nathanson, Rayfield, Smith Warner, Stark, Whisnant, Williamson**Exc:** 2 - McLane, Smith G**Senate Vote****Yeas:** 11 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Thomsen, Winters**Exc:** 1 - Steiner Hayward**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Sean McSpaden, Budget Analyst**WHAT THE MEASURE DOES:**

Allows State Chief Information Officer (CIO) to relieve state contracting agencies and public corporations from obligation to obtain quality management services when implementing information technology initiatives in excess of \$5 million, and permits State CIO to require such services for information technology initiatives under \$5 million. Requires State CIO to submit a report to Legislative Fiscal Officer by December 31 of each year that identifies information technology initiatives for which the value exceeds \$5 million and State CIO determines that quality management services are not necessary. Applicable to advertised information technology initiatives, and to unadvertised information technology initiatives implemented on or after the effective date.

ISSUES DISCUSSED:

- Provisions of the measure
- Dollar thresholds for requiring quality management services
- Other rationale for requiring quality management services
- Benefits of and rationale for the measure
- State CIO's role in and accountability for granting exceptions
- State CIO reporting requirements to the Legislative Fiscal Officer
- Oversight and use of cloud computing services
- Relationship between the SB 87 and other measures under consideration by the 2017 Legislature

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Current law, ORS 291.035, requires state contracting agencies and public corporations to obtain quality management services from qualified contractors when they implement information technology initiatives in excess of \$5 million, or that meet standards set by the State Chief Information Officer. Some information technology initiatives in excess of \$5 million are lower risk initiatives that could be overseen effectively by internal staff within the office of the State CIO at lower cost. Conversely, some information technology initiatives with estimated costs under \$5 million have higher risks that may warrant the use of independent quality management services. SB 87 permits the State Chief Information Officer to exercise discretion, to relieve entities from obtaining quality management services for initiatives in excess of \$5 million, or to require such services for initiatives under \$5 million.