

By: Isett, Swinford

H.B. No. 1516

A BILL TO BE ENTITLED

AN ACT

relating to the Department of Information Resources' management of state electronic services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. STATE ELECTRONIC PROJECTS

SECTION 1.01. Subchapter C, Chapter 2054, Government Code, is amended by adding Section 2054.0565 to read as follows:

Sec. 2054.0565. USE OF CONTRACTS BY OTHER GOVERNMENTAL ENTITIES. (a) The department may include terms in a procurement contract entered into by the department, including a contract entered into under Section 2157.068, that allow the contract to be used by another state agency, a political subdivision of this state, or a governmental entity of another state.

(b) A political subdivision that purchases an item or service using a contract under this section satisfies any other law requiring the political subdivision to seek competitive bids for that item or service.

SECTION 1.02. Section 2054.071, Government Code, is amended to read as follows:

Sec. 2054.071. IDENTITY OF MANAGER; CONSOLIDATION. (a) The individual required to sign a state agency's strategic plan under Subchapter E, or that individual's designated representative, shall serve as the agency's information resources manager.

1 (b) A representative designated under Subsection (a) may be
2 designated to serve as a joint information resources manager by two
3 or more state agencies. The department must approve the joint
4 designation.

5 SECTION 1.03. Section 2054.074, Government Code, is amended
6 to read as follows:

7 Sec. 2054.074. RESPONSIBILITY TO PREPARE OPERATING PLANS.

8 (a) The information resources manager shall prepare the biennial
9 operating plans under Subchapter E.

10 (b) A joint information resources manager may, to the extent
11 appropriate, consolidate the operating plans of each agency for
12 which the manager serves under Section 2054.071.

13 SECTION 1.04. Section 2054.096, Government Code, is amended
14 by adding Subsection (c) to read as follows:

15 (c) Each state agency, other than an institution of higher
16 education, shall use state commodity hardware configurations as a
17 part of the agency's planning under this section. The department
18 shall specify the state commodity hardware configurations in its
19 instructions for the preparations of agency strategic plans.

20 SECTION 1.05. Subchapter E, Chapter 2054, Government Code,
21 is amended by adding Section 2054.1015 to read as follows:

22 Sec. 2054.1015. PLANNED PROCUREMENT SCHEDULES FOR
23 COMMODITY ITEMS. (a) In this section:

24 (1) "Commodity items" has the meaning assigned by
25 Section 2157.068.

26 (2) "State agency" does not include an institution of
27 higher education.

1 (b) A state agency must provide a planned procurement
2 schedule for commodity items to the department before the agency's
3 operating plan may be approved under Section 2054.102.

4 (c) The department shall use information contained in the
5 schedules to plan future vendor solicitations of commodity items.

6 (d) A state agency shall notify the department, the
7 Legislative Budget Board, and the state auditor's office if the
8 agency makes a substantive change to a planned procurement schedule
9 for commodity items.

10 SECTION 1.06. Chapter 2054, Government Code, is amended by
11 adding Subchapter J to read as follows:

12 SUBCHAPTER J. TEXAS PROJECT DELIVERY FRAMEWORK

13 Sec. 2054.301. APPLICABILITY. This subchapter applies only
14 to a major information resources project.

15 Sec. 2054.302. GUIDELINES; FORMS. (a) A state agency shall
16 prepare each document required by this subchapter in a manner
17 consistent with department guidelines.

18 (b) The department, in consultation with the Legislative
19 Budget Board and state auditor's office, shall develop and provide
20 guidelines and forms for the documents required by this subchapter.

21 (c) The department shall work with state agencies in
22 developing the guidelines and forms.

23 Sec. 2054.303. BUSINESS CASE AND STATEWIDE IMPACT ANALYSIS.

24 (a) For each proposed major information resources project, a state
25 agency must prepare:

26 (1) a business case providing the initial
27 justification for the project, including the anticipated return on

1 investment in terms of cost savings and efficiency for the project;
2 and

3 (2) a statewide impact analysis of the project's
4 effect on the state's common information resources infrastructure,
5 including the possibility of reusing code or other resources.

6 (b) The agency shall file the documents with the department,
7 Legislative Budget Board, and state auditor's office when the
8 agency files its legislative appropriations request.

9 (c) The department shall use the analysis to ensure that the
10 proposed project does not unnecessarily duplicate existing
11 statewide information resources technology.

12 Sec. 2054.304. PROJECT PLANS. (a) A state agency shall
13 develop a project plan for each major information resources
14 project.

15 (b) Except as provided by Subsection (c), the state agency
16 must file the project plan with the quality assurance team and the
17 Texas Building and Procurement Commission before the agency:

18 (1) spends more than 10 percent of allocated funds for
19 the project; or

20 (2) first issues a vendor solicitation for the
21 project.

22 (c) Unless the project plan has been filed under this
23 section:

24 (1) the Texas Building and Procurement Commission may
25 not issue a vendor solicitation for the project; and

26 (2) the agency may not post a vendor solicitation for
27 the project in the state business daily under Section 2155.083.

1 Sec. 2054.305. PROCUREMENT PLAN AND METHOD FOR MONITORING
2 CONTRACTS. Before issuing a vendor solicitation for a project, the
3 state agency must develop, consistent with department guidelines:

4 (1) a procurement plan with anticipated service levels
5 and performance standards for each vendor; and

6 (2) a method to monitor changes to the scope of each
7 contract.

8 Sec. 2054.306. POST-IMPLEMENTATION REVIEW. After
9 implementation of a major information resources project, a state
10 agency shall prepare a post-implementation review. The agency
11 shall provide the review to the agency's executive director, the
12 department, and the state auditor's office.

13 Sec. 2054.307. APPROVAL OF DOCUMENTS AND CONTRACT CHANGES.

14 (a) A state agency's executive director, information resources
15 manager, designated project manager, and the agency employee in
16 charge of information security for the agency must approve and
17 sign:

18 (1) each document required by this subchapter; and

19 (2) if the department requires the approval and
20 signatures, any other document related to this subchapter.

21 (b) The state agency's executive director must approve a
22 proposed contract amendment or change order for a major information
23 resources project if the amendment or change order:

24 (1) changes the monetary value of the contract by more
25 than 10 percent; or

26 (2) significantly changes the completion date of the
27 contract.

1 SECTION 1.07. Chapter 2054, Government Code, is amended by
2 adding Subchapter L to read as follows:

3 SUBCHAPTER L. STATEWIDE TECHNOLOGY CENTERS

4 Sec. 2054.375. DEFINITION. In this subchapter, "statewide
5 technology center" means a statewide technology center established
6 or operated under this subchapter.

7 Sec. 2054.376. APPLICABILITY. (a) This subchapter applies
8 to all information resources technologies, other than
9 telecommunications services, that are:

10 (1) obtained by a state agency using state money; or

11 (2) used by a state agency.

12 (b) This subchapter does not apply to:

13 (1) the Department of Public Safety's use for criminal
14 justice or homeland security purposes of a federal database or
15 network;

16 (2) a Texas equivalent of a database or network
17 described by Subdivision (1) that is managed by the Department of
18 Public Safety;

19 (3) the uniform statewide accounting system, as that
20 term is used in Subchapter C, Chapter 2101;

21 (4) the state treasury cash and treasury management
22 system; or

23 (5) a database or network managed by the comptroller
24 to:

25 (A) collect and process multiple types of taxes
26 imposed by the state; or

27 (B) manage or administer fiscal, financial,

1 revenue, and expenditure activities of the state under Chapter 403.

2 Sec. 2054.377. INSTITUTIONS OF HIGHER EDUCATION. The
3 department may not establish or expand a statewide technology
4 center that includes participation by an institution of higher
5 education unless the Information Technology Council for Higher
6 Education agrees to the establishment or expansion.

7 Sec. 2054.378. SCOPE OF OPERATION OF CENTERS. (a) The
8 department may operate statewide technology centers to provide two
9 or more state agencies, on a cost-sharing basis, services relating
10 to:

11 (1) information resources and information resources
12 technology; and

13 (2) the deployment and development of statewide
14 applications.

15 (b) The department may operate a statewide technology
16 center directly or contract with another person to operate the
17 center.

18 Sec. 2054.379. RULES. The department shall adopt rules and
19 guidelines to implement this subchapter.

20 Sec. 2054.380. FEES. The department shall set and charge a
21 fee to each state agency that receives a service from a statewide
22 technology center in an amount sufficient to cover the direct and
23 indirect cost of providing the service.

24 Sec. 2054.381. CONTRACTING; HISTORICALLY UNDERUTILIZED
25 BUSINESSES. (a) In any procurement related to the establishment of
26 a statewide technology center, the department shall maximize vendor
27 competition and, to the extent feasible and cost-effective,

1 interoperability.

2 (b) In contracting under this subchapter, the department
3 shall follow the requirements of Chapter 2161 and related rules
4 regarding historically underutilized businesses.

5 (c) The department shall provide to all qualified
6 businesses the opportunity to compete for department contracts
7 under this subchapter.

8 Sec. 2054.382. STATEWIDE TECHNOLOGY CENTERS FOR DATA OR
9 DISASTER RECOVERY SERVICES; USE REQUIRED. (a) The department
10 shall manage the operations of statewide technology centers that
11 provide data center services or disaster recovery services for two
12 or more state agencies, including management of the operations of
13 the center on the campus of Angelo State University.

14 (b) The department by rule shall describe the data services
15 provided by statewide technology centers.

16 (c) A state agency may not spend appropriated money to
17 contract or issue purchase orders for data center services or
18 disaster recovery services, including maintenance of those
19 services, unless the executive director approves the expense. The
20 department may establish appropriate thresholds and procedures for
21 securing approval under this subsection.

22 (d) The Legislative Budget Board may not grant prior
23 approval under Section 2054.386 in relation to services provided
24 under this section.

25 Sec. 2054.383. ESTABLISHMENT OF ADDITIONAL STATEWIDE
26 TECHNOLOGY CENTERS. (a) The department may establish additional
27 statewide technology centers as provided by this section.

1 (b) The department may not establish a center under this
2 section unless:

3 (1) the governor approves the establishment;

4 (2) the Legislative Budget Board approves the
5 expenditures necessary for the establishment; and

6 (3) the executive director determines in writing that
7 consolidating operations or services of selected state agencies
8 will promote efficiency and effectiveness and provide the best
9 value for the state.

10 (c) In the written determination under Subsection (b)(3),
11 the executive director shall identify the selected state agencies
12 that will be required to participate in the new center.

13 Sec. 2054.384. COST AND REQUIREMENTS ANALYSIS. (a) The
14 department shall conduct a cost and requirements analysis for each
15 state agency that the department intends to select for
16 participation in a statewide technology center.

17 (b) A selected state agency shall identify its particular
18 requirements, operations costs, and requested service levels for
19 the department. The department may require a state agency to
20 validate or resubmit data related to these factors. The department
21 shall fulfill the requirements and service levels of each state
22 agency to the extent possible.

23 Sec. 2054.385. NOTICE OF SELECTION. After completion of
24 the cost and requirements analysis for each state agency under
25 Section 2054.384, the department shall provide notice to each state
26 agency selected to receive services or operations through the
27 statewide technology center. The notice must include:

1 (1) the state agency operations selected for
2 consolidation at a statewide technology center;

3 (2) the scope of services to be provided to the agency;

4 (3) a schedule of anticipated costs for the agency;
5 and

6 (4) the implementation schedule for that agency.

7 Sec. 2054.386. INTERAGENCY CONTRACT; PRIOR APPROVAL OF
8 EXPENDITURES. (a) A state agency that is selected under Section
9 2054.385 to receive services or to have operations performed
10 through a statewide technology center may not, except as provided
11 by Subsection (b), spend appropriated money for the identified
12 operations and services without the prior approval of the
13 Legislative Budget Board.

14 (b) Unless the Legislative Budget Board grants prior
15 approval for the selected state agency to spend appropriated money
16 for the identified operations or services in another specified
17 manner, the selected agency shall enter into an interagency
18 contract with the department to receive the identified services and
19 have the identified operations performed through the statewide
20 technology center. Amounts charged to the selected agency under
21 the interagency contract must be based on the fees set by the
22 department under Section 2054.380 but may not exceed the amounts
23 expected to be necessary to cover the direct and indirect costs of
24 performing operations and providing services under the contract.
25 Before executing an interagency contract or alternatively
26 receiving prior approval from the Legislative Budget Board under
27 this section, the state agency may only spend appropriated money

1 for the selected service or operation if the executive director
2 approves the expense.

3 (c) Not later than the 30th business day after the date the
4 selected state agency is notified of its selection under Section
5 2054.385, the agency may request the Legislative Budget Board to
6 grant its prior approval for the agency to spend appropriated money
7 for the identified operations or services in a manner other than
8 through an interagency contract with the department under
9 Subsection (b).

10 (d) The request to the Legislative Budget Board must:

11 (1) be in writing;

12 (2) include a copy of the selection notice made by the
13 executive director; and

14 (3) demonstrate that the decision of the executive
15 director to select the agency will probably:

16 (A) fail to achieve meaningful cost savings for
17 the state; or

18 (B) result in an unacceptable loss of
19 effectiveness or operational efficiency.

20 (e) If the Legislative Budget Board determines that an
21 interagency contract between the department and the selected state
22 agency under Subsection (b) will fail to achieve meaningful cost
23 savings for the state or result in an unacceptable loss of
24 effectiveness or operational efficiency at the selected agency, the
25 Legislative Budget Board may grant its prior approval for the
26 selected agency to spend appropriated money for the identified
27 operations or services in another specified manner, in which event

1 the selected agency is not required to enter into an interagency
2 contract under Subsection (b).

3 (f) The Legislative Budget Board shall notify the state
4 agency, the executive director, and the comptroller of its
5 decision.

6 Sec. 2054.387. INTERAGENCY CONTRACT; COMPLIANCE WITH
7 SERVICE LEVELS. The department shall ensure compliance with
8 service levels agreed to in an interagency contract executed under
9 this subchapter.

10 Sec. 2054.388. TRANSFER OF OWNERSHIP. (a) The department,
11 subject to the governor's approval, may require a state agency that
12 enters into an interagency contract under Section 2054.386 to
13 transfer to the department ownership, custody, or control of
14 resources that the department, in consultation with the agency,
15 determines are used to support the operations or services selected
16 under Section 2054.385. These resources may include:

17 (1) information resources;
18 (2) information resources technologies;
19 (3) full-time equivalent positions; and
20 (4) any other resources determined necessary by the
21 department to support the selected operations or services.

22 (b) The department shall advise the governor, lieutenant
23 governor, speaker of the house of representatives, Legislative
24 Budget Board, and state auditor's office regarding the expected
25 savings to be received for each state agency from which ownership,
26 custody, or control is transferred under this section.

27 (c) The department and the state agency shall work to

1 reconcile any federal funding issues that arise out of a transfer
2 under this section. The department, subject to the governor's
3 approval, shall exclude applicable resources from the transfer if
4 the federal funding issues cannot be reconciled.

5 (d) Chapter 2175 does not apply to information resources or
6 information resources technologies transferred under this section.

7 Sec. 2054.389. TRANSITION SCHEDULES. The department shall
8 establish transition schedules for the transfer of state agency
9 operations and services to statewide technology centers under this
10 subchapter.

11 Sec. 2054.390. MIGRATION OF SERVICES. (a) The department
12 shall prioritize the migration of services to the statewide
13 technology center system established under this subchapter based on
14 the size of the current technology center operational environment
15 at a state agency, with the largest 25 technology center
16 environments ranking highest in priority.

17 (b) Unless the executive director determines that a
18 migration under this section is not cost-effective, the department
19 shall ensure the migration of at least three technology center
20 environments to the statewide technology center system each fiscal
21 year. This subsection expires September 1, 2013.

22 (c) A state agency shall comply with the department's
23 request to migrate under this section.

24 (d) Any consolidation plan adopted by the department to
25 execute this section must prioritize and fully use the existing
26 capacity of the State Data Center located on the campus of Angelo
27 State University.

1 Sec. 2054.391. USE OF STATEWIDE TECHNOLOGY CENTERS
2 REQUIRED. (a) A state agency may not transfer services from a
3 statewide technology center unless the executive director and the
4 governor approve the transfer.

5 (b) If the department becomes aware that a state agency is
6 not using a statewide technology center for operations or services
7 in accordance with the interagency contract entered into under
8 Section 2054.386 and as directed by the department, the department
9 shall notify the comptroller, the Legislative Budget Board, the
10 state auditor's office, and the affected state agency of the
11 violation.

12 (c) After notification under Subsection (b), the state
13 agency may not spend appropriated money for operations or services
14 the agency was selected to receive through a statewide technology
15 center without the prior approval of the executive director.

16 SECTION 1.08. Section 2157.003, Government Code, is amended
17 to read as follows:

18 Sec. 2157.003. DETERMINING BEST VALUE FOR PURCHASES OF
19 AUTOMATED INFORMATION SYSTEMS. "Best value" for purposes of this
20 chapter means the lowest overall cost of an automated information
21 system. In determining the lowest overall cost for a purchase or
22 lease of an automated information system under this chapter, the
23 commission or a state agency shall consider factors including:

- 24 (1) the purchase price;
- 25 (2) the compatibility to facilitate the exchange of
26 existing data;
- 27 (3) the capacity for expanding and upgrading to more

1 advanced levels of technology;

2 (4) quantitative reliability factors;

3 (5) the level of training required to bring persons
4 using the system to a stated level of proficiency;

5 (6) the technical support and additional staffing
6 requirements for the maintenance of data across a network platform
7 and the management of the network's hardware and software;

8 (7) the opportunity for cost savings and operational
9 efficiencies through implementation of the system;

10 (8) the ability to accommodate the transfer of
11 functionality to another network platform if a disaster or other
12 event that interferes with performance occurs;

13 (9) the compliance with applicable department
14 [~~Department of Information Resources~~] statewide standards
15 validated by criteria adopted by the department by rule; and

16 (10) [~~(8)~~] applicable factors listed in Sections
17 2155.074 and 2155.075.

18 SECTION 1.09. Section 2157.063(b), Government Code, is
19 amended to read as follows:

20 (b) In determining which goods or services are in the
21 state's best interest, the agency shall consider:

22 (1) the installation and hardware costs;

23 (2) the overall life-cycle cost of the system or
24 equipment;

25 (3) the estimated cost of employee training and
26 estimated increase in employee productivity;

27 (4) the estimated software and maintenance costs;

1 [and]

2 (5) the estimated cost of expanding or upgrading to
3 more advanced levels of technology; and

4 (6) the rules that prescribe applicable statewide
5 standards adopted by the department [~~Department of Information~~
6 ~~Resources~~].

7 SECTION 1.10. Section 2157.068, Government Code, is amended
8 to read as follows:

9 Sec. 2157.068. PURCHASE OF COMMODITY [~~SOFTWARE~~] ITEMS. (a)
10 In this section, "commodity[~~+~~

11 [~~(1) "Commodity software~~] items" means commercial
12 software, hardware, or technology services, other than
13 telecommunications services, [for personal computers] that are
14 [~~is~~] generally available to businesses or the public and for which
15 the department determines that a reasonable demand exists in two or
16 more state agencies. The term includes seat management, through
17 which a state agency transfers its personal computer equipment and
18 service responsibilities to a private vendor to manage the personal
19 computing needs for each desktop in the state agency, including all
20 necessary hardware, software, and support services.

21 [~~(2) "Department" means the Department of Information~~
22 ~~Resources.~~]

23 (b) The department shall negotiate with catalog information
24 systems vendors to attempt to obtain a favorable price for all of
25 state government on licenses for commodity [~~software~~] items, based
26 on the aggregate volume of purchases expected to be made by the
27 state. The terms and conditions of a license agreement between a

1 vendor and the department under this section may not be less
2 favorable to the state than the terms of similar license agreements
3 between the vendor and retail distributors.

4 (c) In contracting for commodity items under this section,
5 the department shall:

6 (1) make good faith efforts to provide contracting
7 opportunities for, and to increase contract awards to, historically
8 underutilized businesses; and

9 (2) give precedence to purchasing requirements in
10 Chapter 122, Human Resources Code, over any purchasing practices
11 described by this subchapter.

12 (d) The department may charge a reasonable administrative
13 fee to a state agency, ~~or~~ political subdivision of this state, or
14 governmental entity of another state that purchases commodity
15 ~~software~~ items through the department in an amount that is
16 sufficient to recover costs associated with the administration of
17 this section.

18 (e) ~~(d)~~ The department shall compile and maintain a list
19 of commodity ~~software~~ items available for purchase through the
20 department that have a lower price than the prices for commodity
21 ~~software~~ items otherwise available to state agencies under this
22 chapter. The department shall make the list available on the world
23 wide web or on a suitable successor to the world wide web if the
24 technological developments involving the Internet make it
25 advisable to do so.

26 (f) ~~(e)~~ The department may adopt rules regulating a
27 purchase by a state agency of a commodity ~~software~~ item under this

1 section, including a requirement that, notwithstanding other
2 provisions of this chapter, the agency must make the purchase in
3 accordance with a contract developed by the department unless the
4 agency obtains:

- 5 (1) an exemption [a waiver] from the department; or
6 (2) express prior approval from the Legislative Budget
7 Board for the expenditure necessary for the purchase.

8 (g) The Legislative Budget Board's approval of a biennial
9 operating plan under Section 2054.102 is not an express prior
10 approval for purposes of Subsection (f)(2). A state agency must
11 request an exemption from the department under Subsection (f)(1)
12 before seeking prior approval from the Legislative Budget Board
13 under Subsection (f)(2).

14 (h) The department shall, in cooperation with state
15 agencies, establish guidelines for the classification of commodity
16 items under this section. The department may determine when a
17 statewide vendor solicitation for a commodity item will reduce
18 purchase prices for a state agency.

19 SECTION 1.11. Sections 2170.051(c) and (d), Government
20 Code, are amended to read as follows:

21 (c) A state agency shall use the consolidated
22 telecommunications system to the fullest extent possible. A state
23 agency may not acquire telecommunications services unless the
24 department's executive director [~~telecommunications planning and~~
25 ~~oversight council~~] determines that the agency's requirement for
26 telecommunications services cannot be met at a comparable cost by
27 the consolidated telecommunications system.

1 (d) A state agency may not enter into or renew a contract
2 with a carrier or other provider of telecommunications services
3 without obtaining a waiver from the department's executive director
4 [~~telecommunications planning and oversight council~~] certifying
5 that the requested telecommunications services cannot be provided
6 at a comparable cost on the consolidated telecommunications system.
7 The executive director [~~telecommunications planning and oversight~~
8 ~~council~~] shall evaluate requests for waivers based on
9 cost-effectiveness to the state government as a whole. A waiver may
10 be granted only for a specific period and will automatically expire
11 on the stated expiration date unless an extension is approved [~~by~~
12 ~~the telecommunications planning and oversight council~~]. A contract
13 for telecommunications services obtained under waiver may not
14 extend beyond the expiration date of the waiver. If the executive
15 director [~~telecommunications planning and oversight council~~]
16 becomes aware of any state agency receiving telecommunications
17 services without a waiver, the executive director
18 [~~telecommunications planning and oversight council~~] shall notify
19 the agency and the comptroller. The state agency shall have 60 days
20 after notification by the executive director [~~telecommunications~~
21 ~~planning and oversight council~~] in which to submit a waiver request
22 [~~to the telecommunications planning and oversight council~~]
23 documenting the agency's reasons for bypassing the consolidated
24 telecommunications system and otherwise providing all information
25 required by the waiver application form.

26 SECTION 1.12. Subchapter B, Chapter 2170, Government Code,
27 is amended by adding Section 2170.061 to read as follows:

1 Sec. 2170.061. ACQUISITION WITHOUT COMPETITIVE BID; USE OF
2 CERTAIN DISASTER-RELATED NETWORK AND STATEWIDE TECHNOLOGY CENTERS.

3 (a) In this section, "network" means the Lonestar Education and
4 Research Network or its successor.

5 (b) The department may acquire telecommunications services
6 from the network without competitive bids for a purpose described
7 by this section.

8 (c) The department may use the network only as provided by
9 this section.

10 (d) During an emergency, including a single node failure or
11 a system-wide failure of the consolidated telecommunications
12 system established under this chapter, the department may divert
13 telecommunications services traffic to the network to avoid service
14 interruption. After resolution of the emergency and on a
15 determination that the consolidated telecommunications system is
16 operational, the telecommunications services traffic must be
17 diverted back to the consolidated telecommunications system.

18 (e) The department may also use the network to transfer data
19 that is not time sensitive to or from a statewide technology center
20 established and operated by the department under Subchapter L,
21 Chapter 2054.

22 ARTICLE 2. CONFORMING AMENDMENTS

23 SECTION 2.01. Section 2054.003, Government Code, is amended
24 by adding Subdivision (8-a) to read as follows:

25 (8-a) "Institution of higher education" has the
26 meaning assigned by Section 61.003, Education Code.

27 SECTION 2.02. Section 2157.001, Government Code, is amended

1 to read as follows:

2 Sec. 2157.001. DEFINITIONS. In this chapter:

3 (1) "Automated information system" includes:

4 (A) the computers and computer devices on which
5 an information system is automated, including computers and
6 computer devices that the commission identifies in guidelines
7 developed by the commission in consultation with the department
8 [~~Department of Information Resources~~] and in accordance with
9 Chapter 2054 and rules adopted under that chapter;

10 (B) a service related to the automation of an
11 information system, including computer software or computers;

12 (C) a telecommunications apparatus or device
13 that serves as a component of a voice, data, or video communications
14 network for transmitting, switching, routing, multiplexing,
15 modulating, amplifying, or receiving signals on the network, and
16 services related to telecommunications that are not covered under
17 Paragraph (D); and

18 (D) for the department [~~Department of~~
19 ~~Information Resources~~], as telecommunications provider for the
20 state, the term includes any service provided by a
21 telecommunications provider, as that term is defined by Section
22 51.002, Utilities Code.

23 (2) "Department" means the Department of Information
24 Resources.

25 SECTION 2.03. Section 2157.005(a), Government Code, is
26 amended to read as follows:

27 (a) The commission and the department [~~Department of~~

1 ~~Information Resources~~], in consultation with other state agencies
2 and after public comment, shall develop a technology access clause
3 to be included in all contracts entered into by the state or state
4 agencies that involve the acquisition of an automated information
5 system.

6 SECTION 2.04. Sections 2157.121(b) and (c), Government
7 Code, are amended to read as follows:

8 (b) A state agency, other than the department [~~Department of~~
9 ~~Information Resources~~], shall send its proposal specifications and
10 criteria to the commission for approval or request the commission
11 to develop the proposal specifications and criteria.

12 (c) The department [~~Department of Information Resources~~]
13 may acquire a telecommunications device, system, or service or an
14 automated information system by using competitive sealed proposals
15 without regard to whether the commission makes the determination
16 required under Subsection (a) for other state agencies.

17 SECTION 2.05. Section 2157.181(a), Government Code, is
18 amended to read as follows:

19 (a) The commission, with the concurrence of the department
20 [~~Department of Information Resources~~], may negotiate with vendors
21 preapproved terms and conditions to be included in contracts
22 relating to the purchase or lease of a telecommunication device,
23 system, or service or an automated information system awarded to a
24 vendor by a state agency.

25 SECTION 2.06. Section 2157.182, Government Code, is amended
26 to read as follows:

27 Sec. 2157.182. VALIDITY OF PREAPPROVED TERMS AND

1 CONDITIONS; RENEGOTIATION. (a) Preapproved terms and conditions
2 to which a vendor, the commission, and the department [~~Department~~
3 ~~of Information Resources~~] agree are valid for two years after the
4 date of the agreement and must provide that the terms and conditions
5 are to be renegotiated before the end of the two years.

6 (b) The commission and the department [~~Department of~~
7 ~~Information Resources~~] jointly shall establish procedures to
8 ensure that terms and conditions are renegotiated before they
9 expire in a contract between the vendor and a state agency.

10 SECTION 2.07. Section 2157.184, Government Code, is amended
11 to read as follows:

12 Sec. 2157.184. NOTIFICATION OF STATE AGENCIES AND VENDORS.
13 The commission and the department [~~Department of Information~~
14 ~~Resources~~] jointly shall establish procedures to notify state
15 agencies and potential vendors of the provisions of this subchapter
16 regarding preapproved terms and conditions.

17 ARTICLE 3. REPEALER; TRANSITION; EFFECTIVE DATE

18 SECTION 3.01. Sections 2054.201(c) and 2055.061,
19 Government Code, are repealed.

20 SECTION 3.02. (a) The Department of Information Resources
21 shall conduct a statewide assessment of information technology
22 security resources and practices of state agencies.

23 (b) Not later than December 31, 2005, the department shall
24 report the results of its assessment to the governor, the
25 lieutenant governor, the speaker of the house of representatives,
26 and the state auditor's office.

27 (c) The assessment and report prepared under this section

1 are confidential. Chapter 552, Government Code, does not apply to
2 the assessment or the report.

3 SECTION 3.03. (a) The Department of Information Resources,
4 in coordination with the Legislative Budget Board, the Texas
5 Building and Procurement Commission, and the comptroller, shall
6 analyze current automated information systems of state agencies to
7 determine how the systems may be combined to more effectively
8 synchronize strategic planning, budgeting, and reporting of
9 technology expenditures, assets, and projects.

10 (b) Not later than December 31, 2005, the department shall
11 report the results of its analysis to the governor, the lieutenant
12 governor, the speaker of the house of representatives, and the
13 state auditor's office.

14 SECTION 3.04. (a) In this section:

15 (1) "Department" means the Department of Information
16 Resources.

17 (2) "State agency" has the meaning assigned by Section
18 2054.003, Government Code, except that the term does not include an
19 institution of higher education as defined by Section 61.003,
20 Education Code.

21 (b) Not later than March 31, 2006, each state agency shall
22 enter into an interagency contract with the department for services
23 that the agency is required to obtain through a statewide
24 technology center under Subchapter L, Chapter 2054, Government
25 Code, as added by this Act, that establishes a time line for the
26 transfer of ownership of resources to the department in accordance
27 with Subchapter L.

1 (c) Not later than August 31 of 2006 and 2007, the
2 department shall report on the status of the statewide technology
3 center system migration and consolidation under Section 2054.390,
4 Government Code, as added by this Act, describing reviews and
5 transfers during the fiscal year, and an update on the status of any
6 contracts relating to the statewide technology centers. The
7 department shall file the report with:

- 8 (1) the governor;
- 9 (2) the lieutenant governor;
- 10 (3) the speaker of the house of representatives;
- 11 (4) the chairs of the house and senate committees with
12 primary oversight over the department;
- 13 (5) the chairs of the senate finance and the house of
14 representatives appropriations committees;
- 15 (6) the state auditor's office; and
- 16 (7) each member of the Legislative Budget Board.

17 SECTION 3.05. The changes in law made by this Act with
18 regard to contracts apply only to a contract for which the initial
19 notice soliciting bids or proposals is given on or after the
20 effective date of this Act. A contract for which the initial notice
21 soliciting bids or proposals is given before that date is governed
22 by the law in effect when the initial notice is given, and the
23 former law is continued in effect for that purpose.

24 SECTION 3.06. This Act takes effect September 1, 2005.