

By: Swinford, Campbell, Pitts

H.B. No. 2698

Substitute the following for H.B. No. 2698:

By: Cook of Navarro

C.S.H.B. No. 2698

A BILL TO BE ENTITLED

AN ACT

relating to the Department of Information Resources' management of
state technology centers.

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

ARTICLE 1. STATE TECHNOLOGY CENTERS

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

SUBCHAPTER L. STATEWIDE TECHNOLOGY CENTERS

Sec. 2054.375. DEFINITIONS. In this subchapter, "statewide
technology center" means a statewide technology center established
or operated under this subchapter.

Sec. 2054.376. APPLICABILITY. This subchapter applies to
all information resources technologies that are:

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

(2) used by a state agency.

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

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

1 (1) information resources and information resources
2 technology; and

3 (2) the deployment and development of statewide
4 applications.

5 (b) The department may operate a statewide technology
6 center directly or contract with another person to operate the
7 center.

8 Sec. 2054.379. RULES. The department shall adopt rules and
9 guidelines to implement this subchapter.

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

14 Sec. 2054.381. STATEWIDE TECHNOLOGY CENTERS FOR DATA OR
15 DISASTER RECOVERY SERVICES; USE REQUIRED. (a) The department
16 shall manage the operations of statewide technology centers that
17 provide data center services or disaster recovery services for two
18 or more state agencies, including management of the operations of
19 the center on the campus of Angelo State University.

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

22 (c) A state agency may not spend appropriated money to
23 contract or issue purchase orders for data center services or
24 disaster recovery services, including maintenance of those
25 services, unless the executive director approves the expense. The
26 department may establish appropriate thresholds and procedures for
27 securing approval under this subsection.

1 (d) The Legislative Budget Board may not grant prior
2 approval under Section 2054.385 in relation to services provided
3 under this section.

4 Sec. 2054.382. ESTABLISHMENT OF ADDITIONAL STATEWIDE
5 TECHNOLOGY CENTERS. (a) The department may establish additional
6 statewide technology centers as provided by this section.

7 (b) The department may not establish a center under this
8 section unless:

9 (1) the governor approves the establishment;

10 (2) the Legislative Budget Board approves the
11 expenditures necessary for the establishment; and

12 (3) the executive director determines in writing that
13 consolidating operations or services of selected state agencies
14 will promote efficiency and effectiveness and provide the best
15 value for the state.

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

19 Sec. 2054.383. COST AND REQUIREMENTS ANALYSIS. (a) The
20 department shall conduct a cost and requirements analysis for each
21 state agency that the department intends to select for
22 participation in a statewide technology center.

23 (b) A selected state agency shall identify its particular
24 requirements, operations costs, and requested service levels for
25 the department. The department may require a state agency to
26 validate or resubmit data related to these factors. The department
27 shall fulfill the requirements and service levels of each state

1 agency to the extent possible.

2 Sec. 2054.384. NOTICE OF SELECTION. After completion of
3 the cost and requirements analysis for each state agency under
4 Section 2054.383, the department shall provide notice to each state
5 agency selected to receive services or operations through the
6 statewide technology center. The notice must include:

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

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

10 (3) a schedule of anticipated costs for the agency;

11 and

12 (4) the implementation schedule for that agency.

13 Sec. 2054.385. INTERAGENCY CONTRACT; PRIOR APPROVAL OF
14 EXPENDITURES. (a) A state agency that is selected under Section
15 2054.384 to receive services or to have operations performed
16 through a statewide technology center may not, except as provided
17 by Subsection (b), spend appropriated money for the identified
18 operations and services without the prior approval of the
19 Legislative Budget Board.

20 (b) Unless the Legislative Budget Board grants prior
21 approval for the selected state agency to spend appropriated money
22 for the identified operations or services in another specified
23 manner, the selected agency shall enter into an interagency
24 contract with the department to receive the identified services and
25 have the identified operations performed through the statewide
26 technology center. Amounts charged to the selected agency under
27 the interagency contract must be based on the fees set by the

1 department under Section 2054.380 but may not exceed the amounts
2 expected to be necessary to cover the direct and indirect costs of
3 performing operations and providing services under the contract.
4 Before executing an interagency contract or alternatively
5 receiving prior approval from the Legislative Budget Board under
6 this section, the state agency may only spend appropriated money
7 for the selected service or operation if the executive director
8 approves the expense.

9 (c) Not later than the 30th business day after the date the
10 selected state agency is notified of its selection under Section
11 2054.384, the agency may request the Legislative Budget Board to
12 grant its prior approval for the agency to spend appropriated money
13 for the identified operations or services in a manner other than
14 through an interagency contract with the department under
15 Subsection (b).

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

17 (1) be in writing;

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

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

22 (A) fail to achieve meaningful cost savings for
23 the state; or

24 (B) result in an unacceptable loss of
25 effectiveness or operational efficiency.

26 (e) If the Legislative Budget Board determines that an
27 interagency contract between the department and the selected state

1 agency under Subsection (b) will fail to achieve meaningful cost
2 savings for the state or result in an unacceptable loss of
3 effectiveness or operational efficiency at the selected agency, the
4 Legislative Budget Board may grant its prior approval for the
5 selected agency to spend appropriated money for the identified
6 operations or services in another specified manner, in which event
7 the selected agency is not required to enter into an interagency
8 contract under Subsection (b).

9 (f) The Legislative Budget Board shall notify the state
10 agency, the executive director, and the comptroller of its
11 decision.

12 Sec. 2054.386. INTERAGENCY CONTRACT; COMPLIANCE WITH
13 SERVICE LEVELS. The department shall ensure compliance with
14 service levels agreed to in an interagency contract executed under
15 this subchapter.

16 Sec. 2054.387. TRANSFER OF OWNERSHIP. (a) The department,
17 subject to the governor's approval, may require a state agency that
18 enters into an interagency contract under Section 2054.385 to
19 transfer to the department ownership, custody, or control of
20 resources that the department, in consultation with the agency,
21 determines are used to support the operations or services selected
22 under Section 2054.384. These resources may include:

23 (1) information resources;
24 (2) information resources technologies;
25 (3) full-time equivalent positions; and
26 (4) any other resources determined necessary by the
27 department to support the selected operations or services.

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

6 (c) The department and the state agency shall work to
7 reconcile any federal funding issues that arise out of a transfer
8 under this section. The department, subject to the governor's
9 approval, shall exclude applicable resources from the transfer if
10 the federal funding issues cannot be reconciled.

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

13 Sec. 2054.388. TRANSITION SCHEDULES. The department shall
14 establish transition schedules for the transfer of state agency
15 operations and services to statewide technology centers under this
16 subchapter.

17 Sec. 2054.389. MIGRATION OF SERVICES. (a) The department
18 shall prioritize the migration of services to the statewide
19 technology center system established under this subchapter based on
20 the size of the current technology center operational environment
21 at a state agency, with the largest 25 technology center
22 environments ranking highest in priority.

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

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

3 (d) Any consolidation plan adopted by the department to
4 execute this section must prioritize and fully use the existing
5 capacity of the State Data Center located on the campus of Angelo
6 State University.

7 Sec. 2054.390. USE OF STATEWIDE TECHNOLOGY CENTERS
8 REQUIRED. (a) A state agency may not transfer services from a
9 statewide technology center unless the executive director and the
10 governor approve the transfer.

11 (b) If the department becomes aware that a state agency is
12 not using a statewide technology center for operations or services
13 in accordance with the interagency contract entered into under
14 Section 2054.385 and as directed by the department, the department
15 shall notify the comptroller, the Legislative Budget Board, the
16 state auditor's office, and the affected state agency of the
17 violation.

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

22 ARTICLE 2. CONFORMING AMENDMENT

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.

ARTICLE 3. REPEALER; TRANSITION; EFFECTIVE DATE

SECTION 3.01. Section 2055.061, Government Code, is repealed.

SECTION 3.02. (a) In this section:

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

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

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

(c) Not later than August 31 of 2006 and 2007, the department shall report on the status of the statewide technology center system migration and consolidation under Section 2054.389, Government Code, as added by this Act, describing reviews and transfers during the fiscal year, and an update on the status of any contracts relating to the statewide technology centers. The department shall file the report with:

- (1) the governor;
- (2) the lieutenant governor;
- (3) the speaker of the house of representatives;

1 (4) the chairs of the house and senate committees with
2 primary oversight over the department;

3 (5) the chairs of the senate finance and the house of
4 representatives appropriations committees; and

5 (6) each member of the Legislative Budget Board.

6 SECTION 3.03. This Act takes effect September 1, 2005.