

By: Duncan

S.B. No. 1547

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
16 shall 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
8 applies 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) federal databases or networks used for criminal
14 justice or homeland security purposes or to the Texas equivalents
15 of those databases or networks;

16 (2) a component of the uniform statewide accounting
17 system, as that term is used in Subchapter C, Chapter 2101, or the
18 state treasury cash and treasury management systems;

19 (3) a database or network used for the collection and
20 processing of multiple types of taxes imposed by the state or
21 unclaimed property received by the state; or

22 (4) a database or network used to manage or administer
23 fiscal, financial, revenue and expenditure activities of the state
24 under Chapter 403.

25 Sec. 2054.377. INSTITUTIONS OF HIGHER EDUCATION. The
26 department may not establish or expand a statewide technology
27 center that includes participation by an institution of higher

1 education unless the Information Technology Council for Higher
2 Education agrees to the establishment or expansion.

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

7 (1) information resources and information resources
8 technology; and

9 (2) the deployment and development of statewide
10 applications.

11 (b) The department may operate a statewide technology
12 center directly or contract with another person to operate the
13 center.

14 Sec. 2054.379. RULES. The department shall adopt rules and
15 guidelines to implement this subchapter.

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

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

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

1 (c) The department shall provide to all qualified
2 businesses the opportunity to compete for department contracts
3 under this subchapter.

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

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

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

18 (d) The Legislative Budget Board may not grant prior
19 approval under Section 2054.386 in relation to services provided
20 under this section.

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

24 (b) The department may not establish a center under this
25 section unless:

26 (1) the governor approves the establishment;

27 (2) the Legislative Budget Board approves the

1 expenditures necessary for the establishment; and

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

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

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

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

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

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

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

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

1 and

2 (4) the implementation schedule for that agency.

3 Sec. 2054.386. INTERAGENCY CONTRACT; PRIOR APPROVAL OF
4 EXPENDITURES. (a) A state agency that is selected under Section
5 2054.385 to receive services or to have operations performed
6 through a statewide technology center may not, except as provided
7 by Subsection (b), spend appropriated money for the identified
8 operations and services without the prior approval of the
9 Legislative Budget Board.

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

26 (c) Not later than the 30th business day after the date the
27 selected state agency is notified of its selection under Section

1 2054.385, the agency may request the Legislative Budget Board to
2 grant its prior approval for the agency to spend appropriated money
3 for the identified operations or services in a manner other than
4 through an interagency contract with the department under
5 Subsection (b).

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

7 (1) be in writing;

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

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

12 (A) fail to achieve meaningful cost savings for
13 the state; or

14 (B) result in an unacceptable loss of
15 effectiveness or operational efficiency.

16 (e) If the Legislative Budget Board determines that an
17 interagency contract between the department and the selected state
18 agency under Subsection (b) will fail to achieve meaningful cost
19 savings for the state or result in an unacceptable loss of
20 effectiveness or operational efficiency at the selected agency, the
21 Legislative Budget Board may grant its prior approval for the
22 selected agency to spend appropriated money for the identified
23 operations or services in another specified manner, in which event
24 the selected agency is not required to enter into an interagency
25 contract under Subsection (b).

26 (f) The Legislative Budget Board shall notify the state
27 agency, the executive director, and the comptroller of its

1 decision.

2 Sec. 2054.387. INTERAGENCY CONTRACT; COMPLIANCE WITH
3 SERVICE LEVELS. The department shall ensure compliance with
4 service levels agreed to in an interagency contract executed under
5 this subchapter.

6 Sec. 2054.388. TRANSFER OF OWNERSHIP. (a) The
7 department, subject to the governor's approval, may require a state
8 agency that enters into an interagency contract under Section
9 2054.386 to transfer to the department ownership, custody, or
10 control of resources that the department, in consultation with the
11 agency, determines are used to support the operations or services
12 selected under Section 2054.385. These resources may include:

- 13 (1) information resources;
14 (2) information resources technologies;
15 (3) full-time equivalent positions; and
16 (4) any other resources determined necessary by the
17 department to support the selected operations or services.

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

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

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

3 Sec. 2054.389. TRANSITION SCHEDULES. The department shall
4 establish transition schedules for the transfer of state agency
5 operations and services to statewide technology centers under this
6 subchapter.

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

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

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

20 (d) Any consolidation plan adopted by the department to
21 execute this section must prioritize and fully use the existing
22 capacity of the State Data Center located on the campus of Angelo
23 State University.

24 Sec. 2054.391. USE OF STATEWIDE TECHNOLOGY CENTERS
25 REQUIRED. (a) A state agency may not transfer services from a
26 statewide technology center unless the executive director and the
27 governor approve the transfer.

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

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

12 SECTION 1.08. Section 2157.068, Government Code, is amended
13 to read as follows:

14 Sec. 2157.068. PURCHASE OF COMMODITY [~~SOFTWARE~~] ITEMS.

15 (a) In this section, "commodity[+

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

26 [~~(2) "Department" means the Department of Information~~
27 ~~Resources.~~]

1 (b) The department shall negotiate with catalog information
2 systems vendors to attempt to obtain a favorable price for all of
3 state government on licenses for commodity [~~software~~] items, based
4 on the aggregate volume of purchases expected to be made by the
5 state. The terms and conditions of a license agreement between a
6 vendor and the department under this section may not be less
7 favorable to the state than the terms of similar license agreements
8 between the vendor and retail distributors.

9 (c) In contracting for commodity items under this section,
10 the department shall make good faith efforts to provide contracting
11 opportunities for, and to increase contract awards to, historically
12 underutilized businesses.

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

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

27 (f) [~~(e)~~] The department may adopt rules regulating a

1 purchase by a state agency of a commodity [~~software~~] item under this
2 section, including a requirement that, notwithstanding other
3 provisions of this chapter, the agency must make the purchase in
4 accordance with a contract developed by the department unless the
5 agency obtains:

6 (1) an exemption [~~a waiver~~] from the department; or

7 (2) express prior approval from the Legislative Budget
8 Board for the expenditure necessary for the purchase.

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

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

20 SECTION 1.09. Section 2170.003, Government Code, is amended
21 to read as follows:

22 Sec. 2170.003. OWNERSHIP OR LEASE OF NECESSARY EQUIPMENT.

23 (a) The department may own, lease, or lease-purchase in accordance
24 with Chapters 2155, 2156, 2157, and 2158 any or all of the
25 facilities or equipment necessary to provide telecommunications
26 services. The department may acquire telecommunications services
27 without competitive bid from the Lonestar Education and Research

1 Network (LEARN) or its successors for the purposes established in
2 Subsection (b).

3 (b) During an emergency, a single node failure or a
4 systemwide failure of the consolidated telecommunications system,
5 the department may divert telecommunications services traffic to
6 the Lonestar Education and Research Network to avoid service
7 interruption. Upon resolution of the emergency and upon
8 determination that the consolidated telecommunications system is
9 operational, traffic will be diverted back to the consolidated
10 telecommunications system. The department may also use the
11 Lonestar Education and Research Network for the purposes of latency
12 tolerant data transfer of files to or from a consolidated state data
13 center established and operated by the department. The Lonestar
14 Education and Research Network shall be exclusively used by the
15 department only for the purposes set out in this section.

16 SECTION 1.10. Subsections (c) and (d), Section 2170.051,
17 Government Code, are amended to read as follows:

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

25 (d) A state agency may not enter into or renew a contract
26 with a carrier or other provider of telecommunications services
27 without obtaining a waiver from the department's executive director

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

23 ARTICLE 2. CONFORMING AMENDMENTS

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

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

1 SECTION 2.02. Section 2157.001, Government Code, is amended
2 to read as follows:

3 Sec. 2157.001. DEFINITIONS. In this chapter:

4 (1) "Automated information system" includes:

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

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

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

19 (D) for the department [~~Department of~~
20 ~~Information Resources~~], as telecommunications provider for the
21 state, the term includes any service provided by a
22 telecommunications provider, as that term is defined by Section
23 51.002, Utilities Code.

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

26 SECTION 2.03. Section 2157.003, Government Code, is amended
27 to read as follows:

1 Sec. 2157.003. DETERMINING BEST VALUE FOR PURCHASES OF
2 AUTOMATED INFORMATION SYSTEMS. "Best value" for purposes of this
3 chapter means the lowest overall cost of an automated information
4 system. In determining the lowest overall cost for a purchase or
5 lease of an automated information system under this chapter, the
6 commission or a state agency shall consider factors including:

7 (1) the purchase price;

8 (2) the compatibility to facilitate the exchange of
9 existing data;

10 (3) the capacity for expanding and upgrading to more
11 advanced levels of technology;

12 (4) quantitative reliability factors;

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

15 (6) the technical support requirements for the
16 maintenance of data across a network platform and the management of
17 the network's hardware and software;

18 (7) the compliance with applicable department
19 [~~Department of Information Resources~~] statewide standards
20 validated by criteria adopted by the department by rule; and

21 (8) applicable factors listed in Sections 2155.074 and
22 2155.075.

23 SECTION 2.04. Subsection (a), Section 2157.005, Government
24 Code, is amended to read as follows:

25 (a) The commission and the department [~~Department of~~
26 ~~Information Resources~~], in consultation with other state agencies
27 and after public comment, shall develop a technology access clause

1 to be included in all contracts entered into by the state or state
2 agencies that involve the acquisition of an automated information
3 system.

4 SECTION 2.05. Subsection (b), Section 2157.063, Government
5 Code, is amended to read as follows:

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

8 (1) the installation and hardware costs;

9 (2) the overall life-cycle cost of the system or
10 equipment;

11 (3) the estimated cost of employee training and
12 estimated increase in employee productivity;

13 (4) the estimated software and maintenance costs; and

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

17 SECTION 2.06. Subsections (b) and (c), Section 2157.121,
18 Government Code, are amended to read as follows:

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

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

1 SECTION 2.07. Subsection (a), Section 2157.181, Government
2 Code, is amended to read as follows:

3 (a) The commission, with the concurrence of the department
4 [~~Department of Information Resources~~], may negotiate with vendors
5 preapproved terms and conditions to be included in contracts
6 relating to the purchase or lease of a telecommunication device,
7 system, or service or an automated information system awarded to a
8 vendor by a state agency.

9 SECTION 2.08. Section 2157.182, Government Code, is amended
10 to read as follows:

11 Sec. 2157.182. VALIDITY OF PREAPPROVED TERMS AND
12 CONDITIONS; RENEGOTIATION. (a) Preapproved terms and conditions
13 to which a vendor, the commission, and the department [~~Department~~
14 ~~of Information Resources~~] agree are valid for two years after the
15 date of the agreement and must provide that the terms and conditions
16 are to be renegotiated before the end of the two years.

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

21 SECTION 2.09. Section 2157.184, Government Code, is amended
22 to read as follows:

23 Sec. 2157.184. NOTIFICATION OF STATE AGENCIES AND VENDORS.
24 The commission and the department [~~Department of Information~~
25 ~~Resources~~] jointly shall establish procedures to notify state
26 agencies and potential vendors of the provisions of this subchapter
27 regarding preapproved terms and conditions.

1 ARTICLE 3. REPEALER; TRANSITION; EFFECTIVE DATE

2 SECTION 3.01. Subsection (c), Section 2054.201, and Section
3 2055.061, Government Code, are repealed.

4 SECTION 3.02. (a) The Department of Information Resources
5 shall conduct a statewide assessment of information technology
6 security resources and practices of state agencies.

7 (b) Not later than December 31, 2005, the department shall
8 report the results of its assessment to the governor, the
9 lieutenant governor, the speaker of the house of representatives,
10 and the state auditor's office.

11 (c) The assessment and report prepared under this section
12 are confidential. Chapter 552, Government Code, does not apply to
13 the assessment or the report.

14 SECTION 3.03. (a) The Department of Information
15 Resources, in coordination with the Legislative Budget Board, the
16 Texas Building and Procurement Commission, and the comptroller,
17 shall analyze current automated information systems of state
18 agencies to determine how the systems may be combined to more
19 effectively synchronize strategic planning, budgeting, and
20 reporting of technology expenditures, assets, and projects.

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

25 SECTION 3.04. (a) In this section:

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

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

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

12 (c) Not later than August 31 of 2006 and 2007, the
13 department shall report on the status of the statewide technology
14 center system migration and consolidation under Section 2054.390,
15 Government Code, as added by this Act, describing reviews and
16 transfers during the fiscal year, and an update on the status of any
17 contracts relating to the statewide technology centers. The
18 department shall file the report with:

- 19 (1) the governor;
- 20 (2) the lieutenant governor;
- 21 (3) the speaker of the house of representatives;
- 22 (4) the chairs of the house and senate committees with
23 primary oversight over the department;
- 24 (5) the chairs of the senate finance and the house of
25 representatives appropriations committees;
- 26 (6) the state auditor's office; and
- 27 (7) each member of the Legislative Budget Board.

1 SECTION 3.05. The changes in law made by this Act with
2 regard to contracts apply only to a contract for which the initial
3 notice soliciting bids or proposals is given on or after the
4 effective date of this Act. A contract for which the initial notice
5 soliciting bids or proposals is given before that date is governed
6 by the law in effect when the initial notice is given, and the
7 former law is continued in effect for that purpose.

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