

BILL ANALYSIS

C.S.H.B. 3093
By: Elkins
Technology
Committee Report (Substituted)

BACKGROUND AND PURPOSE

A number of different types of information resource systems are implemented at various state agencies. However, there is currently no statutory requirement for the systematic examination of completed projects or identification of proposed major information systems. Interested parties assert that the state could potentially save money by accounting for and assessing major completed and proposed information resources projects at state agencies and by developing an enterprise-based strategy.

C.S.H.B. 3093 seeks to assess the current information technologies in state government and to identify opportunities to increase efficiencies, customer service, and transparency in information resource technologies by developing criteria to evaluate state agency information technologies biennial plans and by developing an enterprise-based strategy for information resources technologies in state government.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3093 amends the Government Code to require the Department of Information Resources (DIR) to coordinate with the quality assurance team and the Legislative Budget Board (LBB) to develop contracting standards for information resources technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts.

C.S.H.B. 3093 includes among the requirements for the performance report on the use of information resources technologies by state government prepared by DIR that it examine major information resources projects completed in the previous state fiscal biennium to determine the performance of the implementing state agency, cost and value effectiveness, timeliness, and other performance criteria necessary to assess the quality and value of the investment; that it examine major information resources projects after the second anniversary of the project's completion to determine progress toward meeting performance goals and operating budget savings; and that it identify proposed major information resources projects for the next state fiscal biennium, including project costs through stages of the project and across state fiscal years from project initiation to implementation. The bill specifies the information that must be included in the portion of the performance report identifying proposed major information resources projects for the next state fiscal biennium.

C.S.H.B. 3093 adds a temporary provision, set to expire January 1, 2016, requiring DIR to develop and execute an identity management pilot program using available funds and with the cooperation of state agencies selected by DIR that addresses the delivery, support, maintenance, and operation of a centralized identity management technology. The bill requires the pilot

program to assess the costs of identity management to each state agency participating in the pilot program, the opportunities for other state agencies to use identity management policies and best practices identified by DIR, the benefits to state agencies of identity management based on the results of the pilot program and, to the extent feasible, the use by state agencies of multifactor authentication, including biometric measures. The bill requires DIR, not later than November 1, 2014, to prepare a report on these assessments that identifies the short-term and long-term costs, risks, benefits, and other impacts to state agencies and Texas of implementing centralized identity management and to submit a copy of the report to the governor, the lieutenant governor, the speaker of the house of representatives, the standing committees of the legislature with jurisdiction over state agency technology, and the LBB. The bill authorizes DIR to contract with one or more private providers for identity management services to implement the pilot program.

C.S.H.B. 3093 adds a temporary provision, set to expire January 1, 2016, requiring DIR to review existing statutes, procedures, data, and organizational structures in consultation with the quality assurance team and the LBB in order to identify opportunities to increase efficiency, customer service, and transparency in information resources technologies. The bill requires DIR to identify and address financial data needed to comprehensively evaluate information resources technologies spending from an enterprise perspective; to review best practices in information resources technologies governance, including private sector practices and lessons learned from other states; and to review existing statutes regarding information resources technologies governance, standards, and financing in order to identify inconsistencies between current law and best practices. The bill requires DIR to report its findings and recommendations to the governor, lieutenant governor, speaker of the house of representatives, and House Technology Committee not later than December 1, 2014.

C.S.H.B. 3093 requires the LBB, in consultation with DIR, to establish criteria to evaluate state agency biennial operating plans. The bill requires the LBB, in developing the criteria, to include criteria on the feasibility of proposed information resources projects for the biennium, the consistency of the plan with the state strategic plan, the appropriate provision of public electronic access to information, evidence of business process streamlining and gathering of business and technical requirements, and services, costs, and benefits.

C.S.H.B. 3093 requires DIR, in consultation with the quality assurance team and the LBB, to develop an enterprise-based strategy for information resources technologies in state government based on information resources technologies expenditure information collected from state agencies. The bill requires DIR, in developing the enterprise-based strategy, to consider certain specified opportunities to achieve greater efficiency. The bill authorizes a department, commission, board, office, council, authority, or other agency of the legislative branch to coordinate with and participate in shared service initiatives, pilot programs, and the development of the enterprise-based strategy, where appropriate. The bill requires DIR, the quality assurance team, and the LBB to work with state agencies to improve the acquisition and delivery of information resources technologies products and services.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3093 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 2054.051, Government Code, is amended by adding Subsections (h), (i), and (j) to read as follows:

(h) The department shall establish a method of accounting for state agency expenditures for information resources technologies, including creating common definitions for information resources technologies investments and purchases.

(i) The department shall:

(1) coordinate with the quality assurance team, comptroller, and Legislative Budget Board to develop contracting standards for information resources technologies acquisition and purchased services; and

(2) work with state agencies to ensure deployment of standardized contracts.

(j) The department, using independent technical staff support and independent technical and financial information, shall review all information resources technologies within state government, including an information resources project or service provided by a public or private provider.

SECTION 2. Section 2054.055, Government Code, is amended.

SECTION 3. Subchapter C, Chapter 2054, Government Code, is amended by adding Sections 2054.065, 2054.066, and 2054.067 to read as follows:

Sec. 2054.065. PILOT PROGRAM OF PRIVATE PROVIDERS.

No equivalent provision.

(a) The department, in consultation with the quality assurance team, comptroller, and Legislative Budget Board, shall develop and execute a pilot program to contract with one or more private providers for:

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 2054.051, Government Code, is amended by adding Subsection (h) to read as follows:

No equivalent provision.

(h) The department shall:

(1) coordinate with the quality assurance team and Legislative Budget Board to develop contracting standards for information resources technologies acquisition and purchased services; and

(2) work with state agencies to ensure deployment of standardized contracts.

No equivalent provision.

SECTION 2. Same as introduced version.

SECTION 3. Subchapter C, Chapter 2054, Government Code, is amended by adding Sections 2054.065 and 2054.066 to read as follows:

Sec. 2054.065. IDENTITY MANAGEMENT PILOT PROGRAM. (a)

In this section, "identity management" means the act of controlling information about computer users, including information that:

(1) authenticates the identity of a user;

(2) describes the user, the data the user is authorized to access, and the actions the user is authorized to perform; and

(3) specifies the individuals who and methods that are authorized to access and modify the data.

(b) The department, using available funds and with the cooperation of state agencies selected by the department, shall develop and execute an identity management pilot program to address the delivery, support,

(1) the delivery, support, maintenance, and operation of information resources technologies through application managed services or other similar programs across one or more functional areas of information resources technologies; or

(2) the information resources technologies needs of one or more state agencies.

(b) In selecting a private provider for the pilot program, the department must engage in a competitive bidding process or request for proposals process.

(c) The pilot program shall assess:

(1) the biennial operating plan and planned procurement schedule of each state agency participating in the pilot program;

(2) opportunities to use best practices identified by the department; and

(3) whether each state agency should proceed with application managed services or other similar programs based on the results of the assessment.

(d) The department shall prepare a report on the assessments under Subsection (c) not later than June 1, 2014, and a final report on the pilot program not later than December 31, 2014. The final report must identify short-term and long-term costs, risks, benefits, and other organizational impacts of implementing application managed services or other similar programs within the state agencies participating in the pilot program.

(e) The department shall submit the final report to the Legislative Budget Board, comptroller, governor, lieutenant governor, and speaker of the house of representatives.

(f) This section expires January 1, 2016.

Sec. 2054.066. INDEPENDENT CONSULTANT FOR CONSOLIDATED STATE DATA CENTER. (a) The department shall contract with an independent consultant to:

(1) conduct a technical and financial analysis for a single consolidated state data center;

maintenance, and operation of a centralized identity management technology.

(e) To implement the pilot program, the department may contract with one or more private providers for identity management services.

(c) The pilot program shall assess:

(1) the costs of identity management to each state agency participating in the pilot program;

(2) the opportunities for other state agencies to use identity management policies and best practices identified by the department;

(3) the benefits to state agencies of identity management based on the results of the pilot program; and

(4) to the extent feasible, the use by state agencies of multifactor authentication, including biometric measures.

(d) Not later than November 1, 2014, the department shall:

(1) prepare a report on the assessments made under Subsection (c) that identifies the short-term and long-term costs, risks, benefits, and other impacts to state agencies and this state of implementing centralized identity management; and

(2) submit a copy of the report to the governor, the lieutenant governor, the speaker of the house of representatives, the standing committees of the legislature with jurisdiction over state agency technology, and the Legislative Budget Board.

(See text of subsection (e) above.)

(f) This section expires January 1, 2016.

No equivalent provision.

(2) develop a strategic business plan outlining the various options for use of the site that maximize taxpayer value consistent with the terms of the lease and related agreements; and

(3) assess:

(A) the total capital and operating costs for the proposed data center;

(B) the occupancy rate for the consolidated state data center compared to total capacity that will result in revenue exceeding total capital and operating expenses;

(C) the potential reallocation of resources that could result from the consolidation of state data centers and office space; and

(D) the potential return on investment for the consolidated state data center that may be realized without impairing any existing contractual rights under the terms of the lease and related agreements.

(b) The consultant shall submit a report on the review and analysis conducted under this section to the department, quality assurance team, Legislative Budget Board, comptroller, governor, lieutenant governor, speaker of the house of representatives, and House Technology Committee not later than December 1, 2014.

(c) This section expires January 1, 2016.

Sec. 2054.067. DEPARTMENT REVIEW.

(a) The department, in consultation with the quality assurance team, comptroller, and Legislative Budget Board, shall review existing statutes, procedures, data, and organizational structures to identify opportunities to increase efficiency, customer service, and transparency in information resources technologies. The department must:

(1) identify and address financial data needed to comprehensively evaluate information resources technologies spending from an enterprise perspective;

(2) review best practices in information resources technologies governance, including private sector practices and lessons learned from other states; and

(3) review existing statutes regarding information resources technologies governance, standards, and financing to identify inconsistencies between current law and best practices.

(b) The department shall report its findings and recommendations to the governor.

Sec. 2054.066. DEPARTMENT REVIEW.

(a) The department, in consultation with the quality assurance team and Legislative Budget Board, shall review existing statutes, procedures, data, and organizational structures to identify opportunities to increase efficiency, customer service, and transparency in information resources technologies. The department must:

(1) identify and address financial data needed to comprehensively evaluate information resources technologies spending from an enterprise perspective;

(2) review best practices in information resources technologies governance, including private sector practices and lessons learned from other states; and

(3) review existing statutes regarding information resources technologies governance, standards, and financing to identify inconsistencies between current law and best practices.

(b) The department shall report its findings and recommendations to the governor.

lieutenant governor, speaker of the house of representatives, and House Technology Committee not later than December 1, 2014.

(c) This section expires January 1, 2016.

SECTION 4. Section 2054.102, Government Code, is amended.

SECTION 5. Subchapter E, Chapter 2054, Government Code, is amended by adding Section 2054.105 to read as follows:

Sec. 2054.105. ENTERPRISE-BASED STRATEGY. (a) The department, in consultation with the quality assurance team, Legislative Budget Board, and comptroller, shall develop an enterprise-based strategy for information resources technologies in state government based on information resources technologies expenditure information collected from state agencies under this chapter.

(b) In developing the enterprise-based strategy for the state, the department must consider the following opportunities to achieve greater efficiency:

(1) developing personal computer replacement policies for the state, with consideration given to alternative models of personal computer use for state government, including thin client, software as a service, browser-based functionality, mobile computing, and other models that are less dependent on traditional computing;

(2) pursuing shared services initiatives across functional areas, including e-mail, telephony, and data storage;

(3) pursuing pilot programs, including a pilot program to demonstrate the value of application management services, to identify opportunities to achieve operational efficiencies;

(4) developing recommended data storage policies and record retention requirements and schedules for state agencies, in consultation with the state auditor, the state archivist, the state records administrator, and the Texas State Library and Archives Commission;

(5) reviewing existing software maintenance contracts to identify opportunities to renegotiate the price of those contracts or the

lieutenant governor, speaker of the house of representatives, and House Technology Committee not later than December 1, 2014.

(c) This section expires January 1, 2016.

SECTION 4. Same as introduced version.

SECTION 5. Subchapter E, Chapter 2054, Government Code, is amended by adding Section 2054.105 to read as follows:

Sec. 2054.105. ENTERPRISE-BASED STRATEGY. (a) The department, in consultation with the quality assurance team and Legislative Budget Board, shall develop an enterprise-based strategy for information resources technologies in state government based on information resources technologies expenditure information collected from state agencies under this chapter.

(b) In developing the enterprise-based strategy for the state, the department must consider the following opportunities to achieve greater efficiency:

(1) developing personal computer replacement policies for the state, with consideration given to alternative models of personal computer use for state government, including thin client, software as a service, browser-based functionality, mobile computing, and other models that are less dependent on traditional computing;

(2) pursuing shared services initiatives across functional areas, including e-mail, telephony, and data storage;

(3) pursuing pilot programs, including a pilot program to demonstrate the value of application management services, to identify opportunities to achieve operational efficiencies;

(4) in consultation with the state auditor, the state archivist, the state records administrator, and the Texas State Library and Archives Commission, developing recommended policies for state agencies regarding data storage, record retention requirements and schedules, and the creation of a digital repository for permanently valuable electronic records of state government;

(5) reviewing existing software maintenance contracts to identify opportunities to renegotiate the price of

level of service; and
(6) partnering with private providers for commonly used information resources technologies.

(c) A department, commission, board, office, council, authority, or other agency of the legislative branch may coordinate with and participate in shared service initiatives, pilot programs, and the development of the enterprise-based strategy, where appropriate.

(d) The department, quality assurance team, comptroller, and Legislative Budget Board shall work with state agencies to improve the acquisition and delivery of information resources technologies products and services.

SECTION 6. Section 2054.118, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The department, in consultation with the quality assurance team and Legislative Budget Board, shall establish policies and standards governing the funding of major information resources projects.

SECTION 7. Subchapter F, Chapter 2054, Government Code, is amended by adding Section 2054.123 to read as follows:

Sec. 2054.123. STATE MASTER CONTRACT FOR WIRELESS DEVICE OR SERVICE. (a) The department and the comptroller shall develop and implement a state master contract for the purchase of wireless devices or services.

(b) A state agency that purchases a wireless device or service shall purchase the device or service through participation in the state master contract unless the agency provides to the department and the comptroller evidence that the state agency is securing the device or service from another source at a lower cost than the cost of purchasing the device or service through participation in the state master contract.

SECTION 8. This Act takes effect September 1, 2013.

those contracts or the level of service; and
(6) partnering with private providers for commonly used information resources technologies.

(c) A department, commission, board, office, council, authority, or other agency of the legislative branch may coordinate with and participate in shared service initiatives, pilot programs, and the development of the enterprise-based strategy, where appropriate.

(d) The department, quality assurance team, and Legislative Budget Board shall work with state agencies to improve the acquisition and delivery of information resources technologies products and services.

No equivalent provision.

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SECTION 6. Same as introduced version.