

SENATE AMENDMENTS

2nd Printing

By: Elkins

H.B. No. 3093

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the powers and duties of the Department of Information
3 Resources and the Legislative Budget Board regarding information
4 resources technologies of state agencies.

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

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

8 (h) The department shall:

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

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

15 SECTION 2. Section 2054.055, Government Code, is amended by
16 amending Subsection (b) and adding Subsection (b-2) to read as
17 follows:

18 (b) The report must:

19 (1) assess the progress made toward meeting the goals
20 and objectives of the state strategic plan for information
21 resources management;

22 (2) describe major accomplishments of the state or a
23 specific state agency in information resources management;

24 (3) describe major problems in information resources

1 management confronting the state or a specific state agency;

2 (4) provide a summary of the total expenditures for
3 information resources and information resources technologies by
4 the state;

5 (5) make recommendations for improving the
6 effectiveness and cost-efficiency of the state's use of information
7 resources;

8 (6) describe the status, progress, benefits, and
9 efficiency gains of the state electronic Internet portal project,
10 including any significant issues regarding contract performance;

11 (7) provide a financial summary of the state
12 electronic Internet portal project, including project costs and
13 revenues;

14 (8) provide a summary of the amount and use of
15 Internet-based training conducted by each state agency and
16 institution of higher education;

17 (9) provide a summary of agency and statewide results
18 in providing access to electronic and information resources to
19 individuals with disabilities as required by Subchapter M; ~~and~~

20 (10) assess the progress made toward accomplishing the
21 goals of the plan for a state telecommunications network and
22 developing a system of telecommunications services as provided by
23 Subchapter H;

24 (11) identify proposed major information resources
25 projects for the next state fiscal biennium, including project
26 costs through stages of the project and across state fiscal years
27 from project initiation to implementation;

1 (12) examine major information resources projects
2 completed in the previous state fiscal biennium to determine the
3 performance of the implementing state agency, cost and value
4 effectiveness, timeliness, and other performance criteria
5 necessary to assess the quality and value of the investment; and

6 (13) examine major information resources projects
7 after the second anniversary of the project's completion to
8 determine progress toward meeting performance goals and operating
9 budget savings.

10 (b-2) The information required under Subsection (b)(11)
11 must include:

12 (1) final total cost of ownership budget data for the
13 entire life cycle of the major information resources project,
14 including capital and operational costs that itemize staffing
15 costs, contracted services, hardware purchased or leased, software
16 purchased or leased, travel, and training;

17 (2) the original project schedule and the final actual
18 project schedule;

19 (3) data on the progress toward meeting the original
20 goals and performance measures of the project, specifically those
21 related to operating budget savings;

22 (4) lessons learned on the project, performance
23 evaluations of any vendors used in the project, and reasons for
24 project delays or cost increases; and

25 (5) the benefits, cost avoidance, and cost savings
26 generated by major technology resources projects.

27 SECTION 3. Subchapter C, Chapter 2054, Government Code, is

1 amended by adding Sections 2054.065 and 2054.066 to read as
2 follows:

3 Sec. 2054.065. IDENTITY MANAGEMENT PILOT PROGRAM. (a) In
4 this section, "identity management" means the act of controlling
5 information about computer users, including information that:

6 (1) authenticates the identity of a user;

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

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

12 (b) The department, using available funds, with the
13 cooperation of state agencies selected by the department, and in
14 consultation with the Information Technology Council for Higher
15 Education, shall develop and execute an identity management pilot
16 program to address the delivery, support, maintenance, and
17 operation of identity management technology.

18 (c) The pilot program shall assess:

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

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

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

26 (4) to the extent feasible, the use by state agencies
27 of multifactor authentication.

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

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

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

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

13 (f) This section expires January 1, 2016.

14 Sec. 2054.066. DEPARTMENT REVIEW. (a) The department, in
15 consultation with the quality assurance team, the Information
16 Technology Council for Higher Education, and the Legislative Budget
17 Board, shall review existing statutes, procedures, data, and
18 organizational structures to identify opportunities to increase
19 efficiency, customer service, and transparency in information
20 resources technologies. The department must:

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

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

27 (3) review existing statutes regarding information

1 resources technologies governance, standards, and financing to
2 identify inconsistencies between current law and best practices.

3 (b) The department shall report its findings and
4 recommendations to the governor, lieutenant governor, speaker of
5 the house of representatives, and House Technology Committee not
6 later than December 1, 2014.

7 (c) This section expires January 1, 2016.

8 SECTION 4. Section 2054.102, Government Code, is amended by
9 adding Subsection (b-1) to read as follows:

10 (b-1) The Legislative Budget Board, in consultation with
11 the department and the Information Technology Council for Higher
12 Education, shall establish criteria to evaluate state agency
13 biennial operating plans. In developing the criteria, the board
14 shall include criteria on:

15 (1) the feasibility of proposed information resources
16 projects for the biennium;

17 (2) the consistency of the plan with the state
18 strategic plan;

19 (3) the appropriate provision of public electronic
20 access to information;

21 (4) evidence of business process streamlining and
22 gathering of business and technical requirements; and

23 (5) services, costs, and benefits.

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

26 Sec. 2054.105. ENTERPRISE-BASED STRATEGY. (a) The
27 department, in consultation with the quality assurance team, the

1 Information Technology Council for Higher Education, and the
2 Legislative Budget Board, shall develop an enterprise-based
3 strategy for information resources technologies in state
4 government based on information resources technologies expenditure
5 information collected from state agencies under this chapter.

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

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

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

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

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

27 (5) reviewing existing software maintenance contracts

1 to identify opportunities to renegotiate the price of those
2 contracts or the level of service; and

3 (6) partnering with providers for commonly used
4 information resources technologies.

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

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

14 SECTION 6. This Act takes effect September 1, 2013.

ADOPTED

MAY 20 2013

Atty Gen
Secretary of the Senate

By: Elkins/Zaffirini

H.B. No. 3093

Substitute the following for H.B. No. 3093:

By: Zaffirini

C.S. H.B. No. 3093

A BILL TO BE ENTITLED

AN ACT

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2 Information Resources and the Legislative Budget Board regarding
3 information resources technologies of state agencies.
4

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

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7 by adding Subsection (h) to read as follows:

8 (h) The department shall:

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

15 SECTION 2. Section 2054.055, Government Code, is amended
16 by amending Subsection (b) and adding Subsection (b-2) to read
17 as follows:

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20 and objectives of the state strategic plan for information
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22 (2) describe major accomplishments of the state or a
23 specific state agency in information resources management;

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1 management confronting the state or a specific state agency;

2 (4) provide a summary of the total expenditures for
3 information resources and information resources technologies by
4 the state;

5 (5) make recommendations for improving the
6 effectiveness and cost-efficiency of the state's use of
7 information resources;

8 (6) describe the status, progress, benefits, and
9 efficiency gains of the state electronic Internet portal
10 project, including any significant issues regarding contract
11 performance;

12 (7) provide a financial summary of the state
13 electronic Internet portal project, including project costs and
14 revenues;

15 (8) provide a summary of the amount and use of
16 Internet-based training conducted by each state agency and
17 institution of higher education;

18 (9) provide a summary of agency and statewide results
19 in providing access to electronic and information resources to
20 individuals with disabilities as required by Subchapter M; ~~and~~

21 (10) assess the progress made toward accomplishing
22 the goals of the plan for a state telecommunications network and
23 developing a system of telecommunications services as provided
24 by Subchapter H;

25 (11) identify proposed major information resources
26 projects for the next state fiscal biennium, including project
27 costs through stages of the project and across state fiscal

1 years from project initiation to implementation;

2 (12) examine major information resources projects
3 completed in the previous state fiscal biennium to determine the
4 performance of the implementing state agency, cost and value
5 effectiveness, timeliness, and other performance criteria
6 necessary to assess the quality and value of the investment; and

7 (13) examine major information resources projects
8 after the second anniversary of the project's completion to
9 determine progress toward meeting performance goals and
10 operating budget savings.

11 (b-2) The information required under Subsection (b)(11)
12 must include:

13 (1) final total cost of ownership budget data for the
14 entire life cycle of the major information resources project,
15 including capital and operational costs that itemize staffing
16 costs, contracted services, hardware purchased or leased,
17 software purchased or leased, travel, and training;

18 (2) the original project schedule and the final
19 actual project schedule;

20 (3) data on the progress toward meeting the original
21 goals and performance measures of the project, specifically
22 those related to operating budget savings;

23 (4) lessons learned on the project, performance
24 evaluations of any vendors used in the project, and reasons for
25 project delays or cost increases; and

26 (5) the benefits, cost avoidance, and cost savings
27 generated by major technology resources projects.

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

4 Sec. 2054.065. IDENTITY MANAGEMENT PILOT PROGRAM. (a) In
5 this section, "identity management" means the act of controlling
6 information about computer users, including information that:

7 (1) authenticates the identity of a user;

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

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

13 (b) The department, using available funds, with the
14 cooperation of state agencies selected by the department, and in
15 consultation with the Information Technology Council for Higher
16 Education, shall develop and execute an identity management
17 pilot program to address the delivery, support, maintenance, and
18 operation of identity management technology.

19 (c) The pilot program shall assess:

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

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

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

27 (4) to the extent feasible, the use by state agencies

1 of multifactor authentication, which may include systems that
2 include digital signature and encryption.

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

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

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

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

16 (f) This section expires January 1, 2016.

17 Sec. 2054.066. DEPARTMENT REVIEW. (a) The department, in
18 consultation with the quality assurance team, the Information
19 Technology Council for Higher Education, and the Legislative
20 Budget Board, shall review existing statutes, procedures, data,
21 and organizational structures to identify opportunities to
22 increase efficiency, customer service, and transparency in
23 information resources technologies. The department must:

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

27 (2) review best practices in information resources

1 technologies governance, including private sector practices and
2 lessons learned from other states; and

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

6 (b) The department shall report its findings and
7 recommendations to the governor, lieutenant governor, speaker of
8 the house of representatives, Senate Government Organization
9 Committee and House Technology Committee not later than December
10 1, 2014.

11 (c) This section expires January 1, 2016.

12 SECTION 4. Section 2054.102, Government Code, is amended
13 by adding Subsection (b-1) to read as follows:

14 (b-1) The Legislative Budget Board, in consultation with
15 the department and the Information Technology Council for Higher
16 Education, shall establish criteria to evaluate state agency
17 biennial operating plans. In developing the criteria, the board
18 shall include criteria on:

19 (1) the feasibility of proposed information resources
20 projects for the biennium;

21 (2) the consistency of the plan with the state
22 strategic plan;

23 (3) the appropriate provision of public electronic
24 access to information;

25 (4) evidence of business process streamlining and
26 gathering of business and technical requirements; and

27 (5) services, costs, and benefits.

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

3 Sec. 2054.105. ENTERPRISE-BASED STRATEGY. (a) The
4 department, in consultation with the quality assurance team, the
5 Information Technology Council for Higher Education, and the
6 Legislative Budget Board, shall develop an enterprise-based
7 strategy for information resources technologies in state
8 government based on information resources technologies
9 expenditure information collected from state agencies under this
10 chapter.

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

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

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

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

26 (4) in consultation with the state auditor, the state
27 archivist, the state records administrator, and the Texas State

1 Library and Archives Commission, developing recommended policies
2 for state agencies regarding data storage, record retention
3 requirements and schedules, and the creation of a digital
4 repository for permanently valuable electronic records of state
5 government;

6 (5) reviewing existing software maintenance contracts
7 to identify opportunities to renegotiate the price of those
8 contracts or the level of service; and

9 (6) partnering with providers for commonly used
10 information resources technologies.

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

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

20 (e) For the purposes of this subsection, enterprise-based
21 strategy means a strategy to achieve efficiencies and cost
22 savings that applies to two or more state agencies.

23 SECTION 6. This Act takes effect September 1, 2013.

FLOOR AMENDMENT NO. 1

BY: Zaffirini

1 Amend C.S.H.B. 3093 (Senate Committee printing) as follows:

2 (1) In SECTION 1 of the bill strike the words "and
3 Legislature Budget Board," (page 1, lines 26 - 27).

4 (2) Strike SECTION 3 of the bill (page 2, line 35, through
5 page 3, line 30) and renumber the subsequent sections
6 appropriately.

7 (3) Strike SECTION 5 of the bill (page 3, line 47, through
8 page 4, line 24) and renumber the subsequent sections
9 appropriately.

ADOPTED

MAY 20 2013

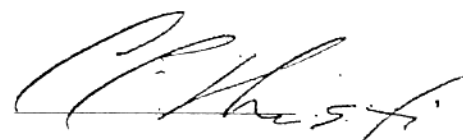
Atay Spaul
Secretary of the Senate

ADOPTED

FLOOR AMENDMENT NO. 2

MAY 20 2013

BY:




Secretary of the Senate

1 Amend H.B. No. 3093 (senate committee report) by adding the
2 following appropriately numbered SECTION and renumbering
3 subsequent SECTIONS accordingly:

4 SECTION _____. Subchapter F, Chapter 2054, Government
5 Code, is amended by adding Section 2054.133 to read as follows:

6 Sec. 2054.133. ELECTRONIC VOTER REGISTRATION. (a) The
7 secretary of state, working in conjunction with the Department
8 of Information Resources, shall implement a program to allow a
9 person to complete a voter registration application over the
10 Internet from the official website of this state. The websites
11 of the secretary of state and the Department of Public Safety
12 must also provide a link to the location of the application on
13 the official website of this state.

14 (b) An applicant for electronic voter registration who has
15 an unexpired driver's license or personal identification card
16 issued in this state must:

17 (1) attest to the truth of the information provided
18 on the application by affirmatively accepting the information as
19 true; and

20 (2) affirmatively consent to the use of the signature
21 on the applicant's driver's license or personal identification
22 card for voter registration purposes.

23 (c) An applicant for electronic voter registration who
24 does not have an unexpired driver's license or personal
25 identification card issued in this state must:

26 (1) attest to the truth of the information provided
27 on the application by affirmatively accepting the information as
28 true; and

29 (2) print a registration application from the website

1 the applicant is using to register, sign the application, and
2 mail it to the registrar.

3 (d) For each application submitted under Subsection (b),
4 the program shall require that a digital copy of the applicant's
5 signature be obtained from the Department of Public Safety.

6 (e) For each application submitted under Subsection (c),
7 the program shall provide the applicant with:

8 (1) a registration application that the applicant can
9 print from the registration website, sign, and mail to the
10 registrar as required under Subsection (c)(2); and

11 (2) information about how the applicant can obtain a
12 driver's license or personal identification card from the
13 Department of Public Safety.

14 (f) An application submitted under this section is
15 considered for all purposes as an application submitted by mail
16 under Title 2, Election Code.

17 (g) The secretary of state shall adopt rules as necessary
18 to implement this section, including rules to provide for
19 additional security measures necessary to ensure the accuracy
20 and integrity of applications submitted electronically.

21 (h) The rules adopted under Subsection (g) must require
22 that:

23 (1) the Internet website through which a person may
24 complete a voter registration application include a description
25 of the offense described by Section 13.007, Election Code, in a
26 conspicuous location on the website near the place where the
27 person begins or submits the application; and

28 (2) the state electronic Internet portal project be
29 used to authenticate the identity of a person who submits an
30 application electronically under this section.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 21, 2013

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3093 by Elkins (Relating to the powers and duties of the Department of Information Resources and the Legislative Budget Board regarding information resources technologies of state agencies.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would require the Department of Information Resources (DIR) to coordinate with the quality assurance team (QAT) to develop contracting standards for IR technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts.

The bill would require the Legislative Budget Board (LBB) to work with DIR and the Information Technology Council for Higher Education to establish criteria to evaluate state agency biennial operating plans.

The bill would require the Secretary of State (SOS) to work with DIR to implement and provide provisions for a program that would allow a person to complete a voter registration application over the Internet from the official website of the state, which would include obtaining a digital copy of an applicant's signature from the Department of Public Safety (DPS). The bill would require the websites of the SOS and the DPS to provide a link to the voter registration application on the official website of the state. The bill would also require certain actions to be taken by applicants for electronic voter registration."

DIR, the State Auditor's Office (SAO), and the LBB indicate that any costs associated with the bill could be absorbed within existing resources. It is assumed that any additional costs to university systems with members in the Council could be absorbed within existing resources. In accordance with Government Code 321.013, all additional duties and responsibilities prescribed by the bill would be proposed in the SAO's annual audit plan for Legislative Audit Committee approval.

The SOS and DPS estimate there would be a minimal cost associated with implementing the provisions of the bill.

The bill would take effect on September 1, 2013.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State, 313 Department of Information Resources, 405
Department of Public Safety

LBB Staff: UP, KJo, SD, EP, LCO, CK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 16, 2013

TO: Honorable Judith Zaffirini, Chair, Senate Committee on Government Organization

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3093 by Elkins (Relating to the powers and duties of the Department of Information Resources and the Legislative Budget Board regarding information resources technologies of state agencies.), **Committee Report 2nd House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would require the Department of Information Resources (DIR) to coordinate with the quality assurance team (QAT) and the Legislative Budget Board (LBB) to develop contracting standards for IR technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts. The bill would require DIR, with the cooperation of selected agencies and in consultation with the Information Technology Council for Higher Education (Council), to develop and execute an identity management pilot program to address the delivery, support, maintenance, and operation of identity management technology and to submit a report of the findings to the governor, lieutenant governor, speaker, legislative standing committees with jurisdiction over state agency technology, Senate Government Organization Committee and the LBB by November 1, 2014. The section pertaining to the pilot program would expire January 1, 2016.

The bill would require DIR, in consultation with the QAT, the Council and LBB, to review existing statutes, procedures, data, and organizational structures to identify opportunities to improve efficiency, customer service, and transparency in IR technologies. A report of the findings would be provided to the governor, lieutenant governor, speaker, Senate Government Organization Committee and House Technology Committee, not later than December 1, 2014. This section would expire January 1, 2016.

The bill would require DIR, in consultation with QAT, the Council and the LBB, to develop an enterprise-based strategy for IR technologies in state government based on IR technologies expenditure information collected from state agencies. The bill would require DIR's consideration of certain opportunities in developing an enterprise-based strategy. The bill would allow an agency to coordinate or participate in shared service initiatives, pilot programs and the development of the enterprise-based strategy. The bill would require DIR, QAT, and the LBB to work with state agencies to improve the acquisition and delivery of IR technology products and services.

DIR, the State Auditor's Office (SAO), the LBB, and the Library and Archives Commission indicate that any costs associated with the bill could be absorbed within existing resources. It is assumed that any additional costs to university systems with members in the Council could be

absorbed within existing resources. In accordance with Government Code 321.013, all additional duties and responsibilities prescribed by the bill would be proposed in the SAO's annual audit plan for Legislative Audit Committee approval.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, KJo, SD, EP, LCO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 13, 2013

TO: Honorable Judith Zaffirini, Chair, Senate Committee on Government Organization

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3093 by Elkins (Relating to the powers and duties of the Department of Information Resources and the Legislative Budget Board regarding information resources technologies of state agencies.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would require the Department of Information Resources (DIR) to coordinate with the quality assurance team (QAT) and the Legislative Budget Board (LBB) to develop contracting standards for IR technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts. The bill would require DIR, with the cooperation of selected agencies and in consultation with the Information Technology Council for Higher Education (Council), to develop and execute an identity management pilot program to address the delivery, support, maintenance, and operation of identity management technology and to submit a report of the findings to the governor, lieutenant governor, speaker, legislative standing committees with jurisdiction over state agency technology, and the LBB by November 1, 2014. The section pertaining to the pilot program would expire January 1, 2016.

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for Legislative Audit Committee approval.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, KJo, EP, LCO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 19, 2013

TO: Honorable Gary Elkins, Chair, House Committee on Technology

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3093 by Elkins (Relating to the powers and duties of the Department of Information Resources and the Legislative Budget Board regarding information resources technologies of state agencies.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would require the Department of Information Resources (DIR) to coordinate with the quality assurance team (QAT) and the Legislative Budget Board (LBB) to develop contracting standards for IR technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts. The bill would require DIR, with the cooperation of selected agencies, to develop and execute an identity management pilot program to address the delivery, support, maintenance, and operation of a centralized identity management technology and to submit a report of the findings to the governor, lieutenant governor, speaker, legislative standing committees with jurisdiction over state agency technology, and the LBB by November 1, 2014. The section pertaining to the pilot program would expire January 1, 2016.

The bill would require DIR, in consultation with the QAT and LBB, to review existing statutes, procedures, data, and organizational structures to identify opportunities to increase efficiency, customer service, and transparency in IR technologies. A report of the findings would be provided to the governor, lieutenant governor, speaker, and House Technology Committee, not later than December 1, 2014. This section would expire January 1, 2016.

The bill would require DIR, in consultation with QAT and the LBB, to develop an enterprise-based strategy for IR technologies in state government based on IR technologies expenditure information collected from state agencies. The bill would require DIR's consideration of certain opportunities in developing an enterprise-based strategy. The bill would allow an agency to coordinate or participate in shared service initiatives, pilot programs and the development of the enterprise-based strategy. The bill would require DIR, QAT, and the LBB to work with state agencies to improve the acquisition and delivery of IR technology products and services.

DIR, the State Auditor's Office (SAO), the LBB, and the Library and Archives Commission indicate that any costs associated with the bill could be absorbed within existing resources. In accordance with Government Code 321.013, all additional duties and responsibilities prescribed by the bill would be proposed in the SAO's annual audit plan for Legislative Audit Committee approval.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 306 Library & Archives Commission, 308 State Auditor's Office, 313 Department of Information Resources, 720 The University of Texas System Administration

LBB Staff: UP, RB, EP, LCO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 8, 2013

TO: Honorable Gary Elkins, Chair, House Committee on Technology

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3093 by Elkins (Relating to information resources technologies of state agencies.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3093, As Introduced: a negative impact of (\$3,750,000) through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$3,750,000)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>DIR Clearing Fund Account - AR</i> 8122
2014	(\$3,750,000)	(\$488,178)
2015	\$0	(\$265,178)
2016	\$0	(\$265,178)
2017	\$0	(\$265,178)
2018	\$0	(\$265,178)

Fiscal Analysis

The bill would require the Department of Information Resources (DIR) to establish a method of accounting for state agency expenditures for information resources (IR) technologies, including creating common definitions for IR technologies investments and purchases. The bill would

require DIR to coordinate with the quality assurance team (QAT), comptroller, and the Legislative Budget Board (LBB) to develop contracting standards for IR technologies acquisition and purchased services and to work with state agencies to ensure deployment of standardized contracts. The bill would also require DIR to use independent technical staff support and independent technical and financial information, to review all IR technologies within state government.

The bill would require DIR, in consultation with the QAT, comptroller, and LBB, to develop and execute a pilot program to contract with one or more private providers for the following: the delivery, support, maintenance, and operation of IR technologies through application managed services or similar programs across one or more functional areas of IR technologies; or the IR technologies needs of one or more state agencies.

The bill would require the pilot program to assess the following: the biennial operating plan and planned procurement schedule of each state agency participating in the pilot program; opportunities to use best practices identified by DIR; and whether each agency should proceed with application managed services or other similar programs based on the results of the assessment. The bill would require DIR to prepare a report on the assessment not later than June 1, 2014 and a final report not later than December 31, 2014. The bill would require DIR to submit the final report to the LBB, comptroller, governor, lieutenant governor, and speaker. This section of the bill would expire on January 1, 2016.

The bill would require DIR to contract with an independent consultant to: conduct a technical and financial analysis for a single consolidated state data center; 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 the potential return on investment for the consolidated data center that may be realized without impairing any existing contractual rights under the terms of the lease and related agreements. The consultant would submit a report on the review and analysis to DIR, QAT, LBB, comptroller, governor, lieutenant governor, and the speaker and the House Technology Committee no later than December 1, 2014. This section would expire January 1, 2016.

The bill would require DIR, in consultation with the QAT, comptroller, and LBB, to review existing statutes, procedures, data, and organizational structures to identify opportunities to increase efficiency, customer service, and transparency in IR technologies. A report of the findings would be provided to the governor, lieutenant governor, speaker, and House Technology Committee, not later than December 1, 2014. This section would expire January 1, 2016.

The bill would require DIR, in consultation with QAT, LBB, and the comptroller, to develop an enterprise-based strategy for IR technologies in state government based on IR technologies expenditure information collected from state agencies.

The bill would require DIR to consider the following in developing an enterprise-based strategy: developing personal computer replacement policies for the state that considers alternative models of personal computer use for state government; pursuing shared services initiatives across functional areas; pursuing pilot programs to demonstrate the value of application managed services; developing recommended data storage policies and record retention requirements and schedules in consultation with the state auditor, the state archivist, the state records administrator, and the Library and Archives Commission; reviewing existing software maintenance contracts to identify opportunities to renegotiate pricing or service levels; and partnering with private vendors for commonly used IR technologies.

The bill would allow an agency to coordinate or participate in shared service initiatives, pilot programs and the development of the enterprise-based strategy. The bill would require DIR, QAT, the comptroller, and the LBB to work with state agencies to improve the acquisition and delivery of IR technology products and services. The bill would require DIR, in consultation with QAT and the LBB, to establish policies and standards governing the funding of major IR projects.

Methodology

DIR anticipates total costs to implement the bill would include \$4,238,178 in fiscal year 2014 and \$265,178 in each subsequent fiscal year. Of the total, \$488,178 in fiscal year 2014 and \$265,178 in each subsequent fiscal year would be funded from the Clearing Fund Account (appropriated receipts) which generates revenue from administrative fees charged to state agencies and local entities which purchase goods and services through DIR's cooperative contracts program.

The costs out of the Clearing Fund reflect: (1) \$150,000 in professional fees and services in fiscal year 2014 to develop an automated tool to streamline expenditure reporting and \$27,000 each following fiscal year for on-going maintenance of the automated tool to implement the provisions of the bill relating to establishing a method of accounting for state agencies' expenditure for IR technologies; (2) \$100,000 in professional fees and services in fiscal year 2014 related to use of independent technical staff to review all IR technologies within the state; and (3) \$238,178 in salaries and wages (including \$53,103 in benefits) and related operating costs each fiscal year for DIR to internally develop an enterprise-based strategy.

It is assumed that the remaining costs in fiscal year 2014, totaling \$3,750,000, would be funded out of General Revenue. Costs reflect \$2,250,000 in fiscal year 2014 to contract with a private vendor to implement a pilot program for application managed services for one or more state agencies and to provide an assessment on the short and long-term costs, benefits, risks, and other organizational impacts of implementing application managed services. Total costs are dependent on the final scope of the project determined during the planning and development phase. General Revenue costs also include \$1,500,000 in fiscal year 2014 to contract with an independent consultant for technical and financial analysis for a single consolidated state data center. The estimate is based on similar expenditures by DIR related to technical and financial reviews of data centers.

Both provisions of the bill related to the pilot program and state data center require corresponding reports to be completed by, respectively, December 31, 2014 and December 1, 2014. It is not anticipated that sufficient revenue would be generated from the Clearing Fund in the time frame required to conduct the pilot program, study and required reports.

The comptroller estimates there would be a cost associated with implementing the provisions of the bill. It is anticipated that the additional costs could be absorbed within current resources. The State Auditor's Office (SAO), LBB, Library and Archives Commission and Texas State University System indicate that any costs associated with the bill could be absorbed within existing resources.

In accordance with Government Code 321.013, all additional duties and responsibilities prescribed by the bill would be proposed in the SAO's annual audit plan for Legislative Audit Committee approval.

Technology

DIR indicates one-time technology costs of \$150,000 in fiscal year 2014 to develop an automated tool to streamline IR expenditure reporting by state agencies and associated ongoing maintenance costs of \$27,000 in each subsequent fiscal year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 306 Library & Archives Commission, 308 State Auditor's Office, 313 Department of Information Resources, 758 Texas State University System

LBB Staff: UP, RB, EP, LCO