

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 5891**

Chapter 33, Laws of 2013

63rd Legislature  
2013 2nd Special Session

STATE TECHNOLOGY EXPENDITURES

EFFECTIVE DATE: 09/28/13

Passed by the Senate June 27, 2013  
YEAS 48 NAYS 0

BRAD OWEN

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**President of the Senate**

Passed by the House June 27, 2013  
YEAS 90 NAYS 2

FRANK CHOPP

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**Speaker of the House of Representatives**

Approved July 3, 2013, 2:27 p.m.

JAY INSLEE

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**Governor of the State of Washington**

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5891** as passed by the Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

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**Secretary**

FILED

July 3, 2013

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5891**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2013 2nd Special Session

**State of Washington                      63rd Legislature                      2013 2nd Special Session**

**By** Senate Ways & Means (originally sponsored by Senators Hill and Hargrove)

READ FIRST TIME 04/05/13.

1            AN ACT Relating to state technology expenditures; amending RCW  
2 43.41A.025, 39.26.100, 43.41A.010, 43.88.092, and 42.56.420; adding a  
3 new section to chapter 43.41 RCW; adding a new section to chapter  
4 43.41A RCW; and creating new sections.

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

6            **Sec. 1.** RCW 43.41A.025 and 2011 1st sp.s. c 43 s 706 are each  
7 amended to read as follows:

8            (1) The chief information officer shall establish standards and  
9 policies to govern information technology in the state of Washington.

10           (2) The office shall have the following powers and duties related  
11 to information services:

12           (a) To develop statewide standards and policies governing the  
13 acquisition and disposition of equipment, software, and personal and  
14 purchased services, licensing of the radio spectrum by or on behalf of  
15 state agencies, and confidentiality of computerized data;

16           (b) To develop statewide or interagency technical policies,  
17 standards, and procedures;

18           (c) To review and approve standards and common specifications for  
19 new or expanded telecommunications networks proposed by agencies,

1 public postsecondary education institutions, educational service  
2 districts, or statewide or regional providers of K-12 information  
3 technology services;

4 (d) To develop a detailed business plan for any service or activity  
5 to be contracted under RCW 41.06.142(7)(b) by the consolidated  
6 technology services agency;

7 (e) To provide direction concerning strategic planning goals and  
8 objectives for the state. The office shall seek input from the  
9 legislature and the judiciary; ~~((and))~~

10 (f) To establish policies for the periodic review by the office of  
11 agency performance which may include but are not limited to analysis  
12 of:

13 (i) Planning, management, control, and use of information services;

14 (ii) Training and education; and

15 (iii) Project management;

16 (g) To coordinate with state agencies with an annual information  
17 technology expenditure that exceeds ten million dollars to implement a  
18 technology business management program to identify opportunities for  
19 savings and efficiencies in information technology expenditures and to  
20 monitor ongoing financial performance of technology investments; and

21 (h) In conjunction with the consolidated technology services  
22 agency, to develop statewide standards for agency purchases of  
23 technology networking equipment and services.

24 (3) Statewide technical standards to promote and facilitate  
25 electronic information sharing and access are an essential component of  
26 acceptable and reliable public access service and complement content-  
27 related standards designed to meet those goals. The office shall:

28 (a) Establish technical standards to facilitate electronic access  
29 to government information and interoperability of information systems,  
30 including wireless communications systems; and

31 (b) Require agencies to include an evaluation of electronic public  
32 access needs when planning new information systems or major upgrades of  
33 systems.

34 In developing these standards, the office is encouraged to include  
35 the state library, state archives, and appropriate representatives of  
36 state and local government.

37 (4) The office shall perform other matters and things necessary to  
38 carry out the purposes and provisions of this chapter.

1       **Sec. 2.** RCW 39.26.100 and 2012 c 224 s 11 are each amended to read  
2 as follows:

3       (1) The provisions of this chapter do not apply in any manner to  
4 the operation of the state legislature except as requested by the  
5 legislature.

6       (2) The provisions of this chapter do not apply to the contracting  
7 for services, equipment, and activities that are necessary to  
8 establish, operate, or manage the state data center, including  
9 architecture, design, engineering, installation, and operation of the  
10 facility, that are approved by the technology services board or the  
11 acquisition of proprietary software, equipment, and information  
12 technology services necessary for or part of the provision of services  
13 offered by the consolidated technology services agency.

14       (3) Primary authority for the purchase of specialized equipment,  
15 and instructional and research material, for their own use rests with  
16 the institutions of higher education as defined in RCW 28B.10.016.

17       (4) Universities operating hospitals with approval from the  
18 director, as the agent for state hospitals as defined in RCW 72.23.010,  
19 and for health care programs provided in state correctional  
20 institutions as defined in RCW 72.65.010(3) and veterans' institutions  
21 as defined in RCW 72.36.010 and 72.36.070, may make purchases for  
22 hospital operation by participating in contracts for materials,  
23 supplies, and equipment entered into by nonprofit cooperative hospital  
24 group purchasing organizations if documented to be more cost-effective.

25       (5) Primary authority for the purchase of materials, supplies, and  
26 equipment, for resale to other than public agencies, rests with the  
27 state agency concerned.

28       (6) The authority for the purchase of insurance and bonds rests  
29 with the risk manager under RCW 43.19.769, except for institutions of  
30 higher education that choose to exercise independent purchasing  
31 authority under RCW 28B.10.029.

32       (7) The authority to purchase interpreter services and interpreter  
33 brokerage services on behalf of limited-English speaking or sensory-  
34 impaired applicants and recipients of public assistance rests with the  
35 department of social and health services and the health care authority.

36       (8) The provisions of this chapter do not apply to information  
37 technology purchases by state agencies, other than institutions of  
38 higher education and agencies of the judicial branch, if (a) the

1 purchase is less than one hundred thousand dollars, (b) the initial  
2 purchase is approved by the chief information officer of the state, and  
3 (c) the agency director and the chief information officer of the state  
4 jointly prepare a public document providing a detailed justification  
5 for the expenditure.

6 **Sec. 3.** RCW 43.41A.010 and 2011 1st sp.s. c 43 s 702 are each  
7 amended to read as follows:

8 (1) The office of the chief information officer is created within  
9 the office of financial management.

10 (2) Powers, duties, and functions assigned to the department of  
11 information services as specified in this chapter shall be transferred  
12 to the office of chief information officer as provided in this chapter.

13 (3) The primary duties of the office are:

14 (a) To prepare and lead the implementation of a strategic direction  
15 and enterprise architecture for information technology for state  
16 government;

17 (b) To enable the standardization and consolidation of information  
18 technology infrastructure across all state agencies to support  
19 enterprise-based system development and improve and maintain service  
20 delivery;

21 (c) To establish standards and policies for the consistent and  
22 efficient operation of information technology services throughout state  
23 government;

24 (d) To establish statewide enterprise architecture that will serve  
25 as the organizing standard for information technology for state  
26 agencies;

27 (e) ~~((+T+))~~ To educate and inform state managers and policymakers  
28 on technological developments, industry trends and best practices,  
29 industry benchmarks that strengthen decision making and professional  
30 development, and industry understanding for public managers and  
31 decision makers.

32 (4) In the case of institutions of higher education, the powers of  
33 the office and the provisions of this chapter apply to business and  
34 administrative applications but do not apply to (a) academic and  
35 research applications; and (b) medical, clinical, and health care  
36 applications, including the business and administrative applications  
37 for such operations. However, institutions of higher education must

1 disclose to the office any proposed academic applications that are  
2 enterprise-wide in nature relative to the needs and interests of other  
3 institutions of higher education. Institutions of higher education  
4 shall provide to the chief information officer sufficient data and  
5 information on proposed expenditures on business and administrative  
6 applications to permit the chief information officer to evaluate the  
7 proposed expenditures pursuant to RCW 43.88.092(3).

8 (5) The legislature and the judiciary, which are constitutionally  
9 recognized as separate branches of government, are strongly encouraged  
10 to coordinate with the office and participate in shared services  
11 initiatives and the development of enterprise-based strategies, where  
12 appropriate. Legislative and judicial agencies of the state shall  
13 submit to the chief information officer information on proposed  
14 information technology expenditures to allow the chief information  
15 officer to evaluate the proposed expenditures on an advisory basis.

16 **Sec. 4.** RCW 43.88.092 and 2011 1st sp.s. c 43 s 733 are each  
17 amended to read as follows:

18 (1) As part of the biennial budget process, the office of financial  
19 management shall collect from agencies, and agencies shall provide,  
20 information to produce reports, summaries, and budget detail sufficient  
21 to allow review, analysis, and documentation of all current and  
22 proposed expenditures for information technology by state agencies.  
23 Information technology budget detail must be included as part of the  
24 budget submittal documentation required pursuant to RCW 43.88.030.

25 (2) The office of financial management must collect, and present as  
26 part of the biennial budget documentation, information for all existing  
27 information technology projects as defined by ~~((information))~~  
28 technology services board policy. The office of financial management  
29 must work with the office of the chief information officer to maximize  
30 the ability to draw this information from the information technology  
31 portfolio management data collected by the ~~((department of information~~  
32 ~~services pursuant to RCW 43.105.170))~~ consolidated technology services  
33 agency. Connecting project information collected through the portfolio  
34 management process with financial data developed under subsection (1)  
35 of this section provides transparency regarding expenditure data for  
36 existing technology projects.

1       (3) The chief information officer shall evaluate proposed  
2 information technology expenditures and establish priority ranking  
3 categories of the proposals. No more than one-third of the proposed  
4 expenditures shall be ranked in the highest priority category.

5       (4) The biennial budget documentation submitted by the office of  
6 financial management pursuant to RCW 43.88.030 must include an  
7 information technology plan and a technology budget for the state  
8 identifying current baseline funding for information technology,  
9 proposed and ongoing major information technology projects, and their  
10 associated costs. This plan and technology budget must be presented  
11 using a method similar to the capital budget, identifying project costs  
12 through stages of the project and across fiscal periods and biennia  
13 from project initiation to implementation. This information must be  
14 submitted electronically, in a format to be determined by the office of  
15 financial management and the legislative evaluation and accountability  
16 program committee.

17       (~~(4)~~) (5) The office of financial management shall also institute  
18 a method of accounting for information technology-related expenditures,  
19 including creating common definitions for what constitutes an  
20 information technology investment.

21       (~~(5)~~) (6) For the purposes of this section, "major information  
22 technology projects" includes projects that have a significant  
23 anticipated cost, complexity, or are of statewide significance, such as  
24 enterprise-level solutions, enterprise resource planning, and shared  
25 services initiatives.

26       NEW SECTION. Sec. 5. A new section is added to chapter 43.41 RCW  
27 to read as follows:

28       (1) Subject to funds appropriated for this specific purpose, the  
29 office of financial management may establish an information technology  
30 investment pool and may enter into financial contracts for the  
31 acquisition of information technology projects for state agencies.  
32 Information technology projects funded under this section must meet the  
33 following requirements:

34       (a) The project begins or continues replacement of information  
35 technology systems with modern and more efficient information  
36 technology systems;

1 (b) The project improves the ability of an agency to recover from  
2 major disaster; or

3 (c) The project provides future savings and efficiencies for an  
4 agency through reduced operating costs, improved customer service, or  
5 increased revenue collections.

6 (2) Preference for project approval under this section must be  
7 given to an agency that has prior project approval from the office of  
8 the chief information officer and an approved business plan, and the  
9 primary hurdle to project funding is the lack of funding capacity.

10 (3) The office of financial management with assistance from the  
11 office of the chief information officer shall report to the governor  
12 and the fiscal committees of the legislature by November 1st of each  
13 year on the status of distributions and expenditures on information  
14 technology projects and improved statewide or agency performance  
15 results achieved by project funding.

16 NEW SECTION. **Sec. 6.** The consolidated technology services agency,  
17 in consultation with the office of the chief information officer, shall  
18 review and assess the current state telecommunications and information  
19 services network model of the executive branch with the objective of  
20 agency network consolidation into consolidated technology services.  
21 The assessment must include a review of cost management, state and  
22 federal regulatory issues, development and feasibility of each option,  
23 and a migration strategy and implementation plan for each option. The  
24 report is due to the office of financial management and the fiscal  
25 committees of the legislature by December 30, 2013.

26 NEW SECTION. **Sec. 7.** The office of the chief information officer  
27 must prepare a report that inventories legacy information technology  
28 systems of the executive branch, both enterprise-wide and agency  
29 specific, and develop a prioritized plan for the modernization and  
30 funding of these systems. The report is due to the office of financial  
31 management and the fiscal committees of the legislature by December 1,  
32 2014.

33 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.41A RCW  
34 to read as follows:

35 The office shall establish security standards and policies to

1 ensure the confidentiality, availability, and integrity of the  
2 information transacted, stored, or processed in the state's information  
3 technology systems and infrastructure. Each state agency, institution  
4 of higher education, the legislature, and the judiciary must develop an  
5 information technology security plan and program.

6 (1) Each state agency information technology security plan and  
7 program must adhere to the office's security standards and policies.  
8 Each state agency must review and update its plan and program annually  
9 and certify to the office that its plan and program is in compliance  
10 with the office's security standards and policies. The office may  
11 require an agency to obtain an independent compliance audit of its  
12 information technology security plan and program.

13 (2) In the case of institutions of higher education, the judiciary,  
14 and the legislature, each information technology security plan and  
15 program must be comparable to the intended outcomes of the office's  
16 security standards and policies. Each institution, the legislature,  
17 and the judiciary shall submit their information technology security  
18 plan and program to the office annually for review and comment.

19 **Sec. 9.** RCW 42.56.420 and 2009 c 67 s 1 are each amended to read  
20 as follows:

21 The following information relating to security is exempt from  
22 disclosure under this chapter:

23 (1) Those portions of records assembled, prepared, or maintained to  
24 prevent, mitigate, or respond to criminal terrorist acts, which are  
25 acts that significantly disrupt the conduct of government or of the  
26 general civilian population of the state or the United States and that  
27 manifest an extreme indifference to human life, the public disclosure  
28 of which would have a substantial likelihood of threatening public  
29 safety, consisting of:

30 (a) Specific and unique vulnerability assessments or specific and  
31 unique response or deployment plans, including compiled underlying data  
32 collected in preparation of or essential to the assessments, or to the  
33 response or deployment plans; and

34 (b) Records not subject to public disclosure under federal law that  
35 are shared by federal or international agencies, and information  
36 prepared from national security briefings provided to state or local

1 government officials related to domestic preparedness for acts of  
2 terrorism;

3 (2) Those portions of records containing specific and unique  
4 vulnerability assessments or specific and unique emergency and escape  
5 response plans at a city, county, or state adult or juvenile  
6 correctional facility, or secure facility for persons civilly confined  
7 under chapter 71.09 RCW, the public disclosure of which would have a  
8 substantial likelihood of threatening the security of a city, county,  
9 or state adult or juvenile correctional facility, secure facility for  
10 persons civilly confined under chapter 71.09 RCW, or any individual's  
11 safety;

12 (3) Information compiled by school districts or schools in the  
13 development of their comprehensive safe school plans under RCW  
14 28A.320.125, to the extent that they identify specific vulnerabilities  
15 of school districts and each individual school;

16 (4) Information regarding the infrastructure and security of  
17 computer and telecommunications networks, consisting of security  
18 passwords, security access codes and programs, access codes for secure  
19 software applications, security and service recovery plans, security  
20 risk assessments, and security test results to the extent that they  
21 identify specific system vulnerabilities, and other such information  
22 the release of which may increase risk to the confidentiality,  
23 integrity, or availability of agency security, information technology  
24 infrastructure, or assets; and

25 (5) The system security (~~((section of transportation system safety))~~)  
26 and (~~((security program plans))~~) emergency preparedness plan required  
27 under RCW 35.21.228, 35A.21.300, 36.01.210, 36.57.120, 36.57A.170, and  
28 81.112.180.

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