SENATE BILL 5662

State of Washington 66th Legislature 2019 Regular Session

By Senators Palumbo, Carlyle, Rolfes, Mullet, Nguyen, Hobbs, Liias, Pedersen, and Braun

Read first time 01/25/19. Referred to Committee on Environment, Energy & Technology.

AN ACT Relating to cloud computing solutions; amending RCW 43.105.020; adding a new section to chapter 43.105 RCW; and repealing RCW 43.105.375.

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

5 **Sec. 1.** RCW 43.105.020 and 2017 c 92 s 2 are each amended to 6 read as follows:

7 The definitions in this section apply throughout this chapter 8 unless the context clearly requires otherwise.

9 10 (1) "Agency" means the consolidated technology services agency.

(2) "Board" means the technology services board.

(3) "Customer agencies" means all entities that purchase or use information technology resources, telecommunications, or services from the consolidated technology services agency.

(4) "Director" means the state chief information officer, who isthe director of the consolidated technology services agency.

16 (5) "Enterprise architecture" means an ongoing activity for 17 translating business vision and strategy into effective enterprise 18 change. It is a continuous activity. Enterprise architecture creates, 19 communicates, and improves the key principles and models that 20 describe the enterprise's future state and enable its evolution. 1 (6) "Equipment" means the machines, devices, and transmission 2 facilities used in information processing, including but not limited 3 to computers, terminals, telephones, wireless communications system 4 facilities, cables, and any physical facility necessary for the 5 operation of such equipment.

6 (7) "Information" includes, but is not limited to, data, text, 7 voice, and video.

8 (8) "Information security" means the protection of communication 9 and information resources from unauthorized access, use, disclosure, 10 disruption, modification, or destruction in order to:

11

(a) Prevent improper information modification or destruction;

12 (b) Preserve authorized restrictions on information access and 13 disclosure;

14 (c) Ensure timely and reliable access to and use of information; 15 and

16 (d) Maintain the confidentiality, integrity, and availability of 17 information.

(9) "Information technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, radio technologies, and all related interactions between people and machines.

(10) "Information technology portfolio" or "portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments.

29 (11) "K-20 network" means the network established in RCW 30 43.41.391.

31 (12) "Local governments" includes all municipal and quasi-32 municipal corporations and political subdivisions, and all agencies 33 of such corporations and subdivisions authorized to contract 34 separately.

35 (13) "Office" means the office of the state chief information 36 officer within the consolidated technology services agency.

(14) "Oversight" means a process of comprehensive risk analysis
 and management designed to ensure optimum use of information
 technology resources and telecommunications.

p. 2

(15) "Proprietary software" means that software offered for sale
 or license.

3 (16) "Public agency" means any agency of this state or another 4 state; any political subdivision or unit of local government of this 5 state or another state including, but not limited to, municipal 6 corporations, quasi-municipal corporations, special purpose 7 districts, and local service districts; any public benefit nonprofit 8 corporation; any agency of the United States; and any Indian tribe 9 recognized as such by the federal government.

10 (17) "Public benefit nonprofit corporation" means a public 11 benefit nonprofit corporation as defined in RCW 24.03.005 that is 12 receiving local, state, or federal funds either directly or through a 13 public agency other than an Indian tribe or political subdivision of 14 another state.

(18) "Public record" has the definitions in RCW 42.56.010 and chapter 40.14 RCW and includes legislative records and court records that are available for public inspection.

18 (19) "Public safety" refers to any entity or services that ensure 19 the welfare and protection of the public.

20 (20) "Security incident" means an accidental or deliberative 21 event that results in or constitutes an imminent threat of the 22 unauthorized access, loss, disclosure, modification, disruption, or 23 destruction of communication and information resources.

(21) "State agency" means every state office, department,
division, bureau, board, commission, or other state agency, including
offices headed by a statewide elected official.

(22) "Telecommunications" includes, but is not limited to, wireless or wired systems for transport of voice, video, and data communications, network systems, requisite facilities, equipment, system controls, simulation, electronic commerce, and all related interactions between people and machines.

32 (23) "Utility-based infrastructure services" includes personal 33 computer and portable device support, servers and server 34 administration, security administration, network administration, 35 telephony, email, and other information technology services commonly 36 used by state agencies.

37 <u>(24) "Cloud computing" has the same meaning as provided by the</u> 38 <u>special publication 800-145 issued by the national institute of</u> 39 <u>standards and technology of the United States department of commerce</u> 40 <u>as of September 2011.</u> 1 (25) "Dislocated worker" has the same meaning as defined in RCW 2 50.04.075.

3 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.105
4 RCW to read as follows:

5 (1) State agencies must adopt third-party, commercial cloud 6 computing solutions for any new information technology or 7 telecommunications investments except as provided in subsection (3) 8 of this section. Prior to selecting and implementing a cloud 9 computing solution, state agencies must evaluate:

10 (a) The ability of the cloud computing solution to meet security 11 and compliance requirements for all workload types including low, 12 moderate, and high impact data, leveraging defined federal 13 authorization or accreditation programs to the fullest extent 14 possible; and

(b) The portability of data, should the state agency choose to discontinue use of the cloud service.

17 (2) By June 30, 2020, state agencies must submit a cloud 18 migration plan to the office that outlines its technology sourcing 19 strategy, including prioritization and use of cloud computing 20 solutions, and ways it can utilize cloud to reduce costs.

21 (3) State agencies with a service requirement that prohibits the 22 utilization of a cloud computing solution must receive a waiver from the office. Waivers must be based on written justification from the 23 24 requesting state agency citing specific services or performance 25 requirements for not utilizing a cloud computing solution. Information on waiver applications must be included in the cloud 26 27 migration report submitted to the legislature. State agencies are 28 prohibited from installing and operating servers, storage, networking, and related hardware in agency-operated facilities unless 29 30 a waiver is granted by the office or otherwise allowed by statewide 31 policy.

32 (4) The office must conduct a statewide cloud computing readiness 33 assessment to prepare for the migration of core services to cloud 34 services, including ways it can leverage cloud computing to reduce 35 costs. The assessment must:

36 (a) Inventory state agency assets, associated service contracts,37 and other relevant information;

38 (b) Identify impacts to state agency staffing resulting from the 39 migration to cloud computing including: (i) Skill gaps between

p. 4

1 current on-premises computing practices and how cloud services are 2 procured, secured, administered, maintained, and developed; and (ii) 3 necessary retraining and ongoing training and development to ensure 4 state agency staff maintain the skills necessary to effectively 5 maintain information security and understand changes to enterprise 6 architectures;

7 (c) Identify additional resources needed by the agency to enable
8 sufficient cloud migration support to state agencies; and

9 (d) Support state agency migration of one hundred percent of 10 server capacity by June 30, 2023, excluding capacity that has been 11 granted a waiver under subsection (3) of this section.

12 (5) By June 30, 2020, the office must submit a report to the 13 governor and the appropriate committees of the legislature that 14 summarizes statewide cloud migration readiness and makes 15 recommendations for any changes to migration goals.

16 (6) The office must submit a cloud migration progress report to 17 the governor and the appropriate committees of the legislature every 18 six months, with the first report due in January 2021.

19 (7) The agency, in coordination with the department of enterprise 20 services, must conduct a competitive procurements process to identify 21 no more than three contracts to provide cloud computing services or 22 to provide system migration support. The procurement process must be 23 reopened and contracts must be renegotiated every ten years.

(8) Starting June 30, 2020, state agency directors of human
resources must report annually to the office and the employment
security department on impacts to staffing related to state employees
who could not be reassigned to other duties within the state agency
as a result of the cloud migration.

(9) Subject to the availability of amounts appropriated for this 29 specific purpose, there is created a training program for employees 30 31 who could not be reassigned to other duties within the state agency 32 as a result of the cloud migration. The state human resources department of the office of financial management, in coordination 33 with the office and the employment security department, must oversee 34 requests for training and allocation of moneys. Upon approval from 35 the office of financial management, moneys may be used for early 36 retirement packages for employees within five years of retirement age 37 on a voluntary basis and for other dislocated workers for retraining 38 39 programs, certification, degrees, or classes with an emphasis on 40 technical fields that complement the cloud migration strategy. By

p. 5

January 1, 2020, the employment security department, in coordination with the office of financial management, must develop a program to support employees and dislocated workers identified in this subsection and affected by the policies created in this section.

5 (10) This section does not apply to institutions of higher 6 education.

NEW SECTION. Sec. 3. RCW 43.105.375 (Use of state data center— Business plan and migration schedule for state agencies—Exceptions) and 2015 3rd sp.s. c 1 s 219 & 2011 1st sp.s. c 43 s 735 are each repealed.

--- END ---