

2SSB 6579 - S AMD 153

By Senator Fraser

1 On page 4, line 28, strike all of section 4 and insert the  
2 following:

3  
4 " NEW SECTION. **Sec. 4.** A new section is added to chapter 43.88  
5 RCW to read as follows:

6 (1) The office of financial management's operating budget  
7 instructions to agencies must include collecting additional  
8 information for proposed information technology projects. Agencies  
9 must submit the following information about specific projects:

10 (a) Estimated project implementation costs by staffing, contracted  
11 services, hardware purchase and maintenance, software license purchase  
12 and maintenance, hardware lease or finance, maintenance and  
13 operations, training, and travel;

14 (b) Estimated project maintenance costs by staffing, contracted  
15 services, hardware purchase and maintenance, software license purchase  
16 and maintenance, hardware lease or finance, maintenance and  
17 operations, training, and travel;

18 (c) All project expenditures in previous biennia;

19 (d) Oversight level as determined by the information services  
20 board, if available;

21 (e) Estimated project duration and start date;

22 (f) Estimated ongoing operating savings or other benefits  
23 resulting from the project;

24 (g) An explanation of the purpose and benefits of the project; and

25 (h) An explanation of reengineering and streamlining of the  
26 underlying business process, if pursuing the development or purchase

27

1 of new software. An explanation of efforts to gather business and  
2 technical requirements must also be provided.

3 (2) The governor's budget must include an information technology  
4 plan which will include a list of all the proposed projects, their  
5 next biennium costs by funding source, projected costs over the two  
6 biennia succeeding the next biennium by funding source, and a  
7 statement of the purpose of the project. This information must also  
8 be submitted electronically, in a format to be determined by the  
9 office of financial management and the legislative evaluation and  
10 accountability program committee.

11 (3) The office of financial management shall also institute a  
12 method of accounting for information technology-related expenditures,  
13 including creating common definitions for what constitutes an  
14 information technology investment. The director of financial  
15 management shall report total state expenditures on information  
16 technology by funding source and by object of expenditure to the  
17 chairs, ranking minority members, and staff coordinators of the  
18 appropriations committees of the senate and house of representatives  
19 for each biennium. The first report is due by January 15, 2013.

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21 **Sec. 5.** RCW 43.88.560 and 1992 c 20 s 7 are each amended to read  
22 as follows:

23 The director of financial management shall establish policies and  
24 standards governing the funding of major information technology  
25 projects as required under RCW 43.105.190(2). The director of  
26 financial management shall also direct the collection of additional  
27 information on information technology projects and submit an  
28 information technology plan as required under section 1 of this act.

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30 **Sec. 6.** RCW 43.105.041 and 2009 c 486 s 13 are each amended to  
31 read as follows:

32 (1) The board shall have the following powers and duties related  
33 to information services:

1 (a) To develop standards and procedures governing the acquisition  
2 and disposition of equipment, proprietary software and purchased  
3 services, licensing of the radio spectrum by or on behalf of state  
4 agencies, and confidentiality of computerized data. The board shall  
5 coordinate with the office of financial management to develop  
6 contracting standards for information technology acquisition and  
7 purchased services and will work with state agencies to ensure  
8 deployment of standardized contracts;

9 (b) To purchase, lease, rent, or otherwise acquire, dispose of,  
10 and maintain equipment, proprietary software, and purchased services,  
11 or to delegate to other agencies and institutions of state government,  
12 under appropriate standards, the authority to purchase, lease, rent,  
13 or otherwise acquire, dispose of, and maintain equipment, proprietary  
14 software, and purchased services: PROVIDED, That, agencies and  
15 institutions of state government are expressly prohibited from  
16 acquiring or disposing of equipment, proprietary software, and  
17 purchased services without such delegation of authority. The  
18 acquisition and disposition of equipment, proprietary software, and  
19 purchased services is exempt from RCW 43.19.1919 and, as provided in  
20 RCW 43.19.1901, from the provisions of RCW 43.19.190 through  
21 43.19.200, except that the board, the department, and state agencies,  
22 as delegated, must post notices of technology procurement bids on the  
23 state's common vendor registration and bid notification system. This  
24 subsection (1)(b) does not apply to the legislative branch;

25 (c) To develop statewide or interagency technical policies,  
26 standards, and procedures;

27 (d) To review and approve standards and common specifications for  
28 new or expanded telecommunications networks proposed by agencies,  
29 public postsecondary education institutions, educational service  
30 districts, or statewide or regional providers of K-12 information  
31 technology services, and to assure the cost-effective development and  
32 incremental implementation of a statewide video telecommunications  
33 system to serve: Public schools; educational service districts;  
34 vocational-technical institutes; community colleges; colleges and

1 universities; state and local government; and the general public  
2 through public affairs programming;

3 (e) To provide direction concerning strategic planning goals and  
4 objectives for the state. The board shall seek input from the  
5 legislature and the judiciary;

6 (f) To develop and implement a process for the resolution of  
7 appeals by:

8 (i) Vendors concerning the conduct of an acquisition process by an  
9 agency or the department; or

10 (ii) A customer agency concerning the provision of services by the  
11 department or by other state agency providers;

12 (g) To establish policies for the periodic review by the  
13 department of agency performance which may include but are not limited  
14 to analysis of:

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

17 (ii) Training and education; and

18 (iii) Project management;

19 (h) To set its meeting schedules and convene at scheduled times,  
20 or meet at the request of a majority of its members, the chair, or the  
21 director;

22 (i) To review and approve that portion of the department's budget  
23 requests that provides for support to the board; and

24 (j) To develop procurement policies and procedures, such as  
25 unbundled contracting and subcontracting, that encourage and  
26 facilitate the purchase of products and services by state agencies and  
27 institutions from Washington small businesses to the maximum extent  
28 practicable and consistent with international trade agreement  
29 commitments.

30 (2) Statewide technical standards to promote and facilitate  
31 electronic information sharing and access are an essential component  
32 of acceptable and reliable public access service and complement  
33 content-related standards designed to meet those goals. The board  
34 shall:

1 (a) Establish technical standards to facilitate electronic access  
2 to government information and interoperability of information systems,  
3 including wireless communications systems. Local governments are  
4 strongly encouraged to follow the standards established by the board;  
5 and

6 (b) Require agencies to consider electronic public access needs  
7 when planning new information systems or major upgrades of systems.

8 In developing these standards, the board is encouraged to include  
9 the state library, state archives, and appropriate representatives of  
10 state and local government.

11 (3)(a) The board, in consultation with the K-20 board, has the  
12 duty to govern, operate, and oversee the technical design,  
13 implementation, and operation of the K-20 network including, but not  
14 limited to, the following duties: Establishment and implementation of  
15 K-20 network technical policy, including technical standards and  
16 conditions of use; review and approval of network design; procurement  
17 of shared network services and equipment; and resolving user/provider  
18 disputes concerning technical matters. The board shall delegate  
19 general operational and technical oversight to the K-20 network  
20 technical steering committee as appropriate.

21 (b) The board has the authority to adopt rules under chapter 34.05  
22 RCW to implement the provisions regarding the technical operations and  
23 conditions of use of the K-20 network.

24  
25 **Sec. 7.** RCW 43.105.180 and 1999 c 80 s 11 are each amended to  
26 read as follows:

27 (~~Upon request of the office of financial management,~~) The  
28 department, in coordination with the information services board and  
29 the office of financial management, shall evaluate agency budget  
30 requests for major information technology projects identified under  
31 RCW 43.105.190, including those proposed by the superintendent of  
32 public instruction, in conjunction with educational service districts,  
33 or statewide or regional providers of K-12 education information  
34 technology services. The department shall submit recommendations for

1 funding all or part of such requests to the office of financial  
2 management and to the chairs, ranking minority members, and staff  
3 coordinators of the appropriations committees of the senate and house  
4 of representatives. The department shall also submit recommendations  
5 regarding consolidation of similar proposals or other efficiencies it  
6 finds in reviewing proposals.

7 The department, with the advice and approval of the office of  
8 financial management and the information services board, shall  
9 establish criteria, consistent with portfolio-based information  
10 technology management, for the evaluation of agency budget requests  
11 under this section. These budget requests shall be made in the  
12 context of an agency's information technology portfolio; technology  
13 initiatives underlying budget requests are subject to board review.  
14 Criteria shall include, but not be limited to: Feasibility of the  
15 proposed projects, consistency with the state strategic information  
16 technology plan, consistency with information technology portfolios,  
17 appropriate provision for public electronic access to information,  
18 evidence of business process streamlining and gathering of business  
19 and technical requirements, and services, costs, and benefits.

20  
21 **Sec. 8.** RCW 43.105.160 and 2005 c 319 s 110 are each amended to  
22 read as follows:

23 (1) The department shall prepare a state strategic information  
24 technology plan which shall establish a statewide mission, goals, and  
25 objectives for the use of information technology, including goals for  
26 electronic access to government records, information, and services.  
27 The plan shall be developed in accordance with the standards and  
28 policies established by the board and shall be submitted to the board  
29 for review, modification as necessary, and approval. The department  
30 shall seek the advice of the board in the development of this plan.

31 The plan approved under this section shall be updated as necessary  
32 and submitted to the governor and the chairs and ranking minority  
33 members of the appropriations committees of the senate and the house  
34 of representatives.

1 (2) The department shall prepare a biennial state performance  
2 report on information technology based on agency performance reports  
3 required under RCW 43.105.170 and other information deemed appropriate  
4 by the department. The report shall include, but not be limited to:

5 (a) An analysis, based upon agency portfolios, of the state's  
6 information technology infrastructure, including its value, condition,  
7 and capacity;

8 (b) An evaluation of performance relating to information  
9 technology;

10 (c) An assessment of progress made toward implementing the state  
11 strategic information technology plan, including progress toward  
12 electronic access to public information and enabling citizens to have  
13 two-way access to public records, information, and services;

14 (d) An analysis of the success or failure, feasibility, progress,  
15 costs, and timeliness of implementation of major information  
16 technology projects under RCW 43.105.190((+  
17 —(e)).

18 At a minimum, the portion of the report regarding major  
19 technology projects must include:

20 (i) Final budget broken down by staffing costs, contracted  
21 service, hardware purchase or lease, software purchase or lease,  
22 travel, and training. The original budget must also be shown for  
23 comparison;

24 (ii) The original proposed project schedule and the final actual  
25 project schedule;

26 (iii) Data regarding progress towards meeting the original goals  
27 and performance measures of the project, particularly as it relates to  
28 operating budget savings;

29 (iv) Discussion of lessons learned on the project, performance of  
30 any contractors used, and reasons for project delays or cost  
31 increases; and

32 (v) Identification of benefits, cost avoidance, and cost savings  
33 generated by major information technology projects developed under RCW  
34 43.105.190; and

1       (~~(f)~~) (e) An inventory of state information services, equipment,  
2 and proprietary software.

3       Copies of the report shall be distributed biennially to the  
4 governor and the chairs and ranking minority members of the  
5 appropriations committees of the senate and the house of  
6 representatives. The major technology section of the report must  
7 examine major information technology projects completed in the  
8 previous biennium. The report must also examine projects two years  
9 after completion for progress toward meeting performance goals and  
10 operating budget savings. The first report is due December 15, 2011,  
11 and every two years thereafter.

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13       NEW SECTION. Sec. 9. Sections 1 through 3 of this act expire  
14 March 31, 2012."

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16       Renumber the sections consecutively and correct any internal  
17 references accordingly and correct the title.

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EFFECT: Requires the Office of Financial Management (OFM) obtain  
specific information about information technology (IT) projects,  
such as current and future costs, timelines, and benefits.  
Requires the Governor's budget to include an IT plan, which lists  
all proposed projects. Requires OFM to develop a system of  
accounting for IT expenditures and report expenditures to the  
Legislature. The Department of Information Systems (DIS) is  
required to forward IT funding recommendations to the Legislature.  
DIS must also complete a major projects report to OFM and the  
Legislature. The report must contain original and final budgets  
and a progress report on obtaining major objectives. The  
expiration date in the original bill now only applies to sections  
1 through 3.

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