

HOUSE BILL REPORT

SHB 1787

As Passed House:
March 6, 2017

Title: An act relating to oversight of the state procurement and contracting for information technology goods and services.

Brief Description: Providing oversight of the state procurement and contracting for information technology goods and services.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Hudgins, Koster, Appleton, Doglio, Kraft and Ormsby; by request of Office of the Chief Information Officer).

Brief History:

Committee Activity:

State Government, Elections & Information Technology: 2/14/17, 2/15/17 [DP];
Appropriations: 2/23/17 [DPS].

Floor Activity:

Passed House: 3/6/17, 98-0.

Brief Summary of Substitute Bill

- Specifies responsibilities regarding procurement of information technology goods and services.

HOUSE COMMITTEE ON STATE GOVERNMENT, ELECTIONS & INFORMATION TECHNOLOGY

Majority Report: Do pass. Signed by 9 members: Representatives Hudgins, Chair; Dolan, Vice Chair; Koster, Ranking Minority Member; Volz, Assistant Ranking Minority Member; Appleton, Gregerson, Irwin, Kraft and Pellicciotti.

Staff: Megan Palchak (786-7105).

HOUSE COMMITTEE ON APPROPRIATIONS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 32 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Buys, Caldier, Cody, Condotta, Fitzgibbon, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Nealey, Pettigrew, Pollet, Sawyer, Schmick, Senn, Springer, Sullivan, Taylor, Tharinger, Vick, Volz and Wilcox.

Staff: James Mackison (786-7104).

Background:

The Department of Enterprise Services (DES) provides, and may enter into agreements to provide, products and services to support state agencies. The Director of the DES must establish overall state policies, standards, and procedures regarding the procurement of goods and services. The DES may delegate its authority to enter into agreements.

The Consolidated Technology Services (CTS), or WaTech, was established as a centralized provider and procurer of information technology services. The Office of the State Chief Information Officer (OCIO), created within the CTS, is mandated to implement strategic direction for state information technology and establish policies for efficient operation of services.

Summary of Substitute Bill:

The Legislature adds to the expression of its intent regarding centralizing authority and responsibility for the development and oversight of policies regarding state procurement, that centralization in one agency should occur *whenever possible*. It further expresses intent to provide additional oversight of procurement and contracting for information technology goods and services by the Chief Information Officer.

The DES must consult with the OCIO when it: (1) develops policies, standards, and procedures for procurement, contracting, and contract management; and (2) makes information technology goods and services available. Cooperative purchasing conducted by the DES must be coordinated with the OCIO. Procurement processes established by the DES in consultation with the OCIO, must be approved by the OCIO.

The Director of the DES may delegate authority to enter into master contracts for information technology goods and services to the Consolidated Technology Services Agency. Master contracts may not be designated "mandatory use" without approval from the OCIO. The OCIO must approve DES's delegation of purchasing authority.

The DES is required to coordinate with the OCIO regarding training on best practices for state procurement.

Copies of submittals of sole source contracts for information technology goods and services must be provided to the OCIO. When agency emergency purchases are made and agency heads submit written notification of the purchase, the agency must also provide a copy to the office.

"Information technology" is defined to include all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite controls, simulation, electronic commerce, radio technologies, and all related interactions between people and machines.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony (State Government, Elections & Information Technology):

(In support) This relatively modest change will help the OCIO work with agencies better and support project success through procurement.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) The Office of the State Chief Information Officer (OCIO) is responsible for oversight of information technology (IT) investments, and the procurement process is a critical success factor for IT investments. The OCIO involvement in IT contracting will align the oversight and procurement functions.

(Opposed) None.

Persons Testifying (State Government, Elections & Information Technology): Michael Cockrill and Rob St. John, Office of the Chief Information Officer.

Persons Testifying (Appropriations): Rob St. John, Office of the Chief Information Officer.

Persons Signed In To Testify But Not Testifying (State Government, Elections & Information Technology): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.