

SSB 5891 - S AMD 371
By Senator Hill

ADOPTED 06/26/2013

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 43.41A.025 and 2011 1st sp.s. c 43 s 706 are each
4 amended to read as follows:

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

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

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

13 (b) To develop statewide or interagency technical policies,
14 standards, and procedures;

15 (c) To review and approve standards and common specifications for
16 new or expanded telecommunications networks proposed by agencies,
17 public postsecondary education institutions, educational service
18 districts, or statewide or regional providers of K-12 information
19 technology services;

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

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

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

29 (i) Planning, management, control, and use of information services;
30 (ii) Training and education; and

1 (iii) Project management;

2 (g) To coordinate with state agencies with an annual information
3 technology expenditure that exceeds ten million dollars to implement a
4 technology business management program to identify opportunities for
5 savings and efficiencies in information technology expenditures and to
6 monitor ongoing financial performance of technology investments; and

7 (h) In conjunction with the consolidated technology services
8 agency, to develop statewide standards for agency purchases of
9 technology networking equipment and services.

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

14 (a) Establish technical standards to facilitate electronic access
15 to government information and interoperability of information systems,
16 including wireless communications systems; and

17 (b) Require agencies to include an evaluation of electronic public
18 access needs when planning new information systems or major upgrades of
19 systems.

20 In developing these standards, the office is encouraged to include
21 the state library, state archives, and appropriate representatives of
22 state and local government.

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

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

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

30 (2) The provisions of this chapter do not apply to the contracting
31 for services, equipment, and activities that are necessary to
32 establish, operate, or manage the state data center, including
33 architecture, design, engineering, installation, and operation of the
34 facility, that are approved by the technology services board or the
35 acquisition of proprietary software, equipment, and information
36 technology services necessary for or part of the provision of services
37 offered by the consolidated technology services agency.

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

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

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

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

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

23 (8) The provisions of this chapter do not apply to information
24 technology purchases by state agencies, other than institutions of
25 higher education and agencies of the judicial branch, if (a) the
26 purchase is less than one hundred thousand dollars, (b) the initial
27 purchase is approved by the chief information officer of the state, and
28 (c) the agency director and the chief information officer of the state
29 jointly prepare a public document providing a detailed justification
30 for the expenditure.

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

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

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

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

2 (a) To prepare and lead the implementation of a strategic direction
3 and enterprise architecture for information technology for state
4 government;

5 (b) To enable the standardization and consolidation of information
6 technology infrastructure across all state agencies to support
7 enterprise-based system development and improve and maintain service
8 delivery;

9 (c) To establish standards and policies for the consistent and
10 efficient operation of information technology services throughout state
11 government;

12 (d) To establish statewide enterprise architecture that will serve
13 as the organizing standard for information technology for state
14 agencies;

15 (e) ~~((+Tø+))~~ To educate and inform state managers and policymakers
16 on technological developments, industry trends and best practices,
17 industry benchmarks that strengthen decision making and professional
18 development, and industry understanding for public managers and
19 decision makers.

20 (4) In the case of institutions of higher education, the powers of
21 the office and the provisions of this chapter apply to business and
22 administrative applications but do not apply to (a) academic and
23 research applications; and (b) medical, clinical, and health care
24 applications, including the business and administrative applications
25 for such operations. However, institutions of higher education must
26 disclose to the office any proposed academic applications that are
27 enterprise-wide in nature relative to the needs and interests of other
28 institutions of higher education. Institutions of higher education
29 shall provide to the chief information officer sufficient data and
30 information on proposed expenditures on business and administrative
31 applications to permit the chief information officer to evaluate the
32 proposed expenditures pursuant to RCW 43.88.092(3).

33 (5) The legislature and the judiciary, which are constitutionally
34 recognized as separate branches of government, are strongly encouraged
35 to coordinate with the office and participate in shared services
36 initiatives and the development of enterprise-based strategies, where
37 appropriate. Legislative and judicial agencies of the state shall
38 submit to the chief information officer sufficient information on

1 proposed information technology expenditures to allow the chief
2 information officer to evaluate the proposed expenditures on an
3 advisory basis.

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

6 (1) As part of the biennial budget process, the office of financial
7 management shall collect from agencies, and agencies shall provide,
8 information to produce reports, summaries, and budget detail sufficient
9 to allow review, analysis, and documentation of all current and
10 proposed expenditures for information technology by state agencies.
11 Information technology budget detail must be included as part of the
12 budget submittal documentation required pursuant to RCW 43.88.030.

13 (2) The office of financial management must collect, and present as
14 part of the biennial budget documentation, information for all existing
15 information technology projects as defined by ~~((information))~~
16 technology services board policy. The office of financial management
17 must work with the office of the chief information officer to maximize
18 the ability to draw this information from the information technology
19 portfolio management data collected by the ~~((department of information~~
20 ~~services pursuant to RCW 43.105.170))~~ consolidated technology services
21 agency. Connecting project information collected through the portfolio
22 management process with financial data developed under subsection (1)
23 of this section provides transparency regarding expenditure data for
24 existing technology projects.

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

29 (4) The biennial budget documentation submitted by the office of
30 financial management pursuant to RCW 43.88.030 must include an
31 information technology plan and a technology budget for the state
32 identifying current baseline funding for information technology,
33 proposed and ongoing major information technology projects, and their
34 associated costs. This plan and technology budget must be presented
35 using a method similar to the capital budget, identifying project costs
36 through stages of the project and across fiscal periods and biennia
37 from project initiation to implementation. This information must be

1 submitted electronically, in a format to be determined by the office of
2 financial management and the legislative evaluation and accountability
3 program committee.

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

8 ~~((+5))~~ (6) For the purposes of this section, "major information
9 technology projects" includes projects that have a significant
10 anticipated cost, complexity, or are of statewide significance, such as
11 enterprise-level solutions, enterprise resource planning, and shared
12 services initiatives.

13 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.41 RCW
14 to read as follows:

15 (1) Subject to funds appropriated for this specific purpose, the
16 office of financial management may establish an information technology
17 investment pool and may enter into financial contracts for the
18 acquisition of information technology projects for state agencies.
19 Information technology projects funded under this section must meet the
20 following requirements:

21 (a) The project begins or continues replacement of information
22 technology systems with modern and more efficient information
23 technology systems;

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

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

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

33 (3) The office of financial management with assistance from the
34 office of the chief information officer shall report to the governor
35 and the fiscal committees of the legislature by November 1st of each
36 year on the status of distributions and expenditures on information

1 technology projects and improved statewide or agency performance
2 results achieved by project funding.

3 NEW SECTION. **Sec. 6.** The consolidated technology services agency,
4 in consultation with the office of the chief information officer, shall
5 review and assess the current state telecommunications and information
6 services network model with the objective of agency network
7 consolidation into consolidated technology services. The assessment
8 must include a review of cost management, state and federal regulatory
9 issues, development and feasibility of each option, and a migration
10 strategy and implementation plan for each option. The report is due to
11 the office of financial management and the fiscal committees of the
12 legislature by September 30, 2013.

13 NEW SECTION. **Sec. 7.** The office of the chief information officer
14 must prepare a report that inventories legacy information technology
15 systems of the executive branch, both enterprise-wide and agency
16 specific, and develop a prioritized plan for the modernization and
17 funding of these systems. The report is due to the office of financial
18 management and the fiscal committees of the legislature by September 1,
19 2014.

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

22 The office shall establish security standards and policies to
23 ensure the confidentiality, availability, and integrity of the
24 information transacted, stored, or processed in the state's information
25 technology systems and infrastructure. Each state agency, institution
26 of higher education, the legislature, and the judiciary must develop an
27 information technology security plan and program.

28 (1) Each state agency information technology security plan and
29 program must adhere to the office's security standards and policies.
30 Each state agency must review and update its plan and program annually
31 and certify to the office that its plan and program is in compliance
32 with the office's security standards and policies. The office may
33 require an agency to obtain an independent compliance audit of its
34 information technology security plan and program.

1 (2) In the case of institutions of higher education, the judiciary,
2 and the legislature, each information technology security plan and
3 program must be consistent with the intended outcomes of the office's
4 security standards and policies. Each institution, the legislature,
5 and the judiciary shall submit their information technology security
6 plan and program to the office annually for review and comment.

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

9 The following information relating to security is exempt from
10 disclosure under this chapter:

11 (1) Those portions of records assembled, prepared, or maintained to
12 prevent, mitigate, or respond to criminal terrorist acts, which are
13 acts that significantly disrupt the conduct of government or of the
14 general civilian population of the state or the United States and that
15 manifest an extreme indifference to human life, the public disclosure
16 of which would have a substantial likelihood of threatening public
17 safety, consisting of:

18 (a) Specific and unique vulnerability assessments or specific and
19 unique response or deployment plans, including compiled underlying data
20 collected in preparation of or essential to the assessments, or to the
21 response or deployment plans; and

22 (b) Records not subject to public disclosure under federal law that
23 are shared by federal or international agencies, and information
24 prepared from national security briefings provided to state or local
25 government officials related to domestic preparedness for acts of
26 terrorism;

27 (2) Those portions of records containing specific and unique
28 vulnerability assessments or specific and unique emergency and escape
29 response plans at a city, county, or state adult or juvenile
30 correctional facility, or secure facility for persons civilly confined
31 under chapter 71.09 RCW, the public disclosure of which would have a
32 substantial likelihood of threatening the security of a city, county,
33 or state adult or juvenile correctional facility, secure facility for
34 persons civilly confined under chapter 71.09 RCW, or any individual's
35 safety;

36 (3) Information compiled by school districts or schools in the

1 development of their comprehensive safe school plans under RCW
2 28A.320.125, to the extent that they identify specific vulnerabilities
3 of school districts and each individual school;

4 (4) Information regarding the infrastructure and security of
5 computer and telecommunications networks, consisting of security
6 passwords, security access codes and programs, access codes for secure
7 software applications, security and service recovery plans, security
8 risk assessments, and security test results to the extent that they
9 identify specific system vulnerabilities, and other such information
10 the release of which may increase risk to the confidentiality,
11 integrity, or availability of agency security, information technology
12 infrastructure, or assets; and

13 (5) The system security (~~((section of transportation system safety))~~)
14 and (~~((security program plans))~~) emergency preparedness plan required
15 under RCW 35.21.228, 35A.21.300, 36.01.210, 36.57.120, 36.57A.170, and
16 81.112.180."

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17 On page 1, line 1 of the title, after "expenditures;" strike the
18 remainder of the title and insert "amending RCW 43.41A.025, 39.26.100,
19 43.41A.010, 43.88.092, and 42.56.420; adding a new section to chapter
20 43.41 RCW; adding a new section to chapter 43.41A RCW; and creating new
21 sections."

EFFECT: Removes from the bill all provisions relating to
contracting out. Adds new provisions directing the Chief Information
Officer to develop statewide standards for data security, and requires
state agencies to prepare and annually update a data security plan.
The existing public disclosure exemption for data security plans is
clarified and refined. The remainder of the bill is unchanged.

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