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**SECOND SUBSTITUTE SENATE BILL 5662**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Palumbo, Carlyle, Rolfes, Mullet, Nguyen, Hobbs, Liiias, Pedersen, and Braun)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to cloud computing solutions; amending RCW  
2 43.105.020; adding a new section to chapter 43.105 RCW; and repealing  
3 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 (1) "Agency" means the consolidated technology services agency.

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

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

14 (4) "Director" means the state chief information officer, who is  
15 the 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.

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

25 (10) "Information technology portfolio" or "portfolio" means a  
26 strategic management process documenting relationships between agency  
27 missions and information technology and telecommunications  
28 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.

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

1 (15) "Proprietary software" means that software offered for sale  
2 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.

15 (18) "Public record" has the definitions in RCW 42.56.010 and  
16 chapter 40.14 RCW and includes legislative records and court records  
17 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.

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

27 (22) "Telecommunications" includes, but is not limited to,  
28 wireless or wired systems for transport of voice, video, and data  
29 communications, network systems, requisite facilities, equipment,  
30 system controls, simulation, electronic commerce, and all related  
31 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 (24) "Cloud computing" has the same meaning as provided by the  
38 special publication 800-145 issued by the national institute of  
39 standards and technology of the United States department of commerce  
40 as of September 2011.

1        (25) "Dislocated worker" has the same meaning as defined in RCW  
2        50.04.075.

3        NEW SECTION.    **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

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

17       (2) Subject to the availability of amounts appropriated for this  
18       specific purpose, by December 31, 2020, state agencies must submit a  
19       cloud migration plan to the office that outlines its technology  
20       sourcing strategy, including prioritization and use of cloud  
21       computing solutions, and ways it can utilize cloud to reduce costs.

22       (3) Subject to the availability of amounts appropriated for this  
23       specific purpose, state agencies with a service requirement that  
24       prohibits the utilization of a cloud computing solution must receive  
25       a waiver from the office.

26       (a) Waivers must be based on written justification from the  
27       requesting state agency citing specific services or performance  
28       requirements for not utilizing a cloud computing solution.

29       (b) Information on waiver applications must be included in the  
30       cloud migration report submitted to the legislature.

31       (4) Subject to the availability of amounts appropriated for this  
32       specific purpose, state agencies are prohibited from installing and  
33       operating servers, storage, networking, and related hardware in  
34       agency-operated facilities unless a waiver is granted by the office  
35       or otherwise allowed by statewide policy.

36       (5) Subject to the availability of amounts appropriated for this  
37       specific purpose, the office must conduct a statewide cloud computing  
38       readiness assessment to prepare for the migration of core services to

1 cloud services, including ways it can leverage cloud computing to  
2 reduce costs. The assessment must:

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

5 (b) Identify impacts to state agency staffing resulting from the  
6 migration to cloud computing including: (i) Skill gaps between  
7 current on-premises computing practices and how cloud services are  
8 procured, secured, administered, maintained, and developed; and (ii)  
9 necessary retraining and ongoing training and development to ensure  
10 state agency staff maintain the skills necessary to effectively  
11 maintain information security and understand changes to enterprise  
12 architectures;

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

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

18 (6) Subject to the availability of amounts appropriated for this  
19 specific purpose, by June 30, 2020, the office must submit a report  
20 to the governor and the appropriate committees of the legislature  
21 that summarizes statewide cloud migration readiness and makes  
22 recommendations for any changes to migration goals.

23 (7) Subject to the availability of amounts appropriated for this  
24 specific purpose, the office must submit a cloud migration progress  
25 report to the governor and the appropriate committees of the  
26 legislature every six months, with the first report due in January  
27 2021.

28 (8) Subject to the availability of amounts appropriated for this  
29 specific purpose, the agency must oversee and provide technical  
30 specifications to the department of enterprise services who must  
31 conduct competitive procurements processes to identify no more than  
32 three contracts per procurement to provide cloud computing services  
33 and to provide system migration support. The procurement process must  
34 be reopened and contracts must be renegotiated at a minimum every ten  
35 years.

36 (9) Subject to the availability of amounts appropriated for this  
37 specific purpose, starting June 30, 2020, state agency directors of  
38 human resources must report annually to the office and the employment  
39 security department on impacts to staffing related to state employees

1 who could not be reassigned to other duties within the state agency  
2 as a result of the cloud migration.

3 (10) Subject to the availability of amounts appropriated for this  
4 specific purpose, there is created a training program for employees  
5 who could not be reassigned to other duties within the state agency  
6 as a result of the cloud migration. The state human resources  
7 department of the office of financial management, in coordination  
8 with the office and the employment security department, must oversee  
9 requests for training and allocation of moneys. Upon approval from  
10 the office of financial management, moneys may be used for early  
11 retirement packages for employees within five years of retirement age  
12 on a voluntary basis and for other dislocated workers for retraining  
13 programs, certification, degrees, or classes with an emphasis on  
14 technical fields that complement the cloud migration strategy. By  
15 January 1, 2020, the employment security department, in coordination  
16 with the office of financial management, must develop a program to  
17 support employees and dislocated workers identified in this  
18 subsection and affected by the policies created in this section.

19 (11) This section does not apply to institutions of higher  
20 education.

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

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