

HOUSE BILL REPORT

HB 1296

As Passed House:
February 4, 2008

Title: An act relating to information technology projects.

Brief Description: Regarding state purchasing of information technology projects.

Sponsors: By Representatives Hunter and Anderson.

Brief History:

Committee Activity:

Technology, Energy & Communications: 1/23/07 [DP];
Appropriations: 2/5/07, 2/6/07 [DP].

Floor Activity:

Passed House: 2/21/07, 96-0.

Floor Activity:

Passed House: 2/4/08, 97-0.

Brief Summary of Bill

- Requires fiscal notes to identify the fiscal and operational impact on the state information technology portfolio.
- Requires the Department of Information Services to develop a six-year strategic plan for information technology projects.
- Grants the Information Services Board the power to develop statewide requirements for contracts for information technology projects.

HOUSE COMMITTEE ON TECHNOLOGY, ENERGY & COMMUNICATIONS

Majority Report: Do pass. Signed by 11 members: Representatives Morris, Chair; McCoy, Vice Chair; Crouse, Ranking Minority Member; McCune, Assistant Ranking Minority Member; Eddy, Ericksen, Hankins, Hudgins, Hurst, Takko and VanDeWege.

Staff: Kara Durbin (786-7133).

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.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 32 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks, Fromhold, Grant, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

Staff: Owen Rowe (786-7391).

Background:

The Department of Information Services (DIS) is a cabinet level agency that provides technology-related services to government organizations in Washington. One of the duties of the DIS is to provide staff support to the Information Services Board (ISB).

The ISB is comprised of 15 members who represent the legislative, judicial, and executive branches of government, higher education institutions, and the private sector. The ISB serves a regulatory function for technology. The ISB's policies and actions influence how state agencies proceed with information technology projects.

State Information Technology Reporting:

Under current law, state agencies must develop information technology portfolios. Each agency's portfolio must include: (1) a baseline assessment of the agency's information technology resources and capabilities; (2) projects and resources required to meet the objectives of the agency's identified projects; and (3) where feasible, estimated schedules and funding required to implement the agency's identified projects.

State agencies are directed to provide a progress report to the DIS regarding their information technology portfolios. Per ISB policy, agencies are required to provide this report to the DIS no later than August 31 of each year. In turn, the DIS is to aggregate this information and submit it to the Legislature and the governor on a biennial basis. The most recent state performance report on information technology was prepared in 2006 to reflect information technology performance during the 2003-2005 biennium.

Fiscal Notes:

The Office of Financial Management (OFM) works with the Legislature on developing fiscal notes, which detail the expected impact of bills and resolutions that may increase or decrease state government revenue or expenditures. Fiscal notes must indicate the impact for the remainder of the current biennium in which the bill will take effect, as well as a cumulative forecast of the fiscal impact for the succeeding four fiscal years.

Summary of Bill:

Fiscal notes must identify the fiscal and operational impact on the state information technology portfolio. The OFM and the DIS shall consult with each other in developing a

process to measure the fiscal and operational impact of a given project on the state information technology portfolio.

The DIS must prepare a six-year strategic plan for state information technology projects. At a minimum, the strategic plan must contain the following:

- a long-term plan for state investments in information technology projects, which identifies the highest priority needs for information technology projects within affordable spending levels;
- a statewide information technology assessment, including detailed projected information and estimated costs for all ongoing information technology projects in a state's information technology portfolio;
- a detailed list of proposed information technology projects for the upcoming biennium and two succeeding biennia; and
- a comprehensive review of the most recent biennial state performance report.

The strategic plan must be updated biennially and submitted to the governor and the appropriate fiscal committees of the Legislature.

The ISB is given the authority to develop statewide requirements for contracts for information technology projects.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: (Technology, Energy & Communications)

(In support) We passed this bill unanimously last year. Our state has made substantial investments in technology projects. Our new payroll system is a recent example. Changing the legislation related to the payroll system at the last minute to fill a gap in the budget ended up costing the state almost as much in adjusting the software program. We have this lack of clarity on how the state makes budget decisions with respect to information technology projects. This bill is a response to some of the recommendations that came out of the recent Joint Legislative and Audit Review Committee report. This bill addresses the missing element in fiscal note analysis. When the state makes policy decisions, it needs to consider the collateral costs. When the state is focused on getting enterprise systems online to deliver for agencies, legislative changes in policy can slow down the whole process and can double the cost. This bill could have an extraordinary impact on policy decision making. We support this legislation. It will improve the information available on the impact of legislation so that the state can make appropriate investment decisions with respect to information technology projects.

(Opposed) None.

Staff Summary of Public Testimony: (Appropriations)

(In support) There is a need for a long term view on how much the state is currently spending and intends to spend on information technology projects. This bill addresses a finding in a Joint Legislative Audit and Review Committee report, and will allow the state to manage contracts for information technology projects more effectively. This bill would result in fiscal notes that specifically identify the costs associated with any changes in information technology proposals.

(Opposed) None.

Persons Testifying: (Technology, Energy & Communications) (In support) Representative Hunter, prime sponsor; Representative Anderson; and Gary Robinson, Department of Information Services.

Persons Testifying: (Appropriations) Representative Hunter, prime sponsor; Gary Robinson, Department of Information Services; and Representative Anderson.

Persons Signed In To Testify But Not Testifying: (Technology, Energy & Communications) None.

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