
ENGROSSED SECOND SUBSTITUTE SENATE BILL 6579

State of Washington

61st Legislature

2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Swecker, Haugen, Oemig, Rockefeller, Jacobsen, Marr, Hatfield, Eide, and Fraser)

READ FIRST TIME 02/08/10.

1 AN ACT Relating to improving the efficiency, accountability, and
2 quality within state information systems; amending RCW 43.88.560,
3 43.105.041, 43.105.180, and 43.105.160; adding a new section to chapter
4 43.88 RCW; creating new sections; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** LEGISLATIVE INTENT AND FINDINGS. The
7 legislature finds the state and its citizens will benefit by maximizing
8 the efficient investment in and application of technology. The
9 legislature further finds that Washington state is a leader in
10 information technology and systems, in both the private and public
11 sectors. Significant investments have been made in information
12 technology and systems and the costs of those investments continue to
13 rise.

14 It is the intent of the legislature to achieve reform within the
15 state's approach to information technology and systems so that future
16 investments are sound and limited resources are used as efficiently as
17 possible. The legislature recognizes the state has undergone past
18 information technology and systems studies. However, this effort will
19 be focused on a collaborative action plan to implement recommendations.

1 A collaborative process will achieve widespread support for the
2 recommendations and bring forth creative and diverse approaches and
3 recommendations.

4 Improvements in information technology and systems will benefit the
5 state by:

6 (1) Improving business process efficiency through the appropriate
7 application of technology and system integration;

8 (2) Reducing information technology and systems costs by developing
9 a collaborative approach to future development; and

10 (3) Improving the quality and integrity of information used by the
11 state and our citizens.

12 Therefore, the information systems improvement committee is
13 created. The committee shall pursue a comprehensive examination of
14 information technology and systems investments and issues and develop
15 a set of recommendations to enhance the quality, accountability, and
16 efficiency of information systems in Washington state.

17 NEW SECTION. **Sec. 2.** INFORMATION SYSTEMS IMPROVEMENT COMMITTEE.

18 The information systems improvement committee is created.

19 (1) The committee consists of the following members:

20 (a) Two members from the house of representatives, one from each of
21 the two largest caucuses, to be appointed by the speaker of the house;

22 (b) Two members from the senate, one from each of the two largest
23 caucuses, to be appointed by the president of the senate;

24 (c) One representative from the office of financial management;

25 (d) One representative from the governor's office;

26 (e) One representative from the department of information services;

27 (f) One representative from the department of transportation;

28 (g) One representative designated by the higher education
29 coordinating board;

30 (h) One representative designated by the board of community and
31 technical colleges;

32 (i) One representative from the department of licensing;

33 (j) One representative from the department of ecology;

34 (k) One representative from the department of labor and industries;

35 (l) One representative from the employment security department;

36 (m) One representative from the department of natural resources;

1 (n) One representative from the office of the insurance
2 commissioner;

3 (o) One representative from the software industry to be appointed
4 by the governor;

5 (p) One representative from the hardware industry to be appointed
6 by the governor;

7 (q) One representative of state employees to be appointed by the
8 governor;

9 (r) One representative designated by the association of Washington
10 cities;

11 (s) One representative designated by the Washington state
12 association of counties;

13 (t) One representative of state employees working in information
14 technology to be selected by the exclusive bargaining representative
15 that represents the largest number of classified state employees; and

16 (u) One representative from the department of revenue.

17 (2) The committee shall elect a chair from the four legislators
18 appointed to the committee. There will be a steering committee
19 comprised of the chair of the information systems improvement committee
20 and the representatives from the governor's office, office of financial
21 management, department of information systems, and the department of
22 licensing. The steering committee shall develop the meeting agendas
23 and appoint chairs to the technical subcommittees. The steering
24 committee may also add additional members to the information systems
25 improvement committee.

26 (3) Members of the committee may not be compensated but must
27 receive reimbursement for travel expenses in accordance with RCW
28 43.03.050 and 43.03.060.

29 (4) The department of information services shall provide
30 administrative and clerical assistance to the committee. The
31 department may retain consultants to assist in facilitation of the
32 committee.

33 NEW SECTION. **Sec. 3. COMMITTEE RESPONSIBILITIES.** (1) The
34 committee is responsible for developing a series of recommendations for
35 improving information technology and systems across state and local
36 governments. The committee shall determine ways to maximize the state
37 investment in these areas, including an analysis of state provision of

1 services versus managed services. The committee, where possible, will
2 leverage the work of existing groups, efforts, and studies in order to
3 not duplicate efforts. The committee will develop an action plan using
4 a collaborative and inclusive process, in order to build consensus and
5 support for the recommendations.

6 (2) The committee shall create a governance subcommittee, which
7 shall make recommendations on information technology planning, funding
8 strategies, portfolio ownership and management, and decision processes.
9 In addition the committee may establish such other subcommittees as the
10 committee determines is appropriate.

11 (3) Within six months from the first meeting of the committee, the
12 subcommittees shall develop an initial list of possible recommendations
13 in their technical area.

14 (4) The committee will provide a final report with recommendations
15 to the legislature and governor by September 1, 2011. The technical
16 subcommittee's recommendations must be approved by a majority of the
17 information systems improvement committee. The final report must
18 include specific actions to be taken by state agencies and plans for
19 implementing those actions. The report must also contain benchmarking
20 in the subject areas of the technical subcommittees. This benchmarking
21 must indicate where the state is currently, how the recommended actions
22 will increase the state's benchmarks, and how we compare to other
23 states.

24 (5) The committee shall develop a dispute resolution process to
25 resolve conflicts by September 1, 2010.

26 (6) The committee and technical subcommittees shall identify, where
27 possible, pilot projects to test the recommendations developed by the
28 subcommittees.

29 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.88 RCW
30 to read as follows:

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

35 (a) Estimated project implementation costs by staffing, contracted
36 services, hardware purchase and maintenance, software license purchase

1 and maintenance, hardware lease or finance, maintenance and operations,
2 training, and travel;

3 (b) Estimated project maintenance costs by staffing, contracted
4 services, hardware purchase and maintenance, software license purchase
5 and maintenance, hardware lease or finance, maintenance and operations,
6 training, and travel;

7 (c) All project expenditures in previous biennia;

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

10 (e) Estimated project duration and start date;

11 (f) Estimated ongoing operating savings or other benefits resulting
12 from the project;

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

14 (h) An explanation of reengineering and streamlining of the
15 underlying business process, if pursuing the development or purchase of
16 new software. An explanation of efforts to gather business and
17 technical requirements must also be provided.

18 (2) The governor's budget must include an information technology
19 plan which will include a list of all the proposed projects, their next
20 biennium costs by funding source, projected costs over the two biennia
21 succeeding the next biennium by funding source, and a statement of the
22 purpose of the project. This information must also be submitted
23 electronically, in a format to be determined by the office of financial
24 management and the legislative evaluation and accountability program
25 committee.

26 (3) The office of financial management shall also institute a
27 method of accounting for information technology-related expenditures,
28 including creating common definitions for what constitutes an
29 information technology investment. The director of financial
30 management shall report total state expenditures on information
31 technology by funding source and by object of expenditure to the
32 chairs, ranking minority members, and staff coordinators of the
33 appropriations committees of the senate and house of representatives
34 for each biennium. The first report is due by January 15, 2013.

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

37 The director of financial management shall establish policies and

1 standards governing the funding of major information technology
2 projects as required under RCW 43.105.190(2). The director of
3 financial management shall also direct the collection of additional
4 information on information technology projects and submit an
5 information technology plan as required under section 4 of this act.

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

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

10 (a) To develop standards and procedures governing the acquisition
11 and disposition of equipment, proprietary software and purchased
12 services, licensing of the radio spectrum by or on behalf of state
13 agencies, and confidentiality of computerized data. The board shall
14 coordinate with the office of financial management to develop
15 contracting standards for information technology acquisition and
16 purchased services and will work with state agencies to ensure
17 deployment of standardized contracts;

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

34 (c) To develop statewide or interagency technical policies,
35 standards, and procedures;

36 (d) To review and approve standards and common specifications for
37 new or expanded telecommunications networks proposed by agencies,

1 public postsecondary education institutions, educational service
2 districts, or statewide or regional providers of K-12 information
3 technology services, and to assure the cost-effective development and
4 incremental implementation of a statewide video telecommunications
5 system to serve: Public schools; educational service districts;
6 vocational-technical institutes; community colleges; colleges and
7 universities; state and local government; and the general public
8 through public affairs programming;

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

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

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

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

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

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

22 (ii) Training and education; and

23 (iii) Project management;

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

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

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

35 (2) Statewide technical standards to promote and facilitate
36 electronic information sharing and access are an essential component of
37 acceptable and reliable public access service and complement content-
38 related standards designed to meet those goals. The board 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 duty
12 to govern, operate, and oversee the technical design, implementation,
13 and operation of the K-20 network including, but not limited to, the
14 following duties: Establishment and implementation of K-20 network
15 technical policy, including technical standards and conditions of use;
16 review and approval of network design; procurement of shared network
17 services and equipment; and resolving user/provider disputes concerning
18 technical matters. The board shall delegate general operational and
19 technical oversight to the K-20 network technical steering committee as
20 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 **Sec. 7.** RCW 43.105.180 and 1999 c 80 s 11 are each amended to read
25 as follows:

26 (~~Upon request of the office of financial management,~~) The
27 department, in coordination with the information services board and the
28 office of financial management, shall evaluate agency budget requests
29 for major information technology projects identified under RCW
30 43.105.190, including those proposed by the superintendent of public
31 instruction, in conjunction with educational service districts, or
32 statewide or regional providers of K-12 education information
33 technology services. The department shall submit recommendations for
34 funding all or part of such requests to the office of financial
35 management and to the chairs, ranking minority members, and staff
36 coordinators of the appropriations committees of the senate and house

1 of representatives. The department shall also submit recommendations
2 regarding consolidation of similar proposals or other efficiencies it
3 finds in reviewing proposals.

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

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

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

27 The plan approved under this section shall be updated as necessary
28 and submitted to the governor and the chairs and ranking minority
29 members of the appropriations committees of the senate and the house of
30 representatives.

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

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

1 (b) An evaluation of performance relating to information
2 technology;

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

7 (d) An analysis of the success or failure, feasibility, progress,
8 costs, and timeliness of implementation of major information technology
9 projects under RCW 43.105.190(~~(+~~

10 ~~e))~~). At a minimum, the portion of the report regarding major
11 technology projects must include:

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

15 (ii) The original proposed project schedule and the final actual
16 project schedule;

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

20 (iv) Discussion of lessons learned on the project, performance of
21 any contractors used, and reasons for project delays or cost increases;
22 and

23 (v) Identification of benefits, cost avoidance, and cost savings
24 generated by major information technology projects developed under RCW
25 43.105.190; and

26 ~~((+f))~~ (e) An inventory of state information services, equipment,
27 and proprietary software.

28 Copies of the report shall be distributed biennially to the
29 governor and the chairs and ranking minority members of the
30 appropriations committees of the senate and the house of
31 representatives. The major technology section of the report must
32 examine major information technology projects completed in the previous
33 biennium. The report must also examine projects two years after
34 completion for progress toward meeting performance goals and operating
35 budget savings. The first report is due December 15, 2011, and every
36 two years thereafter.

1 NEW_SECTION. **Sec. 9.** Sections 1 through 3 of this act expire
2 March 31, 2012.

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