HOUSE BILL 1949

_____

State of Washington   **63rd Legislature**   **2013 Regular Session**

By Representative Buys

Read first time 02/21/13.   Referred to Committee on Technology & Economic Development.

1   AN ACT Relating to the contents of requests for proposals in the
2   procurement of enterprise application software solutions by state and
3   local governments; adding a new section to chapter 39.26 RCW; and
4   creating a new section.

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

6   NEW SECTION. **Sec. 1.** (1) The legislature finds that:
7   (a) Procurement of enterprise application software solutions is a
8   growing portion of state and local government expenditures;
9   (b) Enterprise application software information technologies are
10   essential to innovating public service processes and reducing the costs
11   of providing government services; and
12   (c) A fair and transparent comparison between constantly changing
13   enterprise application software solutions is not always achieved if
14   certain basic inquiries are not made of potential bidders during the
15   request for proposal stage of procurement.
16   (2) Therefore, the legislature intends to require state and local
17   governments to include the provisions in section 2 of this act within
18   any request for proposals that evaluates enterprise application
19   software solutions.

1   NEW SECTION. **Sec. 2.** A new section is added to chapter 39.26 RCW
2   to read as follows:
3   (1) When a state agency or other unit of local government develops
4   a request for proposals for an enterprise application software
5   solution, the following information must be requested of potential
6   bidders:
7   (a) At a minimum, a five-year total cost of ownership of the
8   proposed enterprise application software solution based on a five-year
9   historical average total cost of ownership experienced in at least
10   three of the most recent implementations of the enterprise application
11   software solution by the proposal bidder. This cost information must
12   be allocated to each year of the period outlined in the request for
13   proposals.
14   (b) For the three most recent implementations of the enterprise
15   application software solution by the proposal bidder: (i) A statement
16   of the original proposed costs or bid response for each implementation;
17   (ii) a statement of the actual costs to fully implement each
18   corresponding implementation; (iii) a statement of the original
19   timeline proposed for each implementation; and (iv) a statement of the
20   actual time it took to fully implement each corresponding
21   implementation.
22   (c) A statement by the proposal bidder of their willingness to
23   defer design, development, and implementation costs until the
24   enterprise application software solution being proposed is fully
25   implemented and to amortize, in no less than monthly increments, the
26   remaining costs of the proposed enterprise application software
27   solution over a specified period of time. Bidding preference must be
28   given to proposal bidders who are willing to conform to the provisions
29   of this subsection.
30   (d) If the enterprise application software solution is proposed to
31   be hosted by the proposal bidder, a statement that the agency or unit
32   of local government's data will be hosted in a tier IV data center.
33   (e) A full explanation of the proposal bidder's client data
34   disaster recovery plan that ensures seamless operations in case of
35   localized disaster. If a proposal bidder does not have an acceptable
36   disaster recovery plan for these situations, their bid must be deemed
37   nonresponsive.
38   (2) For the purposes of this section:

(a) "Enterprise application software solution" means software and
other information technology solutions used by a state agency or unit
of local government to provide mission-oriented information technology
applications, including, but not limited to, online payment processing,
automated billing systems, security, enterprise content management,
information technology service management, customer relationship
management, enterprise resource planning, business intelligence,
project management, collaboration, human capital management, enterprise
application integration, and enterprise forms automation, regardless of
whether it is self-hosted or hosted by the vendor or other third party.
        (b) "Tier IV data center" means a data center that meets or exceeds
the standards for a tier IV classification published by the Uptime
Institute in its document entitled, "Data Center Infrastructure Tier
Standard: Topology," dated August 1, 2012.
        (c) "Total cost of ownership" means all direct and indirect costs
associated with the enterprise application software solution purchase
including, but not limited to, the costs of: (i) The capital
investment or acquisition of computer hardware and software necessary
for implementation and future operation; (ii) design, development, and
installation; (iii) personnel training by in-house staff or outside
consultants; (iv) maintenance and technical support; (v) platform
system patches; (vi) major system upgrades and platform required
upgrades; and (vii) any platform system downtime.
        (d) "Unit of local government" means a city, town, county, special
purpose district, political subdivision, municipal corporation, or
quasi-municipal corporation, including a public corporation created by
such entities.

--- END ---