TILED 103 APA -3 P 4:18 XIA ATE Russ Y OF S WEST VIRGINIA LEGISLATURE Regular Session, 2006 ENROLLED Com. Sub. for Com. Lub. for SENATE BILL NO. \_\_\_\_653 (By Senators Tomblin, Mr. President, and Sprace, By Request of THE Executive) March 11, 2006 PASSED In Effect 90 days from Passage

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CEFICE WEST VIRGINIA SECRETARY OF STATE

#### ENROLLED

#### COMMITTEE SUBSTITUTE

#### FOR

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#### FOR

### Senate Bill No. 653

(BY SENATORS TOMBLIN, MR. PRESIDENT, AND SPROUSE, BY REQUEST OF THE EXECUTIVE)

[Passed March 11, 2006; in effect ninety days from passage.]

AN ACT to amend and reenact §5A-6-1, §5A-6-2, §5A-6-4, §5A-6-5, §5A-6-6 and §5A-6-8 of the Code of West Virginia, 1931, as amended; to amend said code by adding thereto three new sections, designated §5A-6-4a, §5A-6-4b and §5A-6-4c; and to amend and reenact §5A-7-4 of said code, all relating to the Office of Technology; making legislative findings; defining terms; providing duties, powers and authority of the Chief Technology Officer; requiring a four-year strategic plan; authorizing promulgation of legislative rules; providing authority over security of state government information; managing information technology and establishing a Project Management Office; requiring state spending units to

provide notice and obtain approval of Chief Technology Officer for certain information technology and telecommunication projects; limiting when fees may be charged; disallowing certain expenditures in excess of spending authority; transferring duties relating to disaster recovery centers to the Chief Technology Officer; requiring at least two redundant sites for disaster recovery centers; and exempting and limiting application to certain state entities.

#### Be it enacted by the Legislature of West Virginia:

That §5A-6-1, §5A-6-2, §5A-6-4, §5A-6-5, §5A-6-6 and §5A-6-8 of the Code of West Virginia, 1931, as amended, be amended and reenacted; that said code be amended by adding thereto three new sections, designated §5A-6-4a, §5A-6-4b and §5A-6-4c; and that §5A-7-4 of said code be amended and reenacted, all to read as follows:

#### ARTICLE 6. OFFICE OF TECHNOLOGY.

#### §5A-6-1. Findings and purposes.

1 The Legislature finds and declares that information 2 technology is essential to finding practical solutions to the 3 everyday problems of government and that the manage-4 ment goals and purposes of government are furthered by 5 the development of compatible, linked information 6 systems across government. Therefore, it is the purpose of 7 this article to create, as an integral part of the Department 8 of Administration, the Office of Technology with the 9 authority to advise and make recommendations to all state spending units on their information systems and to have 10 the authority to oversee coordination of the state's techni-11 12 cal infrastructure.

#### **§5A-6-2**. Definitions.

1 As used in this article:

2 (a) "Information systems" means computer-based3 information equipment and related services designed for

4 the automated transmission, storage, manipulation and5 retrieval of data by electronic or mechanical means;

6 (b) "Information technology" means data processing and 7 telecommunications hardware, software, services, supplies, 8 personnel, maintenance, training and includes the pro-9 grams and routines used to employ and control the capa-10 bilities of data processing hardware;

(c) "Information equipment" includes central processing
units, front-end processing units, miniprocessors, microprocessors and related peripheral equipment, including
data storage devices, networking equipment, services,
routers, document scanners, data entry equipment, terminal controllers, data terminal equipment, computer-based
word processing systems other than memory typewriters;

18 (d) "Related services" includes feasibility studies,
19 systems design, software development and time-sharing
20 services whether provided by state employees or others;

(e) "Telecommunications" means any transmission,
emission or reception of signs, signals, writings, images or
sounds of intelligence of any nature by wire, radio or other
electromagnetic or optical systems. The term includes all
facilities and equipment performing those functions that
are owned, leased or used by the executive agencies of
state government;

(f) "Chief Technology Officer" means the person holding
the position created in section three of this article and
vested with authority to oversee state spending units in
planning and coordinating information systems that serve
the effectiveness and efficiency of the state and individual
state spending units and further the overall management
goals and purposes of government;

(g) "Technical infrastructure" means all information
systems, information technology, information equipment,
telecommunications and related services as defined in this
section;

39 (h) "Information technology project" means the process
40 by which telecommunications, automated data processing,

41 databases, the internet, management information systems

42 and related information, equipment, goods and services

43 are planned, procured and implemented;

44 (i) "Major information technology project" means any
45 information technology project estimated to cost more
46 than one hundred thousand dollars or require more than
47 three hundred man hours to complete; and

(j) "Steering committee" means an internal agency
oversight committee established jointly by the Chief
Technology Officer and the agency requesting the project,
which shall include representatives from the Office of
Technology and at least one representative from the
agency requesting the project.

## §5A-6-4. Powers and duties of the Chief Technology Officer; generally.

(a) With respect to all state spending units the Chief
 Technology Officer may:

3 (1) Develop an organized approach to information4 resource management for this state;

5 (2) Provide, with the assistance of the Information 6 Services and Communications Division of the Department 7 of Administration, technical assistance to the administra-8 tors of the various state spending units in the design and 9 management of information systems;

10 (3) Evaluate, in conjunction with the Information 11 Services and Communications Division, the economic 12 justification, system design and suitability of information 13 equipment and related services, and review and make 14 recommendations on the purchase, lease or acquisition of 15 information equipment and contracts for related services 16 by the state spending units;

(4) Develop a mechanism for identifying those instances
where systems of paper forms should be replaced by direct
use of information equipment and those instances where
applicable state or federal standards of accountability
demand retention of some paper processes;

(5) Develop a mechanism for identifying those instances
where information systems should be linked and information shared, while providing for appropriate limitations on
access and the security of information;

26 (6) Create new technologies to be used in government,
27 convene conferences and develop incentive packages to
28 encourage the utilization of technology;

29 (7) Engage in any other activities as directed by the30 Governor;

31 (8) Charge a fee to the state spending units for evalua-32 tions performed and technical assistance provided under the provisions of this section, to be based entirely on direct 33 personnel costs incurred in providing the evaluation or 34 technical assistance and charged only after the evaluation 35 36 or technical assistance has been provided. All fees collected by the Chief Technology Officer shall be deposited 37 in a special account in the State Treasury to be known as 38 39 the Chief Technology Officer Administration Fund. 40 Expenditures from the fund shall be made by the Chief Technology Officer for the purposes set forth in this article 41 and are not authorized from collections but are to be made 42 43 only in accordance with appropriation by the Legislature 44 and in accordance with the provisions of article three, 45 chapter twelve of this code and upon the fulfillment of the provisions set forth in article two, chapter eleven-b of this 46 47 code: *Provided*, That the provisions of section eighteen, article two, chapter eleven-b of this code shall not operate 48 to permit expenditures in excess of the spending authority 49 authorized by the Legislature. Amounts collected which 50 51 are found to exceed the funds needed for purposes set forth in this article may be transferred to other accounts or 52

53 funds and redesignated for other purposes by appropria-54 tion of the Legislature;

(9) Monitor trends and advances in information technology and technical infrastructure;

57 (10) Direct the formulation and promulgation of policies,
58 guidelines, standards and specifications for the develop59 ment and maintenance of information technology and
60 technical infrastructure, including, but not limited to:

61 (A) Standards to support state and local government
62 exchange, acquisition, storage, use, sharing and distribu63 tion of electronic information;

64 (B) Standards concerning the development of electronic
65 transactions, including the use of electronic signatures;

66 (C) Standards necessary to support a unified approach 67 to information technology across the totality of state 68 government, thereby assuring that the citizens and busi-69 nesses of the state receive the greatest possible security, 70 value and convenience from investments made in technol-71 ogy;

(D) Guidelines directing the establishment of statewide
standards for the efficient exchange of electronic information and technology, including technical infrastructure,
between the public and private sectors;

76 (E) Technical and data standards for information
77 technology and related systems to promote efficiency and
78 uniformity;

(F) Technical and data standards for the connectivity,
priorities and interoperability of technical infrastructure
used for homeland security, public safety and health and
systems reliability necessary to provide continuity of
government operations in times of disaster or emergency
for all state, county and local governmental units; and

(G) Technical and data standards for the coordinated
development of infrastructure related to deployment of
electronic government services among state, county and
local governmental units;

(11) Periodically evaluate the feasibility of subcontracting information technology resources and services, and to
subcontract only those resources that are feasible and
beneficial to the state;

93 (12) Direct the compilation and maintenance of an 94 inventory of information technology and technical infrastructure of the state, including infrastructure and tech-95 96 nology of all state, county and local governmental units, 97 which may include personnel, facilities, equipment, goods 98 and contracts for service, wireless tower facilities, geo-99 graphic information systems and any technical infrastructure or technology that is used for law enforcement, 100 homeland security or emergency services; 101

102 (13) Develop job descriptions and qualifications neces103 sary to perform duties related to information technology
104 as outlined in this article; and

(14) Promulgate legislative rules, in accordance with the
provisions of chapter twenty-nine-a of this code, as may be
necessary to standardize and make effective the administration of the provisions of article six of this chapter.

(b) With respect to executive agencies, the Chief Tech-nology Officer may:

111 (1) Develop a unified and integrated structure for112 information systems for all executive agencies;

(2) Establish, based on need and opportunity, priorities
and time lines for addressing the information technology
requirements of the various executive agencies of state
government;

117 (3) Exercise authority delegated by the Governor by118 executive order to overrule and supersede decisions made

by the administrators of the various executive agencies of
government with respect to the design and management of
information systems and the purchase, lease or acquisition
of information equipment and contracts for related
services;

(4) Draw upon staff of other executive agencies for
advice and assistance in the formulation and implementation of administrative and operational plans and policies;
and

(5) Recommend to the Governor transfers of equipment
and human resources from any executive agency and the
most effective and efficient uses of the fiscal resources of
executive agencies, to consolidate or centralize
information-processing operations.

(c) The Chief Technology Officer may employ the
personnel necessary to carry out the work of the Office of
Technology and may approve reimbursement of costs
incurred by employees to obtain education and training.

137 (d) The Chief Technology Officer shall develop a com-138 prehensive, statewide, four-year strategic information 139 technology and technical infrastructure policy and devel-140 opment plan to be submitted to the Governor and the Joint 141 Committee on Government and Finance. A preliminary 142 plan shall be submitted by the first day of December, two 143 thousand six, and the final plan shall be submitted by the 144 first day of June, two thousand seven. The plan shall 145 include, but not limited to:

146 (A) A discussion of specific projects to implement the147 plan;

(B) A discussion of the acquisition, management and useof information technology by state agencies;

150 (C) A discussion of connectivity, priorities and
151 interoperability of the state's technical infrastructure with
152 the technical infrastructure of political subdivisions and

encouraging the coordinated development of facilities and
services regarding homeland security, law enforcement
and emergency services to provide for the continuity of
government operations in times of disaster or emergency;

(D) A discussion identifying potential market demand
areas in which expanded resources and technical infrastructure may be expected;

160 (E) A discussion of technical infrastructure as it relates161 to higher education and health;

162 (F) A discussion of the use of public-private partnerships
163 in the development of technical infrastructure and tech164 nology services; and

165 (G) A discussion of coordinated initiatives in website architecture and technical infrastructure to modernize and 166 167 improve government to citizen services, government to 168 business services, government to government relations and internal efficiency and effectiveness of services, including 169 170 a discussion of common technical data standards and 171 common portals to be utilized by state, county and local 172 governmental units.

173 (e) The Chief Technology Officer shall oversee telecom-174 munications services used by state spending units for the purpose of maximizing efficiency to the fullest possible 175 extent. The Chief Technology Officer shall establish 176 177 microwave or other networks and LATA hops; audit 178 telecommunications services and usage; recommend and 179 develop strategies for the discontinuance of obsolete or 180 excessive utilization; participate in the renegotiation of 181 telecommunications contracts; and encourage the use of 182 technology and take other actions necessary to provide the 183 greatest value to the state.

## §5A-6-4a. Duties of the Chief Technology Officer relating to security of government information.

- 1 (a) To ensure the security of state government informa-
- 2 tion and the data communications infrastructure from

3 unauthorized uses, intrusions or other security threats. At a minimum, these policies, procedures and standards shall 4 identify and require the adoption of practices to safeguard 5 6 information systems, data and communications infrastruc-7 tures, as well as define the scope and regularity of security 8 audits and which bodies are authorized to conduct security 9 audits. The audits may include reviews of physical 10 security practices. 11 (b) (1) The Chief Technology Officer shall at least 12 annually perform security audits of all executive branch agencies regarding the protection of government databases 13 14 and data communications. 15 (2) Security audits may include, but are not limited to, 16 onsite audits as well as reviews of all written security 17 procedures and documented practices. 18 (c) The Chief Technology Officer may contract with a 19 private firm or firms that specialize in conducting these

20 audits.

(d) All public bodies subject to the audits required by
this section shall fully cooperate with the entity designated
to perform the audit.

(e) The Chief Technology Officer may direct specific
remediation actions to mitigate findings of insufficient
administrative, technical and physical controls necessary
to protect state government information or data communication infrastructures.

(f) The Chief Technology Officer shall promulgate
legislative rules in accordance with the provisions of
chapter twenty-nine-a of this code to minimize vulnerability to threats and to regularly assess security risks, determine appropriate security measures and perform security
audits of government information systems and data
communications infrastructures.

(g) To ensure compliance with confidentiality restrictions and other security guidelines applicable to state lawenforcement agencies, emergency response personnel and
emergency management operations, the provisions of this
section may not apply to the West Virginia State Police or
the Division of Homeland Security and Emergency
Management.

43 (h) The provisions of this section shall not infringe upon
44 the responsibilities assigned to the State Comptroller, the
45 Auditor or the Legislative Auditor, or other statutory
46 requirements.

47 (i) In consultation with the Adjutant General, Chairman 48 of the Public Service Commission, the Superintendent of 49 the State Police and the Director of the Division of Homeland Security and Emergency Management, the 50 Chief Technology Officer is responsible for the develop-51 52 ment and maintenance of an information systems disaster 53 recovery system for the State of West Virginia with 54 redundant sites in two or more locations isolated from reasonably perceived threats to the primary operation of 55 56 state government. The Chief Technology Officer shall 57 develop specifications, funding mechanisms and participation requirements for all executive branch agencies to 58 protect the state's essential data, information systems and 59 60 critical government services in times of emergency, 61 inoperativeness or disaster. Each executive branch agency shall assist the Chief Technology Officer in planning for its 62 specific needs and provide to the Chief Technology Officer 63 64 any information or access to information systems or 65 equipment that may be required in carrying out this purpose. No statewide or executive branch agency pro-66 67 curement of disaster recovery services may be initiated, let 68 or extended without the expressed consent of the Chief 69 Technology Officer.

#### §5A-6-4b. Project management duties of the Chief Technology Officer; establishment of the Project Management

Office and duties of the director of the Project Management Office.

(a) Concerning the management of information technol ogy projects, the Chief Technology Officer shall:

3 (1) Develop an approval process for proposed major
4 information technology projects by state agencies to
5 ensure that all projects conform to the statewide strategic
6 plan and the information management plans of agencies;

7 (2) Establish a methodology for conceiving, planning,
8 scheduling and providing appropriate oversight for
9 information technology projects, including oversight for
10 the projects and a process for approving the planning,
11 development and procurement of information technology
12 projects;

13 (3) Establish minimum qualifications and training14 standards for project managers;

15 (4) Direct the development of any statewide and16 multiagency enterprise project; and

17 (5) Develop and update a project management methodol18 ogy to be used by agencies in the development of informa19 tion technology.

20 (b) The Chief Technology Officer shall create a Project21 Management Office within the Office of Technology.

22 (c) The Director of the Project Management Office shall:

23 (1) Implement the approval process for information24 technology projects;

(2) Assist the Chief Technology Officer in the development and implementation of a project management
methodology to be used in the development and implementation of information technology projects in accordance
with this article;

30 (3) Provide ongoing assistance and support to state
31 agencies and public institutions of higher education in the
32 development of information technology projects;

33 (4) Establish a program providing training to agency34 project managers;

(5) Review information management and information
technology plans submitted by agencies and recommend to
the Chief Technology Officer the approval of the plans and
any amendments thereto;

39 (6) Monitor the implementation of information manage40 ment and information technology plans and periodically
41 report its findings to the Chief Technology Officer;

42 (7) Assign project managers to review and recommend43 information technology project proposals.

44 (8) The director shall create criteria upon which infor45 mation technology project proposal plans may be based

46 including:

47 (A) The degree to which the project is consistent with the48 state's overall strategic plan;

49 (B) The technical feasibility of the project;

50 (C) The benefits of the project to the state, including 51 customer service improvements;

52 (D) The risks associated with the project;

53 (E) Any continued funding requirements; and

54 (F) The past performance on other projects by the 55 agency.

56 (9) Provide oversight for state agency information 57 technology projects.

§5A-6-4c. Major information technology projects proposals and the establishment of steering committees.

1 (a) Prior to proceeding with a major information tech-2 nology project, an agency shall submit a project proposal, 3 outlining the business need for the project, the proposed 4 technology solution, if known, and an explanation of how the project will support the agency's business objective 5 and the state's strategic plan for information technology. 6 The project manager may require the submission of 7 8 additional information as needed to adequately review any 9 proposal.

10 (b) The proposal will further include:

11 (1) A detailed business case plan, including a cost-12 benefit analysis;

13 (2) A business process analysis, if applicable;

14 (3) System requirements, if known;

15 (4) A proposed development plan and project manage-16 ment structure;

17 (5) Business goals and measurement criteria, as appro-18 priate; and

19 (6) A proposed resource or funding plan.

(c) The project manager assigned to review the project
development proposal shall recommend its approval or
rejection to the Chief Technology Officer. If the Chief
Technology Officer approves the proposal, then he or she
shall notify the agency of its approval.

(d) Whenever an agency has received approval from the
Chief Technology Officer to proceed with the development
and acquisition of a major information technology project,
the Chief Technology Officer shall establish a steering
committee.

30 (e) The steering committee shall provide ongoing over-31 sight for the major information technology project and

- have the authority to approve or reject any changes to theproject's scope, schedule or budget.
- (f) The Chief Technology Officer shall ensure that the
  major information technology project has in place adequate project management and oversight structures for
  addressing the project's scope, schedule or budget and
  shall address issues that cannot be resolved by the steering
  committee.

#### §5A-6-5. Notice of request for proposals by state spending units required to make purchases through the State Purchasing Division.

1 Any state spending unit that pursues an information 2 technology purchase that does not meet the definition of a "major technology project" and that is required to submit 3 4 a request for proposal to the State Purchasing Division 5 prior to purchasing goods or services shall obtain the 6 approval of the Chief Technology Officer, in writing, of any proposed purchase of goods or services related to its 7 information technology and telecommunication systems. 8 9 The notice shall contain a brief description of the goods 10 and services to be purchased. The state spending unit shall 11 provide the notice to the Chief Technology Officer prior to 12 the time it submits its request for proposal to the State 13 Purchasing Division. §5A-6-6. Notice of request for proposals by state spending units

# S5A-6-6. Notice of request for proposals by state spending units exempted from submitting purchases to the State Purchasing Division.

(a) Any state spending unit that is not required to submit
 a request for proposal to the State Purchasing Division
 prior to purchasing goods or services shall notify the Chief
 Technology Officer, in writing, of any proposed purchase
 of goods or services related to its information
 technology or telecommunication systems. The notice
 shall contain a detailed description of the goods and
 services to be purchased. The state spending unit shall

- 9 provide the notice to the Chief Technology Officer a
- 10 minimum of ten days prior to the time it requests bids on
- 11 the provision of the goods or services.

12 (b) If the Chief Technology Officer evaluates the suitability of the information technology and telecommunica-13 14 tion equipment and related services under the provisions of subdivision (3), subsection (a), section four of this article 15 and determines that the goods or services to be purchased 16 17 are not suitable, he or she shall, within ten days of receiv-18 ing the notice from the state spending unit, notify the state spending unit, in writing, of any recommendations he or 19 she has regarding the proposed purchase of the goods or 20 services. If the state spending unit receives a written 21 22 notice from the Chief Technology Officer within the time period required by this section, the state spending unit 23 shall not put the goods or services out for bid less than 24 25 fifteen days following receipt of the notice from the Chief 26 Technology Officer.

#### §5A-6-8. Exemptions.

- 1 (a) The provisions of this article do not apply to the
- 2 Legislature, the judiciary or any state constitutional
- 3 officer designated in section two, article seven, chapter six
- 4 of this code.

5 (b) Notwithstanding any other provision of this article to the contrary, except for participation in the compilation 6 and maintenance of an inventory of information technol-7 8 ogy and technical infrastructure of the state authorized by 9 section four of this article, the provisions of this article do not apply to the West Virginia Board of Education, the 10 11 West Virginia Department of Education or the county boards of education. However, the West Virginia Board of 12 Education, the West Virginia Department of Education 13 and the county boards of education will attempt to 14 15 cooperate and collaborate with the Chief Technology Officer to the extent feasible. 16

17 (c) The Governor may by executive order exempt from
18 the provisions of this article any entity created and
19 organized to facilitate the public and private use of health

20 care information and the use of electronic medical records

21 throughout the state.

#### ARTICLE 7. INFORMATION SERVICES AND COMMUNICATIONS DIVI-SIONS.

## §5A-7-4. Powers and duties of division generally; professional staff; telephone service.

1 (a) The division is responsible for providing technical 2 services and assistance to the various state spending units 3 with respect to developing and improving data processing and telecommunications functions. The division may 4 provide training and direct data processing services to the 5 various state agencies. The division shall, upon request of 6 the Chief Technology Officer, provide technical assistance 7 in evaluating the economic justification, system design and 8 9 suitability of equipment and systems used in state government. The director shall report to the Chief Technology 10 Officer. 11

(b) The director is responsible for the development of
personnel to carry out the technical work of the division
and may approve reimbursement of costs incurred by
employees to obtain education and training.

(c) The director may assess each state spending unit for
the cost of any evaluation of the economic justification,
system design and suitability of equipment and systems
used by the state spending unit or any other technical
assistance that is provided or performed by the Chief
Technology Officer and the division under the provisions
of section four, article six of this chapter.

23 (d) The director shall transfer any moneys received as a
24 result of the assessments that he or she makes under
25 subsection (c) of this section to the Office of Technology.
26 The director shall report quarterly to the Joint Committee

27 on Government and Finance on all assessments made28 pursuant to subsection (c) of this section.

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- (e) The director shall maintain an accounting system forall telephone service to the state.
- 31 (f) The provisions of this article do not apply to the32 Legislature or the judiciary.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Servate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

augo A. Clerk of the House of Delegates

meler President of the Senate

Speaker House of Delegates

...... this the plove The within LA. 2... 2006. Day of ..... Governor



PRESENTED TO THE GOVERNOR APR 0 3 2006 Time \_\_\_\_\_\_

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