



Jim Justice
Governor of West Virginia

March 27, 2024

VIA HAND DELIVERY

The Honorable Mac Warner
Secretary of State
State Capitol Complex
Building 1, Suite 157-K
Charleston, West Virginia 25305

Re: Enrolled Committee Substitute for House Bill 5604

Secretary Warner:

Pursuant to Section Fourteen, Article VII of the Constitution of the State of West Virginia, I hereby disapprove and return Enrolled Committee Substitute for House Bill 5604 for the reasons set forth herein. The bill would raise the dollar amount threshold for agency-delegated purchases of technical infrastructure from \$50,000 to \$250,000 and would direct the approval of at least two IT marketplace portals for use by state spending units, among other changes.

Under the bill, the threshold for "agency-delegated" purchases is raised from \$50,000 to \$250,000 for all spending units of the State, which includes all departments, bureaus, divisions, offices, boards, commissions, authorities, agencies, and institutions of the State. The bill would allow each individual unit of government to seek out technical infrastructure (defined to mean "all information systems, information technology, information technology equipment, telecommunications, and technology services") through a marketplace portal, and make purchases of hardware, software, licenses, and so forth, without coordination of such contracts across spending units. Currently, purchases over \$50,000 must be reviewed by the Purchasing Division to ensure spending units aren't duplicating costs or entering into contracts where a better value for the State exists through a different contract solution. This is an important check that creates efficiencies across spending units and, thus, saves the taxpayers money.

The individual spending units of the State also don't generally have subject-matter expertise in information technology, but would be, under the bill, the primary drivers of purchases of information technology. In this complex area, in particular, we need to involve our experts early in the process to help our agencies know what they actually need in terms of technology to better their systems and services to the citizens of West Virginia. The bill does, in a limited way, involve the State's subject-matter expert agency, the Office of Technology, but only in that the Chief Information Officer "shall determine if the procurement of technical infrastructure through an IT marketplace portal is advantageous for the State of West Virginia." Rather than the piecemeal approach to technology purchases contemplated in the bill, we

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should continue to use our experts at the Office of Technology and our Chief Information Officer to strategically guide decision-making for information technology purchases for the State. This, too, results in efficiencies across spending units and saves West Virginia taxpayers money.

I encourage the bill's sponsors and staff to meet with my Office and our Office of Technology to work through the issues raised in this letter to ensure we continue to mind the store as best we can, while enabling State agencies to procure the information technology they truly need.

For these reasons, I hereby disapprove and return Enrolled Committee Substitute for House Bill 5604.

Sincerely,



Jim Justice
Governor

cc: The Honorable Craig Blair
President of the Senate

The Honorable Roger Hanshaw
Speaker of the House of Delegates