This bill is currently pending before the House on second reading. This research note reflects the bill as amended by the House State, Veterans, and Military Affairs Committee on January 20, 2016.

Summary

Current law requires state agencies and institutions of higher education that receive funding for capital projects to encumber some portion of the funds within six months after they are appropriated. If funds cannot be encumbered within six months, agencies and institutions are required to request a deadline waiver. The waiver request is presented to the Capital Development Committee (CDC), which then makes a recommendation to the State Controller as to whether the waiver should be approved. This bill exempts information technology (IT) projects overseen by the Joint Technology Committee (JTC) from the six-month encumbrance deadline.

Background

Prior to the establishment of the JTC in 2013, the CDC was responsible for considering IT capital budget requests and associated processes (supplementals, waivers, etc.) and making recommendations to the Joint Budget Committee (JBC). That function was shifted to the JTC in 2013 and greatly expanded in 2014. Now the JTC considers all IT capital requests and makes prioritized recommendations to the JBC, generally mirroring the process the CDC uses for other capital requests.
House Action

*House State, Veterans, and Military Affairs Committee (January 20, 2016).* At the hearing, the committee adopted amendment L.001 and referred the bill to the House Committee of the Whole. Amendment L.001 exempted IT projects overseen by the JTC from the six-month encumbrance deadline.

Relevant Research

Legislative Council Staff, *Information Technology Funding and the Role of the Joint Technology Committee*, Issue Brief, November 2014: [http://tiny.cc/j2v97x](http://tiny.cc/j2v97x)