

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 17-1086.01 Nicole Myers x4326

HOUSE BILL 17-1361

HOUSE SPONSORSHIP

Rankin, Hamner, Young

SENATE SPONSORSHIP

Lambert, Lundberg, Moreno

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INDEPENDENT EVALUATION OF THE STATE'S**
102 **INFORMATION TECHNOLOGY RESOURCES, AND, IN CONNECTION**
103 **THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. The bill requires the state auditor to retain a qualified, independent third-party consulting firm (firm) to evaluate:

! The centralization of the management of state agency information technology resources in the office of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 28, 2017

information technology (office) as a result of legislation adopted by the general assembly in 2008;

- ! Whether the executive branch of state government has a strategic plan in place to guide its process for evaluating, prioritizing, and selecting information technology projects that require new or ongoing appropriations of state money;
- ! The opportunities the state has to interface with the public through information technology;
- ! The office's working relationship with state agencies and institutions that were not included in the centralization of state agency information technology resources in the 2008 legislation but that rely on the office to provide certain information technology services or resources; and
- ! Consumer satisfaction among state agencies with the management of state agency information technology resources and access to state government via information technology resources.

The firm is required to provide the joint budget committee with an update regarding its progress in June 2018 and submit a report to the legislative audit committee, the joint technology committee, the joint budget committee, and the office by December 2018. The report is required to include recommendations to the office for industry best practice standards, recommendations for areas in which the office could work with the general assembly to improve the management of information technology resources and services, recommended future options for the state to solicit feedback from state residents regarding the public's opportunities to interface with state government, and policy discussions directed toward the general assembly.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-37.5-803 as
3 follows:

4 **24-37.5-803. State information technology resources -**
5 **independent evaluation and recommendations - report - repeal.**

6 (1) THE STATE AUDITOR SHALL RETAIN A QUALIFIED, INDEPENDENT
7 THIRD-PARTY CONSULTING FIRM TO EVALUATE STATE AGENCY
8 INFORMATION TECHNOLOGY RESOURCES. THE STATE AUDITOR SHALL
9 SOLICIT QUALIFIED, INDEPENDENT THIRD-PARTY CONSULTING FIRMS WITH

1 THE NECESSARY CREDENTIALS TO BID FOR THE EVALUATION THROUGH A
2 COMPETITIVE SOLICITATION PROCESS IN ACCORDANCE WITH THE
3 "PROCUREMENT CODE", ARTICLES 101 TO 112 OF THIS TITLE 24. THE
4 STATE AUDITOR SHALL SELECT A FIRM THAT HAS A HISTORY OF UNBIASED,
5 PEER-REVIEWED RESULTS AND SHALL NOT SELECT A FIRM THAT HAS A
6 KNOWN CONFLICT OF INTEREST THAT MAY INTERFERE WITH ITS ABILITY TO
7 PRODUCE AN OBJECTIVE EVALUATION. ANY FIRM THAT RESPONDS TO THE
8 COMPETITIVE SOLICITATION SHALL DISCLOSE ANY IMPAIRMENTS OR
9 POTENTIAL IMPAIRMENTS TO ITS INDEPENDENCE IN CONDUCTING THE
10 EVALUATION. THE STATE AUDITOR SHALL ENTER INTO A CONTRACT WITH
11 THE SELECTED FIRM BY OCTOBER 31, 2017.

12 (2) THE FIRM RETAINED PURSUANT TO SUBSECTION (1) OF THIS
13 SECTION SHALL EVALUATE THE FOLLOWING:

14 (a) THE CENTRALIZATION OF THE MANAGEMENT OF STATE AGENCY
15 INFORMATION TECHNOLOGY RESOURCES IN THE OFFICE OF INFORMATION
16 TECHNOLOGY PURSUANT TO SENATE BILL 08-155, ENACTED IN 2008, AND
17 WHETHER THE CENTRALIZATION HAS ACHIEVED THE GOALS OF THE
18 GENERAL ASSEMBLY REGARDING THE MANAGEMENT OF DAILY
19 INFORMATION TECHNOLOGY OPERATIONS, INCLUDING BUT NOT LIMITED TO
20 GOALS REGARDING:

21 (I) INFORMATION TECHNOLOGY HUMAN RESOURCES, INCLUDING
22 BUT NOT LIMITED TO:

23 (A) WHETHER STATE AGENCIES HAVE TRANSFERRED INFORMATION
24 TECHNOLOGY HUMAN RESOURCES TO THE OFFICE OF INFORMATION
25 TECHNOLOGY;

26 (B) WHETHER STATE AGENCIES HAVE REDUCED THE NUMBER OF
27 FULL-TIME EMPLOYEES PROVIDING INFORMATION TECHNOLOGY SERVICES;

1 AND

2 (C) WHY REDUCTIONS AND TRANSFERS OF EMPLOYEES HAVE OR
3 HAVE NOT OCCURRED AND WHAT MEASURES MAY HELP STATE AGENCIES
4 ACHIEVE SUCH REDUCTIONS AND TRANSFERS IF THEY HAVE NOT
5 OCCURRED;

6 (II) INFORMATION TECHNOLOGY INFRASTRUCTURE, INCLUDING BUT
7 NOT LIMITED TO:

8 (A) WHETHER STATE AGENCIES HAVE TRANSFERRED INFORMATION
9 TECHNOLOGY INFRASTRUCTURE TO THE OFFICE OF INFORMATION
10 TECHNOLOGY;

11 (B) WHY TRANSFERS OF INFORMATION TECHNOLOGY
12 INFRASTRUCTURE HAVE OR HAVE NOT OCCURRED AND WHAT MEASURES
13 MAY HELP STATE AGENCIES ACHIEVE SUCH TRANSFERS IF THEY HAVE NOT
14 OCCURRED; AND

15 (C) WHETHER SOFTWARE AND HARDWARE DECISIONS MADE BY
16 THE OFFICE OF INFORMATION TECHNOLOGY HAVE PROVIDED SAVINGS AND
17 EFFICIENCIES TO THE STATE AND WHETHER THOSE SAVINGS CAN BE
18 QUANTIFIED;

19 (III) WHETHER THE OFFICE OF INFORMATION TECHNOLOGY'S
20 PRACTICE OF BILLING STATE AGENCIES FOR INFORMATION TECHNOLOGY
21 SERVICES HAS RESULTED IN EFFICIENCIES OR LONG-TERM COST SAVINGS
22 FOR THE STATE AND WHAT EFFECT SUCH PRACTICE HAS ON ACCOUNTING
23 PROCESSES AND EMPLOYEE COSTS FOR STATE AGENCIES; AND

24 (IV) WHETHER THE OFFICE OF INFORMATION TECHNOLOGY HAS A
25 STRATEGIC PLAN, OR ITS EQUIVALENT, TO USE CONSULTANTS, VENDORS,
26 OR ORGANIZATIONS SUCH AS THE STATEWIDE INTERNET PORTAL
27 AUTHORITY TO REALIZE THE ORIGINAL AND ONGOING OBJECTIVES OF

1 CENTRALIZING THE MANAGEMENT OF STATE AGENCY INFORMATION
2 TECHNOLOGY RESOURCES;

3 (b) WHETHER THE EXECUTIVE BRANCH HAS A STRATEGIC PLAN, OR
4 ITS EQUIVALENT, IN PLACE TO GUIDE ITS PROCESS FOR EVALUATING,
5 PRIORITIZING, AND SELECTING INFORMATION TECHNOLOGY PROJECTS THAT
6 REQUIRE NEW OR ONGOING APPROPRIATIONS OF STATE MONEY, INCLUDING
7 BUT NOT LIMITED TO:

8 (I) THE EFFICIENCY AND EFFECTIVENESS OF THE STATE'S CURRENT
9 PROCESS FOR INFORMATION TECHNOLOGY PROJECT EVALUATION,
10 PRIORITIZATION AND SELECTION, INCLUDING A COST-BENEFIT ANALYSIS,
11 AND WHETHER THE OFFICE OF INFORMATION TECHNOLOGY, STATE
12 AGENCIES, THE GOVERNOR'S OFFICE, OR THE JOINT TECHNOLOGY
13 COMMITTEE OR JOINT BUDGET COMMITTEE COULD MAKE ANY CHANGES OR
14 IMPROVEMENTS TO THE PROCESS; AND

15 (II) WHETHER THE OFFICE OF INFORMATION TECHNOLOGY'S
16 EXISTING LEGISLATIVE REVIEW AND REPORTING PROCESSES IN
17 CONNECTION WITH THE JOINT BUDGET COMMITTEE AND THE JOINT
18 TECHNOLOGY COMMITTEE ARE ADEQUATE;

19 (c) THE OPPORTUNITIES THE STATE HAS TO INTERFACE WITH THE
20 PUBLIC THROUGH INFORMATION TECHNOLOGY, INCLUDING BUT NOT
21 LIMITED TO WHETHER THE STATE CAN TAKE ADVANTAGE OF NEW AND
22 EMERGING OPPORTUNITIES FOR FUTURE AUTOMATION AND ONLINE CITIZEN
23 INTERACTION WITH GOVERNMENT AND, IF SO, HOW THE STATE COULD
24 PROCEED WITH SUCH OPPORTUNITIES;

25 (d) THE OFFICE OF INFORMATION TECHNOLOGY'S WORKING
26 RELATIONSHIP WITH STATE AGENCIES, DEPARTMENTS, OFFICES, AND
27 INSTITUTIONS THAT WERE NOT INCLUDED IN THE CENTRALIZATION OF

1 STATE AGENCY INFORMATION TECHNOLOGY RESOURCES PURSUANT TO
2 SENATE BILL 08-155, ENACTED IN 2008, BUT RELY ON THE OFFICE OF
3 INFORMATION TECHNOLOGY TO PROVIDE CERTAIN INFORMATION
4 TECHNOLOGY SERVICES OR RESOURCES; AND

5 (e) CONSUMER SATISFACTION, TO BE DETERMINED THROUGH A
6 CONSUMER SATISFACTION SURVEY, AMONG STATE AGENCIES WITH THE
7 MANAGEMENT OF STATE AGENCY INFORMATION TECHNOLOGY RESOURCES
8 AND ACCESS TO STATE GOVERNMENT VIA INFORMATION TECHNOLOGY
9 RESOURCES.

10 (3) IN JUNE 2018, THE QUALIFIED, INDEPENDENT THIRD-PARTY
11 CONSULTING FIRM RETAINED PURSUANT TO SUBSECTION (1) OF THIS
12 SECTION SHALL PROVIDE AN UPDATE TO THE JOINT BUDGET COMMITTEE
13 REGARDING THE PROGRESS OF THE EVALUATION. THE UPDATE NEED NOT
14 INCLUDE PRELIMINARY FINDINGS.

15 (4) ON OR BEFORE DECEMBER 15, 2018, THE QUALIFIED,
16 INDEPENDENT THIRD-PARTY CONSULTING FIRM SHALL SUBMIT A REPORT
17 TO THE LEGISLATIVE AUDIT COMMITTEE, THE JOINT BUDGET COMMITTEE,
18 THE JOINT TECHNOLOGY COMMITTEE, AND THE OFFICE OF INFORMATION
19 TECHNOLOGY. THE REPORT SHALL INCLUDE:

20 (a) RECOMMENDATIONS TO THE OFFICE OF INFORMATION
21 TECHNOLOGY FOR INDUSTRY BEST PRACTICE STANDARDS THAT SHOULD BE
22 IMPLEMENTED;

23 (b) RECOMMENDATIONS TO THE OFFICE OF INFORMATION
24 TECHNOLOGY REGARDING CHANGES THAT COULD BE MADE, WORKING
25 WITH THE GENERAL ASSEMBLY, TO:

26 (I) REALIZE THE OUTCOMES ENVISIONED BY THE GENERAL
27 ASSEMBLY WHEN IT CREATED THE OFFICE OF INFORMATION TECHNOLOGY

1 AND CONSOLIDATED THE MANAGEMENT OF STATE AGENCY INFORMATION
2 TECHNOLOGY RESOURCES AND SERVICES;

3 (II) IMPROVE THE PROCESS FOR EVALUATING, PRIORITIZING, AND
4 SELECTING INFORMATION TECHNOLOGY PROJECTS;

5 (III) PROVIDE NEW AND BETTER OPPORTUNITIES FOR THE STATE TO
6 INTERFACE WITH THE PUBLIC; AND

7 (IV) FACILITATE COLLABORATION AND COMMUNICATION BETWEEN
8 THE OFFICE OF INFORMATION TECHNOLOGY AND STATE AGENCIES,
9 DEPARTMENTS, OFFICES, AND INSTITUTIONS THAT WERE NOT INCLUDED IN
10 THE LEGISLATION TO CENTRALIZE STATE AGENCY INFORMATION
11 TECHNOLOGY RESOURCES BUT THAT RELY ON THE OFFICE OF INFORMATION
12 TECHNOLOGY TO PROVIDE INFORMATION TECHNOLOGY SERVICES OR
13 RESOURCES;

14 (c) RECOMMENDED FUTURE OPTIONS FOR THE STATE TO SOLICIT
15 FEEDBACK FROM STATE RESIDENTS REGARDING THE PUBLIC'S
16 OPPORTUNITIES TO INTERFACE WITH STATE GOVERNMENT; AND

17 (d) POLICY DISCUSSIONS DIRECTED TOWARD THE GENERAL
18 ASSEMBLY, INCLUDING DISCUSSIONS REGARDING INTER-COMMITTEE
19 PROCESSES BETWEEN THE JOINT BUDGET COMMITTEE AND THE JOINT
20 TECHNOLOGY COMMITTEE FOR COORDINATING THE REVIEW OF
21 INFORMATION TECHNOLOGY BUDGET REQUESTS.

22 (5) AFTER RECEIVING THE REPORT REQUIRED BY SUBSECTION (4)
23 OF THIS SECTION, THE JOINT BUDGET COMMITTEE, THE JOINT TECHNOLOGY
24 COMMITTEE, THE OFFICE OF INFORMATION TECHNOLOGY, AND ANY OTHER
25 OFFICE OR DEPARTMENT THAT WAS THE SUBJECT OF RECOMMENDATIONS
26 MADE IN THE REPORT SHALL MEET TO DISCUSS THE IMPLEMENTATION OF
27 THE RECOMMENDATIONS MADE IN THE REPORT.

1 (6) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2020.

2 **SECTION 2. Appropriation.** For the 2017-18 state fiscal year,
3 \$300,000 is appropriated to the legislative department for use by the
4 office of the state auditor. This appropriation is from the general fund. To
5 implement this act, the office may use this appropriation for the purposes
6 authorized in section 24-37.5-803, C.R.S. Any money appropriated in this
7 section not expended prior to July 1, 2018, is further appropriated to the
8 office for the 2018-19 state fiscal year for the same purpose.

9 **SECTION 3. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.