

CHAPTER 367

**GOVERNMENT - STATE**

**HOUSE BILL 10-1401**

BY REPRESENTATIVE(S) Ferrandino, Murray, Casso;  
also SENATOR(S) Carroll M., Schwartz, Boyd.

**AN ACT**

**CONCERNING THE MANAGEMENT OF INFORMATION TECHNOLOGY IN STATE AGENCIES.**

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

**SECTION 1.** 24-37.5-102, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

**24-37.5-102. Definitions - repeal.** As used in this article, unless the context otherwise requires:

(1.3) (a) "COLLABORATION, OFFICE PRODUCTIVITY, AND ELECTRONIC MAIL SOFTWARE" OR "COPE" MEANS SOFTWARE THAT IS DELIVERED VIA AN SAAS MODEL AND OFFERED AS A SPECIFIC SERVICE BY THE STATEWIDE INTERNET PORTAL AUTHORITY OR ANY PRIVATE SECTOR PROVIDER OF INFORMATION TECHNOLOGY RESOURCES.

(b) THIS SUBSECTION (1.3) IS REPEALED, EFFECTIVE JULY 1, 2014.

(3.5) (a) "SOFTWARE AS A SERVICE" OR "SAAS" MEANS A MODEL OF SOFTWARE DEPLOYMENT VIA THE INTERNET THAT:

(I) ALLOWS A CUSTOMER TO USE THE SOFTWARE AS A SERVICE ON DEMAND THROUGH A SUBSCRIPTION OR A PAY-AS-YOU-GO MODEL;

(II) DOES NOT REQUIRE THE USER TO PURCHASE HARDWARE OR SOFTWARE DIRECTLY TO RUN AN INFORMATION TECHNOLOGY APPLICATION SINCE THE APPLICATION IS ACCESSIBLE VIA THE INTERNET; AND

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(III) MAY BE UTILIZED FOR VARIOUS INFORMATION TECHNOLOGY APPLICATIONS, INCLUDING BUT NOT LIMITED TO ELECTRONIC MAIL, VIDEO CONFERENCING, INSTANT MESSAGING, OFFICE PRODUCTIVITY APPLICATIONS, AND ELECTRONIC CALENDARING.

(b) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2014.

**SECTION 2.** 24-37.5-105, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**24-37.5-105. Office - responsibilities - rules - repeal.** (3.5) (a) IF THE OFFICE INITIATES ANY COPE SERVICES IN A STATE AGENCY ON OR AFTER JANUARY 1, 2010, THROUGH AN AGREEMENT WITH THE STATEWIDE INTERNET PORTAL AUTHORITY OR ANY PRIVATE SECTOR PROVIDER OF INFORMATION TECHNOLOGY RESOURCES, IT SHALL FILE A REPORT WITH THE JOINT BUDGET COMMITTEE AND THE LEGISLATIVE AUDIT COMMITTEE NO LATER THAN THIRTY DAYS AFTER THE LAST DAY OF THE FISCAL QUARTER IN WHICH THE COPE SERVICE WAS INITIATED. SUCH REPORT SHALL INCLUDE THE FOLLOWING:

(I) AN IMPLEMENTATION PLAN FOR THE COPE SERVICES IN THE STATE AGENCY THAT INCLUDES THE ESTIMATED COMPLETION DATE FOR SUCH IMPLEMENTATION;

(II) A COST-BENEFIT ANALYSIS FOR IMPLEMENTING THE COPE SERVICES SHOWING THE COST SAVINGS TO THE STATE AGENCY FROM SUCH IMPLEMENTATION; AND

(III) AN ANALYSIS DEMONSTRATING THAT IMPLEMENTATION OF THE COPE SERVICES ARE IN CONFORMANCE WITH THE STATE AGENCY'S INFORMATION SECURITY PLAN DEVELOPED PURSUANT TO SECTION 24-37.5-404 AND THAT APPROPRIATE INFORMATION SECURITY SAFEGUARDS EXIST TO ENSURE THAT THE COMMUNICATION AND INFORMATION RESOURCES OF THE AGENCY ARE NOT VULNERABLE TO A SECURITY INCIDENT RESULTING FROM SUCH IMPLEMENTATION.

(b) FOLLOWING THE REPORT DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (3.5), THE OFFICE SHALL FILE A QUARTERLY REPORT WITH THE JOINT BUDGET COMMITTEE NO LATER THAN THIRTY DAYS AFTER THE LAST DAY OF EACH SUBSEQUENT FISCAL QUARTER FOR A PERIOD OF TWO YEARS CONTAINING INFORMATION ON THE PROGRESS OF THE IMPLEMENTATION OF THE COPE SERVICES IN THE STATE AGENCY AND THE COST SAVINGS TO THE STATE AGENCY FROM SUCH IMPLEMENTATION. NO FURTHER QUARTERLY REPORTING SHALL THEREAFTER BE REQUIRED PURSUANT TO THIS PARAGRAPH (b).

(c) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2014.

**SECTION 3.** 24-37.7-106, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**24-37.7-106. Fees and charges - no modification - new services - reporting.**

(4) (a) ON OR BEFORE OCTOBER 1, 2010, AND ON OR BEFORE OCTOBER 1 OF EACH YEAR THEREAFTER, EACH STATE AGENCY THAT IMPOSES CHARGES OR FEES FOR ACCESSING ELECTRONIC INFORMATION, PRODUCTS, OR SERVICES THROUGH THE STATEWIDE INTERNET PORTAL SHALL PROVIDE A REPORT TO THE EXECUTIVE DIRECTOR ON THE TOTAL AMOUNT OF SUCH CHARGES OR FEES IMPOSED IN THE

PRECEDING FISCAL YEAR.

(b) ON OR BEFORE NOVEMBER 1, 2010, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, THE BOARD SHALL REPORT TO THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE AND THE BUSINESS AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND TO THE JOINT BUDGET COMMITTEE ON:

(I) THE TOTAL AMOUNT OF CHARGES OR FEES IMPOSED BY EACH STATE AGENCY FOR ACCESSING ELECTRONIC INFORMATION, PRODUCTS, AND SERVICES THROUGH THE STATEWIDE INTERNET PORTAL MADE IN THE PRECEDING FISCAL YEAR; AND

(II) THE TOTAL AMOUNT OF RECEIPTS AND REVENUE DERIVED BY THE AUTHORITY FROM THE TRANSACTIONS DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) FOR THE PRECEDING FISCAL YEAR.

**SECTION 4.** Article 37.7 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**24-37.7-114. Financial and performance audits.** (1) (a) IF A FINANCIAL AUDIT OF THE AUTHORITY IS CONDUCTED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT PURSUANT TO A CONTRACT WITH THE AUTHORITY, ANY STATEMENTS, RECORDS, SCHEDULES, WORKING PAPERS, AND MEMORANDA PREPARED BY THE CERTIFIED PUBLIC ACCOUNTANT SHALL BE MADE AVAILABLE TO THE STATE AUDITOR'S OFFICE AND SHALL BE KEPT CONFIDENTIAL UNLESS A MAJORITY OF THE MEMBERS OF THE LEGISLATIVE AUDIT COMMITTEE VOTE TO OPEN SUCH DOCUMENTS.

(b) THE STATE AUDITOR MAY, AT HIS OR HER DISCRETION, CONDUCT OR CAUSE TO BE CONDUCTED PERFORMANCE AUDITS COMMENCING ON OR AFTER AUGUST 1, 2011, OF THE AUTHORITY TO DETERMINE WHETHER THE AUTHORITY IS EFFECTIVELY AND EFFICIENTLY FULFILLING ITS STATUTORY OBLIGATIONS. THE STATE AUDITOR SHALL LIMIT THE SCOPE OF INFORMATION REQUESTED FROM THE AUTHORITY TO THAT AUTHORIZED PURSUANT TO PART 1 OF ARTICLE 3 OF TITLE 2, C.R.S., AND BY THE LEGISLATIVE AUDIT COMMITTEE. THE STATE AUDITOR SHALL CONSIDER INPUT AND RECOMMENDATIONS FROM THE AUTHORITY AND THE BOARD DURING THE PLANNING PROCESS FOR ANY SUCH AUDIT SO AS TO MINIMIZE THE IMPACTS ON THE AUTHORITY'S STAFF, PLANNING, AND PROJECT SCHEDULES AND TO NOT CONFLICT WITH THE FINANCIAL AUDIT DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (1).

(2) UPON THE COMPLETION OF A FINANCIAL OR PERFORMANCE AUDIT DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE STATE AUDITOR SHALL SUBMIT A WRITTEN REPORT TO THE LEGISLATIVE AUDIT COMMITTEE, TOGETHER WITH ANY FINDINGS AND RECOMMENDATIONS.

(3) THE COST OF EACH SUCH FINANCIAL AUDIT SHALL BE PAID BY THE AUTHORITY. THE COST OF ANY SUCH PERFORMANCE AUDIT SHALL BE PAID FROM ANNUAL APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY TO THE OFFICE OF THE STATE AUDITOR.

**SECTION 5. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 7, 2010