## SENATE BILL No. 240

By Committee on Ways and Means

3-17

AN ACT concerning information technology; abolishing the joint committee on information technology; creating the committee on technology oversight; amending K.S.A. 2010 Supp. 75-5147, 75-7201, 75-7207, 75-7210, 75-7211 and 76-3,100 and repealing the existing sections; also repealing K.S.A. 46-2101 and 46-2102.

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Be it enacted by the Legislature of the State of Kansas:

New Section 1. The joint committee on information technology established by K.S.A. 46-2101, and amendments thereto, is hereby abolished.

New Sec. 2. (a) There is hereby established the committee on technology oversight which shall be composed of seven members. Four members of the committee on technology oversight shall be legislators, and three members shall be leaders of the information technology industry who are not legislators. One of the senate members shall be appointed by the president of the senate, and one of the senate members shall be appointed by the minority leader of the senate. One of the representative members shall be appointed by the speaker of the house of representatives, and one of the representative members shall be appointed by the minority leader of the house of representatives. The members of the committee on technology oversight serving in such capacities on the effective date of this act shall continue serving as members and in such capacities, respectively, subject to the other provisions of this section. One of the nonlegislator members shall be appointed by the president of the senate, one of the nonlegislator members shall be appointed by the speaker of the house, and one of the nonlegislator members shall be appointed by the governor. All nonlegislator members shall be leaders in the information technology industry.

(b) All members of the committee on technology oversight shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. The committee on technology oversight shall organize annually and elect a chairperson and vice-chairperson in accordance with this subsection. On and after the first day of the regular legislative session in odd-numbered years, the chairperson shall be one of the representative members of the committee on technology oversight elected by the members of the committee on technology oversight, and the

vice-chairperson shall be one of the senate members elected by the members of the committee on technology oversight. After the first day of the regular legislative session in even-numbered years, the chairperson shall be one of the senate members of the committee on technology oversight elected by the members of the committee on technology oversight, and the vice-chairperson shall be one of the representative members of the committee on technology oversight elected by the members of the committee on technology oversight. The chairperson and vice-chairperson of the committee on technology oversight shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson. If a vacancy occurs in the office of chairperson or vice-chairperson, a member of the committee on technology oversight, who is a member of the same house as the member who vacated the office, shall be elected by the members of the committee on technology oversight to fill such vacancy.

- (c) A quorum of the committee on technology oversight shall be four. All actions of the committee on technology oversight shall be taken by a majority of all of the members of the committee on technology oversight.
- (d) The committee on technology oversight may meet at any time and at any place within the state on the call of the chairperson.
- (e) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the committee on technology oversight to the extent that the same do not conflict with the specific provisions of this act applicable to the committee on technology oversight.
- (f) In accordance with K.S.A. 46-1204, and amendments thereto, the legislative coordinating council may provide for such professional services as may be requested by the committee on technology oversight.
- (g) Each member of the committee on technology oversight attending meetings of such oversight committee approved by the legislative coordinating council, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3212, and amendments thereto, from appropriations for legislative expenses.
- (h) On and after the effective date of this act, whenever the joint committee on information technology, or words of like effect, is referred to or designated by a statute, contract or other document, created before the effective date of this act, the reference or designation shall mean and apply to the committee on technology oversight.
- New Sec. 3. In addition to other powers and duties authorized or prescribed by law or by the legislative coordinating council, the committee on technology oversight shall:
  - (a) Study the use by state agencies and institutions of computers,

telecommunications and other information technologies;

- (b) review new governmental computer hardware and software acquisition, information storage, transmission, processing and telecommunications technologies proposed by state agencies and institutions, and the implementation plans therefor, including all information technology project budget estimates and three-year strategic information technology plans that are submitted to the committee on technology oversight pursuant to K.S.A. 75-7210, and amendments thereto;
- (c) make recommendations on all such implementation plans, budget estimates and three-year plans to the ways and means committee of the senate and the committee on appropriations of the house of representatives;
- (d) study the progress and results of all newly implemented governmental computer hardware and software, information storage, transmission, processing and telecommunications technologies of state agencies and institutions including all information technology projects for state agencies which have been authorized or for which appropriations have been approved by the legislature; and
- (e) make an annual report to the legislative coordinating council as provided in K.S.A. 46-1207, and amendments thereto, and such special reports to committees of the house of representatives and senate as are deemed appropriate by the committee on technology oversight.

Section 4. K.S.A. 2010 Supp. 75-5147 is hereby amended to read as follows: 75-5147. The secretary of revenue is hereby authorized to enter into contracts to acquire automated tax systems, including computer hardware and software therefor, for use in the registration of taxpayers, processing of remittances and returns, and collection of delinquent taxes and any interest and penalties thereon. Any contracts entered into between the secretary of revenue and vendors of automated tax systems shall provide (1) for payment of fees for the automated tax system on the basis of a percentage of the increase in the amount of taxes, interest and penalties collected which is attributable to the implementation of the automated tax systems as specified by the joint consensus of the director of the budget and the director of the legislative research department under this section, or (2) for payment of fees for the automated tax system on a fixed fee contract basis, such fees to be paid from the increase in the amount of taxes, interest and penalties collected which is attributable to the implementation of the automated tax systems as specified by the joint consensus of the director of the budget and the director of the legislative research department under this section. All contracts entered into under this section shall be entered into pursuant to procurement negotiating committee procedures as provided in K.S.A. 75-37,102, and amendments

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thereto. Prior to publishing or distributing a request for proposal, such request for proposal shall be reviewed by the joint committee on information technology oversight. During each regular session of the legislature, the secretary of revenue shall submit a report to the committee on ways and means of the senate and the committee on appropriations of the house of representatives. Such report shall include detailed information on the costs and benefits of implementing automated tax systems during the fiscal year immediately preceding the submission of the report. The report required hereunder shall be made annually until two complete fiscal years have elapsed following full implementation of automated tax systems by the secretary of revenue. In addition, the director of the budget and the director of the legislative research department shall prepare annually a joint consensus on the amount of increased tax, interest and penalty collections which are attributable to the automated tax system and shall report their findings during each regular session of the legislature to the committee on ways and means of the senate and the committee on appropriations of the house of representatives. Nothing in this section shall prohibit the secretary of revenue from acquiring any goods or services through appropriations for any department of revenue function or program not specifically included in any contract entered into pursuant to this section.

- Sec. 5. K.S.A. 2010 Supp. 75-7201 is hereby amended to read as follows: 75-7201. As used in K.S.A. 2010 Supp. 75-7201 through 75-7212, and amendments thereto:
- (a) "Cumulative cost" means the total expenditures, from all sources, for any information technology project by one or more state agencies to meet project objectives from project start to project completion or the date and time the project is terminated if it is not completed.
- (b) "Executive agency" means any state agency in the executive branch of government.
- (c) "Information technology project" means a project for a major computer, telecommunications or other information technology improvement with an estimated cumulative cost of \$250,000 or more and includes any such project that has proposed expenditures for: (1) New or replacement equipment or software; (2) upgrade improvements to existing equipment and any computer systems, programs or software upgrades therefor; or (3) data or consulting or other professional services for such a project.
- (d) "Information technology project change or overrun" means any of
  the following:
  (1) Any change in planned expenditures for an information
  - (1) Any change in planned expenditures for an information technology project that would result in the total authorized cost of the project being increased above the currently authorized cost of such project

 by more than either \$1,000,000 or 10% of such currently authorized cost of such project, whichever is lower;

- (2) any change in the scope of an information technology project, as such scope was presented to and reviewed by the joint committee *on technology oversight* or the chief information technology officer to whom the project was submitted pursuant to K.S.A. 2010 Supp. 75-7209, and amendments thereto; or
- (3) any change in the proposed use of any new or replacement information technology equipment or in the use of any existing information technology equipment that has been significantly upgraded.
- (e) "Joint committee" means the joint committee on information-technology.
- (f)(e) "Judicial agency" means any state agency in the judicial branch of government.
- (g)(f) "Legislative agency" means any state agency in the legislative branch of government.
- $\frac{h}{g}$  "Project" means a planned series of events or activities that is intended to accomplish a specified outcome in a specified time period, under consistent management direction within a state agency or shared among two or more state agencies, and that has an identifiable budget for anticipated expenses.
- (i)(h) "Project completion" means the date and time when the head of a state agency having primary responsibility for an information technology project certifies that the improvement being produced or altered under the project is ready for operational use.
- (j)(i) "Project start" means the date and time when a state agency begins a formal study of a business process or technology concept to assess the needs of the state agency, determines project feasibility or prepares an information technology project budget estimate under K.S.A. 2010 Supp. 75-7209, and amendments thereto.
- $\frac{(k)}{(j)}$  "State agency" means any state office or officer, department, board, commission, institution or bureau, or any agency, division or unit thereof.
- Sec. 6. K.S.A. 2010 Supp. 75-7207 is hereby amended to read as follows: 75-7207. (a) There is hereby established the position of legislative chief information technology officer under the legislative coordinating council.
- (b) The legislative chief information technology officer shall be appointed by the legislative coordinating council. The joint committee *on technology oversight* may recommend one or more persons for consideration by the legislative coordinating council in making the appointment.
  - (c) The legislative chief information technology officer shall receive

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 such compensation as determined by the legislative coordinating council and may be removed by a vote of five members of the legislative coordinating council taken at any regular meeting of the council.

- (d) The legislative chief information technology officer shall receive expenses and allowances for in-state and out-of-state travel as is provided by law for members of the legislature. The provisions of K.S.A. 75-3208, and amendments thereto, shall not apply to any such travel.
- (e) The legislative chief information technology officer shall be in the unclassified service under the Kansas civil service act.
- Sec. 7. K.S.A. 2010 Supp. 75-7210 is hereby amended to read as follows: 75-7210. (a) Not later than October 1 of each year, the executive, judicial and legislative chief information technology officers shall submit to the joint committee on technology oversight and to the legislative research department all information technology project budget estimates and amendments, and revisions thereto, all three-year plans and all deviations from the state information technology architecture submitted to such officers pursuant to K.S.A. 2010 Supp. 75-7209, and amendments thereto. The legislative chief information technology officer shall review all such estimates and amendments, and revisions thereto, plans and deviations and shall make recommendations to the joint committee on technology oversight regarding the merit thereof and appropriations therefor.
- (b) The executive and judicial chief information technology officers shall report to the legislative chief information technology officer, at times agreed upon by the three officers:
- (1) Progress regarding implementation of information technology projects of state agencies within the executive and judicial branches of state government; and
- (2) all proposed expenditures for such projects, including all revisions to such proposed expenditures, for the current fiscal year and for ensuing fiscal years.
- Sec. 8. K.S.A. 2010 Supp. 75-7211 is hereby amended to read as follows: 75-7211. (a) The legislative chief information technology officer, under the direction of the joint committee *on technology oversight*, shall monitor state agency execution of information technology projects and, at times agreed upon by the three chief information technology officers, shall report progress regarding the implementation of such projects and all proposed expenditures therefor, including all revisions to such proposed expenditures for the current fiscal year and for ensuing fiscal years.
- (b) The head of a state agency with primary responsibility for an information technology project may authorize or approve, without prior consultation with the joint committee on technology oversight, any change in planned expenditures for an information technology project that would

result in the total cost of the project being increased above the currently authorized cost of such project but that increases the total cost of such project by less than the lower of either \$1,000,000 or 10% of the currently authorized cost, and any change in planned expenditures for an information technology project involving a cost reduction, other than a change in the proposed use of any new or replacement information technology equipment or in the use of any existing information technology equipment that has been significantly upgraded.

- (c) The head of a state agency with primary responsibility for an information technology project shall not authorize or approve, without first advising and consulting with the joint committee on technology oversight any information technology project change or overrun. The joint-committee on technology oversight shall report all such changes and overruns to the senate standing committee on ways and means and the house standing committee on appropriations.
- Sec. 9. K.S.A. 2010 Supp. 76-3,100 is hereby amended to read as follows: 76-3,100. Each acquisition of data processing hardware or software by the university of Kansas medical center for the university hospital information systems shall be exempt from the provisions of 75-4705, 75-4706, 75-4707, 75-4709 and 75-3739, and amendments thereto, and shall not be subject to approval under any statute other than those contained in article 3 or article 7 of chapter 76 of the Kansas Statutes Annotated, and amendments thereto. In addition to other procedures, the university of Kansas medical center is hereby authorized to acquire data processing hardware and software for the university hospital information systems by sole source negotiation. The university of Kansas medical center shall file with the director of purchases of the department of administration and shall update periodically a plan for future acquisitions under this section. The university of Kansas medical center shall submit a written report in each calendar quarter to the secretary of administration, to the chairpersons of the senate committee on ways and means and the house of representatives committee on appropriations and to the joint committee on information technology *oversight* on all contracts for acquisition of data processing hardware and software entered into under this section during such calendar quarter.
  - Sec. 10. K.S.A. 46-2101 and 46-2102 and K.S.A. 2010 Supp. 75-5147, 75-7201, 75-7207, 75-7210, 75-7211 and 76-3,100 are hereby repealed.
  - Sec. 11. This act shall take effect and be in force from and after its publication in the statute book.