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MEMORANDUM

To: Senate Committee on Ways and Means
From: Jenna Moyer, Assistant Revisor of Statutes
Date: March 24, 2017
Subject: Sub for HB2331 – Enacting the Representative Jim Morrison cybersecurity act and establishing the Kansas information technology enterprise

Sub for HB 2331 creates the Kansas information security office and the Kansas information technology enterprise to consolidate executive branch information technology services.

Section 1 states the name of the act and sections of this bill that will make up the act.

Section 2 provides defined terms to be used in interpreting the act.

Section 3 establishes the position of executive branch chief information security officer (CISO) and its responsibilities. These include: establishing policies, training and guidance on the state's information cybersecurity programs; assessing security of executive branch information systems to detect threats; managing executive branch cybersecurity personnel; establishing rules and regulations for a cybersecurity rating method; and annual reporting to the legislature.

Section 4 establishes the Kansas information security office within the Kansas information technology enterprise and provides for the responsibilities of the office. These include: administering the provisions of the cybersecurity act and information security resources; providing risk guidance on information technology projects, and ensuring compliance with relevant laws, regulations and policies.

Section 5 establishes the cybersecurity state grant fund coordinating council, its membership and its responsibilities. These responsibilities include establishing rules and regulations for the use of state grant fund moneys.

Section 6 establishes the cybersecurity state fund, which would be the operating account of the information security office.

Section 7 establishes the cybersecurity state grant fund. A balance of \$10,000,000 shall be maintained in the event of a cybersecurity breach before being expended for other reasons. This section would also provide for monthly transfers of interest from the cybersecurity state fund.

Section 8 sets out how the two funds established by this act can be used by the Kansas information security office. These include: providing cybersecurity services; purchase and upkeep of cybersecurity equipment and software; training personnel; service provider installation and recurring charges; capital improvements and enhancements to the cybersecurity program; cybersecurity service development and implementation projects; cybersecurity consolidation or cost-sharing projects; maintaining Kansas information security office staff and facilities; cybersecurity service development and implementation projects for local governmental entities; local governmental entities cybersecurity consolidation or cost-sharing projects; promoting cybersecurity education; developing a cybersecurity scholarship program; and cybersecurity self-insurance.

Section 9 changes the name of the office of information technology services to Kansas information technology enterprise and transfers all of the rights, responsibilities, and funds to the newly named office.

Section 10 provides that on July 1, 2017, cabinet level agencies, and on July 1, 2019, all executive branch agencies will be required to receive approval from the executive chief information technology officer for all information technology spending and that employees of such agencies whose duties concern information technology shall report directly to the executive chief information technology officer.

Section 11 establishes the Kansas information technology enterprise fund and that moneys may be used to meet state information technology requirements. This section also requires the executive chief information technology officer to compute anticipated costs for providing IT services to executive branch agencies subject to this act and how agencies receiving these services will reimburse the enterprise for such costs. The executive chief information technology officer shall also be required to submit an annual report of anticipated IT costs to the joint committee on information technology.

Section 12 provides that the Kansas information technology enterprise will work to establish a plan to manage IT funding in cooperation with executive branch agencies. On July 1, 2018, all cabinet level employees whose duties or functions relate to IT, as identified by the executive chief information technology officer, are transferred to the Kansas information technology enterprise. For all other executive branch IT employees, this transfer shall occur on July 1, 2010. Any conflicts in this determination will be resolved by the governor.

Section 13 establishes the information technology advisory board in statute, which shall be comprised of members appointed by state entities, including four members from both cabinet level and executive branch agencies. This board is tasked with providing direction to manage IT resources to state agencies and to solicit feedback from state entities on how to improve the provision of IT services in the state.

Sections 14 – 31 change the reference in existing statutes from office of information technology services to Kansas information technology enterprise.

Section 32 is a definitions section which now references new sections 9 through 13. Definitions for cabinet agency and executive branch agency are added.

Sections 33, 36 change the reference in existing statutes from office of information technology services to Kansas information technology enterprise.

Section 34 updates the position of executive chief information technology architect to provide an option for this position to be fulfilled by a committee.

Section 35 updates the duties of the executive chief information technology officer to add approval of all executive branch IT spending, management of executive branch IT employees, and a reporting requirement to the legislature.