

AN ACT

relating to the Department of Information Resources' management of state electronic services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. STATE ELECTRONIC PROJECTS

SECTION 1.01. Subchapter C, Chapter 2054, Government Code, is amended by adding Section 2054.0565 to read as follows:

Sec. 2054.0565. USE OF CONTRACTS BY OTHER GOVERNMENTAL ENTITIES. (a) The department may include terms in a procurement contract entered into by the department, including a contract entered into under Section 2157.068, that allow the contract to be used by another state agency, a political subdivision of this state, or a governmental entity of another state.

(b) A political subdivision that purchases an item or service using a contract under this section satisfies any other law requiring the political subdivision to seek competitive bids for that item or service.

SECTION 1.02. Section 2054.071, Government Code, is amended to read as follows:

Sec. 2054.071. IDENTITY OF MANAGER; CONSOLIDATION.

(a) The individual required to sign a state agency's strategic plan under Subchapter E, or that individual's designated representative, shall serve as the agency's information resources manager.

1 (b) A representative designated under Subsection (a) may be
2 designated to serve as a joint information resources manager by two
3 or more state agencies. The department must approve the joint
4 designation.

5 SECTION 1.03. Section 2054.074, Government Code, is amended
6 to read as follows:

7 Sec. 2054.074. RESPONSIBILITY TO PREPARE OPERATING PLANS.

8 (a) The information resources manager shall prepare the biennial
9 operating plans under Subchapter E.

10 (b) A joint information resources manager may, to the extent
11 appropriate, consolidate the operating plans of each agency for
12 which the manager serves under Section 2054.071.

13 SECTION 1.04. Section 2054.096, Government Code, is amended
14 by adding Subsection (c) to read as follows:

15 (c) Each state agency, other than an institution of higher
16 education, shall use state commodity hardware configurations as a
17 part of the agency's planning under this section. The department
18 shall specify the state commodity hardware configurations in its
19 instructions for the preparations of agency strategic plans.

20 SECTION 1.05. Subchapter E, Chapter 2054, Government Code,
21 is amended by adding Section 2054.1015 to read as follows:

22 Sec. 2054.1015. PLANNED PROCUREMENT SCHEDULES FOR
23 COMMODITY ITEMS. (a) In this section:

24 (1) "Commodity items" has the meaning assigned by
25 Section 2157.068.

26 (2) "State agency" does not include an institution of
27 higher education.

1 (b) A state agency must provide a planned procurement
2 schedule for commodity items to the department before the agency's
3 operating plan may be approved under Section 2054.102.

4 (c) The department shall use information contained in the
5 schedules to plan future vendor solicitations of commodity items.

6 (d) A state agency shall notify the department, the
7 Legislative Budget Board, and the state auditor's office if the
8 agency makes a substantive change to a planned procurement schedule
9 for commodity items.

10 SECTION 1.06. Chapter 2054, Government Code, is amended by
11 adding Subchapter J to read as follows:

12 SUBCHAPTER J. TEXAS PROJECT DELIVERY FRAMEWORK

13 Sec. 2054.301. APPLICABILITY. This subchapter applies only
14 to a major information resources project.

15 Sec. 2054.302. GUIDELINES; FORMS. (a) A state agency
16 shall prepare each document required by this subchapter in a manner
17 consistent with department guidelines.

18 (b) The department, in consultation with the Legislative
19 Budget Board and state auditor's office, shall develop and provide
20 guidelines and forms for the documents required by this subchapter.

21 (c) The department shall work with state agencies in
22 developing the guidelines and forms.

23 Sec. 2054.303. BUSINESS CASE AND STATEWIDE IMPACT ANALYSIS.

24 (a) For each proposed major information resources project, a state
25 agency must prepare:

26 (1) a business case providing the initial
27 justification for the project, including the anticipated return on

1 investment in terms of cost savings and efficiency for the project;
2 and

3 (2) a statewide impact analysis of the project's
4 effect on the state's common information resources infrastructure,
5 including the possibility of reusing code or other resources.

6 (b) The agency shall file the documents with the department,
7 Legislative Budget Board, and state auditor's office when the
8 agency files its legislative appropriations request.

9 (c) The department shall use the analysis to ensure that the
10 proposed project does not unnecessarily duplicate existing
11 statewide information resources technology.

12 Sec. 2054.304. PROJECT PLANS. (a) A state agency shall
13 develop a project plan for each major information resources
14 project.

15 (b) Except as provided by Subsection (c), the state agency
16 must file the project plan with the quality assurance team and the
17 Texas Building and Procurement Commission before the agency:

18 (1) spends more than 10 percent of allocated funds for
19 the project; or

20 (2) first issues a vendor solicitation for the
21 project.

22 (c) Unless the project plan has been filed under this
23 section:

24 (1) the Texas Building and Procurement Commission may
25 not issue a vendor solicitation for the project; and

26 (2) the agency may not post a vendor solicitation for
27 the project in the state business daily under Section 2155.083.

1 Sec. 2054.305. PROCUREMENT PLAN AND METHOD FOR MONITORING
2 CONTRACTS. Before issuing a vendor solicitation for a project, the
3 state agency must develop, consistent with department guidelines:

4 (1) a procurement plan with anticipated service levels
5 and performance standards for each vendor; and

6 (2) a method to monitor changes to the scope of each
7 contract.

8 Sec. 2054.306. POST-IMPLEMENTATION REVIEW. After
9 implementation of a major information resources project, a state
10 agency shall prepare a post-implementation review. The agency
11 shall provide the review to the agency's executive director, the
12 department, and the state auditor's office.

13 Sec. 2054.307. APPROVAL OF DOCUMENTS AND CONTRACT CHANGES.

14 (a) A state agency's executive director, information resources
15 manager, designated project manager, and the agency employee in
16 charge of information security for the agency must approve and
17 sign:

18 (1) each document required by this subchapter; and

19 (2) if the department requires the approval and
20 signatures, any other document related to this subchapter.

21 (b) The state agency's executive director must approve a
22 proposed contract amendment or change order for a major information
23 resources project if the amendment or change order:

24 (1) changes the monetary value of the contract by more
25 than 10 percent; or

26 (2) significantly changes the completion date of the
27 contract.

1 SECTION 1.07. Chapter 2054, Government Code, is amended by
2 adding Subchapter L to read as follows:

3 SUBCHAPTER L. STATEWIDE TECHNOLOGY CENTERS

4 Sec. 2054.375. DEFINITION. In this subchapter, "statewide
5 technology center" means a statewide technology center established
6 or operated under this subchapter.

7 Sec. 2054.376. APPLICABILITY. (a) This subchapter
8 applies to all information resources technologies, other than
9 telecommunications services, that are:

10 (1) obtained by a state agency using state money; or

11 (2) used by a state agency.

12 (b) This subchapter does not apply to:

13 (1) the Department of Public Safety's use for criminal
14 justice or homeland security purposes of a federal database or
15 network;

16 (2) a Texas equivalent of a database or network
17 described by Subdivision (1) that is managed by the Department of
18 Public Safety;

19 (3) the uniform statewide accounting system, as that
20 term is used in Subchapter C, Chapter 2101;

21 (4) the state treasury cash and treasury management
22 system; or

23 (5) a database or network managed by the comptroller
24 to:

25 (A) collect and process multiple types of taxes
26 imposed by the state; or

27 (B) manage or administer fiscal, financial,

1 revenue, and expenditure activities of the state under Chapter 403
2 and Chapter 404.

3 Sec. 2054.377. INSTITUTIONS OF HIGHER EDUCATION. The
4 department may not establish or expand a statewide technology
5 center that includes participation by an institution of higher
6 education unless the Information Technology Council for Higher
7 Education agrees to the establishment or expansion.

8 Sec. 2054.378. SCOPE OF OPERATION OF CENTERS. (a) The
9 department may operate statewide technology centers to provide two
10 or more state agencies, on a cost-sharing basis, services relating
11 to:

12 (1) information resources and information resources
13 technology; and

14 (2) the deployment and development of statewide
15 applications.

16 (b) The department may operate a statewide technology
17 center directly or contract with another person to operate the
18 center.

19 Sec. 2054.379. RULES. The department shall adopt rules and
20 guidelines to implement this subchapter.

21 Sec. 2054.380. FEES. The department shall set and charge a
22 fee to each state agency that receives a service from a statewide
23 technology center in an amount sufficient to cover the direct and
24 indirect cost of providing the service.

25 Sec. 2054.381. CONTRACTING; HISTORICALLY UNDERUTILIZED
26 BUSINESSES. (a) In any procurement related to the establishment
27 of a statewide technology center, the department shall maximize

1 vendor competition and, to the extent feasible and cost-effective,
2 interoperability.

3 (b) In contracting under this subchapter, the department
4 shall follow the requirements of Chapter 2161 and related rules
5 regarding historically underutilized businesses.

6 (c) The department shall provide to all qualified
7 businesses the opportunity to compete for department contracts
8 under this subchapter.

9 Sec. 2054.382. STATEWIDE TECHNOLOGY CENTERS FOR DATA OR
10 DISASTER RECOVERY SERVICES; USE REQUIRED. (a) The department
11 shall manage the operations of statewide technology centers that
12 provide data center services or disaster recovery services for two
13 or more state agencies, including management of the operations of
14 the center on the campus of Angelo State University.

15 (b) The department by rule shall describe the data services
16 provided by statewide technology centers.

17 (c) A state agency may not spend appropriated money to
18 contract or issue purchase orders for data center services or
19 disaster recovery services, including maintenance of those
20 services, unless the executive director approves the expense. The
21 department may establish appropriate thresholds and procedures for
22 securing approval under this subsection.

23 (d) The Legislative Budget Board may not grant prior
24 approval under Section 2054.386 in relation to services provided
25 under this section.

26 Sec. 2054.383. ESTABLISHMENT OF ADDITIONAL STATEWIDE
27 TECHNOLOGY CENTERS. (a) The department may establish additional

1 statewide technology centers as provided by this section.

2 (b) The department may not establish a center under this
3 section unless:

4 (1) the governor approves the establishment;

5 (2) the Legislative Budget Board approves the
6 expenditures necessary for the establishment; and

7 (3) the executive director determines in writing that
8 consolidating operations or services of selected state agencies
9 will promote efficiency and effectiveness and provide the best
10 value for the state.

11 (c) In the written determination under Subsection (b)(3),
12 the executive director shall identify the selected state agencies
13 that will be required to participate in the new center.

14 Sec. 2054.384. COST AND REQUIREMENTS ANALYSIS. (a) The
15 department shall conduct a cost and requirements analysis for each
16 state agency that the department intends to select for
17 participation in a statewide technology center.

18 (b) A selected state agency shall identify its particular
19 requirements, operations costs, and requested service levels for
20 the department. The department may require a state agency to
21 validate or resubmit data related to these factors. The department
22 shall fulfill the requirements and service levels of each state
23 agency to the extent possible.

24 Sec. 2054.385. NOTICE OF SELECTION. After completion of
25 the cost and requirements analysis for each state agency under
26 Section 2054.384, the department shall provide notice to each state
27 agency selected to receive services or operations through the

1 statewide technology center. The notice must include:

2 (1) the state agency operations selected for
3 consolidation at a statewide technology center;

4 (2) the scope of services to be provided to the agency;

5 (3) a schedule of anticipated costs for the agency;

6 and

7 (4) the implementation schedule for that agency.

8 Sec. 2054.386. INTERAGENCY CONTRACT; PRIOR APPROVAL OF
9 EXPENDITURES. (a) A state agency that is selected under Section
10 2054.385 to receive services or to have operations performed
11 through a statewide technology center may not, except as provided
12 by Subsection (b), spend appropriated money for the identified
13 operations and services without the prior approval of the
14 Legislative Budget Board.

15 (b) Unless the Legislative Budget Board grants prior
16 approval for the selected state agency to spend appropriated money
17 for the identified operations or services in another specified
18 manner, the selected agency shall enter into an interagency
19 contract with the department to receive the identified services and
20 have the identified operations performed through the statewide
21 technology center. Amounts charged to the selected agency under
22 the interagency contract must be based on the fees set by the
23 department under Section 2054.380 but may not exceed the amounts
24 expected to be necessary to cover the direct and indirect costs of
25 performing operations and providing services under the contract.
26 Before executing an interagency contract or alternatively
27 receiving prior approval from the Legislative Budget Board under

1 this section, the state agency may only spend appropriated money
2 for the selected service or operation if the executive director
3 approves the expense.

4 (c) Not later than the 30th business day after the date the
5 selected state agency is notified of its selection under Section
6 2054.385, the agency may request the Legislative Budget Board to
7 grant its prior approval for the agency to spend appropriated money
8 for the identified operations or services in a manner other than
9 through an interagency contract with the department under
10 Subsection (b).

11 (d) The request to the Legislative Budget Board must:

12 (1) be in writing;

13 (2) include a copy of the selection notice made by the
14 executive director; and

15 (3) demonstrate that the decision of the executive
16 director to select the agency will probably:

17 (A) fail to achieve meaningful cost savings for
18 the state; or

19 (B) result in an unacceptable loss of
20 effectiveness or operational efficiency.

21 (e) If the Legislative Budget Board determines that an
22 interagency contract between the department and the selected state
23 agency under Subsection (b) will fail to achieve meaningful cost
24 savings for the state or result in an unacceptable loss of
25 effectiveness or operational efficiency at the selected agency, the
26 Legislative Budget Board may grant its prior approval for the
27 selected agency to spend appropriated money for the identified

1 operations or services in another specified manner, in which event
2 the selected agency is not required to enter into an interagency
3 contract under Subsection (b).

4 (f) The Legislative Budget Board shall notify the state
5 agency, the executive director, and the comptroller of its
6 decision.

7 Sec. 2054.387. INTERAGENCY CONTRACT; COMPLIANCE WITH
8 SERVICE LEVELS. The department shall ensure compliance with
9 service levels agreed to in an interagency contract executed under
10 this subchapter.

11 Sec. 2054.388. TRANSFER OF OWNERSHIP. (a) The
12 department, subject to the governor's approval, may require a state
13 agency that enters into an interagency contract under Section
14 2054.386 to transfer to the department ownership, custody, or
15 control of resources that the department, in consultation with the
16 agency, determines are used to support the operations or services
17 selected under Section 2054.385. These resources may include:

- 18 (1) information resources;
- 19 (2) information resources technologies;
- 20 (3) full-time equivalent positions; and
- 21 (4) any other resources determined necessary by the

22 department to support the selected operations or services.

23 (b) The department shall advise the governor, lieutenant
24 governor, speaker of the house of representatives, Legislative
25 Budget Board, and state auditor's office regarding the expected
26 savings to be received for each state agency from which ownership,
27 custody, or control is transferred under this section.

1 (c) The department and the state agency shall work to
2 reconcile any federal funding issues that arise out of a transfer
3 under this section. The department, subject to the governor's
4 approval, shall exclude applicable resources from the transfer if
5 the federal funding issues cannot be reconciled.

6 (d) Chapter 2175 does not apply to information resources or
7 information resources technologies transferred under this section.

8 Sec. 2054.389. TRANSITION SCHEDULES. The department shall
9 establish transition schedules for the transfer of state agency
10 operations and services to statewide technology centers under this
11 subchapter.

12 Sec. 2054.390. MIGRATION OF SERVICES. (a) The department
13 shall prioritize the migration of services to the statewide
14 technology center system established under this subchapter based on
15 the size of the current technology center operational environment
16 at a state agency, with the largest 25 technology center
17 environments ranking highest in priority.

18 (b) Unless the executive director determines that a
19 migration under this section is not cost-effective, the department
20 shall ensure the migration of at least three technology center
21 environments to the statewide technology center system each fiscal
22 year. This subsection expires September 1, 2013.

23 (c) A state agency shall comply with the department's
24 request to migrate under this section.

25 (d) Any consolidation plan adopted by the department to
26 execute this section must prioritize and fully use the existing
27 capacity of the State Data Center located on the campus of Angelo

1 State University.

2 Sec. 2054.391. USE OF STATEWIDE TECHNOLOGY CENTERS
3 REQUIRED. (a) A state agency may not transfer services from a
4 statewide technology center unless the executive director and the
5 governor approve the transfer.

6 (b) If the department becomes aware that a state agency is
7 not using a statewide technology center for operations or services
8 in accordance with the interagency contract entered into under
9 Section 2054.386 and as directed by the department, the department
10 shall notify the comptroller, the Legislative Budget Board, the
11 state auditor's office, and the affected state agency of the
12 violation.

13 (c) After notification under Subsection (b), the state
14 agency may not spend appropriated money for operations or services
15 the agency was selected to receive through a statewide technology
16 center without the prior approval of the executive director.

17 SECTION 1.08. Section 2157.068, Government Code, is amended
18 to read as follows:

19 Sec. 2157.068. PURCHASE OF COMMODITY [~~SOFTWARE~~] ITEMS.

20 (a) In this section, "commodity~~[+]~~

21 [~~(1) "Commodity software~~] items" means commercial
22 software, hardware, or technology services, other than
23 telecommunications services, [~~for personal computers~~] that are
24 [~~is~~] generally available to businesses or the public and for which
25 the department determines that a reasonable demand exists in two or
26 more state agencies. The term includes seat management, through
27 which a state agency transfers its personal computer equipment and

1 service responsibilities to a private vendor to manage the personal
2 computing needs for each desktop in the state agency, including all
3 necessary hardware, software, and support services.

4 [~~(2) "Department" means the Department of Information~~
5 ~~Resources.]~~

6 (b) The department shall negotiate with catalog information
7 systems vendors to attempt to obtain a favorable price for all of
8 state government on licenses for commodity [~~software~~] items, based
9 on the aggregate volume of purchases expected to be made by the
10 state. The terms and conditions of a license agreement between a
11 vendor and the department under this section may not be less
12 favorable to the state than the terms of similar license agreements
13 between the vendor and retail distributors.

14 (c) In contracting for commodity items under this section,
15 the department shall make good faith efforts to provide contracting
16 opportunities for, and to increase contract awards to, historically
17 underutilized businesses and persons with disabilities' products
18 and services available under Chapter 122, Human Resources Code.

19 (d) The department may charge a reasonable administrative
20 fee to a state agency, ~~or~~ political subdivision of this state, or
21 governmental entity of another state that purchases commodity
22 [~~software~~] items through the department in an amount that is
23 sufficient to recover costs associated with the administration of
24 this section.

25 (e) [~~(d)~~] The department shall compile and maintain a list
26 of commodity [~~software~~] items available for purchase through the
27 department that have a lower price than the prices for commodity

1 ~~[software]~~ items otherwise available to state agencies under this
2 chapter. The department shall make the list available on the world
3 wide web or on a suitable successor to the world wide web if the
4 technological developments involving the Internet make it
5 advisable to do so.

6 (f) ~~[(e)]~~ The department may adopt rules regulating a
7 purchase by a state agency of a commodity ~~[software]~~ item under this
8 section, including a requirement that, notwithstanding other
9 provisions of this chapter, the agency must make the purchase in
10 accordance with a contract developed by the department unless the
11 agency obtains:

- 12 (1) an exemption [a waiver] from the department; or
13 (2) express prior approval from the Legislative Budget
14 Board for the expenditure necessary for the purchase.

15 (g) The Legislative Budget Board's approval of a biennial
16 operating plan under Section 2054.102 is not an express prior
17 approval for purposes of Subsection (f)(2). A state agency must
18 request an exemption from the department under Subsection (f)(1)
19 before seeking prior approval from the Legislative Budget Board
20 under Subsection (f)(2).

21 (h) The department shall, in cooperation with state
22 agencies, establish guidelines for the classification of commodity
23 items under this section. The department may determine when a
24 statewide vendor solicitation for a commodity item will reduce
25 purchase prices for a state agency.

26 SECTION 1.09. Section 2170.003, Government Code, is amended
27 to read as follows:

1 Sec. 2170.003. OWNERSHIP OR LEASE OF NECESSARY EQUIPMENT.

2 (a) The department may own, lease, or lease-purchase in accordance
3 with Chapters 2155, 2156, 2157, and 2158 any or all of the
4 facilities or equipment necessary to provide telecommunications
5 services. The department may acquire telecommunications services
6 without competitive bid from the Lonestar Education and Research
7 Network (LEARN) or its successors for the purposes established in
8 Subsection (b).

9 (b) During an emergency, a single node failure or a
10 systemwide failure of the consolidated telecommunications system,
11 the department may divert telecommunications services traffic to
12 the Lonestar Education and Research Network to avoid service
13 interruption. Upon resolution of the emergency and upon
14 determination that the consolidated telecommunications system is
15 operational, traffic will be diverted back to the consolidated
16 telecommunications system. The department may also use the
17 Lonestar Education and Research Network for the purposes of latency
18 tolerant data transfer of files to or from a consolidated state data
19 center established and operated by the department. The Lonestar
20 Education and Research Network shall be exclusively used by the
21 department only for the purposes set out in this section.

22 SECTION 1.10. Sections 2170.051(c) and (d), Government
23 Code, are amended to read as follows:

24 (c) A state agency shall use the consolidated
25 telecommunications system to the fullest extent possible. A state
26 agency may not acquire telecommunications services unless the
27 department's executive director [~~telecommunications planning and~~

1 ~~oversight council]~~ determines that the agency's requirement for
2 telecommunications services cannot be met at a comparable cost by
3 the consolidated telecommunications system.

4 (d) A state agency may not enter into or renew a contract
5 with a carrier or other provider of telecommunications services
6 without obtaining a waiver from the department's executive director
7 ~~[telecommunications planning and oversight council]~~ certifying
8 that the requested telecommunications services cannot be provided
9 at a comparable cost on the consolidated telecommunications system.

10 The executive director ~~[telecommunications planning and oversight~~
11 ~~council]~~ shall evaluate requests for waivers based on
12 cost-effectiveness to the state government as a whole. A waiver may
13 be granted only for a specific period and will automatically expire
14 on the stated expiration date unless an extension is approved ~~[by~~
15 ~~the telecommunications planning and oversight council]~~. A contract
16 for telecommunications services obtained under waiver may not
17 extend beyond the expiration date of the waiver. If the executive
18 director ~~[telecommunications planning and oversight council]~~
19 becomes aware of any state agency receiving telecommunications
20 services without a waiver, the executive director
21 ~~[telecommunications planning and oversight council]~~ shall notify
22 the agency and the comptroller. The state agency shall have 60 days
23 after notification by the executive director ~~[telecommunications~~
24 ~~planning and oversight council]~~ in which to submit a waiver request
25 ~~[to the telecommunications planning and oversight council]~~
26 documenting the agency's reasons for bypassing the consolidated
27 telecommunications system and otherwise providing all information

1 required by the waiver application form.

2 ARTICLE 2. CONFORMING AMENDMENTS

3 SECTION 2.01. Section 2054.003, Government Code, is amended
4 by adding Subdivision (8-a) to read as follows:

5 (8-a) "Institution of higher education" has the
6 meaning assigned by Section 61.003, Education Code.

7 SECTION 2.02. Section 2157.001, Government Code, is amended
8 to read as follows:

9 Sec. 2157.001. DEFINITIONS. In this chapter:

10 (1) "Automated information system" includes:

11 (A) the computers and computer devices on which
12 an information system is automated, including computers and
13 computer devices that the commission identifies in guidelines
14 developed by the commission in consultation with the department
15 [~~Department of Information Resources~~] and in accordance with
16 Chapter 2054 and rules adopted under that chapter;

17 (B) a service related to the automation of an
18 information system, including computer software or computers;

19 (C) a telecommunications apparatus or device
20 that serves as a component of a voice, data, or video communications
21 network for transmitting, switching, routing, multiplexing,
22 modulating, amplifying, or receiving signals on the network, and
23 services related to telecommunications that are not covered under
24 Paragraph (D); and

25 (D) for the department [~~Department of~~
26 ~~Information Resources~~], as telecommunications provider for the
27 state, the term includes any service provided by a

1 telecommunications provider, as that term is defined by Section
2 51.002, Utilities Code.

3 (2) "Department" means the Department of Information
4 Resources.

5 SECTION 2.03. Section 2157.003, Government Code, is amended
6 to read as follows:

7 Sec. 2157.003. DETERMINING BEST VALUE FOR PURCHASES OF
8 AUTOMATED INFORMATION SYSTEMS. "Best value" for purposes of this
9 chapter means the lowest overall cost of an automated information
10 system. In determining the lowest overall cost for a purchase or
11 lease of an automated information system under this chapter, the
12 commission or a state agency shall consider factors including:

13 (1) the purchase price;

14 (2) the compatibility to facilitate the exchange of
15 existing data;

16 (3) the capacity for expanding and upgrading to more
17 advanced levels of technology;

18 (4) quantitative reliability factors;

19 (5) the level of training required to bring persons
20 using the system to a stated level of proficiency;

21 (6) the technical support requirements for the
22 maintenance of data across a network platform and the management of
23 the network's hardware and software;

24 (7) the compliance with applicable department
25 [~~Department of Information Resources~~] statewide standards
26 validated by criteria adopted by the department by rule; and

27 (8) applicable factors listed in Sections 2155.074 and

1 2155.075.

2 SECTION 2.04. Section 2157.005(a), Government Code, is
3 amended to read as follows:

4 (a) The commission and the department [~~Department of~~
5 ~~Information Resources~~], in consultation with other state agencies
6 and after public comment, shall develop a technology access clause
7 to be included in all contracts entered into by the state or state
8 agencies that involve the acquisition of an automated information
9 system.

10 SECTION 2.05. Section 2157.063(b), Government Code, is
11 amended to read as follows:

12 (b) In determining which goods or services are in the
13 state's best interest, the agency shall consider:

14 (1) the installation and hardware costs;

15 (2) the overall life-cycle cost of the system or
16 equipment;

17 (3) the estimated cost of employee training and
18 estimated increase in employee productivity;

19 (4) the estimated software and maintenance costs; and

20 (5) the rules that prescribe applicable statewide
21 standards adopted by the department [~~Department of Information~~
22 ~~Resources~~].

23 SECTION 2.06. Sections 2157.121(b) and (c), Government
24 Code, are amended to read as follows:

25 (b) A state agency, other than the department [~~Department of~~
26 ~~Information Resources~~], shall send its proposal specifications and
27 criteria to the commission for approval or request the commission

1 to develop the proposal specifications and criteria.

2 (c) The department [~~Department of Information Resources~~]
3 may acquire a telecommunications device, system, or service or an
4 automated information system by using competitive sealed proposals
5 without regard to whether the commission makes the determination
6 required under Subsection (a) for other state agencies.

7 SECTION 2.07. Section 2157.181(a), Government Code, is
8 amended to read as follows:

9 (a) The commission, with the concurrence of the department
10 [~~Department of Information Resources~~], may negotiate with vendors
11 preapproved terms and conditions to be included in contracts
12 relating to the purchase or lease of a telecommunication device,
13 system, or service or an automated information system awarded to a
14 vendor by a state agency.

15 SECTION 2.08. Section 2157.182, Government Code, is amended
16 to read as follows:

17 Sec. 2157.182. VALIDITY OF PREAPPROVED TERMS AND
18 CONDITIONS; RENEGOTIATION. (a) Preapproved terms and conditions
19 to which a vendor, the commission, and the department [~~Department~~
20 ~~of Information Resources~~] agree are valid for two years after the
21 date of the agreement and must provide that the terms and conditions
22 are to be renegotiated before the end of the two years.

23 (b) The commission and the department [~~Department of~~
24 ~~Information Resources~~] jointly shall establish procedures to
25 ensure that terms and conditions are renegotiated before they
26 expire in a contract between the vendor and a state agency.

27 SECTION 2.09. Section 2157.184, Government Code, is amended

1 to read as follows:

2 Sec. 2157.184. NOTIFICATION OF STATE AGENCIES AND VENDORS.
3 The commission and the department [~~Department of Information~~
4 ~~Resources~~] jointly shall establish procedures to notify state
5 agencies and potential vendors of the provisions of this subchapter
6 regarding preapproved terms and conditions.

7 ARTICLE 3. REPEALER; TRANSITION; EFFECTIVE DATE

8 SECTION 3.01. Sections 2054.201(c) and 2055.061,
9 Government Code, are repealed.

10 SECTION 3.02. (a) The Department of Information Resources
11 shall conduct a statewide assessment of information technology
12 security resources and practices of state agencies.

13 (b) Not later than December 31, 2005, the department shall
14 report the results of its assessment to the governor, the
15 lieutenant governor, the speaker of the house of representatives,
16 and the state auditor's office.

17 (c) The assessment and report prepared under this section
18 are confidential. Chapter 552, Government Code, does not apply to
19 the assessment or the report.

20 SECTION 3.03. (a) The Department of Information
21 Resources, in coordination with the Legislative Budget Board, the
22 Texas Building and Procurement Commission, and the comptroller,
23 shall analyze current automated information systems of state
24 agencies to determine how the systems may be combined to more
25 effectively synchronize strategic planning, budgeting, and
26 reporting of technology expenditures, assets, and projects.

27 (b) Not later than December 31, 2005, the department shall

1 report the results of its analysis to the governor, the lieutenant
2 governor, the speaker of the house of representatives, and the
3 state auditor's office.

4 SECTION 3.04. (a) In this section:

5 (1) "Department" means the Department of Information
6 Resources.

7 (2) "State agency" has the meaning assigned by Section
8 2054.003, Government Code, except that the term does not include an
9 institution of higher education as defined by Section 61.003,
10 Education Code.

11 (b) Not later than March 31, 2006, each state agency shall
12 enter into an interagency contract with the department for services
13 that the agency is required to obtain through a statewide
14 technology center under Subchapter L, Chapter 2054, Government
15 Code, as added by this Act, that establishes a timeline for the
16 transfer of ownership of resources to the department in accordance
17 with Subchapter L, Chapter 2054, Government Code.

18 (c) Not later than August 31 of 2006 and 2007, the
19 department shall report on the status of the statewide technology
20 center system migration and consolidation under Section 2054.390,
21 Government Code, as added by this Act, describing reviews and
22 transfers during the fiscal year, and an update on the status of any
23 contracts relating to the statewide technology centers. The
24 department shall file the report with:

- 25 (1) the governor;
26 (2) the lieutenant governor;
27 (3) the speaker of the house of representatives;

1 (4) the chairs of the house and senate committees with
2 primary oversight over the department;

3 (5) the chairs of the senate finance and the house of
4 representatives appropriations committees;

5 (6) the state auditor's office; and

6 (7) each member of the Legislative Budget Board.

7 SECTION 3.05. The changes in law made by this Act with
8 regard to contracts apply only to a contract for which the initial
9 notice soliciting bids or proposals is given on or after the
10 effective date of this Act. A contract for which the initial notice
11 soliciting bids or proposals is given before that date is governed
12 by the law in effect when the initial notice is given, and the
13 former law is continued in effect for that purpose.

14 SECTION 3.06. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 1516 was passed by the House on May 13, 2005, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 1516 on May 26, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 1516 was passed by the Senate, with amendments, on May 24, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor