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****AS PASSED BY THE LEGISLATURE****
CHAPTER #: 2001-261, Laws of Florida

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
HOUSE INFORMATION TECHNOLOGY
FINAL ANALYSIS**

BILL #: HB 1811 (PCB IT 01-04)
RELATING TO: Information Technology/State Technology Office
SPONSOR(S): Committee on Information Technology, Representative Hart & others
TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) INFORMATION TECHNOLOGY YEAS 9 NAYS 1
- (2) FISCAL POLICY & RESOURCES YEAS 12 NAYS 0
- (3) COUNCIL FOR READY INFRASTRUCTURE YEAS 17 NAYS 0
- (4)
- (5)

I. SUMMARY:

House Bill 1811 amends Chapters 20, 110, 186, 216 and 282, F.S., to expand the roles, duties and activities of the State Technology Office (STO). Chapter 2000-164, Laws of Florida, created the STO, established the position of Chief Information Officer, and charged the STO with a mandate to create an integrated system of information technology (IT) that makes state government more accessible and responsive to citizens. This bill provides the additional authority and resources needed to facilitate the STO's integration of information technology staff and resources in the executive branch of state government toward fulfillment of that mandate.

HB 1811 provides for the following:

- Clarifies the agency status of the STO and provides additional authority with regards to its internal operations;
- Establishes the role of the STO in the review and approval processes for planning and budgeting purposes under Chapter 216, F.S. with regards to large information technology purchases
- Expands the role, duties and activities of the STO in developing, acquiring, securing and operating information technology resources that span all executive branch agencies;
- Clarifies the role, duties and activities of state agencies in developing, acquiring, and operating agency-specific information technology resources;
- Establishes the relationship between the STO and state agencies in the transfer and consolidation of information technology resources from state agencies to the STO; and
- Provides for reporting requirements of the STO concerning high-risk information technology projects.

There does not appear to be a fiscal impact on the State.

The bill provides an effective date of July 1, 2001.

There are several amendments traveling with the bill. Please see Section VI of this analysis for details.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Creation of the State Technology Office

Section 9, Chapter 97-286, Laws of Florida (LOF), created ss. 282.003-282.404, F.S., the Information Resources Management Act of 1997 (the Act) and established the State Technology Office (STO). Chapter 2000-164, LOF, amended the Act, significantly revised and expanded the powers, duties and responsibilities to the STO, and created the position of Chief Information Officer to head the STO. This person who fills that position serves at the pleasure of the Governor.

Chapter 2000-164, LOF, also provided legislative findings and intent stating the purposes for which the STO was created; namely: to ensure the best management and use of information technology in the executive branch of state government; and to ensure cost-effective design, procurement and deployment of information technology in the executive branch of state government.

Powers and Responsibilities of the STO

Chapter 2000-164, LOF, established the powers and responsibilities on the STO to, among others things:

- Coordinate the acquisition and use of information technology for state agencies;
- Integrate the information technology systems of state agencies and adopt uniform technical standards that facilitate efficient interconnected operation of such systems;
- Assume responsibility for managing any integrated information technology system or service when the STO determines that more economy and efficiency in performance-would result from doing so;
- Standardize policies and procedures for the acquisition and use of information technology by state agencies;
- Direct and approve the acquisition and use of information technology by state agencies; and
- Adopt rules relating to the acquisition and use of information technology and as necessary to administer the Act.

Although Chapter 2000-164, LOF, increased the visibility, responsibility and authority of the STO, the Act did not confer adequate authority and resources to the STO to enable it to effectively serve the expressed legislative purposes for which it was created. For example, the Act departed from the expressed purposes of creating the STO in providing that the head of each state agency has primary responsibility and accountability for planning, budgeting, acquiring, developing

implementing using and managing information technology resources within the agency and that the agency has primary responsibility to determine the use of such resources in accomplishing the agency's mission. Additionally, the Act limited the STO to the use or acquisition of information technology facilities or communications equipment and facilities owned or operated by a state agency ***only when the agency concurs in such use or acquisition.***

Conclusions of the IT Task Force

The Information Service Technology Development Task Force ("Task Force"), in its 2001 Annual Report to the Legislature, emphasized the importance of integration, consolidation and an enterprise approach to information technology management across state government. See 2001 Annual Report to the Legislature, Information Service Technology Development Task Force § 7.4.2, available at http://www.itflorida.com/pdfs/2001_legislative_report.pdf (February 14, 2001). The Task Force stated, in pertinent part:

In its 2000 Annual Report to the Legislature, the Task Force recommended that the State of Florida create a centralized information technology organization. The Task Force identified the creation of a centralized IT organization as high impact, achievable, and an essential step toward achieving cost-effective acquisition, use, and deployment of information technology.

During the 2000 Legislative Session, the Florida Legislature took action on this recommendation in the form of SB 1334, which was enacted as 2000-164, LOF. Prior to enactment of 2000-164, LOF, each state agency was responsible for the management of its own IT resources, including its IT applications, its IT data, its IT asset management, its IT budgeting, and its IT staff. This translated into:

- 4700 + IT workers with over 500 vacancies
- \$811 + million budget
- 27 different data centers
- 90,000 PCs
- 1000 + legacy databases
- 150 + different agency web sites

This type of IT management structure facilitated, from the citizen's perspective, the following:

- The inability of a citizen to identify an appropriate state contact point for a particular governmental service;
- The inability of state government to achieve economics of scale in procurements and operations;
- The inability of state government to provide IT services with speed and agility; and
- The inability of citizens to enjoy and benefit from the experience of interacting with state government.

One advantage that results from establishing a centralized IT organizational structure is the capacity to consolidate and maximize resources. The State presently spends more than \$1 billion a year on information technology. It is critical to leverage purchasing power to create eGovernment efficiencies. 2000-164, LOF, charged the STO with the development of mechanisms for online procurement; one component being online bidding (s. 287.057(22)(a) F.S.). The STO has since implemented a pilot project to provide for online bidding of commodities and contractual services that has resulted in successfully concluding four separate procurements events. Overall, the procurements made through implementation of the pilot

project yielded \$3.8 million in savings, or 13% less than the cost the state would have incurred if conventional bidding practices had been employed.

The State's ability to realize economies in its acquisition and use of IT resources is demonstrated through negotiating volume pricing, decreasing acquisition-processing costs, decreasing support and training costs by supporting fewer systems, improving the ability to share data and applications, and increasing end-user availability due to faster resolution of common problems.

Government is being driven to adapt enterprise methods in delivering services to its' customers. by increasing demands from taxpayers, emergence of the Internet, economic development, global competition, and the need to improve government efficiency. Information technology is producing rapid, continuous change, and the emergence of the digital citizen has created a requirement for rapid, continuous transformation in government. Florida's businesses and citizens are demanding better, faster and cheaper services. In an effort to meet these demands, 2000-164, LOF, charged the STO with transformation of Florida government through implementing an enterprise model. With 40 separate entities of state government becoming integrated in a single enterprise, the model will ensure the focus of government is on its' customers--the citizens and businesses of Florida. The enterprise model also would result in eliminating redundant business functions and increasing productivity and value by leveraging deployment of similar IT services.

The State of Florida, consisting of 140,000 employees throughout the enterprise and a \$51 billion state budget, is Florida's largest "corporation." By implementing an enterprise approach that treats state government as a single entity, state government will be simpler, more efficient, and better able to serve the citizens of the state.

C. EFFECTS OF PROPOSED CHANGES:

House Bill 1811 provides the STO with the authority and resources needed to establish the organization required to integrate and consolidate information technology in the executive branch of state government. The bill:

- Adds subsection (6) to section 11.90, F. S., to require the Legislative Budget Commission to review information resources management needs identified in long-range program plans for consistency with the State Annual Report on Enterprise Resource Planning and Management and statewide policies adopted by the STO;
- Amends paragraph (b) of subsection (2) of section 20.22, F. S., to establish the STO as a separate budget entity within the Department of Management Services;
- Amends subsection (2) of section 110.205, F. S., to reclassify certain STO employees from the "Career Service Class" to the "Select Exempt Class;"
- Amends paragraph (b) of subsection (1) and paragraph (o) of subsection (3) of section 119.07, F. S., to define "Information technology resources" and "Data processing software;"
- Amends paragraph (b) of subsection (1) of section 119.083, F. S., to change the statutory reference to the definition of "Data processing software" from s. 282.303, F. S., to s. 119.07 (3) (o), F. S.;
- Amends s. 186.022, F. S., to authorize the STO, in consultation with the legislative appropriations committees and the Executive Office of the Governor, to:
 - Adopt statewide policies governing development of information technology strategic plans;

- Review information technology strategic plans to determine whether they are consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies governing development of such plans;
- Provide submitting entities with comments on the extent to which their information technology strategic plans are not consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies that govern development of such plans; and
- Approve all information technology strategic plans that are consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies governing development of such plans;
- Amends subsection (4) of section 216.013, F. S., to substitute the STO for the Technical Review Workgroup to report to the Executive Office of the Governor its findings on the consistency of the information technology portion of agency long-range program plans with the State Annual Report on Enterprise Resource Planning and Management, the statewide policies adopted by the STO to govern development of such plans, and the state's plan for facility needs;
- Amends s. 216.0446, F. S., to:
 - Require the STO and the Technical Review Workgroup (TRW) to independently review and make recommendations on the information technology portion of long-range program plans and on legislative budget requests for information technology and related resources;
 - Require the STO to report such recommendations and the findings and conclusions on which such recommendations are based to the Executive Office of the Governor and to the chairs of the legislative appropriations committees;
 - Require the TRW to report such recommendations and the findings and conclusions on which such recommendations are based only to the Legislative Budget Commission; and
 - Confine the TRW's reporting on planning and budget information technology issues to only the Legislative Budget Commission;
- Amends paragraph (f) of subsection (2) of section 216.163, F. S., to change the phrase "critical information resource management projects" to "high-risk information technology projects;"
- Amends subsection (5) of section 216.181, F. S., to require TRW to review an amendment to the original operating budget for an information technology project or initiative that involves more than one agency, has an outcome that impacts another agency, or exceeds \$500,000 in total cost over a 1-year period, except projects that provide for a continuation of hardware or software maintenance or software licensing agreements, or for desktop replacements similar to technology currently in use;
- Amends s. 216.235, F. S., to:
 - Substitute the Office of Tourism, Trade and Economic Development in the Executive Office of the Governor (OTTED) for the Department of Management Services (DMS) and the Information Commission as the entity responsible for administering the Innovation Investment Program;
 - Substitute the director of the OTTED for a representative of Enterprise Florida, Inc., as a member of the State Innovation Committee (SIC);
 - Add the Chief Information Officer in the STO as a member of the SIC;
 - Add the chair of itflorida.com, Inc., as a member of the SIC; and
 - Eliminate the secretary of the DMS as an alternate member of the SIC;
- Adds paragraph (c) to subsection (1) of section 216.292, F. S., to authorize IT positions and appropriations identified in Agency Technology Agreements between state agencies and the STO to be transferred from the agencies to the STO;
- Amends s. 282.005, F. S., to:

- Delegate primary responsibility and accountability to STO for planning, budgeting, acquiring, developing, implementing, using and managing information technology within the state;
 - Require STO to use the state's information technology in the best interest of the state as a whole; Require STO to contribute to and make use of shared data and related resources whenever appropriate;
 - Charge each agency head with primary responsibility and accountability for setting his or her agency's priorities, identifying the agency's business needs, and determining the agency's programs and services;
 - Require the STO to provide through service level agreements the information technology each agency needs to accomplish its mission;
 - Require the STO to use the most cost-effective and efficient means to provide the information technology, enterprise resource planning and management, and enterprise resource management infrastructure needed to collect, store and process the state's data and information, provide connectivity, and facilitate the exchange of data and information among public and private persons and entities; and
 - Prohibit STO from taking any action affecting the supervision, control, management or coordination of information technology and information technology personnel that any Cabinet Officer identified in s. 4 Art. IV of the Florida Constitution deems necessary for the exercise of his or her statutory or constitutional duties.
- Renumbers s. 282.303, F. S., as s. 282.0041, F. S., and amends that section to amend, add, delete and renumber definitions of words and phrases;
 - Amends s. 282.102, F. S., to:
 - Authorize the STO to adopt rules implementing policies providing best practices to be followed by agencies in acquiring, using, upgrading, modifying, replacing or disposing of information technology;
 - Authorize the STO to perform enterprise resource planning and management for agencies;
 - Authorize the STO to apply for, receive and hold, and to assist agencies in applying for, receiving and holding patents, copyrights, trademarks, service marks, licenses, and allocations or channels and frequencies;
 - Authorize the STO to purchase, lease, or otherwise acquire and to hold, sell, transfer, license, or otherwise dispose of real, personal, and intellectual property;
 - Authorize the STO to acquire ownership, possession, custody and control of the state's existing communications equipment and facilities;
 - Require the STO to ensure orderly and reliable communications services for state agencies in accordance with the service level agreements between the agencies and the STO;
 - Changing the name of the "State Agency Law Enforcement Radio System Trust Fund" to the "Law Enforcement Radio Operating Trust Fund;" and
 - Require the STO to designate a State Chief Privacy Officer to be responsible for continually reviewing policies, laws, rules, and practices of state agencies that may affect the privacy concerns of state residents;
 - Amends s. 282.103, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed, and to make it permissive instead of mandatory for the STO to exempt a state agency from the requirement of use the SUNCOM Network for agency communications;
 - Amends s. 282.104, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed, and to replace the DMS with the STO as the entity authorized to establish the terms and conditions

under which the communications services available from the SUNCOM Network are available to municipalities;

- Amends s. 282.105, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Amends s. 282.106, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Amends subsection (1), paragraphs (f) and (g) of subsection (2), and subsections (3), (4) and (5) of section 282.1095, F. S., to:
 - Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
 - Change the name of the “State Agency Law Enforcement Radio Systems Trust Fund” to the “Law Enforcement Radio Operating Trust Fund”;
 - Eliminate authority for appropriating moneys in the Law Enforcement Radio Operating Trust Fund to maintain and enhance existing radio equipment systems in excess of the amount provided for such purposes in existing agency budgets;
 - Substitutes the STO for the “joint task force” as the entity authorized to establish policies, procedures and standards included in a comprehensive management plan for the use and operation of the statewide radio communications system;
 - Requires the “joint task force” to consult with the STO in exercising authority to permit other state agencies to use the communications system; and
 - Eliminates provision for the positions necessary for the STO to discharge its duties under this section to be established in the budgetary process and be funded by the Law Enforcement Radio Operating Trust Fund;
- Amends s. 282.111, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Amends s. 282.20, F. S., to:
 - Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
 - Delete the definition of “Office;”
 - Delete provision for acceptance of any new customer other than a state agency expected to pay during the initial 12 months of use more than 5% of the prior year’s revenues of the Technology Resource Center to be contingent upon approval of the Office of Planning and Budget in a manner similar to the budget amending process provided in s 216.181, F. S.; and
 - Change the name of the trust fund in which the Technology Resource Center maintains a reserve account and from which it may spend funds in that reserve account from “its working capital trust fund” to “the Technology Enterprise Operating Trust Fund;”
- Amends s. 282.21, F. S., to change the name of the “Office of DMS’ electronic access services” to the “STO’s electronic access services” and to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Amends s. 282.22, F. S., to:
 - Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
 - Provide for the STO to acquire and own materials and products; and
 - Eliminate restraint on the STO’s authority to sell services;
- Creates s. 282.23, F. S., to authorize the STO, in consultation with the DMS, to:
 - Establish a State Strategic Information Technology Alliance for the acquisition and use of information technology and related material in accord with competitive procurement provisions of chapter 287, and

- Adopt rules implementing policies and procedures applicable to establishing strategic alliances with prequalified contractors or partners to provide the state with efficient, cost-effective, and advanced information technology;
- Repeals s. 282.3041, F. S.;
- Amends s. 282.3055, F. S., to:
 - Substitute the STO for the agency head in carrying out enterprise resource planning and management responsibilities;
 - Substitute the Chief Information Officer in the STO for the agency head in being authorized to appoint or contract for an Agency Chief Information Officer; and
 - Delete provision for an Agency Chief Information Officer to be at a level commensurate with the role and importance of information technology resources in the agency;
- Amends subsection (1) of section 282.3063, F. S., to change the phrase “Chief Information Officer” to “Agency Chief Information Officer;”
- Amends subsections (1) and (2) of section 282.315, F. S., to change the name of the “Chief Information Officers Council” to the “Agency Chief Information Officer” and to eliminate inclusion of the Geographic Information Board from membership on the Council;
- Amends subsection (2) of section 282.318, F. S., to make the STO, in consultation with each agency head, responsible and accountable for assuring an adequate level of security for all data and information technology resources of each agency;
- Amends s. 282.322, F. S., to add a subsection (2) that requires the Enterprise Project Management Office of the STO to report to the Executive Office of the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriations committees any information technology project it identifies as high-risk, and to monitor, assess and report on the levels of risk associated with proceeding to the next stage of development of the project.

The provisions of the bill are designed to advance the following core purposes:

- The adoption of an enterprise-wide vision and mission for the development, deployment and use of information technology throughout state government, including architecture and security protocols, systems design, project management, licensing and procurement;
- The consolidation of management of information technology in state government;
- The adoption of collaborative decision-making on IT issues and elimination of the “silo” mentality among and between agencies;
- A reduction in the turnover rate of the State’s information technology employees and an increase in the State’s ability to competitively recruit and retain such employees;
- The consolidation of information technology asset management and aggregated, enterprise-wide procurement and cost-recovery;
- The implementation of policies and procedures that make state government continually more responsive to the needs of Florida’s citizens and businesses; and
- A reduction in the cost of state government to the taxpayers.

D. SECTION-BY-SECTION ANALYSIS:

Where applicable, comments as to the present situation and the effect of the proposed changes are noted.

Section 1. Amends paragraph (b) of subsection (2) of section 20.22, F.S., to establish the STO as a separate budget entity within the Department of Management Services and directs the STO to manage the Technology Resource Center.

Section 2. Amends subsection (2) of section 110.205, F.S., to reclassify certain STO employees from the "Career Service Class" to the "Select Exempt Class."

Section 3. Amends s. 186.022, F. S., to authorize the STO, in consultation with the legislative appropriations committees and the Executive Office of the Governor, to:

- o Adopt statewide policies governing development of information technology strategic plans;
- o Review information technology strategic plans to determine whether they are consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies governing development of such plans;
- o Provide submitting entities with comments on the extent to which their information technology strategic plans are not consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies that govern development of such plans; and
- o Approve all information technology strategic plans that are consistent with the State Annual Report on Enterprise Resource Planning and Management and the statewide policies governing development of such plans;

Section 4. Amends subsection (4) of section 216.013, F. S., to substitute the STO for the Technical Review Workgroup to report to the Executive Office of the Governor its findings on the consistency of the information technology portion of agency long-range program plans with the State Annual Report on Enterprise Resource Planning and Management, the statewide policies adopted by the STO to govern development of such plans, and the state's plan for facility needs.

Section 5. Amends s. 216.0446, F. S., to:

- o Require the STO and the Technical Review Workgroup (TRW) to independently review and make recommendations on the information technology portion of long-range program plans and on legislative budget requests for information technology and related resources;
- o Require the STO to report such recommendations and the findings and conclusions on which such recommendations are based to the Executive Office of the Governor and to the chairs of the legislative appropriations committees;
- o Require the TRW to report such recommendations and the findings and conclusions on which such recommendations are based only to the Legislative Budget Commission; and
- o Confine the TRW's reporting on planning and budget information technology issues to only the Legislative Budget Commission.

Section 6. Amends subsection (5) of section 216.181, F. S., to require TRW to review an amendment to the original operating budget for an information technology project or initiative that involves more than one agency, has an outcome that impacts another agency, or exceeds \$500,000 in total cost over a 1-year period, except projects that provide for a continuation of hardware or software maintenance or software licensing agreements, or for desktop replacements similar to technology currently in use.

Section 7. Amends s. 216.235, F. S., to:

- o Substitute the Office of Tourism, Trade and Economic Development in the Executive Office of the Governor (OTTED) for the Department of Management Services (DMS) and the Information Commission as the entity responsible for administering the Innovation Investment Program;
- o Substitute the director of the OTTED for a representative of Enterprise Florida, Inc., as a member of the State Innovation Committee (SIC);
- o Add the Chief Information Officer in the STO as a member of the SIC;

- Add the chair of itflorida.com, Inc., as a member of the SIC; and
- Eliminate the secretary of the DMS as an alternate member of the SIC.

Section 8. Adds paragraph (c) to subsection (1) of section 216.292, F. S., to authorize IT positions and appropriations identified in Agency Technology Agreements between state agencies and the STO to be transferred from the agencies to the STO.

Section 9. Amends s. 282.005, F. S., to:

- Delegate primary responsibility and accountability to STO for planning, budgeting, acquiring, developing, implementing, using and managing information technology within the state;
- Require STO to use the state's information technology in the best interest of the state as a whole;
- Require STO to contribute to and make use of shared data and related resources whenever appropriate;
- Charge each agency head with primary responsibility and accountability for:
 - setting his or her agency's priorities;
 - identifying his or her agency's business needs; and
 - determining the agency's programs and services;
- Require the STO to provide through service level agreements the information technology each agency needs to accomplish its mission;
- Require the STO to use the most cost-effective and efficient means to provide the information technology, enterprise resource planning and management, and enterprise resource management infrastructure needed to collect, store and process the state's data and information, provide connectivity, and facilitate the exchange of data and information among public and private persons and entities; and
- Prohibit STO from taking any action affecting the supervision, control, management or coordination of information technology and information technology personnel that any Cabinet Officer identified in s. 4 Art. IV of the Florida Constitution deems necessary for the exercise of his or her statutory or constitutional duties.

Section 10. Renumbers s. 282.303, F.S., as s. 282.041, F. S., and amends that section to amend, delete, add, and reorder definitions of words and phrases. Specifically, this section:

- Amends the definition of "Agency" to correct an erroneous cross-reference;
- Changes "Chief Information Officer" to "Agency Chief Information Officer" and "Chief Information Officers Council" as "Agency Chief Information Officers Council" to conform to other provisions of the bill;
- Adds a definition for "information technology" to mean: equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media and related material used to automatically, electronically or wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, exchange, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind or form; and
- Deletes definitions for "data processing software," "information technology hardware," "information technology services," "information technology resources," and "Technology Review Workgroup."

Section 11. Amends s. 282.102, F. S., to:

- Authorize the STO to adopt rules implementing policies providing best practices to be followed by agencies in acquiring, using, upgrading, modifying, replacing or disposing of information technology;
- Authorize the STO to perform enterprise resource planning and management for agencies;

- Authorize the STO to apply for, receive and hold, and to assist agencies in applying for, receiving and holding patents, copyrights, trademarks, service marks, licenses, and allocations or channels and frequencies;
- Authorize the STO to purchase, lease, or otherwise acquire and to hold, sell, transfer, license, or otherwise dispose of real, personal, and intellectual property;
- Authorize the STO to acquire ownership, possession, custody and control of the state's existing communications equipment and facilities;
- Require the STO to ensure orderly and reliable communications services for state agencies in accordance with the service level agreements between the agencies and the STO;
- Change the name of the "State Agency Law Enforcement Radio System Trust Fund" to the "Law Enforcement Radio Operating Trust Fund;" and
- Require the STO to designate a State Chief Privacy Officer to be responsible for continually reviewing policies, laws, rules, and practices of state agencies that may affect the privacy concerns of state residents.

This section revises the present functional relationship between the DMS and the STO to make the STO a separate budget entity within the DMS, to provide for the STO to be and act independently from the DMS, and to provide for the Chief Information Officer to be the administrative head of the STO for all purposes.

Section 12. Amends s. 282.103, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed, and to make it permissive instead of mandatory for the STO to exempt a state agency from the requirement of use the SUNCOM Network for agency communications.

Section 13. Amends s. 282.104, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed, and to replace the DMS with the STO as the entity authorized to establish the terms and conditions under which the communications services available from the SUNCOM Network are available to municipalities.

Section 14. Amends s. 282.105, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed.

Section 15. Amends s. 282.106, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed.

Section 16 Amends subsection (1), paragraphs (f) and (g) of subsection (2), and subsections (3), (4) and (5) of section 282.1095, F. S., to:

- Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Change the name of the "State Agency Law Enforcement Radio Systems Trust Fund" to the "Law Enforcement Radio Operating Trust Fund;
- Eliminate authority for appropriating moneys in the Law Enforcement Radio Operating Trust Fund to maintain and enhance existing radio equipment systems in excess of the amount provided for such purposes in existing agency budgets;
- Substitute the STO for the "joint task force" as the entity authorized to establish policies, procedures and standards included in a comprehensive management plan for the use and operation of the statewide radio communications system;
- Require the "joint task force" to consult with the STO in exercising authority to permit other state agencies to use the communications system; and
- Eliminate provision for the positions necessary for the STO to discharge its duties under this section to be established in the budgetary process and be funded by the Law Enforcement Radio Operating Trust Fund.

Section 17. Amends s. 282.111, F. S., to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed.

Section 18. Amends s. 282.20, F. S., to:

- Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Delete the definition of "Office;"
- Delete provision for acceptance of any new customer other than a state agency expected to pay during the initial 12 months of use more than 5% of the prior year's revenues of the Technology Resource Center to be contingent upon approval of the Office of Planning and Budget in a manner similar to the budget amending process provided in s 216.181, F. S.; and
- Change the name of the trust fund in which the Technology Resource Center maintains a reserve account and from which it may spend funds in that reserve account from "its working capital trust fund" to "the Technology Enterprise Operating Trust Fund."

Section 19. Amends s. 282.21, F. S., to change the name of the "Office of DMS' electronic access services" to the "STO's electronic access services" and to eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed.

Section 20. Amends s. 282.22, F. S., to:

- Eliminate reference to the DMS as the agency of the executive branch of state government within which the STO is housed;
- Provide for the STO to acquire and own materials and products; and
- Eliminate restraint on the STO's authority to sell services.

This section removes prohibitions that prevent entities not authorized to use the SUNCOM Network from using the products and services that STO develops. As the evolution of digital government progresses, the STO should develop an array of information technology products and services for Florida citizens. Other state governments seeking to offer similar products and services to their citizens may use many of these products and services. The STO is authorized to recover its development costs by charging entities for use of its products and services. By broadening its customer base, the STO can reduce the burden on Florida government entities by lowering technology costs.

Section 21. Creates s. 282.23, F. S., to authorize the STO, in consultation with the DMS, to:

- Establish a State Strategic Information Technology Alliance for the acquisition and use of information technology and related material in accord with competitive procurement provisions of chapter 287, and
- Adopt rules implementing policies and procedures applicable to establishing strategic alliances with prequalified contractors or partners to provide the state with efficient, cost-effective, and advanced information technology.

According to the STO, significant time and effort is spent re-training and educating information technology vendors about the needs of state government. The alliance authorized by this section would serve to maintain continuity and to allow vendors to gain expertise in providing information technology to the state. In creating such alliance, the STO would establish qualifications for vendors seeking to become an alliance member. The STO would, through the competitive procurement process, select several vendors to provide an array of services to the state. Once selected, vendors would be permitted to enter into long-term contracts with the STO to provide state government with information technology rather than being required to go through the competitive procurement process for each individual project.

Section 22. Repeals s. 282.3041, F.S.

Section 23. Amends s. 282.3055, F. S., to:

- o Substitute the STO for the agency head in carrying out enterprise resource planning and management responsibilities;
- o Substitute the Chief Information Officer in the STO for the agency head in being authorized to appoint or contract for an Agency Chief Information Officer; and
- o Delete provision for an Agency Chief Information Officer to be at a level commensurate with the role and importance of information technology resources in the agency.

Section 24. Amends subsection (1) of section 282.3063, F. S., to change the phrase “Chief Information Officer” to “Agency Chief Information Officer.”

Section 25. Amends subsections (1) and (2) of section 282.315, F. S., to change the name of the “Chief Information Officers Council” to the “Agency Chief Information Officer” and to eliminate inclusion of the chair of the Geographic Information Board from membership on the Council;

Section 26. Amends subsection (2) of section 282.318, F. S., to make the STO, in consultation with each agency head, responsible and accountable for assuring an adequate level of security for all data and information technology resources of each agency. Presently, agency heads, in consultation with the STO, assure the security of their data and information technology systems. Because the STO will own and design the systems and employ the personnel that service the systems, requiring that the STO ensure the security of the data and systems will enable the STO to better achieve its mission.

Section 27. Amends s. 282.322, F. S., to add a subsection (2) that requires the Enterprise Project Management Office of the STO to report to the Executive Office of the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriations committees any information technology project it identifies as high-risk, and to monitor, assess and report on the levels of risk associated with proceeding to the next stage of development of the project.

Section 28. Amends paragraph (f) of subsection (2) of section 216.163, F. S., to change the phrase “critical information resource management projects” to “high-risk information technology projects.”

Section 29. Amends paragraph (b) of subsection (1) and paragraph (o) of subsection (3) of section 119.07, F. S., to define “Information technology resources” and “Data processing software.”

Section 30. Amends paragraph (b) of subsection (1) of section 119.083, F. S., to change the statutory reference to the definition of “Data processing software” from s. 282.303, F. S., to s. 119.07 (3) (o), F. S.

Section 31. Provides language corresponding with the General Appropriations Act to authorize the transfer of IT personnel and resources identified in agreements with the State Technology Office from state agencies to the STO.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

The implementation of HB 1811 appears to require no additional expenditures by the state. The bill authorizes the transfer of certain existing personnel and funds to the STO.

The consolidation and integration of IT functions and resources in the STO is expected to generate substantial savings.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

The bill delegates specific authority to the STO to adopt rules codifying the policies and procedures it develops that have general application to lawfully implement, interpret, and prescribe such policies and procedures.

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

At its March 20, 2001 meeting, the Committee on Information Technology adopted one amendment to its proposed committee bill. The amendment provided language corresponding with the General Appropriations Act authorizing the transfer of agency personnel and resources to the STO. That amendment was incorporated into the bill upon filing.

At its April 4, 2001, meeting, the Committee on Fiscal Policy & Resources adopted the following six amendments to the bill:

- Amendment one restored and expanded the authority of the TRW to independently review agency requests for technology and information management resources and provides for additional duties for the TRW. It provided reporting requirements for the TRW and the STO regarding such agency requests. The amendment also provided for the Enterprise Project Management Office of the STO to report to Legislative Officers, to appropriations chairs, and to the Governor's Office on information technology projects the STO identified as high-risk, to monitor and report on each such project, and to assess the levels of risk associated with proceeding with development of the next stage of each such project.
- Amendment two authorized the STO to adopt rules to implement best management practices in the acquisition, use, modifications, and disposal of information technology.
- Amendment three removed language renaming the State Agency Law Enforcement Radio System Trust Fund.
- Amendment four specified that procurement of information technology be made pursuant to Chapter 287, F.S.
- Amendment five authorized the STO, in consultation with the DMS, to adopt rules implementing the policies and procedures applicable to establishing the strategic alliances with approved contractors for purchases of information technologies.
- Amendment six corrected cross-references and made technical changes to other statutes impact by the substantive changes of the bill.

Those amendments traveled with the bill.

At its April 11, 2001, meeting, the Council for Ready Infrastructure adopted two amendments, one removing the changes made by amendment one adopted by the Committee on Fiscal Policy & Resources, and the other creating subsection (6) of section 11.90, F. S., to require the Legislative Budget Commission to review information resources management needs identified in long-range program plans for consistency with the State Annual Report on Enterprise Resource Planning and Management and statewide policies adopted by the STO.

On April 13, 2002, the bill was placed on the calendar of the House for second reading. On April 27, 2001, the bill was placed on the special order calendar of the House and was read a second time. On April 30, 2001, the bill was read a third time, was amended to revise the provisions of section 5 of the bill amending s. 216.0446, F. S., and to make technical amendments to sections 27 and 33 of the bill and to make necessary title amendments. As amended, the bill then passed the House by a vote of 116 yeas to 0 nays. The bill was then transmitted in messages to the Senate. On May 2, 2001, the Senate received and read the bill for the first time, and referred the bill to the Committee on Governmental Oversight and Productivity, the Appropriations Subcommittee on General Government, and the Committee on Appropriations. On May 4, 2001, the Senate withdrew the bill from the Committee on Governmental Oversight and Productivity, substituted the bill for CS/SB 874, read the bill a second and third time, and passed the bill by a vote of 35 yeas to 0 nays.

VII. SIGNATURES:

COMMITTEE ON HOUSE INFORMATION TECHNOLOGY:

Prepared by:

Staff Director:

John A. Barley, Chief Legislative Analyst

Charles Davidson

AS REVISED BY THE COMMITTEE ON FISCAL POLICY & RESOURCES:

Prepared by:

Staff Director:

David M. Greenbaum

Greg Turbeville

FINAL ANALYSIS PREPARED BY THE COMMITTEE ON HOUSE INFORMATION TECHNOLOGY:

Prepared by:

Staff Director:

John A. Barley

Charles Davidson