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**SENATE BILL NO. 892**

Offered January 14, 2009

Prefiled December 31, 2008

*A BILL to amend and reenact §§ 2.2-2007 and 2.2-2458 of the Code of Virginia and to amend the Code of Virginia by adding in Article 20 of Chapter 24 of Title 2.2 a section numbered 2.2-2458.1, relating to the Information Technology Investment Board; approval of the development of certain major information technology projects.*

Patron—McDougle

Referred to Committee on General Laws and Technology

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 2.2-2007 and 2.2-2458 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 20 of Chapter 24 of Title 2.2 a section numbered 2.2-2458.1 as follows:**

§ 2.2-2007. Powers of the CIO.

A. In addition to such other duties as the Board may assign, the CIO shall:

1. Monitor trends and advances in information technology; develop a comprehensive, statewide, four-year strategic plan for information technology to include specific projects that implement the plan; and plan for the acquisition, management, and use of information technology by state agencies. The statewide plan shall be updated annually and submitted to the Board for approval. In developing and updating the plan, the CIO shall consider the advice and recommendations of the Council on Technology Services created pursuant to § 2.2-2651.

2. Direct the formulation and promulgation of policies, guidelines, standards, and specifications for the purchase, development, and maintenance of information technology for state agencies, including, but not limited to, those (i) required to support state and local government exchange, acquisition, storage, use, sharing, and distribution of geographic or base map data and related technologies, (ii) concerned with the development of electronic transactions including the use of electronic signatures as provided in § 59.1-496, and (iii) necessary to support a unified approach to information technology across the totality of state government, thereby assuring that the citizens and businesses of the Commonwealth receive the greatest possible security, value, and convenience from investments made in technology.

3. Direct the development of policies and procedures, in consultation with the Department of Planning and Budget, that are integrated into the Commonwealth's strategic planning and performance budgeting processes, and that state agencies and public institutions of higher education shall follow in developing information technology plans and technology-related budget requests. Such policies and procedures shall require consideration of the contribution of current and proposed technology expenditures to the support of agency and institution priority functional activities, as well as current and future operating expenses, and shall be utilized by all state agencies and public institutions of higher education in preparing budget requests.

4. Review budget requests for information technology from state agencies and public institutions of higher education and recommend budget priorities to the Information Technology Investment Board.

Review of such budget requests shall include, but not be limited to, all data processing or other related projects for amounts exceeding \$100,000 in which the agency or institution has entered into or plans to enter into a contract, agreement or other financing agreement or such other arrangement that requires that the Commonwealth either pay for the contract by foregoing revenue collections, or allows or assigns to another party the collection on behalf of or for the Commonwealth any fees, charges, or other assessments or revenues to pay for the project. For each project, the agency or institution, with the exception of public institutions of higher education that meet the conditions prescribed in subsection B of § 23-38.88, shall provide the CIO (i) a summary of the terms, (ii) the anticipated duration, and (iii) the cost or charges to any user, whether a state agency or institution or other party not directly a party to the project arrangements. The description shall also include any terms or conditions that bind the Commonwealth or restrict the Commonwealth's operations and the methods of procurement employed to reach such terms.

5. Direct the development of policies and procedures for the effective management of information technology investments throughout their entire life cycles, including, but not limited to, project definition, procurement, development, implementation, operation, performance evaluation, and enhancement or retirement. Such policies and procedures shall include, at a minimum, the periodic review by the CIO of agency and public institution of higher education information technology projects

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59 estimated to cost \$1 million or more or deemed to be mission-critical or of statewide application by the  
60 CIO. The CIO shall provide technical guidance to the Department of General Services in the  
61 development of policies and procedures for the recycling and disposal of computers and other  
62 technology assets. Such policies and procedures shall include the expunging, in a manner as determined  
63 by the CIO, of all state confidential data and personal identifying information of citizens of the  
64 Commonwealth prior to such sale, disposal, or other transfer of computers or other technology assets.

65 6. Oversee and administer the Virginia Technology Infrastructure Fund created pursuant to  
66 § 2.2-2023.

67 7. Periodically evaluate the feasibility of outsourcing information technology resources and services,  
68 and outsource those resources and services that are feasible and beneficial to the Commonwealth.

69 8. Have the authority to enter into contracts, and with the approval of the Board *subject to*  
70 § 2.2-2458.1 for any contracts over \$1 million, with one or more other public bodies, or public agencies  
71 or institutions or localities of the several states, of the United States or its territories, or the District of  
72 Columbia for the provision of information technology services.

73 9. Report annually to the Governor and the Joint Commission on Technology and Science created  
74 pursuant to § 30-85 on the use and application of information technology by state agencies and public  
75 institutions of higher education to increase economic efficiency, citizen convenience, and public access  
76 to state government.

77 10. Direct the development of policies and procedures that require VITA to review information  
78 technology projects proposed by state agencies and institutions exceeding \$100,000, and recommend  
79 whether such projects be approved or disapproved. The CIO shall disapprove projects between \$100,000  
80 and \$1 million that do not conform to the statewide information plan or to the individual plans of state  
81 agencies or institutions of higher education.

82 B. Consistent with § 2.2-2012, the CIO may enter into public-private partnership contracts to finance  
83 or implement information technology programs and projects. The CIO may issue a request for  
84 information to seek out potential private partners interested in providing programs or projects pursuant to  
85 an agreement under this subsection. The compensation for such services shall be computed with  
86 reference to and paid from the increased revenue or cost savings attributable to the successful  
87 implementation of the program or project for the period specified in the contract. The CIO shall be  
88 responsible for reviewing and approving the programs and projects and the terms of contracts for same  
89 under this subsection. The CIO shall determine annually the total amount of increased revenue or cost  
90 savings attributable to the successful implementation of a program or project under this subsection and  
91 such amount shall be deposited in the Virginia Technology Infrastructure Fund created in § 2.2-2023.  
92 The CIO is authorized to use moneys deposited in the Fund to pay private partners pursuant to the terms  
93 of contracts under this subsection. All moneys in excess of that required to be paid to private partners,  
94 as determined by the CIO, shall be reported to the Comptroller and retained in the Fund. The CIO shall  
95 prepare an annual report to the Governor and General Assembly on all contracts under this subsection,  
96 describing each information technology program or project, its progress, revenue impact, and such other  
97 information as may be relevant.

98 § 2.2-2458. Powers and duties of the Board.

99 The Board shall have the power and duty to:

100 1. Appoint the Chief Information Officer as the chief administrative officer of the Board to oversee  
101 the operation of VITA pursuant to § 2.2-2005;

102 2. Adopt rules and procedures for the conduct of its business;

103 3. *Subject to* § 2.2-2458.1, approve or disapprove the development of all major information  
104 technology projects as defined in § 2.2-2006. The Board may terminate any major information  
105 technology project recommended for termination by the Chief Information Officer pursuant to  
106 § 2.2-2015;

107 4. Approve strategies, standards, and priorities recommended by the Chief Information Officer for the  
108 use of information technology for state agencies in the executive branch of state government;

109 5. Approve the four-year plan for information technology projects;

110 6. Approve statewide technical and data standards for information technology and related systems;

111 7. Approve statewide information technology architecture and related set of system standards;

112 8. Approve criteria for the review and approval of the planning, scheduling and tracking of major  
113 information technology projects as defined in § 2.2-2006;

114 9. Adopt resolutions or regulations conferring upon the Chief Information Officer all such powers,  
115 authorities and duties as the Board deems necessary or proper to carry out the purposes of Chapter 20.1  
116 of Title 2.2; and

117 10. Submit by September 1 of each year a list of recommended technology investment projects and  
118 priorities for funding such projects to the Governor and the General Assembly.

119 § 2.2-2458.1. *Certain major information technology projects.*

120 A. *Within 30 days after approval of the development of any major information technology project in*

121 *excess of \$5 million, the Board shall notify the House Appropriations and Senate Finance Committees of*  
122 *the scope, cost, and implementation schedule of the proposed project. The Board may undertake the*  
123 *project unless objections are raised by either Committee within 30 days of the notification. If objections*  
124 *are made, the Board may not undertake the project until the objections are resolved.*

125 *B. No major information technology project (i) that has been presented to the Committees without*  
126 *objection, (ii) for which objections were raised and resolved, or (iii) for which implementation has*  
127 *commenced shall be materially increased in size or materially changed in scope without following the*  
128 *procedure of subsection A.*

129 *C. Notwithstanding any laws or regulations to the contrary, the Board shall not be subject to any*  
130 *further process or procedure that requires the submission, review, or approval of any major information*  
131 *technology project.*