

## **Department of Planning and Budget 2010 Fiscal Impact Statement**

**1. Bill Number:** HB1034

House of Origin	<u>X</u>	Introduced	<u>    </u>	Substitute	<u>    </u>	Engrossed
Second House	<u>    </u>	In Committee	<u>    </u>	Substitute	<u>    </u>	Enrolled

**2. Patron:** Byron

**3. Committee:** Science and Technology

**4. Title:** **Eliminate the Information Technology Investment Board and establish the Information Technology Investment Council.**

**5. Summary:** The bill eliminates the Information Technology Investment Board (ITIB) and replaces it with the Information Technology Investment Council (ITIC), which is established as a policy council under the Governor with the power and duty to advise the Chief Information Officer (CIO) on: (i) development of all major information technology projects; (ii) strategies and standards regarding state agency use of information technology; and (iii) the development of enterprise applications, application budgets, and infrastructure expenditures. The ITIC also has the power and duty to approve the statewide four-year strategic plan developed by the CIO and approve statewide technical and data standards. The ITIC is composed of 10 agency representatives from each Cabinet Secretary, the Secretary of Technology, the CIO, the Auditor of Public Accounts, and no more than two citizens, all to be appointed by the Governor. The Secretary of Technology serves as chair and the CIO as vice chair.

The bill requires the Secretary of Technology, in addition to existing duties, to develop criteria defining a "major information technology project" and, upon recommendation of the CIO, approve the procurement of such projects.

The bill grants the Governor the power to appoint the CIO, who shall serve as the head of the Virginia Information Technologies Agency (VITA). The CIO reports to the Secretary of Technology and is responsible, through his role as head of VITA, for planning, developing, and procuring enterprise applications and infrastructure services. The CIO is also responsible for planning, developing, and soliciting contracts for major information technology projects. The CIO may enter such contracts only upon approval of the Secretary of Technology. The CIO may suspend a major information technology project but such project may only be terminated by the Secretary of Technology. The CIO appoints a Chief Applications Officer (CAO) subject to the approval of the Secretary of Technology. The CAO oversees, but the CIO approves, annual agency technology application budgets and expenditures.

The bill contains additional substantive changes to information technology governance in the Commonwealth as well as numerous technical changes.

**6. Fiscal Impact Estimates:** Minimal.

**7. Budget Amendment Necessary:** No

- 8. Fiscal Implications:** The Virginia Information Technologies Agency does not see any substantive fiscal implications. From VITA's perspective, bill is likely to be cost-neutral since the proposed legislation eliminates the Information Technology Investment Board (ITIB) and establishes an Information Technology Investment Council (ITIC) that would be required to meet at least quarterly and would require staffing by VITA. VITA does not see any fiscal impact resulting from the changes in governance and those related to the duties and responsibilities of the new ITIC.
- 9. Specific Agency or Political Subdivisions Affected:** VITA, ITIB, Secretary of Technology, Chief Information Officer.
- 10. Technical Amendment Necessary:** There appears to be two possible errors in the proposed legislation. In Section 2.2-2427, paragraph 10.C, "ITIC on Virginia's Future" on the last line should read "Council on Virginia's Future". In Section 2.2-2699.5, paragraph C, "CITIC" in the third sentence should read "ITIC".
- 11. Other Comments:** None.

**Date:** 2/2/2010 dpb

**Document:** G:\BOS Stuff\2010 Session\2010 Legislation\HB1034.Doc