

JOINT BUDGET COMMITTEE BILL

SUMMARY OF H.B. 14-1395:

CONCERNING INFORMATION TECHNOLOGY BUDGET REQUESTS, AND, IN CONNECTION THEREWITH, MOVING THE REVIEW AND PRIORITIZATION OF INFORMATION TECHNOLOGY BUDGET REQUESTS PREVIOUSLY REQUESTED AS CAPITAL CONSTRUCTION TO THE JOINT TECHNOLOGY COMMITTEE, ESTABLISHING SPECIFIC DEADLINES FOR INFORMATION TECHNOLOGY BUDGET REQUESTS, AND MAKING AN APPROPRIATION.

Prime Sponsors: Representative Gerou and Senator Lambert

Bill Summary

The bill transfers responsibility for prioritizing information technology requests from the Capital Development Committee (CDC) to the Joint Technology Committee (JTC). Prioritized recommendations from the JTC will be forwarded to the Joint Budget Committee (JBC) for inclusion in the Long Bill in a process that parallels the CDC's process for prioritizing capital construction projects.

Specifically, this bill makes the following changes:

Section 1: Provides a definition of "information technology budget request" for purposes of identifying the JTC's responsibilities. Identifies an information technology budget request as a budget request for the installation, development or upgrade of information technology, but specifies that this does *not* include:

- requests that are primarily operational in nature;
- requests where the majority of funding will be used to support or modify state staffing levels;
- projects for which the majority of components have a useful life of less than five years;
- personal computer replacement unless part of a larger computer system upgrade; or
- projects with a cost lower than \$500,000.

Section 2: Modifies statute concerning the powers and duties of the JTC.

- Strikes a requirement that the JTC make recommendations to the CDC for information technology requests related to capital projects. Instead requires the JTC to determine prioritization for information technology budget requests and to submit these to the JBC by February 15 of each year for the upcoming fiscal year. As amended by the Committee on State, Veterans and Military Affairs, the JTC must submit its recommendations to the JBC for prioritizing supplemental information technology requests by January 15 of each year.
- Specifies that the Joint Budget Committee may seek the JTC's review of any operating budget request for information technology.
- Requires the JTC to hold hearings on requests as necessary.
- Specifies that Legislative Council Staff will assist and advise the JTC.
- Requires the JTC to forecast the state's requirements for future information technology budget requests.

Section 3: Modifies statute concerning the powers and duties of the JBC to add requirements that:

- the JBC consider the JTC's recommendations when making annual budget recommendations to the appropriations committees; and

- if the JBC's recommendations to the appropriations committees would alter the JTC's prioritization of information technology projects, the JBC notify the JTC and allow for a joint meeting of the committees prior to making the recommendations.

Sections 4 and 5: Modifies statute concerning the responsibilities of the Governor's Office of State Planning and Budgeting (OSPB). Requires that:

- OSPB submit information technology capital requests to the JTC by October 1 of each year;
- the priority of funding be submitted to the JTC by November 1 of each year;
- any new or amended requests for information technology capital budget requests for the upcoming year that are submitted late, due to circumstances unknown to and not reasonably foreseeable by the state agency or institution of higher education, must be submitted by December 10 of each year; and
- requests for supplemental changes to current-year information technology appropriations also be submitted by December 10 of each year.

Sections 6 and 7: Provide for conforming amendments to H.B. 14-1387 (Revision of all Capital Related Statutes).

Section 8: Provides an appropriation clause.

Sections 9 and 10: Provide effective dates and a safety clause.

Fiscal Impact

As amended by the House Appropriations Committee, the bill includes a FY 2014-15 appropriation of \$178,301 General Fund and 1.0 FTE to the General Assembly for additional Legislative Council staff for the JTC.

Background

Currently, most large information technology budget requests are considered a subset of capital construction, and such requests are reviewed and prioritized by the CDC. The CDC submits a prioritized list of capital projects to the Joint Budget Committee, which determines the total amount of funding available for capital construction and incorporates a final list of projects to be funded in the introduced Long Bill.

This bill shifts the responsibility for reviewing and prioritizing information technology projects that would previously have been reviewed by the CDC from the CDC to the JTC. Under current practice, some information technology requests are submitted directly to the JBC and are not considered capital projects. Thus, the definition of "information technology budget request" included in the bill is intended to limit the JTC's responsibility for prioritizing projects to those projects that would currently be reviewed by the CDC.

If this bill is adopted, information technology capital projects would no longer be funded from the Capital Construction Fund and would instead receive direct General Fund appropriations.