

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-1025.01 Dan Cartin

HOUSE BILL 10-1401

HOUSE SPONSORSHIP

Ferrandino,

SENATE SPONSORSHIP

(None),

House Committees
State, Veterans, & Military Affairs

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE MANAGEMENT OF INFORMATION TECHNOLOGY IN
102 STATE AGENCIES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billssummaries>.)

Section 1 of the bill defines "collaboration, office productivity, and electronic mail solution" or "COPE" as electronic mail, calendar, instant messaging, video conferencing, word processing spreadsheets, or other office productivity applications that are provided or managed off-site via the internet in a software-as-a-service model or by other

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

means commonly referred to as cloud computing.

Section 2 of the bill requires that if the office of information technology (office) initiates any COPE in a state agency on or after January 1, 2010, through an agreement with the statewide internet portal authority (SIPA) or any private sector provider, it must file a report with the joint budget committee (JBC) and the legislative audit committee (LAC) no later than 30 days after the last day of the fiscal quarter in which the COPE was initiated. The report must include:

- ! An implementation plan for the COPE in the state agency that includes the estimated completion date for such implementation;
- ! A cost-benefit analysis for implementing the COPE showing the cost savings to the state agency from that implementation; and
- ! An analysis demonstrating that implementation of the COPE is in conformance with the agency's information security plan.

Following the first report, the office must thereafter file quarterly reports with the JBC for a period of 2 years containing information on the progress of the implementation of COPE in the state agency and the cost savings from that implementation.

Section 3 of the bill directs the SIPA board to periodically report to the house and senate business committees and to the JBC on:

- ! The total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal made in the preceding fiscal year; and
- ! The total amount of receipts and revenue derived by the SIPA from those transactions through the portal for the preceding fiscal year.

Section 4 of the bill requires the SIPA board to submit to and the state auditor to conduct annual financial audits of the SIPA. Additionally, the state auditor may conduct, at the state auditor's discretion, performance audits of the SIPA. The state auditor must submit a written report to the LAC upon the completion of each audit. The cost of financial audits must be paid by the SIPA, and the cost of performance audits must be paid from appropriations to the state auditor's office.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 24-37.5-102, Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW SUBSECTION to read:

4 **24-37.5-102. Definitions - repeal.** As used in this article, unless

1 the context otherwise requires:

2 (1.5) (a) "COLLABORATION, OFFICE PRODUCTIVITY, AND
3 ELECTRONIC MAIL SOLUTION" OR "COPE" MEANS ELECTRONIC MAIL,
4 CALENDAR, INSTANT MESSAGING, VIDEO CONFERENCING, WORD
5 PROCESSING SPREADSHEETS, OR OTHER OFFICE PRODUCTIVITY
6 APPLICATIONS THAT ARE PROVIDED OR MANAGED OFF-SITE VIA THE
7 INTERNET IN A SOFTWARE-AS-A-SERVICE MODEL OR BY OTHER MEANS
8 COMMONLY REFERRED TO AS CLOUD COMPUTING.

9 (b) THIS SUBSECTION (1.5) IS REPEALED, EFFECTIVE JULY 1, 2014.

10 . **SECTION 2.** 24-37.5-105, Colorado Revised Statutes, is
11 amended BY THE ADDITION OF A NEW SUBSECTION to read:

12 **24-37.5-105. Office - responsibilities - rules - repeal.**

13 (3.5) (a) IF THE OFFICE INITIATES ANY COPE IN A STATE AGENCY ON OR
14 AFTER JANUARY 1, 2010, THROUGH AN AGREEMENT WITH THE STATEWIDE
15 INTERNET PORTAL AUTHORITY OR ANY PRIVATE SECTOR PROVIDER OF
16 INFORMATION TECHNOLOGY RESOURCES, IT SHALL FILE A REPORT WITH
17 THE JOINT BUDGET COMMITTEE AND THE LEGISLATIVE AUDIT COMMITTEE
18 NO LATER THAN THIRTY DAYS AFTER THE LAST DAY OF THE FISCAL
19 QUARTER IN WHICH THE COPE WAS INITIATED. SUCH REPORT SHALL
20 INCLUDE THE FOLLOWING:

21 (I) AN IMPLEMENTATION PLAN FOR THE COPE IN THE STATE
22 AGENCY THAT INCLUDES THE ESTIMATED COMPLETION DATE FOR SUCH
23 IMPLEMENTATION;

24 (II) A COST-BENEFIT ANALYSIS FOR IMPLEMENTING THE COPE
25 SHOWING THE COST SAVINGS TO THE STATE AGENCY FROM SUCH
26 IMPLEMENTATION; AND

27 (III) AN ANALYSIS DEMONSTRATING THAT IMPLEMENTATION OF

1 THE COPE IS IN CONFORMANCE WITH THE STATE AGENCY'S INFORMATION
2 SECURITY PLAN DEVELOPED PURSUANT TO SECTION 24-37.5-404 AND THAT
3 APPROPRIATE INFORMATION SECURITY SAFEGUARDS EXIST TO ENSURE
4 THAT THE COMMUNICATION AND INFORMATION RESOURCES OF THE
5 AGENCY ARE NOT VULNERABLE TO A SECURITY INCIDENT RESULTING FROM
6 SUCH IMPLEMENTATION.

7 (b) FOLLOWING THE REPORT DESCRIBED IN PARAGRAPH (a) OF THIS
8 SUBSECTION (3.5), THE OFFICE SHALL FILE A QUARTERLY REPORT WITH THE
9 JOINT BUDGET COMMITTEE NO LATER THAN THIRTY DAYS AFTER THE LAST
10 DAY OF EACH SUBSEQUENT FISCAL QUARTER FOR A PERIOD OF TWO YEARS
11 CONTAINING INFORMATION ON THE PROGRESS OF THE IMPLEMENTATION OF
12 THE COPE IN THE STATE AGENCY AND THE COST SAVINGS TO THE STATE
13 AGENCY FROM SUCH IMPLEMENTATION. NO FURTHER QUARTERLY
14 REPORTING SHALL THEREAFTER BE REQUIRED PURSUANT TO THIS
15 PARAGRAPH (b).

16 (c) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2014.

17 **SECTION 3.** 24-37.7-106, Colorado Revised Statutes, is
18 amended BY THE ADDITION OF A NEW SUBSECTION to read:

19 **24-37.7-106. Fees and charges - no modification - new services**
20 **- reporting.** (4) ON OR BEFORE SEPTEMBER 1, 2010, AND ON OR BEFORE
21 SEPTEMBER 1 OF EACH YEAR THEREAFTER, THE BOARD SHALL REPORT TO
22 THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE AND
23 THE BUSINESS AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF
24 REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND TO THE JOINT
25 BUDGET COMMITTEE ON:

26 (a) THE TOTAL AMOUNT OF CHARGES OR FEES IMPOSED BY EACH
27 STATE AGENCY FOR ACCESSING ELECTRONIC INFORMATION, PRODUCTS,

1 AND SERVICES THROUGH THE STATEWIDE INTERNET PORTAL MADE IN THE
2 PRECEDING FISCAL YEAR; AND

3 (b) THE TOTAL AMOUNT OF RECEIPTS AND REVENUE DERIVED BY
4 THE AUTHORITY FROM THE TRANSACTIONS DESCRIBED IN PARAGRAPH (a)
5 OF THIS SUBSECTION (4) FOR THE PRECEDING FISCAL YEAR.

6 **SECTION 4.** Article 37.7 of title 24, Colorado Revised Statutes,
7 is amended BY THE ADDITION OF A NEW SECTION to read:

8 **24-37.7-114. Financial and performance audits.** (1) THE
9 BOARD SHALL SUBMIT TO AND THE STATE AUDITOR SHALL CONDUCT OR
10 CAUSE TO BE CONDUCTED ANNUAL FINANCIAL AUDITS OF THE AUTHORITY.
11 IN ADDITION, THE STATE AUDITOR MAY, AT HIS OR HER DISCRETION,
12 CONDUCT OR CAUSE TO BE CONDUCTED PERFORMANCE AUDITS OF THE
13 AUTHORITY TO DETERMINE WHETHER THE AUTHORITY IS EFFECTIVELY AND
14 EFFICIENTLY FULFILLING ITS STATUTORY OBLIGATIONS. THE BOARD SHALL
15 SUBMIT TO ANY SUCH PERFORMANCE AUDIT.

16 (2) UPON THE COMPLETION OF A FINANCIAL OR PERFORMANCE
17 AUDIT DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE STATE
18 AUDITOR SHALL SUBMIT A WRITTEN REPORT TO THE LEGISLATIVE AUDIT
19 COMMITTEE, TOGETHER WITH ANY FINDINGS AND RECOMMENDATIONS.

20 (3) THE COST OF EACH SUCH FINANCIAL AUDIT SHALL BE PAID BY
21 THE AUTHORITY. THE COST OF ANY SUCH PERFORMANCE AUDIT SHALL BE
22 PAID FROM ANNUAL APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY
23 TO THE OFFICE OF THE STATE AUDITOR.

24 **SECTION 5. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.