



Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 11-0524
Prime Sponsor(s): Sen. King S.
 Rep. Acree

Date: February 9, 2011
Bill Status: Senate Finance
Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING THE AUTHORITY OF THE STATE AUDITOR TO CONDUCT AUDITS OF SECURITY SYSTEMS USED FOR INFORMATION TECHNOLOGY OPERATED BY THE STATE.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: None required.		
Local Government Impact: None.		

Summary of Legislation

This bill, **recommended by the Legislative Audit Committee**, authorizes the State Auditor to conduct audits of security systems used for information technology maintained or administered by the state, including educational institutions, and the judicial and legislative branches. The State Auditor is authorized to perform similar or related duties for political subdivisions of the state where the auditor has been granted authority to perform financial or performance audits on those political subdivisions.

The State Auditor may conduct penetration or similar testing of computer networks or information systems in order to assess network or information system vulnerability. The State Auditor may contract with auditors or information technology security specialists to perform the required work. The bill prohibits the results of any audit or evaluation of information technology systems that are precluded from disclosure under the open meetings law from being released to the public.

State Expenditures

The Office of the State Auditor would use existing General Fund appropriations to cover the costs of performing security system and information technology audits. Affected state agencies would use existing personnel and appropriations to assist the efforts of the State Auditor in performing the audit assessments. Therefore, no additional appropriation is required to implement the bill. By way of example of the task required, the recent performance audit of the Office of Cyber Security, which included penetration testing across state agencies (excluding higher education), cost \$320,000 General Fund.

The Office of Information Technology notes that funding for mitigation remediation may be necessary in the future to resolve any potential damage to state systems during penetration testing. Any requirement for mitigating these types of issues will have to be addressed through the annual budget process as the need arises.

Departments Contacted

State Auditor
Joint Budget Committee
Legislative Council Staff
Judicial

Office of Information Technology
Office of Legislative Legal Services
Governor's Office