

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 12-0102.01 Bob Lackner x4350

HOUSE BILL 12-1288

HOUSE SPONSORSHIP

Murray,

SENATE SPONSORSHIP

Bacon,

House Committees
Economic and Business Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ADMINISTRATION OF INFORMATION TECHNOLOGY**
102 **PROJECTS IN STATE GOVERNMENT.**

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/billsummaries>.)

In connection with the administration of information technology projects in state government:

- ! **Section 3** of the bill requires the office of information technology (OIT) to develop a comprehensive risk assessment that will be applied to every new information

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.

HOUSE
Amended 2nd Reading
February 24, 2012

technology project to assess risk levels related to the project and determine whether the project should be classified as a major information technology project. The bill also requires OIT to establish project budgets for projects of all sizes, including major information technology projects. Prior to the initiation of any major information technology project, the bill requires the project plan to include specified components.

! **Sections 3 and 5** of the bill require a state agency to consult with and obtain the approval of OIT in connection with any major information technology project that it plans to undertake.

! **Section 4** of the bill requires OIT's chief information officer to develop a staged review process for information technology projects that ensures a project meets specific requirements and complies with the project plan approved by OIT.

! **Section 6** of the bill expands the definition of "capital construction" to include the purchase of services from OIT on the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of OIT or OIT's chief information officer.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-37.5-101, **add** (1)
3 (a.5) as follows:

4 **24-37.5-101. Legislative declaration - findings.** (1) The general
5 assembly hereby finds and declares that:

6 (a.5) IT IS IMPERATIVE THAT THE LONG-TERM SUSTAINABILITY AND
7 EVENTUAL RETIREMENT OF INFORMATION TECHNOLOGY SYSTEMS BE
8 CONSIDERED WHEN INITIATING A MAJOR INFORMATION TECHNOLOGY
9 PROJECT AND THAT PROJECT PLANS INCLUDE THE VARIOUS COMPONENTS
10 THAT WILL RESULT IN PROJECT SUCCESS;

11 **SECTION 2.** In Colorado Revised Statutes, 24-37.5-102, **add**
12 (1.8), (1.9), (2.6), and (3.2) as follows:

13 **24-37.5-102. Definitions - repeal.** As used in this article, unless

1 the context otherwise requires:

2 (1.8) "INDEPENDENT VERIFICATION AND VALIDATION" MEANS
3 ENSURING THAT A PRODUCT, SERVICE, OR SYSTEM MEETS REQUIRED
4 SPECIFICATIONS AND THAT IT FULFILLS ITS INTENDED PURPOSE. THE
5 REVIEW OF SUCH PRODUCT, SERVICE, OR SYSTEM IS TYPICALLY PERFORMED
6 BY AN INDEPENDENT THIRD PARTY.

7 (1.9) "INFORMATION SECURITY" MEANS THE PROTECTION OF
8 COMMUNICATION AND INFORMATION RESOURCES FROM UNAUTHORIZED
9 ACCESS, USE, DISCLOSURE, DISRUPTION, MODIFICATION, OR DESTRUCTION
10 IN ORDER TO:

11 (a) PREVENT IMPROPER INFORMATION MODIFICATION OR
12 DESTRUCTION;

13 (b) PRESERVE AUTHORIZED RESTRICTIONS ON INFORMATION
14 ACCESS AND DISCLOSURE;

15 (c) ENSURE TIMELY AND RELIABLE ACCESS TO AND USE OF
16 INFORMATION; AND

17 (d) MAINTAIN THE CONFIDENTIALITY, INTEGRITY, AND
18 AVAILABILITY OF INFORMATION.

19 (2.6) (a) "MAJOR INFORMATION TECHNOLOGY PROJECT" MEANS A
20 PROJECT OF STATE GOVERNMENT THAT HAS A SIGNIFICANT INFORMATION
21 TECHNOLOGY COMPONENT, INCLUDING, WITHOUT LIMITATION, THE
22 REPLACEMENT OF AN EXISTING INFORMATION TECHNOLOGY SYSTEM.

23 (b) AS USED IN THIS SUBSECTION (2.6), "SIGNIFICANT" MEANS THE
24 PROJECT HAS A SPECIFIC LEVEL OF BUSINESS CRITICALITY AND MANIFESTS
25 EITHER A SECURITY RISK OR AN OPERATIONAL RISK AS DETERMINED BY A
26 COMPREHENSIVE RISK ASSESSMENT PERFORMED BY THE OFFICE.

27 (3.2) "PROJECT MANAGER" MEANS A PERSON WHO IS TRAINED AND

1 EXPERIENCED IN THE LEADERSHIP AND MANAGEMENT OF INFORMATION
2 TECHNOLOGY PROJECTS FROM THE COMMENCEMENT OF SUCH PROJECTS
3 THROUGH THEIR COMPLETION.

4 **SECTION 3.** In Colorado Revised Statutes, 24-37.5-105, **amend**
5 (3) (i), (3) (j), and (4) (a); and **add** (3) (k), (4) (c), and (4) (d) as follows:

6 **24-37.5-105. Office - responsibilities - rules - repeal.** (3) The
7 office shall:

8 (i) Initiate or approve all procurements of information technology
9 resources for state agencies and enter into any agreement or contract in
10 connection with such a procurement on behalf of a state agency or
11 agencies; ~~and~~

12 (j) Provide information and expertise, to the extent possible,
13 regarding interoperable and emergency communications planning,
14 technology, training, and funding opportunities to state, regional, tribal,
15 and local agencies and emergency personnel and all other stakeholders,
16 including but not limited to public, private, and nongovernmental
17 organizations; AND

18 (k) DEVELOP A COMPREHENSIVE RISK ASSESSMENT THAT WILL BE
19 APPLIED TO EVERY NEW INFORMATION TECHNOLOGY PROJECT TO ASSESS
20 RISK LEVELS RELATED TO THE PROJECT AND DETERMINE WHETHER THE
21 PROJECT SHOULD BE CLASSIFIED AS A MAJOR INFORMATION TECHNOLOGY
22 PROJECT.

23 (4) (a) The office shall establish policies and procedures for
24 acceptable project plans, PROJECT BUDGETS, and feasibility studies FOR
25 PROJECTS OF ALL SIZES, INCLUDING MAJOR INFORMATION TECHNOLOGY
26 PROJECTS.

27 (c) **AS PART** OF ANY MAJOR INFORMATION TECHNOLOGY PROJECT

1 BY A STATE AGENCY, CLASSIFIED AS SUCH ACCORDING TO A
2 COMPREHENSIVE RISK ASSESSMENT PERFORMED BY THE OFFICE, THE
3 PROJECT PLAN AT A MINIMUM SHALL INCLUDE:

- 4 (I) THE IDENTIFICATION OF A PROJECT MANAGER;
- 5 (II) A BUSINESS CASE FOR THE PROJECT THAT IS IN ALIGNMENT
6 WITH THE STRATEGIC GOALS OF THE STATE AGENCY;
- 7 (III) BUSINESS REQUIREMENTS FOR THE PROJECT DEVELOPED IN
8 COLLABORATION WITH THE STATE AGENCY AND END USERS;
- 9 (IV) INFORMATION SECURITY REQUIREMENTS AND BEST
10 PRACTICES;
- 11 (V) A DISASTER RECOVERY PLAN;
- 12 (VI) CONSIDERATION OF AND INCLUSION IN THE BUSINESS
13 CONTINUITY PLAN OF THE STATE AGENCY;
- 14 (VII) INDEPENDENT VERIFICATION AND VALIDATION OF THE
15 PROJECT; AND
- 16 (VIII) A FUNDING STRATEGY FOR THE ONGOING MAINTENANCE
17 AND EVENTUAL DISPOSAL OF THE INFORMATION TECHNOLOGY SYSTEM.

18 (d) IN CONNECTION WITH ANY MAJOR INFORMATION TECHNOLOGY
19 PROJECT THAT IT PLANS TO UNDERTAKE, A STATE AGENCY SHALL:

- 20 (I) CONSULT WITH THE OFFICE ON THE DEVELOPMENT OF THE
21 PROJECT PLAN FOR ANY MAJOR INFORMATION TECHNOLOGY PROJECT;
- 22 (II) SUBMIT AND OBTAIN APPROVAL FROM THE OFFICE OF THE
23 PROJECT PLAN FOR ANY MAJOR INFORMATION TECHNOLOGY PROJECT
24 BEFORE COMMENCING WORK ON THE PROJECT;
- 25 (III) (A) CONSULT WITH AND OBTAIN APPROVAL FROM THE OFFICE
26 OF SIGNIFICANT CHANGES TO THE PLAN OR BUDGET OF ANY MAJOR
27 INFORMATION TECHNOLOGY PROJECT.

1 (B) AS USED IN THIS SUBPARAGRAPH (III), "SIGNIFICANT CHANGES"
2 MEANS THE REMOVAL OF, OR ANY ADDITIONS OR SUBSTANTIAL CHANGES
3 TO, ANY OF THE PROJECT PLAN'S COMPONENTS LISTED IN PARAGRAPH (c)
4 OF THIS SUBSECTION (4).

5 (IV) CONSULT WITH AND OBTAIN APPROVAL FROM THE OFFICE FOR
6 CHANGES TO THE FUNDING STRATEGY FOR THE ONGOING MAINTENANCE
7 AND EVENTUAL DISPOSAL OF A MAJOR INFORMATION TECHNOLOGY
8 SYSTEM.

9 **SECTION 4.** In Colorado Revised Statutes, 24-37.5-106, **add** (1)
10 (e.5) as follows:

11 **24-37.5-106. Chief information officer - duties and**
12 **responsibilities - broadband inventory fund created.** (1) The chief
13 information officer shall:

14 (e.5) DEVELOP A STAGED REVIEW PROCESS FOR INFORMATION
15 TECHNOLOGY PROJECTS THAT ENSURES A PROJECT MEETS SPECIFIC
16 REQUIREMENTS AND COMPLIES WITH THE PROJECT PLAN APPROVED BY THE
17 OFFICE;

18 **SECTION 5.** In Colorado Revised Statutes, 24-37.5-109, **amend**
19 (1) (c) and (1) (d); and **add** (1) (e) as follows:

20 **24-37.5-109. Status of state agencies.** (1) State agencies shall:

21 (c) Comply with information requests of the office, the general
22 assembly, and the joint budget committee; ~~and~~

23 (d) Upon request of the general assembly or the joint budget
24 committee, provide satisfactory evidence of said compliance; AND

25 (e) IN CONNECTION WITH ANY MAJOR INFORMATION TECHNOLOGY
26 PROJECT THAT A STATE AGENCY PLANS TO UNDERTAKE, SATISFY THE
27 REQUIREMENTS SET FORTH IN SECTION 24-37.5-105 (4) (d).

1 **SECTION 6.** In Colorado Revised Statutes, 24-75-301, **add** (1)
2 (g) as follows:

3 **24-75-301. Definitions.** As used in this part 3, unless the context
4 otherwise requires:

5 (1) "Capital construction" means:

6 (g) THE PURCHASE OF SERVICES FROM THE OFFICE OF
7 INFORMATION TECHNOLOGY ON THE CONDITION THAT THE USE OF SUCH
8 SERVICES IS THE MOST COST BENEFICIAL OPTION OR FALLS WITHIN THE
9 DUTIES AND RESPONSIBILITIES OF THE OFFICE OR THE OFFICE'S CHIEF
10 INFORMATION OFFICER AS DESCRIBED IN SECTIONS 24-37.5-105 AND
11 24-37.5-106, C.R.S.

12 **SECTION 7. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part will not take effect
19 unless approved by the people at the general election to be held in
20 November 2012 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.