
ENGROSSED SUBSTITUTE HOUSE BILL 3178

State of Washington

61st Legislature

2010 Regular Session

By House Ways & Means (originally sponsored by Representatives Carlyle, Anderson, Hunter, Rolfes, Eddy, Takko, Probst, Wallace, Maxwell, Van De Wege, Kelley, Green, Sullivan, Hudgins, Hope, Morrell, Springer, Ericks, Hunt, Goodman, Jacks, and Finn)

READ FIRST TIME 03/01/10.

1 AN ACT Relating to creating efficiencies in the use of technology
2 in state government; amending RCW 43.105.190, 43.88.560, 43.105.041,
3 43.105.180, and 43.105.160; adding new sections to chapter 43.105 RCW;
4 adding a new section to chapter 43.88 RCW; creating new sections;
5 repealing RCW 43.105.017; and providing an expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.105 RCW
8 to read as follows:

9 (1) The legislature finds that the provision of information
10 technology in state government lacks strategic coordination,
11 transparency, and meaningful enterprise-wide direction and oversight.
12 It is no longer economically sustainable or technically feasible for
13 state agencies to obtain and provide large-scale, commonly utilized
14 information technology products and services on an individual, agency-
15 by-agency basis without coordination. Instead, the state needs a
16 strong, enterprise-based information technology strategy to ensure the
17 public's needs are being met and the state is receiving the highest
18 quality information technology products and services at the best price
19 from public or private providers. Developing a strong enterprise-wide

1 strategy also includes establishing clear lines of authority and
2 accountability within state agencies so that those services unique to
3 individual agencies receive the support required to effectively and
4 efficiently provide services to citizens. To accomplish these
5 objectives, the state needs to develop an open, transparent process for
6 determining the total cost of ownership for the information technology
7 products and services it provides, and to provide such information in
8 an easily accessible, public fashion. It is in the state's interest to
9 ensure that the wide range of disparate networks, systems, services,
10 and structures across state government become more closely coordinated,
11 organized, and structured. This type of coordinating effort is already
12 underway in the area of higher education through the efforts of the
13 higher education technology transformation task force and informally
14 within other areas. When more transparent technical and financial
15 information is readily available, the state can make sound policy
16 decisions about what information technology services should be provided
17 centrally on a shared services basis, and what products and services
18 may be best suited for either contracting with private providers or for
19 maintenance at the agency level. Furthermore, if attractive pricing
20 models and service level agreements are developed for enterprise-based
21 information technology services, the legislative and judicial branches
22 will have an incentive to participate in those services as well.

23 (2) It is the intent of the legislature to organize, consolidate,
24 and, where appropriate, contract with private providers for technology
25 systems and resources in a strategic fashion that is based upon sound,
26 objective, nonpolitical, and independent technical and financial
27 criteria. The state needs to develop a clear, enterprise-based
28 statewide strategy for information technology to ensure that there is
29 transparency and accountability regarding how information technology
30 resources are being allocated, how decisions are being made, and who is
31 accountable for on-time, on-budget delivery.

32 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.105 RCW
33 to read as follows:

34 (1) State agencies that are purchasing wireless devices or services
35 must make such purchases through the state master contract, unless the
36 state agency provides to the office of financial management evidence

1 that the state agency is securing its wireless devices or services from
2 another source for a lower cost than through participation in the state
3 master contract.

4 (2) For the purposes of this section, "state agency" means any
5 office, department, board, commission, or other unit of state
6 government, but does not include a unit of state government headed by
7 a statewide elected official, an institution of higher education as
8 defined in RCW 28B.10.016, the state board for community and technical
9 colleges, or agencies of the legislative or judicial branches of state
10 government.

11 **Sec. 3.** RCW 43.105.190 and 2005 c 319 s 111 are each amended to
12 read as follows:

13 (1) The department, with the approval of the board, shall establish
14 standards and policies governing the planning, implementation, and
15 evaluation of major information technology projects, including those
16 proposed by the superintendent of public instruction, in conjunction
17 with educational service districts, or statewide or regional providers
18 of K-12 education information technology services. The standards and
19 policies shall:

20 (a) Establish criteria to identify projects which are subject to
21 this section. Such criteria shall include, but not be limited to,
22 significant anticipated cost, complexity, or statewide significance of
23 the project; and

24 (b) Establish a model process and procedures which agencies shall
25 follow in developing and implementing projects within their information
26 technology portfolios. Agencies may propose, for approval by the
27 department, a process and procedures unique to the agency. The
28 department may accept or require modification of such agency proposals
29 or the department may reject such agency proposals and require use of
30 the model process and procedures established under this subsection.
31 Any process and procedures developed under this subsection shall
32 require (i) distinct and identifiable phases upon which funding may be
33 based, (ii) user validation of products through system demonstrations
34 and testing of prototypes and deliverables, and (iii) other elements
35 identified by the board.

36 The director may terminate a major project if the director

1 determines that the project is not meeting or is not expected to meet
2 anticipated performance standards.

3 (2) The office of financial management shall establish policies and
4 standards consistent with portfolio-based information technology
5 management to govern the funding of projects developed under this
6 section. The policies and standards shall provide for:

7 (a) Funding of a project under terms and conditions mutually agreed
8 to by the director, the director of financial management, and the head
9 of the agency proposing the project. However, the office of financial
10 management may require incremental funding of a project on a phase-by-
11 phase basis whereby funds for a given phase of a project may be
12 released only when the office of financial management determines, with
13 the advice of the department, that the previous phase is satisfactorily
14 completed;

15 (b) Acceptance testing of products to assure that products perform
16 satisfactorily before they are accepted and final payment is made; and

17 (c) Other elements deemed necessary by the office of financial
18 management.

19 (3)(a) The department shall evaluate projects based on the
20 demonstrated business needs and benefits; cost; technology scope and
21 feasibility; impact on the agency's information technology portfolio
22 and on the statewide infrastructure; and final project implementation
23 plan based upon available funding.

24 (b) Copies of project evaluations conducted under this subsection
25 shall be submitted to the office of financial management and the
26 chairs, ranking minority members, and staff coordinators of the
27 appropriations committees of the senate and house of representatives.

28 (c) If there are projects that receive funding from a
29 transportation fund or account, copies of those projects' evaluations
30 conducted under this subsection must be submitted to the chairs and
31 ranking minority members of the transportation committees of the senate
32 and the house of representatives.

33 (4) For the 2009-2011 biennium, the following limitations are
34 established upon information technology procurement:

35 (a) Except as provided in (c) of this subsection, state agencies
36 are not permitted to purchase or implement new information technology
37 projects without securing prior authorization from the office of
38 financial management. The office of financial management may only

1 approve information technology projects that contribute towards an
2 enterprise strategy or meet a critical, localized need of the
3 requesting agency.

4 (b) Except as provided in (c) of this subsection, state agencies
5 are not permitted to purchase servers, virtualization software, data
6 storage, or related software through their operational funds or through
7 a separate information technology budget item without securing prior
8 authorization from the office of financial management. The office of
9 financial management shall grant approval only if the purchase is
10 consistent with the state's overall migration strategy to the state
11 data center and critical to the operation of the agency.

12 (c) State agencies may purchase new information technology projects
13 or servers without securing prior authorization from the office of
14 financial management if the purchase by the agency is needed to address
15 an immediate and compelling threat to public safety.

16 (d) For the purposes of this subsection (4), "state agency" means
17 any office, department, board, commission, or other unit of state
18 government, but does not include a unit of state government headed by
19 a statewide elected official, an institution of higher education as
20 defined in RCW 28B.10.016, the state board for community and technical
21 colleges, or agencies of the legislative or judicial branches of state
22 government.

23 NEW SECTION. Sec. 4. A new section is added to chapter 43.88 RCW
24 to read as follows:

25 (1) As part of the biennial budget process, the office of financial
26 management shall collect from agencies, and agencies shall provide,
27 information to produce reports, summaries, and budget detail sufficient
28 to allow review, analysis, and documentation of all current and
29 proposed expenditures for information technology by state agencies.
30 Information technology budget detail must be included as part of the
31 budget submittal documentation required pursuant to RCW 43.88.030.

32 (2) The office of financial management must collect, and present as
33 part of the biennial budget documentation, information for all existing
34 information technology projects as defined by information services
35 board policy. The office of financial management must work with the
36 department of information services to maximize the ability to draw this
37 information from the information technology portfolio management data

1 collected by the department of information services pursuant to RCW
2 43.105.170. Connecting project information collected through the
3 portfolio management process with financial data developed under
4 subsection (1) of this section provides transparency regarding
5 expenditure data for existing technology projects.

6 (3) The biennial budget documentation submitted by the office of
7 financial management pursuant to RCW 43.88.030 must include an
8 information technology plan identifying proposed large information
9 technology projects. This plan must be presented using a method
10 similar to the capital budget, identifying project costs through stages
11 of the project and across fiscal periods and biennia from project
12 initiation to implementation. This information must be submitted
13 electronically, in a format to be determined by the office of financial
14 management and the legislative evaluation and accountability program
15 committee.

16 (4) The office of financial management shall also institute a
17 method of accounting for information technology-related expenditures,
18 including creating common definitions for what constitutes an
19 information technology investment.

20 **Sec. 5.** RCW 43.88.560 and 1992 c 20 s 7 are each amended to read
21 as follows:

22 The director of financial management shall establish policies and
23 standards governing the funding of major information technology
24 projects as required under RCW 43.105.190(2). The director of
25 financial management shall also direct the collection of additional
26 information on information technology projects and submit an
27 information technology plan as required under section 4 of this act.

28 **Sec. 6.** RCW 43.105.041 and 2009 c 486 s 13 are each amended to
29 read as follows:

30 (1) The board shall have the following powers and duties related to
31 information services:

32 (a) To develop standards and procedures governing the acquisition
33 and disposition of equipment, proprietary software and purchased
34 services, licensing of the radio spectrum by or on behalf of state
35 agencies, and confidentiality of computerized data. The board shall
36 coordinate with the office of financial management to develop

1 contracting standards for information technology acquisition and
2 purchased services and must work with state agencies to ensure
3 deployment of standardized contracts;

4 (b) To purchase, lease, rent, or otherwise acquire, dispose of, and
5 maintain equipment, proprietary software, and purchased services, or to
6 delegate to other agencies and institutions of state government, under
7 appropriate standards, the authority to purchase, lease, rent, or
8 otherwise acquire, dispose of, and maintain equipment, proprietary
9 software, and purchased services: PROVIDED, That, agencies and
10 institutions of state government are expressly prohibited from
11 acquiring or disposing of equipment, proprietary software, and
12 purchased services without such delegation of authority. The
13 acquisition and disposition of equipment, proprietary software, and
14 purchased services is exempt from RCW 43.19.1919 and, as provided in
15 RCW 43.19.1901, from the provisions of RCW 43.19.190 through 43.19.200,
16 except that the board, the department, and state agencies, as
17 delegated, must post notices of technology procurement bids on the
18 state's common vendor registration and bid notification system. This
19 subsection (1)(b) does not apply to the legislative branch;

20 (c) To develop statewide or interagency technical policies,
21 standards, and procedures;

22 (d) To review and approve standards and common specifications for
23 new or expanded telecommunications networks proposed by agencies,
24 public postsecondary education institutions, educational service
25 districts, or statewide or regional providers of K-12 information
26 technology services, and to assure the cost-effective development and
27 incremental implementation of a statewide video telecommunications
28 system to serve: Public schools; educational service districts;
29 vocational-technical institutes; community colleges; colleges and
30 universities; state and local government; and the general public
31 through public affairs programming;

32 (e) To provide direction concerning strategic planning goals and
33 objectives for the state. The board shall seek input from the
34 legislature and the judiciary;

35 (f) To develop and implement a process for the resolution of
36 appeals by:

37 (i) Vendors concerning the conduct of an acquisition process by an
38 agency or the department; or

1 (ii) A customer agency concerning the provision of services by the
2 department or by other state agency providers;

3 (g) To establish policies for the periodic review by the department
4 of agency performance which may include but are not limited to analysis
5 of:

6 (i) Planning, management, control, and use of information services;

7 (ii) Training and education; and

8 (iii) Project management;

9 (h) To set its meeting schedules and convene at scheduled times, or
10 meet at the request of a majority of its members, the chair, or the
11 director;

12 (i) To review and approve that portion of the (~~department's~~)
13 budget (~~requests~~) that (~~provides for~~) may provide independent,
14 technical staff support to the board; and

15 (j) To develop procurement policies and procedures, such as
16 unbundled contracting and subcontracting, that encourage and facilitate
17 the purchase of products and services by state agencies and
18 institutions from Washington small businesses to the maximum extent
19 practicable and consistent with international trade agreement
20 commitments.

21 (2) Statewide technical standards to promote and facilitate
22 electronic information sharing and access are an essential component of
23 acceptable and reliable public access service and complement content-
24 related standards designed to meet those goals. The board shall:

25 (a) Establish technical standards to facilitate electronic access
26 to government information and interoperability of information systems,
27 including wireless communications systems. Local governments are
28 strongly encouraged to follow the standards established by the board;
29 and

30 (b) Require agencies to consider electronic public access needs
31 when planning new information systems or major upgrades of systems.

32 In developing these standards, the board is encouraged to include
33 the state library, state archives, and appropriate representatives of
34 state and local government.

35 (3)(a) The board, in consultation with the K-20 board, has the duty
36 to govern, operate, and oversee the technical design, implementation,
37 and operation of the K-20 network including, but not limited to, the
38 following duties: Establishment and implementation of K-20 network

1 technical policy, including technical standards and conditions of use;
2 review and approval of network design; procurement of shared network
3 services and equipment; and resolving user/provider disputes concerning
4 technical matters. The board shall delegate general operational and
5 technical oversight to the K-20 network technical steering committee as
6 appropriate.

7 (b) The board has the authority to adopt rules under chapter 34.05
8 RCW to implement the provisions regarding the technical operations and
9 conditions of use of the K-20 network.

10 (4) The board shall review all information technology efforts under
11 its purview based on independent technical and financial information,
12 regardless of whether the projects or services are being provided by
13 public or private providers. This review must be conducted by
14 independent, technical staff support, subject to funds appropriated for
15 this specific purpose.

16 (5) In reviewing these efforts, the board, in consultation with the
17 office of financial management, shall review state agency information
18 technology budgets. The board may acquire project management
19 assistance to assist in its efforts under this act.

20 **Sec. 7.** RCW 43.105.180 and 1999 c 80 s 11 are each amended to read
21 as follows:

22 ~~((Upon request of the office of financial management,))~~ (1) The
23 department, in coordination with the information services board and the
24 office of financial management, shall evaluate agency budget requests
25 for major information technology projects identified under RCW
26 43.105.190, including those proposed by the superintendent of public
27 instruction, in conjunction with educational service districts, or
28 statewide or regional providers of K-12 education information
29 technology services. The department shall submit recommendations for
30 funding all or part of such requests to the office of financial
31 management and to the chairs, ranking minority members, and staff
32 coordinators of the appropriations committees of the senate and house
33 of representatives. The department shall also submit recommendations
34 regarding consolidation of similar proposals or other efficiencies it
35 finds in reviewing proposals.

36 (2) The department, with the advice and approval of the office of
37 financial management and the information services board, shall

1 establish criteria, consistent with portfolio-based information
2 technology management, for the evaluation of agency budget requests
3 under this section. These budget requests shall be made in the context
4 of an agency's information technology portfolio; technology initiatives
5 underlying budget requests are subject to board review. Criteria shall
6 include, but not be limited to: Feasibility of the proposed projects,
7 consistency with the state strategic information technology plan,
8 consistency with information technology portfolios, appropriate
9 provision for public electronic access to information, evidence of
10 business process streamlining and gathering of business and technical
11 requirements, and services, costs, and benefits.

12 (3) For the purposes of this section, "state agency" includes every
13 state office, department, division, bureau, board, commission, or other
14 state agency, including offices headed by a statewide elected official,
15 and offices in the legislative and judicial branches of state
16 government, notwithstanding the provisions of RCW 44.68.105.

17 **Sec. 8.** RCW 43.105.160 and 2005 c 319 s 110 are each amended to
18 read as follows:

19 (1) The department shall prepare a state strategic information
20 technology plan which shall establish a statewide mission, goals, and
21 objectives for the use of information technology, including goals for
22 electronic access to government records, information, and services.
23 The plan shall be developed in accordance with the standards and
24 policies established by the board and shall be submitted to the board
25 for review, modification as necessary, and approval. The department
26 shall seek the advice of the board in the development of this plan.

27 The plan approved under this section shall be updated as necessary
28 and submitted to the governor and the chairs and ranking minority
29 members of the appropriations committees of the senate and the house of
30 representatives.

31 (2) The department shall prepare a biennial state performance
32 report on information technology based on agency performance reports
33 required under RCW 43.105.170 and other information deemed appropriate
34 by the department. The report shall include, but not be limited to:

35 (a) An analysis, based upon agency portfolios, of the state's
36 information technology infrastructure, including its value, condition,
37 and capacity;

1 (b) An evaluation of performance relating to information
2 technology;

3 (c) An assessment of progress made toward implementing the state
4 strategic information technology plan, including progress toward
5 electronic access to public information and enabling citizens to have
6 two-way access to public records, information, and services;

7 (d) An analysis of the success or failure, feasibility, progress,
8 costs, and timeliness of implementation of major information technology
9 projects under RCW 43.105.190. At a minimum, the portion of the report
10 regarding major technology projects must include:

11 (i) Final total cost of ownership budget data for the entire life-
12 cycle of the project, including capital and operational costs, broken
13 down by staffing costs, contracted service, hardware purchase or lease,
14 software purchase or lease, travel, and training. The original budget
15 must also be shown for comparison;

16 (ii) The original proposed project schedule and the final actual
17 project schedule;

18 (iii) Data regarding progress towards meeting the original goals
19 and performance measures of the project, particularly as it relates to
20 operating budget savings;

21 (iv) Discussion of lessons learned on the project, performance of
22 any contractors used, and reasons for project delays or cost increases;
23 and

24 ~~((+e))~~ (v) Identification of benefits, cost avoidance, and cost
25 savings generated by major information technology projects developed
26 under RCW 43.105.190; and

27 ~~((+f))~~ (e) An inventory of state information services, equipment,
28 and proprietary software.

29 Copies of the report shall be distributed biennially to the
30 governor and the chairs and ranking minority members of the
31 appropriations committees of the senate and the house of
32 representatives. The major technology section of the report must
33 examine major information technology projects completed in the previous
34 biennium to determine the performance of the implementing agency, cost
35 and value effectiveness, and timeliness and other performance metrics
36 necessary to assess the quality and value of the investment. The
37 report must also examine projects two years after completion for

1 progress toward meeting performance goals and operating budget savings.
2 The first report is due December 15, 2011, and every two years
3 thereafter.

4 (3) The legislative and judicial branches are encouraged to develop
5 information technology portfolios consistent with the provisions of RCW
6 43.105.172 and to prepare and submit to the department a biennial
7 performance report consistent with the provisions of RCW 43.105.170.

8 NEW SECTION. Sec. 9. A new section is added to chapter 43.105 RCW
9 to read as follows:

10 (1) The board, in consultation with the department and the office
11 of financial management, shall develop an enterprise-based strategy for
12 information technology in state government informed by information
13 technology expenditure information collected from state agencies
14 pursuant to section 4 of this act.

15 (2) In developing an enterprise-based strategy for the state, the
16 board is encouraged to consider the following strategies as possible
17 opportunities for achieving greater efficiency:

18 (a) Developing personal computer replacement policies for the
19 state, with consideration given to alternative models of personal
20 computer usage for state government use, such as thin client, software
21 as a service, browser-based functionality, mobile computing, and other
22 models that are less dependent upon traditional computing;

23 (b) Pursuing shared services initiatives across functional areas,
24 which may include services such as e-mail, telephony, and data storage;

25 (c) Pursuing pilot programs, such as a pilot to demonstrate the
26 value of application management services, to identify opportunities to
27 achieve operational efficiencies;

28 (d) Developing data storage policies and record retention
29 requirements and schedules for state agencies, in consultation with the
30 office of the secretary of state, the state archivist, and the state
31 records committee, where appropriate;

32 (e) Reviewing existing software maintenance contracts to identify
33 opportunities to renegotiate the price of those contracts or the level
34 of service; and

35 (f) Partnering with private providers for commonly utilized
36 information technology products and services.

1 (3) The legislative and judicial branches are encouraged to
2 coordinate with, and participate in, shared services initiatives, pilot
3 programs, and development of the enterprise-based strategy, where
4 appropriate.

5 NEW SECTION. **Sec. 10.** (1) The office of financial management,
6 with the assistance of the department of information services, must
7 identify areas of potential savings that will achieve the savings
8 identified in the omnibus appropriations act. These areas shall
9 include, but not be limited to, wireless service, telephony, desktop
10 computers, electronic mail services, and data storage.

11 (2) The office of financial management shall work with the
12 appropriate state agencies, including the department of information
13 services, to generate savings that arise pursuant to this act from the
14 improved acquisition and delivery of information technology products
15 and services. To accomplish this objective, state agencies must
16 provide timely, accurate total cost of ownership data to the office of
17 financial management upon request regarding information technology
18 products and services. The savings must be at least equal to those
19 specified in the omnibus appropriations act. The office of financial
20 management shall reduce agency allotments by the amounts specified in
21 the omnibus appropriations act to reflect these savings. The allotment
22 reductions shall be placed in unallotted status and remain unexpended.

23 (3) For the purposes of this section, "state agency" means any
24 office, department, board, commission, or other unit of state
25 government, but does not include a unit of state government headed by
26 a statewide elected official, an institution of higher education as
27 defined in RCW 28B.10.016, the state board for community and technical
28 colleges, or agencies of the legislative or judicial branches of state
29 government.

30 (4) This section expires June 30, 2011.

31 NEW SECTION. **Sec. 11.** A new section is added to chapter 43.105
32 RCW to read as follows:

33 (1) The department, in collaboration with state agencies, shall
34 conduct an inventory from existing data sets of information technology
35 assets owned or leased by state agencies. This inventory must be used
36 to inform the development of a state information technology asset

1 management process. Prior to implementation of any state information
2 technology asset management process, the department must submit its
3 recommended approach, including an estimate of the associated
4 implementation costs, to the board for approval.

5 (2) For the purposes of this section, "state agency" includes every
6 state office, department, division, bureau, board, commission, or other
7 state agency, including offices headed by a statewide elected official,
8 and offices in the legislative and judicial branches of state
9 government, notwithstanding the provisions of RCW 44.68.105.

10 NEW SECTION. **Sec. 12.** (1) The office of financial management, in
11 consultation with the department of information services and the
12 information services board, shall develop and execute a pilot program
13 to contract with one or more private providers for the delivery,
14 support, maintenance, and operation of information technology through
15 application managed services or other similar programs across one or
16 more functional areas of information technology, or for the information
17 technology needs of one or more state agencies. In selecting a private
18 provider for the pilot program, the office of financial management must
19 engage in a competitive bid process or request for proposals process.

20 (2) The objective of the pilot program will be to assess: (a) Each
21 agency's information technology application portfolio; (b)
22 opportunities to use best practices and tools; and (c) whether the
23 agency should proceed with application managed services or other
24 similar programs based on the results of the assessment.

25 (3) The department of information services and the office of
26 financial management shall prepare a report of the findings of the
27 pilot assessments by September 1, 2010, and a final report of the pilot
28 results by June 30, 2011. The final report must include the following:
29 Identification of short and long-term costs, risks, benefits, and other
30 organizational impacts of implementing application managed services or
31 other similar programs within the pilot agencies. The final report
32 must also identify opportunities for other state agencies to benefit
33 from application managed services or other similar programs. The
34 results of the pilot program must be provided to the information
35 services board, the governor, the senate committee on ways and means,
36 and the house of representatives committee on ways and means.

1 NEW SECTION. **Sec. 13.** The department of information services
2 shall, by November 1, 2010, report on the efforts to develop a
3 centralized information project management office pursuant to section
4 142, chapter 522, Laws of 2007. The report shall address the current
5 status of the effort, lessons learned, and recommended changes to the
6 program.

7 NEW SECTION. **Sec. 14.** (1) The office of financial management
8 shall contract with an independent consultant to:

9 (a) Conduct a technical and financial analysis of the state's plan
10 for the consolidated state data center and office building; and

11 (b) Develop a strategic business plan outlining the various options
12 for use of the site that maximize taxpayer value consistent with the
13 terms of the finance lease and related agreements.

14 (2) The analysis must consist of, at a minimum, an assessment of
15 the following issues:

16 (a) The total capital and operational costs for the proposed data
17 center and office building;

18 (b) The occupancy rate for the consolidated state data center, as
19 compared to total capacity, that will result in revenue exceeding total
20 capital and operating expenses;

21 (c) The potential reallocation of resources that could result from
22 the consolidation of state data centers and office space; and

23 (d) The potential return on investment for the consolidated state
24 data center and office building that may be realized without impairing
25 any existing contractual rights under the terms of the financing lease
26 and related agreements.

27 (3) This review must build upon the analysis and migration strategy
28 for the consolidated state data center being prepared for the
29 department of information services.

30 (4) The strategic plan must be submitted to the governor and the
31 legislature by December 1, 2010.

32 NEW SECTION. **Sec. 15.** (1) The department of information services
33 and the office of financial management shall review existing statutes,
34 procedures, data, and organizational structures to identify
35 opportunities to increase efficiency, customer service, and
36 transparency in information technology. This effort shall include:

1 (a) Identifying and addressing financial data needed to
2 comprehensively evaluate information technology spending from an
3 enterprise perspective;

4 (b) A review of best practices in information technology
5 governance, including private sector practices and lessons learned from
6 other states; and

7 (c) A review of existing statutes regarding information technology
8 governance, standards, and financing to identify inconsistencies
9 between current law and best practices.

10 (2) The department of information services and the office of
11 financial management shall report findings and recommendations to the
12 governor and the appropriate committees of the legislature by December
13 1, 2010.

14 NEW SECTION. **Sec. 16.** RCW 43.105.017 (Legislative intent) and
15 1992 c 20 s 6, 1990 c 208 s 2, & 1987 c 504 s 2 are each repealed.

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