

House Study Bill 199 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
ADMINISTRATIVE SERVICES
BILL)

A BILL FOR

1 An Act establishing an independent office of the chief
2 information officer within the department of management,
3 providing penalties, and including transition provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.6, subsection 17, paragraphs a and b,
2 Code 2013, are amended to read as follows:

3 a. To establish a process by which the department, in
4 consultation with the department of administrative services and
5 the office of the chief information officer, shall determine
6 which services provided by the department of administrative
7 services and the office of the chief information officer shall
8 be funded by an appropriation and which services shall be
9 funded by the governmental entity receiving the service.
10 b. To establish a process for determining whether the
11 department of administrative services or the office of the
12 chief information officer shall be the sole provider of a
13 service for purposes of those services which the department
14 determines under paragraph "a" are to be funded by the
15 governmental entities receiving the service.

16 Sec. 2. Section 8A.101, unnumbered paragraph 1, Code 2013,
17 is amended to read as follows:

18 As used in this chapter and chapter 8B, unless the context
19 otherwise requires:

20 Sec. 3. Section 8A.103, unnumbered paragraph 1, Code 2013,
21 is amended to read as follows:

22 The department is created for the purpose of managing and
23 coordinating the major resources of state government including
24 the human, financial, and physical, ~~and information~~ resources
25 of state government.

26 Sec. 4. Section 8A.104, Code 2013, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 6A. Provide such assistance and
29 administrative support services to the office of the chief
30 information officer, created in section 8B.2, as the department
31 and the office determines maximizes the efficiency and
32 effectiveness of both the department and office.

33 Sec. 5. Section 8A.111, subsection 3, Code 2013, is amended
34 by striking the subsection.

35 Sec. 6. NEW SECTION. 8B.1 Definitions.

1 As used in this chapter, unless the context otherwise
2 requires:

3 1. "*Information technology*" means computing and electronics
4 applications used to process and distribute information in
5 digital and other forms and includes information technology
6 devices, telecommunications devices, internet protocol
7 solutions and devices, mobile devices, information technology
8 services, infrastructure services, and value-added services.

9 2. "*Information technology device*" means equipment or
10 associated software, including programs, languages, procedures,
11 or associated documentation, used in operating the equipment
12 which is designed for utilizing information stored in an
13 electronic format. "*Information technology device*" includes
14 but is not limited to computer systems, computer networks, and
15 equipment used for input, output, processing, storage, display,
16 scanning, and printing.

17 3. "*Information technology services*" means services designed
18 to do any of the following:

19 a. Provide functions, maintenance, and support of
20 information technology devices.

21 b. Provide services including but not limited to any of the
22 following:

23 (1) Computer systems application development and
24 maintenance.

25 (2) Systems integration and interoperability.

26 (3) Operating systems maintenance and design.

27 (4) Computer systems programming.

28 (5) Computer systems software support.

29 (6) Planning and security relating to information
30 technology devices.

31 (7) Data management consultation.

32 (8) Information technology education and consulting.

33 (9) Information technology planning and standards.

34 (10) Establishment of local area network and workstation
35 management standards.

1 4. *"Information technology staff"* includes any employees
2 performing information technology services, including but
3 not limited to agency employees in information technology
4 classifications, contractors, temporary workers, and any other
5 employees providing information technology services.

6 5. *"Infrastructure services"* includes all of the following:

7 a. Data centers used to support mainframe and other
8 computers and their associated components including servers,
9 information networks, storage systems, redundant or backup
10 power systems, redundant data communications connections,
11 environmental controls, and security devices.
12 b. Servers, mainframes, or other centralized processing
13 systems.

14 c. Storage systems, including but not limited to disk, tape,
15 optical, and other structured repositories for storing digital
16 information.

17 d. Computer networks commonly referred to as local area
18 networks.

19 e. Network services, including equipment and software
20 which support local area networks, campus area networks, wide
21 area networks, and metro area networks. Network services
22 also include data network services such as routers, switches,
23 firewalls, virtual private networks, intrusion detection
24 systems, access control, internet protocol load balancers,
25 event logging and correlation, and content caching. Network
26 services do not include services provided by the public
27 broadcasting division of the department of education.

28 f. Groupware applications used to facilitate collaboration,
29 communication, and workflow, including electronic mail,
30 directory services, calendaring and scheduling, and imaging
31 systems.

32 g. Information technology help desk services.

33 h. Cyber security functions and equipment.

34 i. Digital printing and printing procurement services.

35 j. Data warehouses, including services that assist in

1 managing and locating digital information.

2 *k.* Disaster recovery technology and services.

3 1. Other similar or related services as determined by the
4 chief information officer.

5 6. "*Office*" means the office of the chief information
6 officer created in section 8B.2.

7 7. "*Participating agency*" means any state agency, except
8 the state board of regents and institutions operated under the
9 authority of the state board of regents.

10 8. "*Technology advisory council*" means the council
11 established in section 8B.8.

12 9. "*Value-added services*" means services that offer or
13 provide unique, special, or enhanced value, benefits, or
14 features to the customer or user including but not limited to
15 services in which information technology is specially designed,
16 modified, or adapted to meet the special or requested needs
17 of the user or customer; services involving the delivery,
18 provision, or transmission of information or data that require
19 or involve additional processing, formatting, enhancement,
20 compilation, or security; services that provide the customer
21 or user with enhanced accessibility, security, or convenience;
22 research and development services; and services that are
23 provided to support technological or statutory requirements
24 imposed on participating agencies and other governmental
25 entities, businesses, and the public.

26 Sec. 7. NEW SECTION. 8B.2 Office created — chief
27 information officer appointed.

28 1. The office of the chief information officer is created
29 as an independent agency within the department of management.
30 The department of administrative services shall provide such
31 assistance and administrative support services to the office
32 as the department of administrative services and the office
33 determines maximizes the efficiency and effectiveness of both
34 the department and office.

35 2. The chief information officer, who shall be the head

1 of the office, shall be appointed by the governor to serve at
2 the pleasure of the governor and is subject to confirmation by
3 the senate. If the office becomes vacant, the vacancy shall
4 be filled in the same manner as provided for the original
5 appointment.

6 3. The person appointed as the chief information officer
7 for the state shall be professionally qualified by education
8 and have no less than five years' experience in the field of
9 information technology, and a working knowledge of financial
10 management. The chief information officer shall not be
11 a member of any local, state, or national committee of a
12 political party, an officer or member of a committee in
13 any partisan political club or organization, or hold or be
14 a candidate for a paid elective public office. The chief
15 information officer is subject to the restrictions on political
16 activity provided in section 8A.416.

17 Sec. 8. NEW SECTION. 8B.3 Office — purpose
18 — mission.

19 1. The office is created for the purpose of leading,
20 directing, managing, coordinating, and providing accountability
21 for the information technology resources of state government.

22 2. The mission of the office is to provide high-quality,
23 customer-focused information technology services and business
24 solutions to government and to citizens.

25 Sec. 9. NEW SECTION. 8B.4 Powers and duties of the chief
26 information officer.

27 The chief information officer shall do all of the following:

28 1. Direct the internal operations of the office and develop
29 and implement policies, procedures, and internal organization
30 measures designed to ensure the efficient administration of the
31 office.

32 2. Appoint all information technology staff deemed
33 necessary for the administration of the office's functions as
34 provided in this chapter. For nonprofessional employees of
35 the office, employment shall be consistent with chapter 8A,

1 subchapter IV. The employment of professional employees of
2 the office shall be exempt from the provisions of chapter 8A,
3 subchapter IV, and chapter 20.

4 3. Manage, in consultation with the applicable
5 participating agency, the information technology staff
6 of participating agencies, to include directing the work
7 of information technology staff, assigning information
8 technology staff as required to support information technology
9 requirements and initiatives of the office, and to review and
10 recommend approval of information technology staff employment
11 decisions in coordination with the department of management.

12 4. Prepare an annual budget for the office. Adopt rules
13 for the approval of information technology budgets for
14 participating agencies in conjunction with the department of
15 management.

16 5. Adopt rules deemed necessary for the administration of
17 this chapter in accordance with chapter 17A.

18 6. Prescribe and adopt information technology standards and
19 rules.

20 7. Develop and recommend legislative proposals deemed
21 necessary for the continued efficiency of the office in
22 performing information technology functions, and review
23 legislative proposals generated outside of the office which are
24 related to matters within the office's purview.

25 8. Provide advice to the governor on issues related to
26 information technology.

27 9. Consult with agencies and other governmental entities on
28 issues relating to information technology.

29 10. Work with all governmental entities in an effort to
30 achieve the information technology goals established by the
31 office.

32 11. Develop systems and methodologies to review, evaluate,
33 and prioritize information technology projects.

34 12. Administer all accounting, billing, and collection
35 functions required by the department of administrative services

1 pursuant to policies adopted by the chief information officer
2 after consultation and in cooperation with the director of the
3 department of administrative services.

4 13. Utilize, in a manner determined by the chief information
5 officer, such assistance and administrative support services as
6 provided by the department of administrative services as the
7 office determines to maximize the efficiency and effectiveness
8 of the office.

9 14. Enter into contracts for the receipt and provision of
10 services as deemed necessary. The chief information officer
11 and the governor may obtain and accept grants and receipts
12 to or for the state to be used for the administration of the
13 office's functions as provided in this chapter.

14 15. Exercise and perform such other powers and duties as may
15 be prescribed by law.

16 Sec. 10. NEW SECTION. **8B.5 Prohibited interests**
17 **— penalty.**

18 The chief information officer shall not have any pecuniary
19 interest, directly or indirectly, in any contract for supplies
20 furnished to the state, or in any business enterprise involving
21 any expenditure by the state. A violation of the provisions
22 of this section is a serious misdemeanor, and upon conviction,
23 the chief information officer shall be removed from office in
24 addition to any other penalty.

25 Sec. 11. NEW SECTION. **8B.6 Acceptance of funds.**

26 The office may receive and accept donations, grants, gifts,
27 and contributions in the form of moneys, services, materials,
28 or otherwise, from the United States or any of its agencies,
29 from this state or any of its agencies, or from any other
30 person, and expend such moneys, services, materials, or other
31 contributions, or issue grants, in carrying out the operations
32 of the office. All federal grants to and the federal receipts
33 of the office are appropriated for the purpose set forth in
34 such federal grants or receipts. The office shall report
35 annually to the general assembly on or before September 1 the

1 donations, grants, gifts, and contributions with a monetary
2 value of one thousand dollars or more that were received during
3 the most recently concluded fiscal year.

4 Sec. 12. NEW SECTION. **8B.7 Federal funds.**

5 1. Neither the provisions of this chapter nor rules adopted
6 pursuant to this chapter shall apply in any situation where
7 such provision or rule is in conflict with a governing federal
8 regulation or where the provision or rule would jeopardize the
9 receipt of federal funds.

10 2. If it is determined by the attorney general that
11 any provision of this chapter would cause denial of funds
12 or services from the United States government which would
13 otherwise be available to an agency of this state, such
14 provision shall be suspended as to such agency, but only to the
15 extent necessary to prevent denial of such funds or services.

16 Sec. 13. NEW SECTION. **8B.8 Technology advisory council.**

17 1. *Definitions.* For purposes of this section, unless the
18 context otherwise requires:

19 a. "*Large agency*" means a participating agency with more
20 than seven hundred full-time, year-round employees.

21 b. "*Medium-sized agency*" means a participating agency with
22 at least seventy or more full-time, year-round employees, but
23 not more than seven hundred permanent employees.

24 c. "*Small agency*" means a participating agency with less
25 than seventy full-time, year-round employees.

26 2. *Membership.*

27 a. The technology advisory council is composed of ten
28 members as follows:

29 (1) The chief information officer.

30 (2) The director of the department of management, or the
31 director's designee.

32 (3) Eight members appointed by the governor as follows:

33 (a) Three representatives from large agencies.

34 (b) Two representatives from medium-sized agencies.

35 (c) One representative from a small agency.

1 (d) Two public members who are knowledgeable and have
2 experience in information technology matters.

3 b. (1) Members appointed pursuant to paragraph "a",
4 subparagraph (3), shall serve two-year staggered terms. The
5 office shall provide, by rule, for the commencement of the
6 term of membership for the nonpublic members. The terms of
7 the public members shall be staggered at the discretion of the
8 governor.

9 (2) Sections 69.16, 69.16A, and 69.19 shall apply to the
10 public members of the council.

11 (3) Public members appointed by the governor are subject to
12 senate confirmation.

13 (4) Public members appointed by the governor may be eligible
14 to receive compensation as provided in section 7E.6.

15 (5) Members shall be reimbursed for actual and necessary
16 expenses incurred in performance of the members' duties.

17 (6) A director, deputy director, or employee of an agency
18 who has information technology expertise is preferred as an
19 appointed representative for each of the agency categories of
20 membership pursuant to paragraph "a", subparagraph (3).

21 c. The technology advisory council annually shall elect a
22 chair and a vice chair from among the members of the council,
23 by majority vote, to serve one-year terms.

24 d. A majority of the members of the council shall constitute
25 a quorum.

26 e. Meetings of the council shall be held at the call of the
27 chairperson or at the request of three members.

28 3. *Powers and duties of the council.* The powers and
29 duties of the technology advisory council as they relate to
30 information technology services shall include but are not
31 limited to all of the following:

32 a. Make recommendations to the chief information officer
33 regarding all of the following:

34 (1) Information technology standards to be applicable to
35 all participating agencies.

1 (2) Technology utility services to be implemented by the
2 office.

3 (3) Improvements to information technology service
4 levels and modifications to the business continuity plan for
5 information technology operations developed by the office for
6 agencies, and to maximize the value of information technology
7 investments by the state.

8 (4) Technology initiatives for the executive branch.

9 b. Advise the office regarding rates to be charged for
10 access to and for value-added services performed through
11 IowAccess.

12 Sec. 14. NEW SECTION. **8B.9 Reports required.**

13 The office shall provide all of the following reports:

14 1. An annual report of the office.

15 2. Internal service fund service business plans and
16 financial reports as required under section 8B.13, subsection
17 5, paragraph "a", and an annual internal service fund
18 expenditure report as required under section 8B.13, subsection
19 5, paragraph "b".

20 3. An annual report regarding total spending on technology
21 as required under section 8B.21, subsection 6.

22 4. An annual report of expenditures from the IowAccess
23 revolving fund as provided in section 8B.33.

24 Sec. 15. NEW SECTION. **8B.12 Services to governmental
25 entities and nonprofit organizations.**

26 1. The chief information officer shall enter into
27 agreements with state agencies, and may enter into agreements
28 with any other governmental entity or a nonprofit organization,
29 to furnish services and facilities of the office to the
30 applicable governmental entity or nonprofit organization. The
31 agreement shall provide for the reimbursement to the office of
32 the reasonable cost of the services and facilities furnished.
33 All governmental entities of this state may enter into such
34 agreements. For purposes of this subsection, "*nonprofit*
35 *organization*" means a nonprofit entity which is exempt from

1 federal income taxation pursuant to section 501(c)(3) of the
2 Internal Revenue Code and which is funded in whole or in part
3 by public funds.

4 2. This chapter does not affect any city civil service
5 programs established under chapter 400.

6 3. The state board of regents shall not be required to
7 obtain any service for the state board of regents or any
8 institution under the control of the state board of regents
9 that is provided by the office pursuant to this chapter without
10 the consent of the state board of regents.

11 Sec. 16. NEW SECTION. **8B.13 Office internal service funds.**

12 1. Activities of the office shall be accounted for
13 within the general fund of the state, except that the chief
14 information officer may establish and maintain internal
15 service funds in accordance with generally accepted accounting
16 principles, as defined in section 8.57, subsection 4, for
17 activities of the office which are primarily funded from
18 billings to governmental entities for services rendered by
19 the office. The establishment of an internal service fund is
20 subject to the approval of the director of the department of
21 management and the concurrence of the auditor of state. At
22 least ninety days prior to the establishment of an internal
23 service fund pursuant to this section, the chief information
24 officer shall notify in writing the general assembly, including
25 the legislative council, legislative fiscal committee, and the
26 legislative services agency.

27 2. Internal service funds shall be administered by the
28 office and shall consist of moneys collected by the office
29 from billings issued in accordance with section 8B.15 and any
30 other moneys obtained or accepted by the office, including
31 but not limited to gifts, loans, donations, grants, and
32 contributions, which are designated to support the activities
33 of the individual internal service funds.

34 3. The proceeds of an internal service fund established
35 pursuant to this section shall be used by the office for the

1 operations of the office consistent with this chapter. The
2 chief information officer may appoint the personnel necessary
3 to ensure the efficient provision of services funded pursuant
4 to an internal service fund established under this section.
5 However, this usage requirement shall not limit or restrict
6 the office from using proceeds from gifts, loans, donations,
7 grants, and contributions in conformance with any conditions,
8 directions, limitations, or instructions attached or related
9 thereto.

10 4. Section 8.33 does not apply to any moneys in internal
11 service funds established pursuant to this section.
12 Notwithstanding section 12C.7, subsection 2, interest or
13 earnings on moneys deposited in these funds shall be credited
14 to these funds.

15 5. *a.* The chief information officer shall annually provide
16 internal service fund service business plans and financial
17 reports to the department of management and the general
18 assembly. The business plans may include the recommendation
19 that a portion of unexpended net income be periodically
20 returned to the appropriate funding source.

21 *b.* The office shall submit an annual report not later
22 than October 1 to the members of the general assembly and the
23 legislative services agency of the activities funded by and
24 expenditures made from an internal service fund established
25 pursuant to this section during the preceding fiscal year.

26 Sec. 17. NEW SECTION. **8B.14 Additional personnel.**

27 The office may employ, upon the approval of the department
28 of management, additional personnel in excess of the number
29 of full-time equivalent positions authorized by the general
30 assembly if such additional personnel are reasonable and
31 necessary to perform such duties as required to meet the
32 needs of the office to provide services to other governmental
33 entities and as authorized by this chapter. The chief
34 information officer shall notify in writing the department
35 of management, the legislative fiscal committee, and the

1 legislative services agency of any additional personnel
2 employed pursuant to this section.

3 Sec. 18. NEW SECTION. **8B.15 Billing — credit card**
4 **payments.**

5 1. The chief information officer may bill a governmental
6 entity for services rendered by the office in accordance with
7 the duties of the office as provided in this chapter. Bills
8 may include direct, indirect, and developmental costs which
9 have not been funded by an appropriation to the office. The
10 office shall periodically render a billing statement to a
11 governmental entity outlining the cost of services provided to
12 the governmental entity. The amount indicated on the statement
13 shall be paid by the governmental entity and amounts received
14 by the office shall be considered repayment receipts as defined
15 in section 8.2, and deposited into the accounts of the office.

16 2. In addition to other forms of payment, a person may pay
17 by credit card for services provided by the office, according
18 to rules adopted by the treasurer of state. The credit card
19 fees to be charged shall not exceed those permitted by statute.
20 A governmental entity may adjust its payment to reflect the
21 costs of processing as determined by the treasurer of state.
22 The discount charged by the credit card issuer may be included
23 in determining the fees to be paid for completing a financial
24 transaction under this section by using a credit card. All
25 credit card payments shall be credited to the fund used to
26 account for the services provided.

27 Sec. 19. NEW SECTION. **8B.16 Office debts and liabilities**
28 **— appropriation request.**

29 If a service provided by the office and funded from an
30 internal service fund established under section 8B.13 ceases
31 to be provided and insufficient funds remain in the internal
32 service fund to pay any outstanding debts and liabilities
33 relating to that service, the chief information officer
34 shall notify the general assembly and request that moneys be
35 appropriated from the general fund of the state to pay such

1 debts and liabilities.

2 Sec. 20. NEW SECTION. **8B.21 Information technology services**
3 **— office powers and duties — responsibilities.**

4 1. *Powers and duties of office.* The powers and duties of
5 the office as it relates to information technology services
6 shall include but are not limited to all of the following:

7 *a.* Approving information technology for use by agencies and
8 other governmental entities.

9 *b.* Implementing the strategic information technology plan.

10 *c.* Developing and implementing a business continuity plan,
11 as the chief information officer determines is appropriate, to
12 be used if a disruption occurs in the provision of information
13 technology to participating agencies and other governmental
14 entities.

15 *d.* Prescribing standards and adopting rules relating to
16 cyber security, geospatial systems, application development,
17 and information technology and procurement, including but
18 not limited to system design and systems integration, and
19 interoperability, which shall apply to all participating
20 agencies except as otherwise provided in this chapter. The
21 office shall implement information technology standards as
22 established pursuant to this chapter which are applicable to
23 information technology procurements for participating agencies.

24 *e.* Establishing an enterprise strategic and project
25 management function for oversight of all information
26 technology-related projects and resources of participating
27 agencies.

28 *f.* (1) Developing and maintaining security policies and
29 systems to ensure the integrity of the state's information
30 resources and to prevent the disclosure of confidential
31 records. The office shall ensure that the security policies
32 and systems be consistent with the state's data transparency
33 efforts by developing and implementing policies and systems for
34 the sharing of data and information by participating agencies.

35 (2) Establishing statewide standards, to include periodic

1 review and compliance measures, for information technology
2 security to maximize the functionality, security, and
3 interoperability of the state's distributed information
4 technology assets, including but not limited to communications
5 and encryption technologies.

6 (3) Requiring all information technology security services,
7 solutions, hardware, and software purchased or used by a
8 participating agency to be subject to approval by the office in
9 accordance with security standards.

10 *g.* Developing and implementing effective and efficient
11 strategies for the use and provision of information technology
12 and information technology staff for participating agencies and
13 other governmental entities.

14 *h.* Coordinating and managing the acquisition of information
15 technology services by participating agencies in furtherance
16 of the purposes of this chapter. The office shall institute
17 procedures to ensure effective and efficient compliance with
18 the applicable standards established pursuant to this chapter.

19 *i.* Entering into contracts, leases, licensing agreements,
20 royalty agreements, marketing agreements, memorandums of
21 understanding, or other agreements as necessary and appropriate
22 to administer this chapter.

23 *j.* Determining and implementing statewide efforts
24 to standardize data elements, determine data ownership
25 assignments, and implement the sharing of data.

26 *k.* Requiring that a participating agency provide such
27 information as is necessary to establish and maintain an
28 inventory of information technology used by participating
29 agencies, and such participating agency shall provide such
30 information to the office in a timely manner. The form and
31 content of the information to be provided shall be determined
32 by the office.

33 *l.* Requiring participating agencies to provide the full
34 details of the agency's information technology and operational
35 requirements upon request, report information technology

1 security incidents to the office in a timely manner, provide
2 comprehensive information concerning the information technology
3 security employed by the agency to protect the agency's
4 information technology, and forecast the parameters of the
5 agency's projected future information technology security needs
6 and capabilities.

7 *m.* Charging reasonable fees, costs, expenses, charges,
8 or other amounts to an agency, governmental entity, public
9 official, or person or entity related to the provision, sale,
10 use, or utilization of, or cost sharing with respect to,
11 information technology and any intellectual property interests
12 related thereto; research and development; proprietary
13 hardware, software, and applications; and information
14 technology architecture and design. The office may enter
15 into nondisclosure agreements and take any other legal action
16 reasonably necessary to secure a right to an interest in
17 information technology development by or on behalf of the
18 state of Iowa and to protect the state of Iowa's proprietary
19 information technology and intellectual property interests.
20 The provisions of chapter 23A relating to noncompetition
21 by state agencies and political subdivisions with private
22 enterprise shall not apply to office activities authorized
23 under this paragraph.

24 *n.* Charging reasonable fees, costs, expenses, charges,
25 or other amounts to an agency, governmental entity, public
26 official, or other person or entity to or for whom information
27 technology or other services have been provided by or on behalf
28 of, or otherwise made available through, the office.

29 *o.* Providing, selling, leasing, licensing, transferring, or
30 otherwise conveying or disposing of information technology, or
31 any intellectual property or other rights with respect thereto,
32 to agencies, governmental entities, public officials, or other
33 persons or entities.

34 *p.* Entering into partnerships, contracts, leases, or other
35 agreements with public and private entities for the evaluation

1 and development of information technology pilot projects.

2 *g.* Initiating and supporting the development of electronic
3 commerce, electronic government, and internet applications
4 across participating agencies and in cooperation with
5 other governmental entities. The office shall foster joint
6 development of electronic commerce and electronic government
7 involving the public and private sectors, develop customer
8 surveys and citizen outreach and education programs and
9 material, and provide for citizen input regarding the state's
10 electronic commerce and electronic government applications.

11 2. *Responsibilities.* The responsibilities of the office
12 as it relates to information technology services include the
13 following:

14 *a.* Coordinate the activities of the office in promoting,
15 integrating, and supporting information technology in all
16 business aspects of state government.

17 *b.* Provide for server systems, including mainframe and
18 other server operations, desktop support, and applications
19 integration.

20 *c.* Provide applications development, support, and training,
21 and advice and assistance in developing and supporting business
22 applications throughout state government.

23 3. *Information technology charges.* The office shall
24 render a statement to an agency, governmental entity, public
25 official, or other person or entity to or for whom information
26 technology, value-added services, or other items or services
27 have been provided by or on behalf of, or otherwise made
28 available through, the office. Such an agency, governmental
29 entity, public official, or other person or entity shall pay
30 an amount indicated on such statement in a manner determined
31 by the office.

32 4. *Dispute resolution.* If a dispute arises between the
33 office and an agency for which the office provides or refuses
34 to provide information technology, the dispute shall be
35 resolved as provided in section 679A.19.

1 5. *Waivers.*

2 *a.* The office shall adopt rules allowing for participating
3 agencies to seek a temporary or permanent waiver from any of
4 the requirements of this chapter concerning the acquisition,
5 utilization, or provision of information technology. The rules
6 shall provide that a waiver may be granted upon a written
7 request by a participating agency and approval of the chief
8 information officer. A waiver shall only be approved if the
9 participating agency shows that a waiver would be in the best
10 interests of the state.

11 *b.* Prior to approving or denying a request for a waiver, the
12 chief information officer shall consider all of the following:

13 (1) Whether the failure to grant a waiver would violate
14 any state or federal law or any published policy, standard,
15 or requirement established by a governing body other than the
16 office.

17 (2) Whether the failure to grant a waiver would result in
18 the duplication of existing services, resources, or support.

19 (3) Whether the waiver would obstruct the state's
20 information technology strategic plan, enterprise architecture,
21 security plans, or any other information technology policy,
22 standard, or requirement.

23 (4) Whether the waiver would result in excessive
24 expenditures or expenditures above market rates.

25 (5) The life cycle of the system or application for which
26 the waiver is requested.

27 (6) Whether the participating agency can show that it can
28 obtain or provide the information technology more economically
29 than the information technology can be provided by the office.
30 For purposes of determining if the participating agency can
31 obtain or provide the information technology more economically,
32 the chief information officer shall consider the impact on
33 other participating agencies if the waiver is granted or
34 denied.

35 (7) Whether the failure to grant a waiver would jeopardize

1 federal funding.

2 *c.* Rules adopted pursuant to this subsection relating to a
3 request for a waiver, at a minimum, shall provide for all of
4 the following:

5 (1) The request shall be in writing and signed by the head
6 of the participating agency seeking the waiver.

7 (2) The request shall include a reference to the specific
8 policy, standard, or requirement for which the waiver is
9 submitted.

10 (3) The request shall include a statement of facts including
11 a description of the problem or issue prompting the request;
12 the participating agency's preferred solution; an alternative
13 approach to be implemented by the participating agency intended
14 to satisfy the waived policy, standard, or requirement; the
15 business case for the alternative approach; the economic
16 justification for the waiver or a statement as to why the
17 waiver is in the best interests of the state; the time period
18 for which the waiver is requested; and any other information
19 deemed appropriate.

20 *d.* A participating agency may appeal the decision of the
21 chief information officer to the director of the department of
22 management within seven calendar days following the decision of
23 the chief information officer. The director of the department
24 of management shall respond within fourteen days following the
25 receipt of the appeal.

26 *e.* The department of public defense shall not be required
27 to obtain any information technology services pursuant to this
28 chapter for the department of public defense that is provided
29 by the office pursuant to this chapter without the consent of
30 the adjutant general.

31 6. *Annual report.* On an annual basis, prepare a report to
32 the governor, the department of management, and the general
33 assembly regarding the total spending on technology for the
34 previous fiscal year, the total amount appropriated for the
35 current fiscal year, and an estimate of the amount to be

1 requested for the succeeding fiscal year for all agencies. The
2 report shall include a five-year projection of technology cost
3 savings, an accounting of the level of technology cost savings
4 for the current fiscal year, and a comparison of the level of
5 technology cost savings for the current fiscal year with that
6 of the previous fiscal year. The report shall be filed as soon
7 as possible after the close of a fiscal year, and by no later
8 than the second Monday of January of each year.

9 Sec. 21. NEW SECTION. **8B.22 Digital government.**

10 1. The office is responsible for initiating and
11 supporting the development of electronic commerce, electronic
12 government, mobile applications, and internet applications
13 across participating agencies and in cooperation with other
14 governmental entities.

15 2. In developing the concept of digital government, the
16 office shall do all of the following:

17 *a.* Establish standards, consistent with other state law, for
18 the implementation of electronic commerce, including standards
19 for electronic signatures, electronic currency, and other items
20 associated with electronic commerce.

21 *b.* Establish guidelines for the appearance and functioning
22 of applications.

23 *c.* Establish standards for the integration of electronic
24 data across state agencies.

25 *d.* Foster joint development of electronic commerce and
26 electronic government involving the public and private sectors.

27 *e.* Develop customer surveys and citizen outreach and
28 education programs and material, and provide for citizen input
29 regarding the state's electronic commerce and electronic
30 government applications.

31 *f.* Assist participating agencies in converting printed
32 government materials to electronic materials which can be
33 accessed through an internet searchable database.

34 *g.* Encourage participating agencies to utilize a print
35 on demand strategy to reduce publication overruns, excessive

1 inventory, and obsolete printed materials.

2 Sec. 22. NEW SECTION. **8B.23 Information technology**
3 **standards.**

4 1. The office shall develop and adopt information
5 technology standards applicable to the procurement of
6 information technology by all participating agencies. Such
7 standards, unless waived by the office, shall apply to all
8 information technology procurements for participating agencies.

9 2. The office of the governor or the office of an elective
10 constitutional or statutory officer shall consult with the
11 office prior to procuring information technology and consider
12 the information technology standards adopted by the office, and
13 provide a written report to the office relating to the other
14 office's decision regarding such acquisitions.

15 Sec. 23. NEW SECTION. **8B.24 Procurement of information**
16 **technology.**

17 1. Standards established by the office, unless waived by the
18 office, shall apply to all information technology procurements
19 for participating agencies.

20 2. The office shall institute procedures to ensure
21 effective and efficient compliance with standards established
22 by the office.

23 3. The office shall develop policies and procedures
24 that apply to all information technology goods and services
25 acquisitions, and shall ensure the compliance of all
26 participating agencies. The office shall also be the sole
27 provider of infrastructure services for participating agencies.

28 4. The office, by rule, may implement a prequalification
29 procedure for contractors with which the office has entered or
30 intends to enter into agreements regarding the procurement of
31 information technology.

32 5. Notwithstanding the provisions governing purchasing as
33 provided in chapter 8A, subchapter III, the office may procure
34 information technology as provided in this section. The
35 office may cooperate with other governmental entities in the

1 procurement of information technology in an effort to make such
2 procurements in a cost-effective, efficient manner as provided
3 in this section. The office, as deemed appropriate and cost
4 effective, may procure information technology using any of the
5 following methods:

6 *a.* Cooperative procurement agreement. The office may
7 enter into a cooperative procurement agreement with another
8 governmental entity relating to the procurement of information
9 technology, whether such information technology is for the use
10 of the office or other governmental entities. The cooperative
11 procurement agreement shall clearly specify the purpose of
12 the agreement and the method by which such purpose will be
13 accomplished. Any power exercised under such agreement shall
14 not exceed the power granted to any party to the agreement.

15 *b.* Negotiated contract. The office may enter into an
16 agreement for the purchase of information technology if any of
17 the following applies:

18 (1) The contract price, terms, and conditions are pursuant
19 to the current federal supply contract, and the purchase order
20 adequately identifies the federal supply contract under which
21 the procurement is to be made.

22 (2) The contract price, terms, and conditions are no less
23 favorable than the contractor's current federal supply contract
24 price, terms, and conditions; the contractor has indicated
25 in writing a willingness to extend such price, terms, and
26 conditions to the office; and the purchase order adequately
27 identifies the contract relied upon.

28 (3) The contract is with a vendor who has a current
29 exclusive or nonexclusive price agreement with the state for
30 the information technology to be procured, and such information
31 technology meets the same standards and specifications as the
32 items to be procured and both of the following apply:

33 *(a)* The quantity purchased does not exceed the quantity
34 which may be purchased under the applicable price agreement.

35 *(b)* The purchase order adequately identifies the price

1 agreement relied upon.

2 *c.* Contracts let by another governmental entity. The
3 office, on its own behalf or on the behalf of another
4 participating agency or governmental entity, may procure
5 information technology under a contract let by another agency
6 or other governmental entity, or approve such procurement in
7 the same manner by a participating agency or governmental
8 entity. The office, on its own behalf or on the behalf of
9 another participating agency or governmental entity, may also
10 procure information technology by leveraging an existing
11 competitively procured contract, other than a contract
12 associated with the state board of regents or an institution
13 under the control of the state board of regents.

14 *d.* Reverse auction.

15 (1) The office may enter into an agreement for the purchase
16 of information technology utilizing a reverse auction process.
17 Such process shall result in the purchase of information
18 technology from the vendor submitting the lowest responsible
19 bid amount for the information technology to be acquired. The
20 office, in establishing a reverse auction process, shall do all
21 of the following:

22 (a) Determine the specifications and requirements of the
23 information technology to be acquired.

24 (b) Identify and provide notice to potential vendors
25 concerning the proposed acquisition.

26 (c) Establish prequalification requirements to be met by a
27 vendor to be eligible to participate in the reverse auction.

28 (d) Conduct the reverse auction in a manner as deemed
29 appropriate by the office and consistent with rules adopted by
30 the office.

31 (2) Prior to conducting a reverse auction, the office
32 shall establish a threshold amount which shall be the maximum
33 amount that the office is willing to pay for the information
34 technology to be acquired.

35 (3) The office shall enter into an agreement with a

1 vendor who is the lowest responsible bidder which meets the
2 specifications or description of the information technology
3 to be procured, or the office may reject all bids and begin
4 the process again. In determining the lowest responsible
5 bidder, the office may consider various factors including but
6 not limited to the past performance of the vendor relative
7 to quality of product or service, the past experience of the
8 office in relation to the product or service, the relative
9 quality of products or services, the proposed terms of
10 delivery, and the best interest of the state.

11 e. Competitive bidding. The office may enter into an
12 agreement for the procurement or acquisition of information
13 technology in the same manner as provided under chapter 8A,
14 subchapter III, for the purchasing of service.

15 f. Other agreement. In addition to the competitive bidding
16 procedure provided for under paragraph "e", the office may
17 enter into an agreement for the purchase, disposal, or other
18 disposition of information technology in the same manner and
19 subject to the same limitations as otherwise provided in
20 this chapter. The office, by rule, shall provide for such
21 procedures.

22 6. The office shall adopt rules pursuant to chapter 17A to
23 implement the procurement methods and procedures provided for
24 in subsections 2 through 5.

25 Sec. 24. NEW SECTION. 8B.31 IowAccess — office duties and
26 responsibilities.

27 1. IowAccess. The office shall establish IowAccess as
28 a service to the citizens of this state that is the gateway
29 for one-stop electronic access to government information and
30 transactions, whether federal, state, or local. Except as
31 provided in this section, IowAccess shall be a state-funded
32 service providing access to government information and
33 transactions. The office, in establishing the fees for
34 value-added services, shall consider the reasonable cost of
35 creating and organizing such government information through

1 IowAccess.

2 2. *Duties.* The office shall do all of the following:

3 a. Establish rates to be charged for access to and for
4 value-added services performed through IowAccess.

5 b. Approve and establish the priority of projects
6 associated with IowAccess. The determination may also include
7 requirements concerning funding for a project proposed by
8 a political subdivision of the state or an association,
9 the membership of which is comprised solely of political
10 subdivisions of the state. Prior to approving a project
11 proposed by a political subdivision, the office shall verify
12 that all of the following conditions are met:

13 (1) The proposed project provides a benefit to the state.

14 (2) The proposed project, once completed, can be shared
15 with and used by other political subdivisions of the state, as
16 appropriate.

17 (3) The state retains ownership of any final product or is
18 granted a permanent license to the use of the product.

19 c. Establish expected outcomes and effects of the use of
20 IowAccess and determine the manner in which such outcomes are
21 to be measured and evaluated.

22 d. Establish the IowAccess total budget request and
23 ensure that such request reflects the priorities and goals of
24 IowAccess as established by the office.

25 e. Advocate for access to government information and
26 services through IowAccess and for data privacy protection,
27 information ethics, accuracy, and security in IowAccess
28 programs and services.

29 f. Receive status and operations reports associated with
30 IowAccess.

31 3. *Data purchasing.* This section shall not be construed
32 to impair the right of a person to contract to purchase
33 information or data from the Iowa court information system
34 or any other governmental entity. This section shall not be
35 construed to affect a data purchase agreement or contract in

1 existence on April 25, 2000.

2 Sec. 25. NEW SECTION. **8B.32 Financial transactions.**

3 1. Moneys paid to a participating agency from persons who
4 complete an electronic financial transaction with the agency by
5 accessing IowAccess shall be transferred to the treasurer of
6 state for deposit in the general fund of the state, unless the
7 disposition of the moneys is specifically provided for under
8 other law. The moneys may include all of the following:
9 a. Fees required to obtain an electronic public record as
10 provided in section 22.3A.

11 b. Fees required to process an application or file a
12 document, including but not limited to fees required to obtain
13 a license issued by a licensing authority.

14 c. Moneys owed to a governmental entity by a person
15 accessing IowAccess in order to satisfy a liability
16 arising from the operation of law, including the payment of
17 assessments, taxes, fines, and civil penalties.

18 2. Moneys transferred using IowAccess may include amounts
19 owed by a governmental entity to a person accessing IowAccess
20 in order to satisfy a liability of the governmental entity.
21 The moneys may include the payment of tax refunds, and the
22 disbursement of support payments as defined in section 252D.16
23 or 598.1 as required for orders issued pursuant to section
24 252B.14.

25 3. In addition to other forms of payment, credit cards shall
26 be accepted in payment for moneys owed to or fees imposed by a
27 governmental entity in the same manner as provided in section
28 8B.15.

29 Sec. 26. NEW SECTION. **8B.33 IowAccess revolving fund.**

30 1. An IowAccess revolving fund is created in the state
31 treasury. The revolving fund shall be administered by the
32 office and shall consist of moneys collected by the office as
33 fees, moneys appropriated by the general assembly, and any
34 other moneys obtained or accepted by the office for deposit in
35 the revolving fund. The proceeds of the revolving fund are

1 appropriated to and shall be used by the office to maintain,
2 develop, operate, and expand IowAccess consistent with this
3 chapter, and for the support of activities of the technology
4 advisory council pursuant to section 8B.8.

5 2. The office shall submit an annual report not later than
6 January 31 to the members of the general assembly and the
7 legislative services agency of the activities funded by and
8 expenditures made from the revolving fund during the preceding
9 fiscal year. Section 8.33 does not apply to any moneys in the
10 revolving fund, and, notwithstanding section 12C.7, subsection
11 2, earnings or interest on moneys deposited in the revolving
12 fund shall be credited to the revolving fund.

13 Sec. 27. Section 8D.4, Code 2013, is amended to read as
14 follows:

15 **8D.4 Executive director appointed.**

16 The commission, in consultation with the director of
17 the department of administrative services and the chief
18 information officer, shall appoint an executive director of
19 the commission, subject to confirmation by the senate. Such
20 individual shall not serve as a member of the commission.
21 The executive director shall serve at the pleasure of the
22 commission. The executive director shall be selected primarily
23 for administrative ability and knowledge in the field, without
24 regard to political affiliation. The governor shall establish
25 the salary of the executive director within range nine as
26 established by the general assembly. The salary and support of
27 the executive director shall be paid from funds deposited in
28 the Iowa communications network fund.

29 Sec. 28. Section 12C.1, subsection 2, paragraph e,
30 subparagraph (6), Code 2013, is amended to read as follows:

31 (6) Moneys placed in a depository for the purpose of
32 completing an electronic financial transaction pursuant to
33 section ~~8A.222~~ 8B.32 or 331.427.

34 Sec. 29. Section 12C.4, Code 2013, is amended to read as
35 follows:

1 **12C.4 Location of depositories.**

2 Deposits by the treasurer of state shall be in depositories
3 located in this state; by a county officer or county public
4 hospital officer or merged area hospital officer, in
5 depositories located in the county or in an adjoining county
6 within this state; by a memorial hospital treasurer, in a
7 depository located within this state which shall be selected
8 by the memorial hospital treasurer and approved by the
9 memorial hospital commission; by a city treasurer or other
10 city financial officer, in depositories located in the county
11 in which the city is located or in an adjoining county, but
12 if there is no depository in the county in which the city is
13 located or in an adjoining county then in any other depository
14 located in this state which shall be selected as a depository
15 by the city council; by a school treasurer or by a school
16 secretary in a depository within this state which shall be
17 selected by the board of directors or the trustees of the
18 school district; by a township clerk in a depository located
19 within this state which shall be selected by the township
20 clerk and approved by the trustees of the township. However,
21 deposits may be made in depositories outside of Iowa for the
22 purpose of paying principal and interest on bonded indebtedness
23 of any municipality when the deposit is made not more than ten
24 days before the date the principal or interest becomes due.
25 Further, the treasurer of state may maintain an account or
26 accounts outside the state of Iowa for the purpose of providing
27 custodial services for the state and state retirement fund
28 accounts. Deposits made for the purpose of completing an
29 electronic financial transaction pursuant to section ~~8A.222~~
30 8B.32 or 331.427 may be made in any depository located in this
31 state.

32 Sec. 30. Section 23A.2, subsection 10, paragraph o, Code
33 2013, is amended to read as follows:

34 o. The performance of an activity authorized pursuant to
35 section ~~8A.202~~ 8B.21, subsection 2 1, paragraph ~~"j"~~ "m".

1 Sec. 31. Section 262.9B, subsection 3, paragraph a, Code
2 2013, is amended to read as follows:

3 a. The board shall direct institutions under its control
4 to cooperate with the chief information officer of the state
5 in efforts to cooperatively obtain information technology
6 and related services that result in mutual cost savings
7 and efficiency improvements, and shall seek input from the
8 ~~department of administrative services and the~~ chief information
9 officer of the state regarding specific areas of potential
10 cooperation between the institutions under the control of the
11 board and the ~~department of administrative services~~ office of
12 the chief information officer.

13 Sec. 32. REPEAL. Sections 8A.201, 8A.201A, 8A.202, 8A.203,
14 8A.204, 8A.205, 8A.206, 8A.207, 8A.221, 8A.222, and 8A.224,
15 Code 2013, are repealed.

16 Sec. 33. ADMINISTRATIVE RULES — TRANSITION
17 PROVISIONS. Any rule, regulation, form, order, or directive
18 promulgated by the department of administrative services as
19 it relates to information technology and in effect on the
20 effective date of this Act shall continue in full force and
21 effect until amended, repealed, or supplemented by affirmative
22 action of the office of the chief information officer as
23 established in this Act.

24 Sec. 34. MISCELLANEOUS TRANSITION PROVISIONS.

25 1. Any personnel in the state merit system of employment
26 who are mandatorily transferred due to the effect of this Act
27 shall be so transferred without any loss in salary, benefits,
28 or accrued years of service.

29 2. Any funds in any account or fund of the department of
30 administrative services as it relates to information technology
31 shall be transferred to the comparable fund or account as
32 established and provided by this Act.

33 3. Any cause of action or statute of limitation relating to
34 the information technology duties provided by the department
35 of administrative services that are transferred to the office

1 of the chief information officer as provided by this Act shall
2 not be affected as a result of the transfer and such cause or
3 statute of limitation shall apply to the successor office.

4 EXPLANATION

5 This bill transfers the information technology functions and
6 chief information officer of the department of administrative
7 services (DAS) to a new independent office of the chief
8 information officer within the department of management.

9 Code section 8.6(17), concerning the funding of services
10 provided by DAS, is amended to provide that the department
11 of management will also perform these functions for the new
12 office.

13 Code section 8A.101, the definitions provision for DAS, is
14 amended to provide that the definitions also apply to the Code
15 chapter creating the new office.

16 Code section 8A.104, describing the powers and duties of the
17 director of DAS, is amended to provide that the director shall
18 provide assistance and administrative support services to the
19 new office as necessary.

20 New Code chapter 8B establishes the office of the chief
21 information officer directed by the chief information officer
22 of the state.

23 The new Code chapter includes provisions of Code chapter
24 8A that apply generally to DAS to include provisions in Code
25 chapter 8A on prohibited interests, acceptance of funds,
26 federal funds, services to governmental entities and nonprofit
27 organizations, internal service funds, additional personnel,
28 billing, debts, and liabilities.

29 Concerning information technology, the provisions in
30 Code chapter 8A, subchapter II, providing for, in part, the
31 appointment of a chief information officer and the information
32 technology duties and services provided by DAS, are moved to
33 new Code chapter 8B.

34 In addition, the powers and duties of the chief information
35 officer, currently described in Code section 8A.203 and moved

1 to new Code section 8B.4 in the bill, are expanded from current
2 law to give the chief information officer the authority to
3 adopt rules, prepare a budget, adopt rules regarding the
4 approval of information technology budgets of other agencies,
5 and administer all accounting, billing, and collection
6 functions required by DAS.

7 New Code section 8B.21, concerning information technology
8 services currently described in Code section 8A.202, also
9 includes new provisions directing the new office to establish
10 an enterprise strategic and project management function for
11 oversight of all information technology-related projects and
12 resources of participating agencies and requiring that security
13 policies and systems developed by the new office be consistent
14 with the state's data transparency efforts.

15 The bill also includes transition provisions governing
16 administrative rules, personnel moved from DAS to the new
17 office, transfer of funds to the new office, and information
18 technology-related causes of action.