Session of 2017

HOUSE BILL No. 2359

By Committee on Government, Technology and Security

2-10

AN ACT concerning information systems and communications; creating the Kansas information technology enterprise; relating to consolidation and transfer of executive branch information technology staff, resources, functions and powers; amending K.S.A. 2016 Supp. 12-5364, 74-9302, 74-9304, 74-9306, 74-99f04, 74-99f06, 74-99f08, 75-3707e, 75-4701, 75-4702e, 75-4703, 75-4704, 75-4704a, 75-4704b, 75-4705, 75-4709, 75-4710, 75-4718, 75-4719, 75-6512, 75-7201, 75-7202, 75-7204, 75-7205 and 75-7224 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. On the effective date of this act, the name of the office of information technology services is hereby changed to the Kansas information technology enterprise. All properties, moneys, appropriations, rights and authorities now vested in the office of information technology services shall be vested in the Kansas information technology enterprise. Whenever the title of the office of information technology services, or words of like effect, is referred to or designated by any statute, contract or other document, such reference or designation shall be deemed to apply to the Kansas information technology enterprise.

New Sec. 2. (a) On and after the effective date of this act, all executive branch agencies shall be required to receive approval from the executive chief information technology officer for all expenditures for information technology by the agency. The head of each executive branch agency shall provide information to and cooperate with the executive chief information technology officer for the purpose of implementing and administering this section.

(b) On and after the effective date of this act, all executive branch officers and employees whose duties or functions for executive branch agencies concern information technology shall report directly to the executive chief information technology officer.

New Sec. 3. (a) There is hereby created in the state treasury the Kansas information technology enterprise fund. All amounts received under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire

Proposed Amendment to HB2359
#1
Prepared by: Jenna Moyer
Office of Revisor of Statutes
March 13, 2017

; also repealing K.S.A. 2016 75-4702 and 75-4702c HB 2359

amount into the state treasury to the credit of the Kansas information technology enterprise fund, which shall be administered by the executive chief information technology officer.

- (b) (1) All payments and expenditures from the Kansas information technology enterprise fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive chief information technology officer or the officer's designee.
- (2) Moneys in the Kansas information technology enterprise fund may be used to meet statewide information technology requirements, including, but not limited to: Project management, security, electronic mail, Kansas information technology enterprise expenses and any other information technology operations.
- (c) The executive chief information officer shall compute the reasonably anticipated itemized costs of providing information technology services to executive branch agencies. The executive branch agency that is receiving the information technology services shall reimburse the Kansas information technology enterprise for such costs. Any such reimbursement collected by the Kansas information technology enterprise shall be credited to the Kansas information technology enterprise fund. Annually, on or before August 1, the executive chief information officer shall report to the joint committee on information technology the reasonably anticipated itemized costs of providing information technology services to executive branch agencies.
- New Sec. 4. (a) The Kansas information technology enterprise shall coordinate with the Kansas division of budget to develop and implement a plan to manage all information technology funding. Executive branch agencies shall cooperate with the executive chief information technology officer and the division of budget to identify information technology expenses, contracts, projects, resources and payment sources.
- (b) Except as otherwise provided in sections 1 through 4, and amendments thereto, on July 1, 2018, officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions for executive branch agencies concerning information technology, which are transferred by this act, or who become a part of the Kansas information technology enterprise, or the powers, duties and functions which are transferred to the Kansas information technology enterprise, and who, in the opinion of the executive chief information technology officer, are necessary to perform the powers, duties and functions of the Kansas information technology enterprise, shall be transferred to, and shall become officers and employees of the Kansas information technology enterprise. Any such officer or employee shall retain all retirement benefits and all rights of civil service that had accrued

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(8) assist in the identification and capturing of funding to support the Kansas one map program; and

- (9) recommend to the executive chief information technology officer rules and regulations as may be necessary to implement the provisions of the Kansas one map act.
- (c) The executive chief information technology officer may adopt rules and regulations to implement the provisions of the Kansas one map
- Sec. 11. K.S.A. 2016 Supp. 74-99f08 is hereby amended to read as follows: 74-99f08. Funding for the Kansas data access and support center shall be continued through the office of information technology services Kansas information technology enterprise and shall be directed to the Kansas geological survey which currently houses and supports this function.
- Sec. 12. K.S.A. 2016 Supp. 75-3707e is hereby amended to read as follows: 75-3707e. As the infrastructure provider for information technology for the state of Kansas, the office of information technology services Kansas information technology enterprise must insure the highest level of information security and privacy in order to protect law enforcement, state agencies and the citizens of Kansas. Toward this objective, the department of administration or the office of information technology services Kansas information technology enterprise shall require as a condition of employment that individuals who have unescorted physical access to the data center, telecommunications facilities and other security sensitive areas as designated by the secretary of administration or the executive chief information technology officer be fingerprinted, and such fingerprints shall be submitted to the Kansas bureau of investigation and to the federal bureau of investigation for the purposes of verifying the identity of such individuals and obtaining records of criminal arrests and convictions.
- Sec. 13. K.S.A. 2016 Supp. 75-4701 is hereby amended to read as follows: 75-4701. (a) There is hereby established an office of information technology services the Kansas information technology enterprise, the head of which shall be the executive chief information technology officer. The executive chief information technology officer shall administer the office of information technology services Kansas information technology enterprise. The division of information systems and communications and the office of the director of information systems and communications, ereated by this section prior to its amendment by this act, are herebyabolished.
- (b) The executive chief information technology officer shall be in the unclassified service under the Kansas civil service act and shall be appointed by the governor.

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strike in lines 25-6

(c) There are hereby established, within the office of information technology services Kansas information technology enterprise, the offices of the deputy director of information systems and the deputy director of telecommunications who shall be appointed by the executive chief information technology officer and shall be in the unclassified service under the Kansas civil service act. The deputy director of information systems and the deputy director of telecommunications shall have such powers, duties and functions as are prescribed by the executive chief information technology officer.

Sec. 14. K.S.A. 2016 Supp. 75-4702c is hereby amended to read as follows: 75-4702c. (a) In all cases under this act where the powers, duties and functions of the division or director of information systems and communications are transferred to and imposed upon the office of information technology services. Kansas information technology enterprise, the executive chief information technology officer shall succeed to all property and records which were used for, or pertain to, the performance of the powers, duties and functions so transferred by this act. Any conflict as to the proper disposition of such property or records arising under this section and resulting from the transfer or abolishment of any existing state agency, or the powers, duties and functions thereof, shall be determined by the governor, whose decision shall be final.

- (b) When any conflict arises as to the disposition of any power, function or duty or the unexpended balance of any appropriation as a result of any abolishment, transfer, attachment or other change made by or under authority of this act, or the act of which this section is amendatory, such conflict shall be resolved by the governor, and the decision of the governor shall be final.
- (c) No suit, action, or other proceeding, judicial or administrative, lawfully commenced, or which could have been commenced, by or against any existing state agency mentioned in this act, or the act of which this section is amendatory, or by or against any officer of the state in such officer's official capacity or in relation to the discharge of official duties, shall abate by reason of the taking effect of reorganization under the provisions of this act, or the act of which this section is amendatory. The court may allow any such suit, action or other proceeding to be maintained by or against the successor of any such existing state agency, or any officer affected.
- (d) No criminal action commenced or which could have been commenced by the state shall abate by the taking effect of this act, or the act of which this section is amendatory.
- Sec. 15. K.S.A. 2016 Supp. 75-4703 is hereby amended to read as follows: 75-4703. The executive chief information technology officer may adopt rules and regulations as provided in K.S.A. 2016 Supp. 75-4718, and

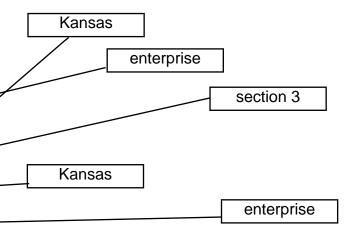
strike all in lines 12 - 40, repeal K.S.A. 75-4702c

amendments thereto, relating to the following:

- (a) Establishment of rates and charges for services performed by the office of information technology services Kansas information technology enterprise for any other division, department, state agency or governmental unit. Such rates and charges shall be maintained by a cost system in accordance with generally accepted accounting principles. In determining cost rates for billing to agencies or governmental units, overhead expenses shall include but not be limited to light, heat, power, insurance, labor and depreciation. Billings shall include direct and indirect costs and shall be based on the foregoing cost accounting practices.
- (b) For determination of priorities for services performed by the office of information technology services Kansas information technology enterprise, including authority to decline new projects under specified conditions.
- (c) Specification of standards for submission of data to be processed by the office of information technology services Kansas information technology enterprise and the programs for processing the data, including authority to decline to process computer programs and projects not conforming to published standards. Such standards shall be consistent with the standards and policies adopted by the information technology executive council under K.S.A. 2016 Supp. 75-7203, and amendments thereto.
- (d) Specification of standards and measures relating to security, confidentiality and availability of data processed by the office of information technology services Kansas information technology enterprise. Such standards and measures shall be consistent with the standards and policies adopted by the information technology executive council under K.S.A. 2016 Supp. 75-7203, and amendments thereto.
- Sec. 16. K.S.A. 2016 Supp. 75-4704 is hereby amended to read as follows: 75-4704. Under the supervision of the executive chief information technology officer, the office of information technology services Kansas information technology enterprise shall provide data processing and application hosting services for other divisions, departments and agencies of the state, and shall make charges for such services in accordance with the cost system established under K.S.A. 75-4703, and amendments thereto. The furnishing of data processing services and application hosting by the office of information technology services Kansas information technology enterprise shall be a transaction to be settled in accordance with the provisions of K.S.A. 75-5516, and amendments thereto. All receipts for sales of services shall be deposited in the information technology fund created under K.S.A. 75-4715, and amendments thereto. The provisions of K.S.A. 75-4215, and amendments thereto, shall apply to

the information technology fund to the extent not in conflict with this act

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Sec. 17. K.S.A. 2016 Supp. 75-4704a is hereby amended to read as follows: 75-4704a. (a) Transfers to the information technology reserve fund shall be made from the information technology fund on a monthly basis and the amounts thereof shall be determined by the executive chief information technology officer as charges for depreciation and obsolescence of the office of information technology services Kansas information technology enterprise equipment and programs according to generally accepted accounting principles prescribed by the director of accounts and reports. All recoveries from the sale of surplus, obsolete or unused equipment or of other expenditures from the information technology fund shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the information technology reserve fund. The director of accounts and reports shall transfer each month the amount so determined. No such transfer shall constitute a charge against or decrease in any expenditure limitation then in effect on the information technology fund under any appropriations act of the legislature.

(b) Expenditures from the information technology reserve fund may be made for equipment and programs needed for the operation of the office of information technology services Kansas information technology enterprise.

Sec. 18. K.S.A. 2016 Supp. 75-4704b is hereby amended to read as follows: 75-4704b. Appropriations may be made for capital outlay and other expenses to carry out the purpose of the office of information technology services Kansas information technology enterprise for the same period as is authorized by K.S.A. 46-155, and amendments thereto, for capital improvements. The executive chief information technology officer may enter into multiple year lease or acquisition contracts, subject to state purchasing laws not in conflict with the foregoing authorization and so long as such contracts do not extend beyond the appropriation periods, limitations and restrictions therefor.

Sec. 19. K.S.A. 2016 Supp. 75-4705 is hereby amended to read as follows: 75-4705. (a) Central processing of data by computer, for all divisions, departments and agencies of the state shall be performed by the office of information technology services Kansas information technology enterprise under the supervision of the executive chief information technology officer. No other division, department or agency of the state shall perform central processing computer functions or control or possess any central processing unit of a computer, except as otherwise provided in this section.

(b) With the approval of the executive chief information technology officer, any division, department or agency of the state may possess and

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function which will assist a governmental unit in attaining an objective or goal, bearing a valid relationship to powers and functions of such unit.

- (c) Every record made, maintained or kept by the secretary of administration or the division of information systems and communications, prior to the effective date of this act, shall be maintained or kept by the executive chief information technology officer or the office of information technology services Kansas information technology enterprise, or any agency or instrumentality thereof, which relates to the acquisition, retention or use of telecommunications services provided to any division, department or agency of the state, state officer or governmental unit and which pertains to individually identifiable individuals using such telecommunication services shall constitute for purposes of the open records act a record of the division, department or agency of the state, state officer or governmental unit to which such records relate. The official custodian of such records for the purposes of the open records act shall be the official custodian of the records of such division, department or agency of the state, state officer or governmental unit.
- Sec. 21. K.S.A. 2016 Supp. 75-4710 is hereby amended to read as follows: 75-4710. As used in K.S.A. 75-4709, 75-4712, 75-4713 and 75-4714, and amendments thereto, telecommunications services include, but shall not be limited to, any transmission, emission or reception of signals of any kind containing communications of any nature, by wire, radio, optical or other electromagnetic means, and includes all facilities, equipment, supplies and services for such transmission, emission or reception. Telecommunications services shall include data transmission services and equipment but shall not include data processing services provided or authorized by the office of information technology services Kansas information technology enterprise, or the acquisition, retention or use of any data processing equipment authorized by the office of information technology services Kansas information technology services Kansas information technology enterprise.
- Sec. 22. K.S.A. 2016 Supp. 75-4718 is hereby amended to read as follows: 75-4718. (a) The executive chief information technology officer shall submit to the governor proposed rules and regulations with respect to the manner of performance of any power or duty of the office of information technology services Kansas information technology enterprise, the execution of any business of such office and its relations to and business with other state agencies, appeals from the final decisions or final actions of the executive chief information technology officer, and such other matters as are provided by law. Before any such proposed rules and regulations are submitted to the governor, the same shall have received the approval required by K.S.A. 77-420, and amendments thereto, the attorney general shall have made the finding required by K.S.A. 77-420,

and amendments thereto, and the executive chief information technology officer shall have held the hearing thereon required by K.S.A. 77-421, and amendments thereto. The governor shall either approve, modify and approve or reject any such proposed rules and regulations. The executive chief information technology officer shall adopt such rules and regulations so approved or so modified and approved by the governor.

(b) All rules and regulations, orders and directives of the secretary of administration, the department of administration, the director of information systems and communications, or the division of information systems and communications which relate to the powers, duties and functions transferred from the director of information systems and communications and the division of information systems and communications of the department of administration to the executive chief information technology officer and office of information technology services Kansas information technology enterprise by this act and which are in effect on the effective date of this act shall continue to be effective and shall be deemed to be rules and regulations, orders and directives of the executive chief information technology officer and office of information technology services Kansas information technology enterprise until revised, amended, revoked or nullified pursuant to law.

Sec. 23. K.S.A. 2016 Supp. 75-4719 is hereby amended to read as follows: 75-4719. For the purpose of preparation of the governor's budget report and related legislative measure or measures for submission to the legislature, the office of information technology services Kansas information technology enterprise, established in K.S.A. 75-4701, and amendments thereto, shall be considered a separate state agency and shall be titled for such purpose as the "office of information technology services Kansas information technology enterprise." The budget estimates and requests of such office shall be presented as from a state agency separate from the department of administration, and such separation shall be maintained in the budget documents and reports prepared by the director of the budget and the governor, or either of them, including all related legislative reports and measures submitted to the legislature.

Sec. 24. K.S.A. 2016 Supp. 75-6512 is hereby amended to read as follows: 75-6512. (a) Subject to the provisions of appropriations acts, the secretary of administration is hereby authorized to establish and administer a cafeteria plan pursuant to the provisions of section 125 of the federal internal revenue code of 1986 which shall be available to persons who are officers or employees of the state and who are qualified to participate in the state health care benefits program and which shall include, but not be limited to, provisions under which such officers and employees may agree to receive reduced compensation and: (1) Have the state's contribution under K.S.A. 75-6508, and amendments thereto, cover costs of dependent

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technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals; and (2) transition schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012, to a commercially provided broadband internet connection no later than June 30, 2013. The plan may require users of the program to bear part of its cost. Such plan shall be included in the board's report to the legislature pursuant to K.S.A. 2016 Supp. 75-7226, and amendments thereto.

- (f) The board may appoint such advisory committees as the board determines necessary to carry out the purposes of this act. The membership of advisory committees may include both members of the board and persons who are not board members. Such advisory committees, to the extent appropriate, shall include both communications services providers and participants knowledgeable about topics such as network facilities and services, distance learning and telemedicine, user training and such other topics as may be necessary or useful. Members of advisory committees appointed by the board shall receive amounts provided for in-subsection (e) of K.S.A. 75-3223(e), and amendments thereto.
- (g) The board shall have all other powers necessary to achieve the purposes of this act, including, but not limited to, the power to: (1) Fix, charge and collect user fees for services provided by the KAN-ED program in accordance with the plan developed pursuant to subsection (e); and (2) receive any appropriations, fees, donations, grants, bequests and devises, conditional and otherwise, of money, property, services or other things of value for the purposes of this act.
- (h) The state department of education, the office of information technology services Kansas information technology enterprise of the department of administration, the state corporation commission and all other state agencies shall cooperate with the board in providing information and other assistance requested by the board for the performance of its duties pursuant to this act at no cost to such agencies.
- Sec. 30. K.S.A. 2016 Supp. 12-5364, 74-9302, 74-9304, 74-9306, 74-99f04, 74-99f06, 74-99f08, 75-3707e, 75-4701,\(\frac{75-4702c}{75-4703}\), 75-4704a, 75-4704b, 75-4705, 75-4709, 75-4710, 75-4718, 75-4719, 75-6512, 75-7201, 75-7202, 75-7204, 75-7205 and 75-7224 are hereby repealed.
- Sec. 31. This act shall take effect and be in force from and after its publication in the statute book.

75-4702,