

March 4, 2016

REVISED

The Honorable Larry Campbell, Chairperson
House Committee on Vision 2020
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Sloan:

SUBJECT: Revised Fiscal Note for HB 2509 by House Committee on Vision 2020

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2509 is respectfully submitted to your committee.

HB 2509 would require all executive branch state agencies to receive approval from the executive branch chief information technology officer (CITO) for all agency information technology expenditures. Agencies must annually submit three-year information technology and management plans to the CITO as prescribed under KSA 75-7209. The CITO would be required to review, coordinate and approve information technology expenses for all agencies. Each agency head would provide information to and cooperate with the CITO for purposes of implementing these provisions. The integrated proposed information technology budget for executive branch agencies would be required to be presented by the CITO annually to the Senate Committee on Ways and Means, the House Committee on Appropriations and the Joint Committee on Information Technology. The CITO would be invited to speak before every standing legislative committee at the beginning of the 2017 Legislative Session. The CITO may delegate authority to any state agency to approve any information technology expenses under conditions and procedures prescribed by the CITO.

HB 2509 would require the CITO to direct the executive chief information security officer to review the following areas:

1. Appropriate information technology structure for ensuring information technology security;
2. Security between local governments and state agencies and between state agencies and private vendors;
3. Training programs for state employees regarding cyber security;
4. Existing assistance programs for local governments that interact with state agencies;
5. Compliance monitoring for state agencies regarding cyber security; and,

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6. Any other relevant information technology security issues.

The bill would remove the requirement that the CITO report all deviations from the state information architecture. The CITO would be required to conduct the following actions:

1. Monitor executive agencies' compliance with the standards for information security adopted by the Information Technology Executive Council;
2. Review, coordinate and approve all appropriate information technology expenditures for all executive branch state agencies;
3. Review and restructure, as necessary, current information technology security responsibilities for all executive branch state agencies; and,
4. Evaluate how to coordinate information technology security interests between institutions governed by the Regents and other state agencies.

It is estimated that any fiscal effect resulting from the passage of HB 2509 would be handled within existing executive branch information technology expenditures. According to the Office of Information Technology Services (OITS), the bill would allow information technology activities, particularly information security activities, to be centralized and improved in the executive branch. The administrative flexibility OITS currently possesses would allow it to limit and control expenditures within the aggregate executive branch information security budget. The previously revised fiscal note indicated that the bill would require additional State General Fund expenditures of \$2.8 million in FY 2017, \$5.5 million in FY 2018 and \$8.3 million in FY 2019 and the expenditures would have been in addition to current information security spending by executive branch agencies. Any fiscal effect associated with HB 2509 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Justin Law, Agriculture
Adam Pfannenstiel, Corrections
Jackie Aubert, Children & Families
Colleen Becker, Department of Administration
Ben Cleaves, Transportation
Aaron Dunkel, Health & Environment
Jack Smith, Department of Revenue