MINUTES

JOINT COMMITTEE ON INFORMATION TECHNOLOGY

<u>August 27, 2024</u>
<u>Room 582-N—Statehouse</u>

Committee Members Present

Senator Mike Petersen, Chairperson
Representative Kyle Hoffman, Vice-chairperson
Senator Jeff Pittman, Ranking Minority Member
Senator Rick Kloos
Senator Caryn Tyson
Representative Pam Curtis
Representative Kirk Haskins
Representative Kyle Hoffman
Representative Carl Turner
Representative Barb Wasinger

Members Absent

Senator Tom Holland

Staff Present

James Fisher, Kansas Legislative Research Department
Matthew Willis, Kansas Legislative Research Department
Steven Wu, Kansas Legislative Research Department
Tamera Lawrence, Office of Revisor of Statutes
Natalie Scott, Office of the Revisor of Statutes
Tom Day, Director, Legislative Administrative Services; Acting Legislative Chief Information
    Technology Officer
Gary Deeter, Committee Assistant

Conferees

Alex Wong, Chief Information Technology Architect, Kansas Office of Information Technology
    Services
Bob Doane, Chief Information Officer, Kansas Department of Health and Environment
    (KDHE)
Barry Magner, Deputy Section Chief, KDHE
Jason Marsh, Deputy Chief Information Officer, Department of Administration (DofA)
Nancy Ruoff, Director of the Office of Accounts and Reports, DofA
Kristen Wheeler, Board Chair, Board of Tax Appeals (BOTA)
Gabe Bullard, Information Technology Manager, BOTA
Tom Mai, Chief Information Officer, Kansas Highway Patrol
Kevin Mapes, Chief Information Officer, Kansas Bureau of Investigation

Lynn Retz, Executive Director, Kansas Corporation Commission
Joan Proctor, VINE Coordinator, Victim Services Division, Office of Kansas Attorney General
Alan Conroy, Executive Director, Kansas Public Employees Retirement System
Frank Burnam, Deputy Secretary of Operations, DofA
Tom Pagano, Chief Information Officer, Kansas Department for Children and Families
Scott Schultz, Executive Director, Kansas Sentencing Commission
Jason Dickson, Chief Information Officer, Kansas Department of Wildlife and Parks
Anne Madden-Johnson, Interim Chief Information Technology Officer, Office of Judicial Administration
Bob Murphy, IT Security Engineer, Kansas Legislative Office of Information Services
Alex Gard, Principal Information Technology Auditor, Kansas Legislative Division of Post Audit

Tuesday, August 27
All Day Session

Welcome and Approval of Minutes

Chairperson Petersen called the meeting order at 9:05 a.m. and welcomed members, staff, conferees, and guests.

Overview and Summary of 2024 House Sub. for SB 291 (Cybersecurity bill)

Natalie Scott, Assistant Revisor of Statutes, Office of Revisor of Statutes, provided an overview and summary of 2024 House Sub. for SB 291 (Attachment 1). Ms. Scott stated the bill transferred all cybersecurity services of each branch of state government to the respective branch's Chief Information Security Officer (CISO) and created a CISO position within the legislative and judicial branches. The CISOs are required to establish and enforce minimum cybersecurity standards. Additionally, the Information Technology Executive Council (ITEC) is required to develop a plan to integrate executive branch information technology (IT) services under the Executive Branch CITO.

Ms. Scott provided a bill brief to outline the services, appropriations, principals, and authorized actions created by the bill. Responding to questions, she replied the bill will require adjustments in ITEC policy and will merge all executive agencies under the Executive Branch CISO.

Executive Branch IT Project Updates

Alex Wong, Chief Information Technology Architect, Kansas Office of Information Technology Services (OITS), provided the Kansas Information Technology Office (KITO) quarterly reports for October to December 2023 and January to March 2024 on agency IT projects (Attachment 2). He summarized the status of the 58 IT projects and noted the new demands of certain projects. He invited project managers to comment on the particulars of certain projects:

- Bob Doane, Chief Information Officer, Kansas Department of Health and Environment (KDHE), outlined the agency's Early Childhood Developmental Services Database Management Project, which tracks data for federal reporting. He explained the project is necessary due to the current system not being capable of meeting new federal standards for case management and comprehensive data coverage. The planned cost of the project is $2.4 million. A Committee member requested information on the square-foot requirements for child care;

- Barry Magner, Deputy Section Chief, KDHE, reviewed the Ryan White Program Database and Claims, an upgraded program to monitor medical claims. He said the program is designed to provide high-quality service to those with HIV; the estimated costs of $2.3 million will be provided through federal grants. Committee members expressed concern about ongoing costs beyond the grants that might impact state funds; a member questioned the cost-per-person ratio as excessive;

- Jason Marsh, Deputy Chief Information Officer, Department of Administration (DofA), and Nancy Ruoff, Director of the Office of Accounts and Reports, DofA, presented DofA's Annual Comprehensive Financial Report Consolidation Software Project; the project will consolidate financial data used to report the State's financial condition at the end of each fiscal year, allow the reports to be generated within the agency, and will be funded by the State General Fund (SGF). Responding to a question, Mr. Marsh replied the reports were previously outsourced because of agency staff reductions. He said the new system will be an off-the-shelf system;

- Gabe Bullard, Information Technology Manager, State Board Of Tax Appeals (BOTA), and Kristen Wheeler, Board Chair, BOTA, outlined the BOTA Modernization Initiative-Enterprise Content Management, which replaces the current document management system. They provided a brief history of the project and explained the accelerated schedule in order to meet the December 31, 2024, federal funding deadline; supporting funding will be SGF; and

- Tom Mai, Chief Information Officer, Kansas Highway Patrol (KHP), reviewed the KHP's South Haven Weigh Station Project, which is designed to enhance monitoring and enforcement of commercial vehicles entering the state. He said the project was completed with 85 percent federal funding and 15 percent Motor Carriers grant, and includes ongoing costs (five years of maintenance). He stated the project will increase highway safety. He noted 600,000 commercial vehicles come through this state portal; the system will provide early detection and help determine which vehicles to inspect.

Mr. Wong reviewed the new policies regarding project reporting; he explained the risk-assessment process now included on projects that may be lower than the standard threshold but at present were considered for presentation due to their external visibility and risk to stakeholder perception of the the agency. The following seven reports are under the demand threshold but pose an increased risk:

- Kevin Mapes, Chief Information Officer, Kansas Bureau of Investigation (KBI), reviewed the KBI Microsoft 365 Implementation Project, a plan to upgrade from Microsoft Exchange 2019 to Microsoft 365 at a cost of $438,364 funded from the SGF. The new program will enable better collaboration and increase security.

Answering questions, Mr. Mapes replied the new system uses multi-factor authentication; the costs reflect three years' operational costs;

- Mr. Mapes also highlighted the KBI Master Data Management Business Project; the project will enable KBI to begin data discovery and management for the Kansas Incident Based Reporting System (KIBRS) and the Automated Biometric Identification System (ABIS). He noted the cost and funding are to be determined. Responding to a question, Mr. Wong replied that risk-management scores are sometimes subjective. He relies on agency assessments to assist in establishing risk scores;

- Lynn Retz, Executive Director, Kansas Corporation Commission, outlined the agency's Risk Based Data Management System Replacement/Upgrade. Ms. Retz explained the project will upgrade the current system that tracks oil wells, operator licensing, compliance, and inspections data. The system is used for regulatory oversight with a project cost of $675,000 non-SGF funding;

- Joan Proctor, VINE Coordinator, Victim Services Division, Office of the Attorney General, presented the agency's Victim Notification Services Project, an enhanced. replacement for the current system. The system will implement and maintain a statewide automated crime victim notification, an incarceration database, a call center, and an administrative portal. Revisions to the project are being made to incorporate KDHE Division of Healthcare Finance's incarcerated solution system as well.

- Mr. Doane reviewed the KDHE Bureau of Water State Revolving Fund Project, which will replace the current system of Microsoft Access databases and spreadsheets to enable online reporting, querying, and application automation. He said the system will provide more efficient funding for municipalities. The modernization project has a project cost of $500,000, with approximately $60,000 of ongoing cost, and will utilize feed funding.

- Mr. Doane also presented KDHE's CARE-ePASRR (electronic Pre-Admission Screening and Resident Review), a service that will automate the Medicaid pre-admission and resident review process. Mr. Doane explained that the $5.0 million project will enable the agency to meet federal requirements for timeliness and accuracy. Funding will be 90/10 percent split federal/supplemental with ongoing funding 75/25 percent split federal/supplemental.

Mr. Wong commented on the status of the 29 active projects (4 Recast, 3 in Caution status, 7 Alert and the remaining ones considered Good). He reviewed a new active project, the Kansas Department of Transportation US-169 Dense Wavelength Division Modernization, a project completed within budget and on time; the project expands the communication backbone along US Hwy 169 from Garnett to Lenexa.

Alan Conroy, Executive Director, Kansas Public Employees Retirement System (KPERS), provided information on the KPERS Administration System Modernization. Mr. Conroy explained the present system is becoming unstable; the new one will take five years to complete at a cost of $75.0 million and will include user web portals and access. The project will be funded from the KPERS Trust Fund. Responding to questions, Mr. Conroy replied that

vendor Integra will modify an off-the-shelf system to fit Kansas statutory requirements. The trust fund moneys are sourced 50 percent investment, 33 percent state contribution, and the remainder from employers.

Mr. Wong referenced the active projects in Alert status and invited project managers to explain the projects.

Frank Burnam, Deputy Secretary of Operations, DofA, commented on the DofA Capitol Complex Security–Infrastructure Project. The project will fully integrate the video security with the access control system (key cards). Mr. Burnam noted the current system is at the end of its life and identified by a consulting firm as a potential risk to Capitol security. The project will upgrade all surveillance and card access control systems under vendors American Digital Security and Avigiton Security. He explained the project is on Alert status due to supply chain and integration issues as well as legislative session conflicts. He assured members the project would be completed before the 2025 Legislative Session. Committee members commented on the need for better cell phone coverage in the parking garage and suggested a more intuitive card/pass system for vehicles.

Tom Pagano, Chief Information Officer, Department for Children and Families (DCF), explained the DCF Child Support Services Re-Platforming Project will mitigate child support data from mainframe to a modern Microsoft-based solution; the project has been delayed due to changes in the federal mandates. The $11.7 million costs increased to $12.7 million; it is funded 50/50 percent split federal/state. Responding to a question, Mr. Pagano said he was not aware of any child-support payments being delayed. Mr. Wong further explained that requiring more vendor transparency and reorganizing vendor administration have improved progress on the project.

Mr. Pagano also reviewed the Kansas Department for Aging and Disabilities Services' (KDADS) Hospital Electronic Health Records and Substance Use Disorder Project; the agency is working with WellSky Human Services as vendor to modernize the collection and storage of electronic health records for the agency. Infrastructure improvement, licensing fees, and staffing shortages resulted in a 12-plus month variance and increased costs from $2.5 million to $5.5 million. Additionally, the scope of the project was modified to include a substance use disorder module.

Mr. Doane commented on the KDHE Early Childhood Data Integration and System Enhancement Project, which will replace CLARIS (Child Care Licensing and Regulation Information System). The project has been slightly delayed.

Mr. Mapes reported on the time lapse that caused delays in implementing the KBI's ABIS (Automated Biometric Identification System II) system. The project was unable to be closed due to outstanding work that must be completed by the vendor within 60 days. He noted the new system replaces the 1987 Automated Fingerprint Identification System.

Scott Schultz, Executive Director, Kansas Sentencing Commission, commented on the agency's Electronic Journal Entry Project, which will implement a cloud-based electronic journal entry system for storing felony sentencing and probation revocation data statewide. Mr. Schultz explained that custom applications required more staff time than anticipated. Use of pilot studies refined the effectiveness of the project even though they caused additional delays.

Jason Dickson, Chief Information Officer, Kansas Department of Wildlife and Parks, noted a slight delay in replacing an aging system with the SmartCop Record Management System. Mr. Dickson said a short-time variance completing the project did not result in any change in cost.

Lunch

The Committee recessed for lunch at 12:19 p.m. The Chairperson called the Committee back to order at 1:27 p.m.

Staff Updates to Committee Questions

Tamera Lawrence, Senior Assistant Revisor of Statutes, Office of Revisor of Statutes, responded to members' request for additional information regarding the KDHE Ryan White Program. Ms. Lawrence stated two KDHE divisions have a Ryan White title as special revenue funds: the Division of Public Health and the Division of Health Care Finance. Both funds are "no limit" funds, allowing any federal money received for the program to be expended.

Responding to a question about a childcare database, Ms. Lawrence replied that numerous accounts and funds in the budget bill have "childcare" associated with the account/fund, but none speak to a database. Regarding actions associated with the budget bill, she noted the Social Services Budget Committee reviewed a request for a home-based childcare providers pilot project. The Legislature allocated $500,000 for the project for FY 2025, but the Governor vetoed the proviso language ". . .to implement a pilot program for the recruitment and retention of home-based childcare providers to increase the number of childcare slots in Kansas."

Judicial Branch IT Update

Anne Madden-Johnson, Interim Chief Information Technology Officer, Office of Judicial Administration, provided an update related to the October 2023 cybersecurity breach; she said systems have been fully restored and a Chief Information Security Officer has been hired to bolster protective cyber defenses (Attachment 3). She reported that a Zero Trust policy has been adopted which includes multi-factor authentication, improved firewall protection, and identifying other vulnerabilities.

Ms. Madden-Johnson noted progress related to 2024 House Sub. for SB 291: changing to the .gov domain, adding a more comprehensive security program, strengthening cybersecurity training, and identifying district court endpoint vulnerabilities. She announced the complete migration of the centralized case management system; the final district court (Johnson County) will go live on the centralized system in November 2024. Plans for the future include enhancements to the case management system and exploring cloud options for the data center. Responding to a question, she replied that she would provide additional information regarding security breach actions.

Legislative Branch IT Update

Tom Day, Director of Legislative Administration Services, and acting Legislative CITO, commented on the search for a new Legislative CITO. A Committee member commented on the importance of the Legislative Branch owning the data for any legislative IT systems.

Eric Theel, Director of Application Services, Kansas Legislative Office of Information Services (KLOIS), reviewed preparations for the 2025 Legislative Session (Attachment 4). He reported the biennium rollover is on track to be completed by the beginning of the 2025 Legislative Session and updates are being completed on the Kansas Legislative Information Systems and Services (KLISS) related to the Kansas Legislative Research Department as well as other chamber applications. He said the KLISS Modernization Project has begun user acceptance testing for the bill drafting portion of the system used by the Office of Revisor of Statutes. The project steering committee has recommended contracting with the software vendor for a private cloud-managed hosting system. An addendum to the software contract will be covered by federal funds as the project enters Phase 2.

John Langer, Director of Technical Services, KLOIS, provided further updates regarding legislative IT initiatives (Attachment 5). He noted the issuing of a contract to replace legislative laptop Dell computers, the migration from Microsoft Exchange servers to Exchange Online, and the official change to the .gov domain in September. Regarding the future of the Data Center Infrastructure, he said KLOIS is weighing whether to move to a cloud-based service or continue with on-premise hardware options.

Legislative Branch IT Security Briefing (Possible Closed Session)

Bob Murphy, IT Security Engineer, KLOIS, outlined the focus and services provided by legislative cybersecurity (Attachment 6). He stated the mission to be advancing cybersecurity maturity in key areas of the Legislative Branch, and he provided specific information and scoring in the following areas:

- Intrusion prevention and detection, which includes external vulnerability scans;

- Building a secure culture–the consistent training in security awareness; and

- Policy implementation, which includes standards, guidelines,and procedures for implementing the policies.

Mr. Murphy added that policy statements and policy guidelines have been aligned with the National Institute of Standards and Technology and merged with ITEC policies. He then outlined planned changes to further ensure legislative IT security: an authenticator with multi-factor authentication, enhanced email security and software adjustment, and a Secure Access Service Edge (SASE) cloud network. He concluded by listing short-term and long-term goals (*e.g.*, consolidate security services, improve risk management).

Further Review of Specific IT Security Controls Across State Agencies and School Districts

Alex Gard, Principal Information Technology Auditor, Legislative Division of Post Audit, concluded a review initiated at a previous meeting addressing specific IT security controls across state agencies and school districts (Attachment 7). Mr. Gard reported that about half of the 15 entities audited did not substantively comply with selected IT standards and best practices. He noted that in 2018, the Legislature passed the state's Cybersecurity Act, and in 2023, passed HB 2019, which strengthened the Act. He outlined the audit process that was applied to 12 state agencies and 3 school districts: security controls, complying with continuity of operations, and complying with data center controls. Mr. Gard emphasized frequent lack of management oversight, and he offered recommendations for each school district and agency as well as recommendations to each security officer and KISO. He concluded by suggesting changes/adjustments to the Cybersecurity Act. Appendices provided further specific information. Responding to a question, he replied that all recommendations are based on federal controls.

Board of Indigents Defense Services IT Security Audit (Closed Meeting)

Representative Hoffman moved, and Representative Wasinger seconded, for the Committee to hear information is a closed meeting; the Committee <u>unanimously approved the following motion</u>:

> I move that the open meeting of the Joint Committee on Information Technology be recessed for a closed, executive meeting pursuant to K.S.A. 75-4319(a) to discuss matters relating to the security measures that protect the information systems of the Kansas state board of indigents' defense services and a recent audit of such security measures with the appropriate individuals from the legislative division of post audit and the Kansas state board of indigents' defense services, pursuant to the justification listed in K.S.A. 75-4319(b)(12)(C), because discussion of such matters in an open meeting would jeopardize such security measures; that the committees resume the open meeting in room 582-N of the Statehouse at 3:30 p.m; and to record this motion, if adopted, as part of the committee's permanent records.

The following designated essential personnel were present during the closed meeting, in addition to the Committee members:

- Post Audit
  - Katrin Osterhaus, IT Audit Manager; and
  - Alex Gard, Principal IT Auditor.
- Board of Indigents' Defense
  - Heather Cessna, Director, State Board of Indigents' Defense Services (BIDS);
  - Michael Troxell, Lead IT Consultant, BIDS;
  - Brandon Barrett, Assistant Director, BIDS; and
  - Kim Mason, IT Security Officer, BIDS.

Committee Discussion

After the conclusion of the closed meeting session, the Chairperson invited members to suggest topics for subsequent meetings. The following recommendations were suggested:

● A presentation regarding the KanRen network, the high-speed network used by universities in the state;

● A wider understanding of the impact of Artificial Intelligence;

● Consider widening the .gov domain;

● Review policies for board members on ITEC; and

● Develop policies to coordinate legislative communication and focus.

A Committee member expressed appreciation to Legislative Administrative Services and KLOIS staff for their service to the Committee during the past year.

Adjourn

The meeting was adjourned at 3:34 p.m. The next meeting is scheduled for September 26, 2024.

Prepared by: Gary Deeter

Edited by: James Fisher and Matthew Willis

Approved by the Committee on:

_____October 30, 2024_____
(Date)