

**SUBJECT:** Continuing the Department of Information Resources

**COMMITTEE:** State Affairs — favorable, without amendment

**VOTE:** 10 ayes — Wolens, S. Turner, Carter, Counts, Craddick, Hilbert, Hunter, J. Jones, McCall, Ramsay

0 nays

5 absent — Alvarado, Brimer, Danburg, Longoria, Stiles

**SENATE VOTE:** On final passage, April 25 — 29-0

**WITNESSES:** (On House companion, HB 1930)

For — None

Against — None

On — Carolyn Purcell, Department of Information Resources

**BACKGROUND**  
:

The Department of Information Resources (DIR) was created in 1989 to plan and coordinate information resources technologies used by state agencies. Prior to 1989, information resources planning was performed by the State Auditor's Office, the General Services Commission and the Automated Information Systems Advisory Council. DIR's primary role is to set the direction for statewide strategic management of information resources through its biennial *State Strategic Plan for Information Resources* that provides state agencies and universities with guidelines for planning their use of information technology.

DIR is governed by a nine-member board whose members serve staggered six-year terms. The governor selects three board members directly and six board members from lists provided by the lieutenant governor and the speaker of the House, including a member of the House and the Senate, respectively. One of the nine appointees must be employed by an institution of higher education. The governor designates the board's chair. The DIR board establishes rules for administering its statutory mission, reviews and

approves a DIR performance report on the use of information resources technologies by state government, adopts the *State Strategic Plan for Information Resources*, and hires the agency's executive director. The agency advises state leadership and assists state agencies regarding management of information resources.

DIR is funded by the general revenue fund (40 percent), interagency contracts (30 percent), and appropriated receipts (30 percent). DIR recovers costs for providing services to other state agencies through interagency contracts and to local governments through appropriated receipts. DIR had 111 full-time employees in 1995 working out of the agency's central Austin office.

The DIR is subject to the Sunset Act and underwent Sunset Advisory Commission review during the interim. It will be abolished on September 1, 1997, unless continued by the Legislature.

DIGEST: SB 365 would continue the DIR until September 1, 2009, and implement several Sunset Advisory Commission recommendations.

**Board composition.** The bill would change the composition of the DIR governing board to include six voting members appointed by the governor with the advice and consent of the Senate and three ex-officio members divided into two groups who would serve on a rotating basis for two-year terms. The first group — consisting of the executive director of the Texas Workers' Compensation Commission, the commissioner of health and human services and the executive director of the Texas Department of Transportation — would serve beginning February 1 of every other odd-number year. The second group — composed of the education commissioner, executive director of the Texas Department of Criminal Justice and the executive director of the Texas Parks and Wildlife Department — would serve the next term. Ex-officio members could designate the information resources manager of their agency to serve in their place.

All members of the DIR board would be required to complete at least one training course related to the DIR functions.

**Agency participation.** SB 365 would require DIR to establish a comprehensive technical assistance programs to aid state agencies in developing and implementing their own internal quality assurance procedures for information technology.

Agencies would have to submit information resources strategic plans during the first calendar quarter of even-number years on a date set by DIR and would require DIR to approve information resources strategic plans within 90 days of submission. Agencies would have to amend their biennial operating plans when including significant new or changed technology initiatives in their legislative appropriation requests.

The bill would require that DIR periodically analyze the training needs of information resources managers and adjust the training to better custom fit the needs of the agency. Information resources manager of each state agency would be part of the agency executive management and report directly to the head of the agency.

**Telecommunications planning.** SB 365 would create a telecommunications planning group to develop a state telecommunications network to meet the long-term needs of the state. The group would be composed of the state comptroller and the executive directors of the DIR and the General Services Commission. Certain state agencies would be required to advise the telecommunications groups, including the Texas Education Agency, Higher Education Coordinating Board, Texas A&M and the University of Texas system offices and the Telecommunications Infrastructure Fund Board and the Texas State Library.

**Across-the-board provisions.** The bill would add to the DIR's enabling statute standard sunset provisions addressing:

- development of an equal employment policy, an intra-agency career ladder, and a system of annual employee performance evaluations;
- board member appointment, training, and removal;
- designation of the board's presiding officer by the governor;
- conflicts of interest of board members and employees;
- separation of policymaking and management responsibilities;

- compliance with state and federal program and facility accessibility laws;
- distribution of information to client agencies about the DIR's functions and complaint procedures;
- management of DIR funds in accordance with the State Funds Reform Act; and
- preparation of an annual financial report.

SB 365 would take effect September 1, 1997.

**SUPPORTERS  
SAY:**

SB 365 would continue a agency necessary for coordination of information resources of all state agencies and institutions of higher education. DIR helps protect the state's enormous investment in information technology. Texas has avoided major problems other states and the federal government have experienced because of lack of oversight coordination in information technology. California, for example, spent \$50 million on a computer system for its lottery that had to be scrapped.

The bill would restructure the DIR board membership to reflect recent legislative changes regarding the agency's mission that require it to take a more active approach to the strategic and operational planning of agency information resources. The DIR board needs more expertise. The department no longer requires the close legislative contact it originally had in its formative stage and instead needs more input from state agencies.

SB 365 would make state agencies more accountable and ensure adequate management of information resources to protect the state's investment in information technology. It would require that state agency information resources managers be well-trained and part of the agency's executive management team so that they are well aware of the overall needs of their agencies.

The bill would expand DIR's role in providing quality assurance assistance to agencies in order to protect the state's large investment in high-risk information technology projects.

SB 365 also would create a telecommunications planning group to ensure an effective mechanism for examining telecommunications issues, planning for future use of the technology and optimizing opportunities for the state to

secure the most cost-effect access to telecommunications services. At present, state telecommunications services to state agencies are divided between the DIR and the GSC. DIR provides data and video telecommunications services and GSC primarily provides voice communications. The planning group would guide agencies from simple voice transmission to complex voice, data and video telecommunications.

OPPONENTS  
SAY:

No apparent opposition.