

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1458
By: Duncan
State Affairs
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Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, Texas is moving forward with electronic government (e-government) in a decentralized fashion, with no one organization responsible for ensuring that e-government advances effectively and efficiently in an increasingly high-tech world. Lack of coordination between government entities concerning e-government has also resulted in increased costs to taxpayers resulting from unnecessarily replicated costs of developing and implementing systems, incompatible systems, poor interoperability, and ineffective security. C.S.S.B. 1458 creates a number of new electronic services designed to benefit Texas citizens and businesses and to improve the efficiency and effectiveness of state and local government. This bill establishes an Electronic Government Program Management Office in the Department of Information Resources (DIR) to guide, promote, and facilitate the implementation of select e-government projects and to manage the ongoing development of the TexasOnline portal. This bill also allows Telecommunication Infrastructure Fund dollars to be used by local governments and school districts and establishes a Legislative Oversight Committee for electronic government projects.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Department of Information Resources in ARTICLE 1, SECTION 1.01. (Sections 2055.057, 2055.101, 2055.102, Sec. 2055.105, Government Code) and SECTION 1.06 of this bill.

Rulemaking authority previously granted to the General Services Commission is modified in ARTICLE 6, SECTION 6.01 (Section 2155.079, Government Code) of this bill.

Rulemaking authority is expressly granted to the General Services Commission in ARTICLE 6, SECTION 6.02 of this bill.

SECTION BY SECTION ANALYSIS

ARTICLE 1. ELECTRONIC GOVERNMENT PROGRAM MANAGEMENT OFFICE

SECTION 1.01. CREATION OF OFFICE. Amends Title 10B, Government Code, by adding Chapter 2055, as follows:

CHAPTER 2055. ELECTRONIC GOVERNMENT PROGRAM MANAGEMENT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2055.001. DEFINITIONS. Defines "board," "department," "electronic government project," "local government," "TexasOnline," "institution of higher education," "office," and "state agency."

Sec. 2055.002. APPLICABILITY TO INSTITUTIONS OF HIGHER EDUCATION. Provides that, except as provided by this section, the requirements of this chapter regarding electronic government projects do not apply to institutions of higher education. Authorizes an

institution of higher education, subject to approval by the Electronic Government Program Management Office (office) of the Department of Information Resources (department), to elect to participate regarding an electronic government project of that institution in the same manner as a state agency under this chapter. Sets forth requirements and guidelines regarding whether the institution makes this election and the office approves the election.

[Sections 2055.003-2055.050 reserved for expansion]

SUBCHAPTER B. PROGRAM MANAGEMENT OFFICE

Sec. 2055.051. CREATION. Requires the department to create an Electronic Government Program Management Office (office) to direct and facilitate the implementation of electronic government projects selected under this chapter.

Sec. 2055.052. GENERAL POWERS AND DUTIES. Requires the office to perform certain functions.

Sec. 2055.053. LOCAL GOVERNMENT AND FEDERAL PROJECTS. Authorizes the office to coordinate certain electronic government projects.

Sec. 2055.054. COORDINATION AMONG STATE AGENCIES; APPROVAL OF SPENDING. Requires the office, in coordination with the Legislative Budget Board and the comptroller, to perform certain functions. Requires the office to create state agency coordination teams, as appropriate, to reduce information technology expenditures and eliminate unnecessary duplication.

Sec. 2055.055. COOPERATION; STANDARDS. Requires a state agency to perform certain functions. Requires the department, in requesting cooperation from a state agency under this section, to consider the necessity of the request as well as the cost to the agency in time and resources. Requires the office to establish standards for state agencies to follow in implementing selected electronic government projects to ensure maximum savings through cooperation among agencies.

Sec. 2055.056. QUALITY ASSURANCE. Requires the office, in coordination with the state auditor, the Legislative Budget Board, and the affected state agency, to provide quality assurance services to monitor electronic government projects selected under Section 2055.101.

Sec. 2055.057. FUNDING FOR PROGRAM MANAGEMENT OFFICE. Requires the office, in coordination with certain entities, to develop a model for funding the office from a portion of the money appropriated for projects selected under Section 2055.101, including staff necessary for the office. Requires the office to submit the model for approval by the governor and adoption by the department as a rule. Requires certain state agencies to enter into an agreement with the department under Chapter 771 for certain purposes.

Sec. 2055.058. TEXASONLINE. Requires the division of the department with responsibility for TexasOnline to coordinate the ongoing development of TexasOnline with the office. Requires the office to promote the use of TexasOnline by state agencies.

Sec. 2055.059. USE OF WEST TEXAS DISASTER RECOVERY AND OPERATIONS CENTER. Defines "center." Requires the office to use the center for certain purposes. Requires the office to serve as the state's primary contact with the center regarding the consolidation of data operations and recovery. Requires the office to encourage increased use of the center by state agencies.

[Reserves Sections 2055.060-2055.100 for expansion]

SUBCHAPTER C. MANAGEMENT OF ELECTRONIC GOVERNMENT PROJECTS

Sec. 2055.101. SELECTION OF ELECTRONIC GOVERNMENT PROJECTS. Requires the office, in coordination with certain entities, to develop selection criteria for the type of electronic government projects that require direct oversight by the office. Requires the criteria to include certain factors. Requires the office to submit the criteria developed under this section to the department. Requires the department to adopt the criteria by rule. Requires the office, based on any selection criteria adopted under this section and in coordination with certain entities, to select proposed or existing electronic government projects.

Sec. 2055.102. APPEAL OF SELECTION. Sets forth guidelines regarding appeal procedures for a state agency that disagrees with the selection of an electronic government project under Section 2055.101. Provides that the governor's decision regarding selection is final. Requires the department by rule to adopt appeal procedures.

Sec. 2055.103. USE OF TEXASONLINE. Requires the office, to the extent possible, to use TexasOnline for electronic government projects that it manages. Requires the office to evaluate current and potential electronic government projects to determine whether they are suitable for TexasOnline.

Sec. 2055.104. SPENDING ON SELECTED ELECTRONIC GOVERNMENT PROJECTS. (a) Requires a state agency to receive the approval of the office before the agency is authorized to spend or encumber money on an electronic government project selected under Section 2055.101. Authorizes the office, if the agency spends money without the approval of the office, to recommend to the governor that spending for the project be terminated under Section 2055.105.

(b) Authorizes a state agency, if it disagrees with the office's refusal to approve spending under Subsection (a), to appeal to the governor. Requires the office, if the governor agrees with the agency, to approve the spending.

(c) Requires the office, in coordination with certain entities and subject to the approval of the governor's office of budget and planning, to establish procedures that include certain features for approval of spending under Subsection (a).

Sec. 2055.105. AUTHORITY TO TERMINATE OR REINSTATE SPENDING ON ELECTRONIC GOVERNMENT PROJECTS. (a) Requires the office, in coordination with certain entities, to submit certain criteria to the department for terminating or reinstating selected electronic government projects.

(b) Requires the department to adopt the criteria by rule.

(c) Authorizes the office to recommend to the governor that an electronic government project selected under Section 2055.101 be terminated or temporarily halted if the project fails to meet the criteria adopted under Subsection (b).

(d) Authorizes the governor, on a recommendation from the office that an electronic government project should be terminated or temporarily halted, to direct the comptroller to deny the state agency access to the agency's appropriations that relate to the development or implementation of the electronic government project. Provides that the denial of access continues until certain conditions are met.

Sec. 2055.106. ENTERPRISE RESOURCE PLANNING; USE OF OFFICE REQUIRED. Defines certain elements included under the term "enterprise resource planning." Requires the office, in coordination with the Health and Human Services Commission and the comptroller, to

establish certain standards. Requires the standards to build on the models developed by the commission. Requires a state agency that chooses to implement or modify an electronic government project for an enterprise resource planning system to comply with the standards developed by the office under this section.

Sec. 2055.107. **ONLINE SERVICE FOR NEW BUSINESSES.** Requires the office, with assistance from the business permit office of the Texas Department of Economic Development and any other affected state agencies, to develop and implement a plan for the creation of an electronic government project to provide new businesses in this state a single source for information and permitting. Sets forth requirements for the project. Requires certain state agencies involved in issuing permits to new businesses to assist the office in the development and operation of the project. Requires state agencies to cooperate with the office to structure their procedures to facilitate participation in the project.

[Reserves Sections 2055.108-2055.150 for expansion]

SUBCHAPTER D. LEGISLATIVE OVERSIGHT COMMITTEE

Sec. 2055.151. **DEFINITION.** Defines "oversight committee."

Sec. 2055.152. **CREATION.** Creates the Legislative Oversight Committee for Electronic Government Projects to oversee the establishment of electronic government projects by the office and state agencies.

Sec. 2055.153. **MEMBERS.** Sets forth guidelines for the members appointed to the oversight committee.

Sec. 2055.154. **OFFICERS.** Requires the committee to annually select a member to serve as presiding officer and requires the presiding officer to appoint a vice presiding officer from the other house of the legislature.

Sec. 2055.155. **GENERAL POWERS AND DUTIES.** Sets forth guidelines regarding the general powers and duties of the oversight committee.

Sec. 2055.156. **TEXASONLINE.** Requires the oversight committee to recommend, to the state agency with primary responsibility for implementing TexasOnline, what constitutes the infrastructure of TexasOnline.

Sec. 2055.157. **RESPONSIBILITY FOR REPORTS; BUDGET.** Requires the oversight committee to make recommendations to the legislature based on reports prepared certain entities. Authorizes the oversight committee to perform certain functions.

Sec. 2055.158. **PUBLIC HEARINGS.** Authorizes the oversight committee to hold public hearings. Authorizes the oversight committee to administer oaths and issue subpoenas as necessary to compel the attendance of witnesses or the production of documents.

Sec. 2055.159. **ADVISORY COMMITTEES.** Authorizes the oversight committee to appoint advisory committees for certain purposes and sets forth guidelines for such appointments.

Sec. 2055.160. **DEPARTMENT OF INFORMATION RESOURCES.** Requires the department to consider any comments from the oversight committee before adopting rules.

Sec. 2055.161. **STAFF; USE BY LEGISLATURE.** Authorizes the oversight committee to employ staff necessary to implement its duties. Requires the Legislative Budget Board and

Texas Legislative Council, on request of the oversight committee, to provide staff to the oversight committee. Authorizes any member of the legislature to use staff employed by the oversight committee.

Sec. 2055.162. COOPERATION WITH OTHER STATE AGENCIES. Requires a state agency, on request by the oversight committee, to cooperate with and assist the oversight committee.

[Reserves Sections 2055.163-2055.200 for expansion]

SUBCHAPTER E. ADDITIONAL PLANNING, OVERSIGHT, AND REPORTS

Sec. 2055.201. ELECTRONIC GOVERNMENT PROGRAM MANAGEMENT OFFICE ADVISORY COMMITTEE. Requires the governing board of the department (board) to create an Electronic Government Program Management Office Advisory Committee under Section 2054.033 to provide ongoing direction for the operation of the office. Prohibits the board from appointing more than 15 members to the committee. Requires the committee to include certain members. Requires the committee to assist the office for certain purposes. Authorizes a governmental member of the committee to be reimbursed for expenses only from money available to the governmental entity the member represents.

Sec. 2055.202. STRATEGIC AND BIENNIAL OPERATING PLANS. Requires the office to review state agency plans prepared under Sections 2054.095 and 2054.100 for certain purposes.

Sec. 2055.203. REPORTS ON ELECTRONIC GOVERNMENT PROJECTS. Requires the office, in coordination with the quality assurance team of the Legislative Budget Board and the state auditor, to establish a state agency reporting system that requires state agencies to report to the office on certain issues. Requires the reports established under this section to include a certain analysis.

Sec. 2055.204. ANNUAL REPORT TO LEGISLATIVE OVERSIGHT COMMITTEE. Requires the office, not later than September 1 of each year, to report to the Legislative Oversight Committee for Electronic Government Projects on the status of the office and the electronic government projects managed by the office, including certain stated features. Requires the Legislative Oversight Committee for Electronic Government Projects to review and approve the report before appropriate information is authorized to be included in the report proposed under Section 2054.055.

SECTION 1.02. REPORT ON ELECTRONIC GOVERNMENT PROJECTS. Amends Section 2054.055(b), Government Code, to require the report to include certain information.

SECTION 1.03. REPORT ON STRATEGIC AND BIENNIAL OPERATING PLANS. Requires the Electronic Government Program Management Office, not later than November 1, 2001, to complete its recommendations on modifying instructions based on the initial review conducted under Section 2055.202, Government Code, as added by this article.

SECTION 1.04. APPOINTMENT OF LEGISLATIVE OVERSIGHT COMMITTEE. Requires the members of the Legislative Oversight Committee for Electronic Government Projects created under Subchapter D, Chapter 2055, Government Code, as added by this article, not later than November 15, 2001, to be designated as provided under Section 2055.153, Government Code, as added by this article.

SECTION 1.05. APPOINTMENT OF ELECTRONIC PROGRAM MANAGEMENT OFFICE ADVISORY COMMITTEE. Requires the governing board of the Department of Information

Resources, not later than January 15, 2002, to appoint the members of the Electronic Government Program Management Office Advisory Committee, as provided by Section 2055.201, Government Code, as added by this article.

SECTION 1.06. ADOPTION OF RULES. Requires the Department of Information Resources, not later than May 31, 2002, to adopt the rules required by Sections 2055.057, 2055.101, 2055.102, and 2055.105, Government Code, as added by this article.

SECTION 1.07. PLAN. Requires the Electronic Government Program Management Office, not later than September 1, 2002, to complete the plan required under Section 2055.107, Government Code, as added by this article. Requires the plan to outline the recommendations and resources necessary to further develop and implement the Internet services provided under that section. Requires the business permit office of the Texas Department of Economic Development and any other affected state agencies to assist the program management office in developing the plan.

ARTICLE 2. CREATION OF SEAT MANAGEMENT OFFICE; STUDY ON SEAT MANAGEMENT

SECTION 2.01. SEAT MANAGEMENT. Amends Chapter 2054, Government Code, by adding Subchapter K, as follows:

SUBCHAPTER K. SEAT MANAGEMENT

Sec. 2054.351. DEFINITIONS. Defines "office," "seat management," and "state agency."

Sec. 2054.352. CREATION. Requires the Department of Information Resources (department) to create a seat management office (office) for certain purposes.

Sec. 2054.353. CONSULTATION. Requires a state agency to consult with the office under certain conditions.

Sec. 2054.354. TOTAL COST OF OWNERSHIP STUDIES. Sets forth guidelines regarding a pilot study to determine the total cost of all personal computers and related systems used by the agency, including both owned and leased systems. Requires an agency selected under this section to cooperate with the department in conducting the study. Requires the department, including the office, on request to assist a state agency in complying with this section. Requires each selected state agency, not later than May 1, 2002, to report on the results of its study to the department.

Sec. 2054.355. STUDY AND RECOMMENDATIONS ON USE OF PRIVATE CONTRACTORS TO IMPLEMENT SEAT MANAGEMENT. (a) Requires the office to analyze the results of the studies under Section 2054.354 to assess the feasibility of establishing a statewide seat management system at the time the assessment is completed or at a later time.

(b) Requires the office, as part of the feasibility study, to analyze seat management, through which a state agency transfers its personal computer equipment and service responsibilities to a private vendor as described by this subsection. Sets forth guidelines for the hiring of a private vendor for certain purposes. Provides that, subject to the agency's needs and a vendor contract, the vendor selected by the agency would satisfy the agency's personal computer needs, certain stated needs.

(c) Requires the office to study different types of contracts that could be used to implement seat management.

(d) Requires the office, not later than November 1, 2002, to report its

recommendations to certain entities. Sets forth requirements for those recommendations.

Sec. 2054.356. PERSONAL COMPUTER INVENTORY REPORTING BY STATE AGENCIES. Requires each state agency, not later than September 1, 2002, and September 1, 2003, to provide the office with an inventory of all personal computers used by that agency as of June 1, 2002, and June 1, 2003, respectively.

Sec. 2054.357. EXPIRATION. Provides that this subchapter expires September 1, 2003.

ARTICLE 3. TEXASONLINE

SECTION 3.01. AMENDMENT OF DEFINITIONS. Amends Section 2054.003, Government Code, as follows:

Sec. 2054.003. DEFINITIONS. Defines "electronic government project," "Local government," "program management office," and "TexasOnline."

SECTION 3.02. USE OF TEXASONLINE. Amends Chapter 2054F, Government Code, by adding Section 2054.113, as follows:

Sec. 2054.113. DUPLICATION WITH TEXASONLINE; WAIVER. Provides that this section does not apply to a state agency that is a university system or institution of higher education as defined by Section 61.003 (Definitions), Education Code. Authorizes a state agency to duplicate a need that is met by TexasOnline if the state agency with primary responsibility to implement TexasOnline grants a waiver under this section. Requires the state agency to grant the waiver to a state agency that desires not to use TexasOnline if the agency meets certain recommendations.

SECTION 3.03. TEXASONLINE GRANT PROGRAM. Amends Chapter 2054, Government Code, by adding Subchapter J, as follows:

SUBCHAPTER J. TEXASONLINE GRANT PROGRAM

Sec. 2054.301. DEFINITION. Defines "oversight committee."

Sec. 2054.302. CREATION. Creates the TexasOnline grant program to enable counties, municipalities, and school districts to provide electronic government services through TexasOnline.

Sec. 2054.303. MANAGEMENT. Requires the program management office to perform certain functions.

Sec. 2054.304. INTERAGENCY OVERSIGHT COMMITTEE. Requires the Department of Information Resources (department) to establish an interagency oversight committee for certain purposes. Requires the committee membership to consist of certain representatives. Requires the oversight committee to work with representatives of certain organizations to disseminate information on the TexasOnline grant program. Authorizes reimbursement of the expenses of a committee member to be paid only from money available to the governmental entity that the member represents. Provides that the committee is not an advisory committee.

Sec. 2054.305. PREFERENCE FOR DISTRIBUTION OF GRANT MONEY. Requires the oversight committee, in determining the distribution of grant money under this subchapter, to prefer counties, municipalities, and school districts located in a strategic investment area, as defined by Section 171.721 (Definitions), Tax Code.

Sec. 2054.306. **CONDITIONS.** Requires a grant recipient, as a condition of receiving a grant under this subchapter, to agree to maintain online services after the grant period terminates. Requires the oversight committee and the grant recipient to negotiate and agree on the conditions of the grant, including the length of time required for maintenance of online services after the grant period ends.

Sec. 2054.307. **USE OF GRANT MONEY.** Authorizes grant money to be used only for certain functions. Prohibits grant money from being used to pay for communications links to public or private telecommunication systems, such as the state's public telecommunications network or for Internet service provider costs.

Sec. 2054.308. **EXPIRATION.** Provides that this subchapter expires September 1, 2003.

SECTION 3.04. ESTABLISHMENT OF INTERAGENCY OVERSIGHT COMMITTEE.

Requires the Department of Information Resources, not later than January 15, 2002, to establish the interagency oversight committee, as provided by Section 2054.304, Government Code, as added by this article.

ARTICLE 4. PROCUREMENT

SECTION 4.01. Amends Chapter 2177, Government Code, by adding Section 2177.0001, as follows:

Sec. 2177.0001. **DEFINITIONS.** Defines “department,” “electronic procurement system,” “institution of higher education,” “local government,” “state agency,” and “TexasOnline.”

SECTION 4.02. Amends Sections 2177.001(d) and (e), Government Code, as follows:

(d) Authorizes the General Services Commission (commission) to make state procurement services (rather than information) available to local governments and institutions of higher education (rather than political subdivisions) through the electronic procurement market on a fee-for-service basis. Authorizes, rather than requires, the commission to set the fees for transactions in an amount that recovers the state’s costs in providing access to a local government or institution of higher education (rather than political subdivision.)

(e) Makes a conforming change.

SECTION 4.03. Amends Section 2177.002, Government Code, by amending Subsection (e) and adding Subsection (i), as follows:

(e) Makes conforming changes.

(i) Requires the commission and the Department of Information Resources (department), under certain conditions, to enter into an agreement regarding distribution of the fees charged for transactions on the network, to recover the cost of TexasOnline.

SECTION 4.04. Amends Section 2177.003, Government Code, as follows:

Sec. 2177.003. New heading: **PARTICIPATION BY STATE AGENCIES IN ELECTRONIC PROCUREMENT SYSTEM.** Requires each state agency to send to the commission for posting on the electronic procurement system (rather than commerce network) information on each procurement contract the commission, in consultation with the department, determines is appropriate for electronic procurement. Deletes text regarding the value of a contract which will exceed the amount of the agency's delegated purchasing authority under

Section 2155.132. Deletes text regarding a contract including procurement related to a construction project.

(b) Requires the commission and each participating state agency, local government, or institution of higher education to include in the information placed on the electronic procurement system, including the electronic commerce network, certain information for each procurement that the commission will make or that another state agency will make under Subsection (a)

(c) Makes conforming changes.

(d) Requires each state agency that will award a contract that has been placed on the electronic procurement system under Subsection (a) to place notification of the awarding of the contract on the system (rather than the electronic commerce network).

SECTION 4.05. Transfers Section 2155.083, Government Code, to Chapter 2177, Government Code, redesignates it as Section 2177.004, Government Code, and amends it as follows:

Sec. 2177.004. Deletes reference to Subsection (n). Deletes text defining “department.” Requires the commission, rather than the department, each business day to produce and post a business daily in an electronic format. Makes conforming and nonsubstantive changes. Deletes Subsection (n).

ARTICLE 5. STUDY AND REPORT ON ELECTRONIC GRANTS SYSTEM

SECTION 5.01. STUDY AND REPORT. (a) Defines “department” and “state agency.”

(b) Requires the Department of Information Resources (department) to study the costs and benefits of establishing a statewide electronic grants management system for certain purposes.

(c) Requires the study to identify each state agency that offers grants; and the types of persons affected by the grants, including groups that apply for the grants and the groups served by grant funds.

(d) Requires the study to consider certain issues.

(e) Authorizes the department to request from the Electronic Grants Technical Assistance Workgroup certain information.

(f) Requires the department, not later than September 1, 2002, to report on the findings of the study to certain persons.

(g) Authorizes the department, if the report recommends implementation of a statewide electronic grants management system, to develop a plan and begin implementation of a statewide electronic grants management system based on the plan, the report's recommendations, and the findings of the study.

ARTICLE 6. CONTRACT MANAGEMENT

SECTION 6.01. USE OF LOCAL GOVERNMENT CONTRACTS. Amends Section 2155.079, Government Code, as follows:

Sec. 2155.079. (a) Defines “local government.”

(b) Requires the General Services Commission (commission) to adopt rules specifying the circumstances under which it is not advantageous for the state to allow a state agency to purchase goods or services under a contract made by another state agency other than the commission or a local government.

(c) Authorizes the agency purchasing under delegated authority, if commission rules allow other agencies to make purchases under a contract entered into by an agency using delegated purchasing authority, to offer the goods or services available under the contract to other agencies or local governments. Deletes text regarding conditions under which those goods or services may be offered.

SECTION 6.02. ADOPTION OF RULES. Requires the General Services Commission, not later than February 28, 2002, to adopt the rules required by Section 2155.079, Government Code, as amended by this article.

ARTICLE 7. COLLABORATIVE COMMUNITY NETWORK

SECTION 7.01. USE OF NETWORK. Amends Section 2170.004, Government Code, as follows:

Sec. 2170.004. Authorizes the commission to contract for use of the consolidated telecommunications system with certain entities.

SECTION 7.02. MAINTENANCE. Amends Section 2170.051, Government Code, by adding Subsection (e), to authorize the commission to contract for necessary support and maintenance of the consolidated telecommunications system resulting from collaborative community network participation.

SECTION 7.03. COST SCHEDULE. Amends Section 2170.057, Government Code, by adding Subsection (e) to require the commission, in cooperation with the telecommunications planning group, to develop a certain cost schedule. Authorizes charges for services described by this subsection to be based on costs to the system in addition to proportionate usage, including support and maintenance costs associated with community computer network use.

SECTION 7.04. Amends Section 57.042, Utilities Code, by adding Subdivision (12) to define "telecommunications planning group."

SECTION 7.05. FEDERAL GRANTS. Amends Section 57.045, Utilities Code, by adding Subsection (e) to require the board, in cooperation with the governor and the telecommunications planning group, to attempt to acquire and ensure the use of any grant funding available from the federal government for certain purposes.

SECTION 7.06. USE OF MONEY. Amends Section 57.046(b), Utilities Code, to require the board to use money in the qualifying entities account for any purpose authorized by this subchapter, including certain stated purposes.

SECTION 7.07. GRANT AND LOAN PROGRAM. Amends Section 57.047, Utilities Code, by amending Subsections (c)-(f) and adding Subsections (g) and (h), as follows:

(c) Authorizes the board to award a grant or loan for a collaborative community network to certain entities. Sets forth guidelines for use of the grant or loan. Requires the board, as a condition of a grant or loan under this subsection, to require the consortium to design for its network a certain Internet site. Requires the board to award grants and loans under this subsection by a certain process.

(d) Requires the board, in awarding a grant or loan under this subchapter, to give priority to a project or proposal that represents collaborative efforts involving more than

one political subdivision, school, university, or library.

(e) Makes a nonsubstantive change.

(f) Requires the board to establish a goal of awarding collaborative community network grants and loans under Subsection (c) of not less than \$5 million each year and to set priorities for awarding additional grant funding for collaborative community networking initiatives from available money.

(g) Makes a nonsubstantive change.

(h) Makes a nonsubstantive change.

SECTION 7.08. STUDY. Requires the Department of Information Resources to conduct a study of the feasibility of creating regional technology centers with membership composed of political subdivisions of each region of this state to foster collaborative community networking by performing certain functions. Requires the study to include an evaluation of the utility of coordinating efforts described by this section among regional technology centers, community technology centers, and the proposed Texas Geography Network, if the network is created. Requires the Department of Information Resources, not later than October 1, 2002, to report the results of the study to certain persons.

ARTICLE 8. EMPLOYMENT

SECTION 8.01. CREATION OF ONLINE EMPLOYMENT OPENINGS SYSTEM. Amends Chapter 656A, Government Code, by adding Sections 656.002 and 656.003, as follows:

Sec. 656.002. ONLINE EMPLOYMENT OPENINGS SYSTEM. Defines "state agency." Requires the Department of Information Resources to work with the Texas Workforce Commission and other state agencies to create a system for listing state agency employment openings on the Internet. Requires the characteristics of the system to include certain features to the extent feasible.

Sec. 656.003. ACCESS TO EMPLOYMENT OPENINGS INFORMATION. Requires the Texas Workforce Commission to make computers available to the public at its field offices to ensure access to information about employment openings.

SECTION 8.02. LISTING OF JOB NOTICES. Amends Section 656.024, Government Code, as follows:

Sec. 656.024. Deletes text regarding 10 working days. Deletes text regarding the commissioner being notified by the state agency having the vacancy that the vacancy has been filled.

ARTICLE 9. ADDITIONAL REPORTING REQUIREMENTS

SECTION 9.01. STUDY. Requires the Department of Information Resources, not later than September 1, 2002, to study the instructions used for preparing agency strategic plans under Section 2054.095, Government Code. Requires the study to perform certain functions. Requires the department to adopt revised instructions under Section 2054.095 (Preparation of Agency Strategic Plan), Government Code, based on the results of the study.

SECTION 9.02. SPECIFICATIONS FOR ELECTRONIC DATA CLEARINGHOUSE; REPORT. (a) Defines "department."

(b) Requires the Department of Information Resources (department), in coordination with certain entities, to develop certain specifications for a statewide electronic data clearinghouse. Requires the department to develop options for funding the maintenance or expansion of the clearinghouse, such as using resources from participating governmental entities to recoup the costs. Requires each option to address the potential impact on participation by governmental entities. Requires the department, not later than January 1, 2003, to provide a report containing the recommendations, specifications, and funding options developed under this subsection to certain persons.

(c) Requires the department, not later than August 31, 2003, to develop policies, procedures, data standards, training materials, and perform any other duties necessary to prepare for the establishment of the clearinghouse by August 31, 2004.

SECTION 9.03. REPORT ON REPORTING REQUIREMENTS FOR COUNTIES AND MUNICIPALITIES. (a) Defines "department."

(b) Requires the Department of Information Resources (department) to comprehensively examine all state reporting requirements for counties and municipalities. Sets forth guidelines regarding the goal of the examination.

(c) Requires the examination to include an inventory of all reports that counties and municipalities must produce in response to state requirements and requires the inventory to also show the current status of electronic reporting.

(d) Requires the Legislative Oversight Committee for Electronic Government Projects, not later than January 15, 2002, to appoint a working group composed of representatives of the comptroller's office, other state agencies, and local governments.

(e) Requires the department, based on the examination made under Subsection (c) of this section, and in coordination with the working group, not later than January 1, 2003, to report on its recommendations for streamlining and reducing reporting requirements on counties and municipalities to certain persons.

ARTICLE 10. MISCELLANEOUS INFORMATION RESOURCES ISSUES

SECTION 10.01. CHIEF INFORMATION OFFICER. Amends Chapter 2054B, Government Code, adding Section 2054.0285 and amending Section 2054.029, as follows:

Sec. 2054.0285. EXECUTIVE DIRECTOR: CHIEF INFORMATION OFFICER; POWERS AND DUTIES. Requires the governing board (board) of the Department of Information Resources (department) to employ an executive director. Provides that the executive director is the chief information officer for this state. Provides that the executive director has authority for all aspects of information technology for state agencies, including certain ones.

Sec. 2054.029. New heading: STAFF; SEPARATION OF RESPONSIBILITIES. Deletes reference to an executive director employed by the board.

SECTION 10.02. VENDOR INCENTIVES. Amends Chapter 2054C, Government Code, by adding Section 2054.058, as follows:

Sec. 2054.058. CONSIDERATION OF VENDOR INCENTIVES. Requires the department, when contracting with a vendor to perform a task related to an electronic government project, to consider methods of payments, including considering whether a percentage of money to be saved could be used to provide an incentive to the vendor to

complete the project on time and under budget.

SECTION 10.03. PUBLIC INFORMATION EXCEPTION. Amends Chapter 552C, Government Code, by adding Section 552.136, as follows:

Sec. 552.136. EXCEPTION: GOVERNMENT INFORMATION RELATED TO SECURITY ISSUES FOR COMPUTERS. Provides that information is excepted from the requirements of Section 552.021 if it is information that relates to computer network security or to the design, operation, or defense of a computer network. Provides that certain information is confidential.

ARTICLE 11. COMPTROLLER PROVISIONS ON USE OF ADVANCED EQUIPMENT, DATABASES, AND DELEGATION OF TASKS TO OUTSIDE PERSONNEL

SECTION 11.01. ADVANCED DATABASE FOR AUDITS. Amends Chapter 111A, Tax Code, by adding Section 111.0034, as follows:

Sec. 111.0034. ADVANCED DATABASE SYSTEM FOR AUDITS. (a) Requires the comptroller to develop an advanced electronic audit database system for use by the comptroller's audit division. Sets forth requirements for the system.

(b) Authorizes the comptroller to contract with a vendor to develop or implement the system.

(c) Requires the comptroller, if the comptroller contracts with a vendor to develop or implement the system, to protect any confidential information provided to the vendor. Provides that a person who receives confidential information under this section and each employee or agent of that person is subject to the same prohibitions against disclosure of the information, and the same penalties and sanctions for improper disclosure, that apply to the comptroller.

SECTION 11.02. ADVANCED DATABASE FOR TAX COLLECTIONS. Amends the heading for Section 111.0035, Tax Code, to read as follows:

Sec. 111.0035. ADVANCED DATABASE SYSTEM FOR TAX COLLECTIONS.

SECTION 11.03. OUTSIDE PERSONNEL. Amends Chapter 111A, Tax Code, by adding Section 111.0045, as follows:

Sec. 111.0045. USE OF OUTSIDE PERSONNEL; DELEGATION OF POWERS. Authorizes the comptroller, as necessary to enhance productivity, to employ or contract for the services of certain persons for certain purposes. Authorizes the comptroller to delegate to persons employed or contracted under this section the power to perform duties as required.

SECTION 11.04. ADVANCED EQUIPMENT. Amend Chapter 111, Tax Code, by adding Subchapter G, as follows:

SUBCHAPTER G. ADVANCED TECHNOLOGY EQUIPMENT

Sec. 111.351. WIRELESS EQUIPMENT FOR AUDITORS. Requires the comptroller to acquire wireless communication equipment for use by its auditors, including wireless modems for laptop computers for high-speed, wireless access to comptroller systems.

Sec. 111.352. COMPUTER AND WIRELESS EQUIPMENT FOR ENFORCEMENT STAFF. Requires the comptroller to acquire portable computers with remote or wireless

communications equipment for use by its enforcement staff. Requires the portable computers acquired under this section to meet certain requirements. Requires the equipment to enable enforcement staff to perform certain functions.

Sec. 111.353. ADVANCED SCANNERS FOR FIELD OFFICES. Requires the comptroller to acquire advanced scanners for its field offices. Requires the scanners to enable enforcement officers to scan enforcement data directly into comptroller databases without requiring later manual entry.

ARTICLE 12. EFFECTIVE DATE

SECTION 12.01. EFFECTIVE DATE. Effective date: upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

Amends As Filed S.B. 1458 as follows:

Omits original SECTIONS 1 - 31.

Adds new ARTICLES 1 - 12.