

## **BILL ANALYSIS**

Senate Research Center  
87R27617 CJC-D

C.S.H.B. 4018  
By: Capriglione et al. (Nelson)  
Finance  
5/18/2021  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 4018 improves long-term planning and coordination for state agency information technology. The bill creates a special fund in the state treasury to be used for improving and modernizing state agency information resources. H.B. 4018 also establishes the Joint Oversight Committee on Investment in Information Technology Improvement and Modernization Projects to review investment and funding strategies for projects to improve or modernize state agency information resources technologies.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 4018 amends current law relating to legislative oversight and funding of improvement and modernization projects for state agency information resources.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter Q, Chapter 2054, Government Code, by adding Sections 2054.577 and 2054.578, as follows:

Sec. 2054.577. TECHNOLOGY IMPROVEMENT AND MODERNIZATION FUND.

(a) Provides that the technology improvement and modernization fund (fund) is a special fund in the state treasury outside the general revenue fund.

(b) Provides that the fund consists of:

- (1) money transferred or deposited to the credit of the fund at the direction of the legislature;
- (2) money received from the federal government for the purposes of improving and modernizing state agency information resources;
- (3) gifts, donations, and grants to the fund, including federal grants; and
- (4) interest earned on the investment of money in the fund.

(c) Provides that money in the fund:

- (1) is authorized to be used to improve and modernize state agency information resources, including legacy system projects and cybersecurity projects; and
- (2) is prohibited from being used to replace money appropriated to a state agency for the purposes of operating and maintaining state agency

information resources or reducing the amount of money appropriated to a state agency for those purposes.

(d) Provides that Section 404.071 (Disposition of Interest on Investments) does not apply to the fund.

(e) Defines "state agency."

Sec. 2054.578. JOINT OVERSIGHT COMMITTEE ON INVESTMENT IN INFORMATION TECHNOLOGY IMPROVEMENT AND MODERNIZATION PROJECTS. (a) Defines "committee" and "state agency."

(b) Provides that the Joint Oversight Committee on Investment in Information Technology Improvement and Modernization Projects (committee) is created to review investment and funding strategies for projects to improve or modernize state agency information resources technologies.

(c) Provides that the committee is composed of six members as follows:

(1) three members of the Texas Senate (senate) appointed by the lieutenant governor; and

(2) three members of the Texas House of Representatives (house) appointed by the speaker of the house.

(d) Requires the presiding officer of the committee to alternate annually between:

(1) a member of the senate appointed by the lieutenant governor; and

(2) a member of the house appointed by the speaker of the house.

(e) Requires that a vacancy on the committee be filled in the same manner as the original appointment.

(f) Requires the committee biennially to provide a written report to the legislature that:

(1) identifies:

(A) existing and planned projects to improve or modernize state agency information resources technologies; and

(B) the method of funding for each project identified by the committee under Paragraph (A); and

(2) includes:

(A) a determination by the committee of the amount necessary to fully fund each project identified under Subdivision (1) to completion; and

(B) strategies developed by the committee to ensure a long-term investment solution for projects to improve or modernize state agency information resources technologies is in place, including strategies to:

(i) access the full amount of federal money available for those projects; and

(ii) use information gathered by the Texas Department of Information Resources (DIR) during previous projects to improve the management, oversight, and transparency of future projects.

(g) Requires DIR to provide staff support for the committee.

(h) Provides that the committee has the powers of a joint committee and is authorized to obtain funding in the same manner as a joint committee.

(i) Provides that the rules adopted by the 87th Legislature for the administration of joint committees apply to the committee to the extent the rules are consistent with this section.

(j) Provides that the committee is abolished and this section expires September 1, 2026.

SECTION 2. (a) Requires each state agency in the executive and legislative branches of state government, using money appropriated to the agency by the state, not later than October 1, 2022, to prepare an agency-wide plan outlining the manner in which the agency intends to transition its information technology and data-related services and capabilities into a more modern, integrated, secure, and effective technological environment.

(b) Requires the committee, in consultation with DIR, not later than March 31, 2022, to prescribe the form, contents, and manner and submission of the plan required under Subsection (a) of this section.

(c) Requires each state agency to submit the plan developed under this section to DIR, the committee, and standing committees of the senate and house with primary jurisdiction over state agency information technology.

SECTION 3. (a) Defines "committee."

(b) Requires the lieutenant governor and the speaker of the house of representatives to make appointments to the committee not later than the 30th day after the effective date of this Act.

(c) Requires the speaker of the house of representatives to appoint the initial presiding officer of the committee.

SECTION 4. Effective date: upon passage or September 1, 2021.