

SB 1546 A STAFF MEASURE SUMMARY

Joint Committee On Information Management and Technology

Action Date: 02/14/24

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Senate Vote

Yeas: 2 - Thatcher, Woods

Exc: 1 - President Wagner

House Vote

Yeas: 2 - Hartman, Nathanson

Exc: 1 - Mannix

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Sean McSpaden, Committee Coordinator

Meeting Dates: 2/7, 2/14

WHAT THE MEASURE DOES:

Senate Bill 1546 directs the State Chief Information Officer to contract with a third party to study how the executive department within state government oversees, manages, and uses information technology and provide recommendations and a plan for improvement. Requires the State Chief Information Officer to submit a report to the Governor and the Legislature by February 1, 2025. The Act takes effect on its passage.

REVENUE: No revenue impact.

FISCAL: Fiscal Impact Statement issued.

Detailed Summary:

- Requires the State Chief Information Officer to contract for an independent assessment of the information technology environment within the executive department.
- Modifies the definition of "executive department" in SECTION 1 (1) to exempt and maintain independent authorities of the office of the Secretary of State and the office of the State Treasurer, respectively.
- Requires the assessment to:
 - Be completed no later than September 30, 2024;
 - Include an examination of current information technology governance programs, organizational and operational environments;
 - Identify and describe alternatives;
 - Recommend information technology governance, organizational, and operational models that may be adopted to improve performance, operations, and resources within the executive department; and,
 - Include a gap analysis to compare the current and recommended information technology environments and to provide a plan to implement the recommendations, including estimated costs and timeframes.
- Directs the State Chief Information Officer to submit a report on the results of the assessment and recommendations to the Governor and the Joint Legislative Committee on Information Management and Technology and any other appropriate legislative committee no later than February 1, 2025.
- Requires the report the State Chief Information Officer submits to provide the results of the assessment and include a budget request to carry out the plan to implement the recommendations.

Effective date:

- Declares an emergency and is effective on passage.

ISSUES DISCUSSED:

This summary has not been adopted or officially endorsed by action of the committee.

SB 1546 A STAFF MEASURE SUMMARY

- Adoption of the proposed amendment
- Perception that the assessment called for within the measure will be helpful to state government as it has been more than 5 years since the last assessment was conducted.
- Strong governance, clear lines of authority, and clear expectations for state agencies are essential for state government to operate efficiently and effectively. Desire for the assessment to include an evaluation of the current oversight model for information technology projects.
- Belief that information technology (IT) in state government operations is a "utility" and that vital state government programs cannot operate effectively and efficiently without it. The "IT Utility" must be an integral part of the upfront design of state government programs, not something to be added on at the end of a program rollout.
- The recent roll out of Enterprise IT applications in HR, payroll, and procurement have highlighted the need to evaluate the placement of IT operational responsibility for those enterprise applications that all state agencies use and rely upon - e.g. should those responsibilities remain within the Department of Administrative Services (DAS), under the oversight and direction of the DAS Director, or should they be placed within the office of Enterprise Information Services, under the oversight and direction of the State Chief Information Officer.
- The need to assess the current, risk averse, IT organizational culture across state government and its impact on innovation and the recruitment and retention of IT staff now and in the future.
- Centralization vs. decentralization, and the need for standardization of state government IT operations. Interest in exploring the impact of the current, decentralized, model and the lack of standardization in state government IT operations on key performance measures and transparency.
- State Chief Information Officer's view that the assessment called for within the measure is a welcomed opportunity to step back and evaluate the entire ecosystem of IT operations within state government.
- The scope of the assessment called for within the measure being limited to the executive department.
- A proposed amendment to exempt the office of the Secretary of State and the office of the State Treasurer from the measure. Committee member concern that the proposed amendment may create gaps in the assessment and limit its conclusions and recommendations.

EFFECT OF AMENDMENT:

The amendment would modify the definition proposed for "executive department" in SECTION 1 (1) to exempt and maintain independent authorities of the office of the Secretary of State and the office of the State Treasurer, respectively.

BACKGROUND:

During the 2023 legislative session and during the 2022-2023 legislative interim, the State Chief Information Officer (CIO) presented information to the Joint Legislative Committee on Information Management and Technology and to the General Government Subcommittee for the Joint Committee on Ways and Means, on the current IT Governance, Organizational, and Operational models that exist within the Executive Branch of Oregon state government. In each instance, committee Co-Chairs and the State CIO have discussed and agreed that an assessment of the current IT environment within the Executive Branch was warranted as it been over 5 years since the last assessment was conducted.