SENATE BILL 213

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

Tim Eichenberg

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.188391.1

AN ACT

RELATING TO EXECUTIVE ORGANIZATION; ELIMINATING THE DEPARTMENT OF INFORMATION TECHNOLOGY; CREATING THE INFORMATION TECHNOLOGY DIVISION WITHIN THE GENERAL SERVICES DEPARTMENT; ENACTING THE INFORMATION TECHNOLOGY ACT; PROVIDING FOR TRANSFERS OF FUNCTIONS, PERSONNEL, PROPERTY, OBLIGATIONS AND REFERENCES; AMENDING, REPEALING, ENACTING AND RECOMPILING SECTIONS OF THE NMSA 1978; RECONCILING CONFLICTING AMENDMENTS TO THE SAME SECTIONS OF LAW BY REPEALING LAWS 2007, CHAPTER 288, SECTIONS 2 AND 3.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 9-17-3 NMSA 1978 (being Laws 1983, Chapter 301, Section 3, as amended) is amended to read:

"9-17-3. GENERAL SERVICES DEPARTMENT--CREATION--TRANSFER AND MERGER OF DIVISION FUNCTIONS--MERGER AND CREATION OF

bracketed material] = delete

DIVISIONS. --

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The "general services department" is created. Α. The department shall consist of those divisions created by law or executive order, as modified by executive order pursuant to Subsection C of this section, including:

- the administrative services division; (1)
- (2) the building services division;
- (3) the property control division;
- (4) the purchasing division;
- the risk management division; [and] (5)
- the transportation services division; (6)
- (7) the information technology division; and
- (8) the state printing and graphics division.
- The secretary of general services is empowered to organize the department and the divisions specified in Subsection A of this section and may transfer or merge functions between divisions in the interest of efficiency and economy.
- The governor is empowered to merge divisions of the department or to create additional divisions by executive order in the interest of efficiency or economy."
- SECTION 2. A new section of Chapter 15 NMSA 1978 is enacted to read:

"[NEW MATERIAL] SHORT TITLE. -- Sections 2 through 5 of this act and the sixteen sections that are recompiled into Chapter .188391.1

Т	13 NMSA 1976 III tills 2012 act may be cited as the "Information								
2	Technology Act"."								
3	SECTION 3. A new section of Chapter 15 NMSA 1978 is								
4	enacted to read:								
5	"[NEW MATERIAL] DEFINITIONSAs used in the Information								
6	Technology Act:								
7	A. "department" means the general services								
8	department;								
9	B. "division" means the information technology								
10	division of the department;								
11	C. "information technology" means computer hardware								
12	and software and ancillary products and services, including:								
13	(1) systems design and analysis;								
14	(2) acquisition, storage and conversion of								
15	data;								
16	(3) computer programming;								
17	(4) information storage and retrieval;								
18	(5) voice, radio, video and data								
19	communications;								
20	(6) requisite systems;								
21	(7) simulation and testing; and								
22	(8) related interactions between users and								
23	information systems;								
24	D. "information technology project" means the								
25	purchase, replacement, development or modification of a								
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hardware or software system;

3	services;
4	F. "state chief information officer" means the
5	director of the division;
6	G. "state information architecture" means a
7	logically consistent set of principles, policies and standards
8	that guides the engineering of state government's information
9	technology systems and infrastructure in a way that ensures
10	alignment with state government's business needs; and
11	H. "state information technology strategic plan"
12	means the information technology planning document for the
13	state that spans a three-year period."
14	SECTION 4. A new section of Chapter 15 NMSA 1978 is
15	enacted to read:
16	"[NEW MATERIAL] INFORMATION TECHNOLOGY DIVISIONDUTIES
17	AND GENERAL POWERS
18	A. The division shall:
19	(l) after approval of the secretary,
20	promulgate rules:
21	(a) for oversight of information
22	technology procurement by executive agencies;
23	(b) to establish criteria that
24	information technology projects shall satisfy and to provide
25	that projects are to be phased in with funding released in
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"secretary" means the secretary of general

phases contingent on successful completion of the prior phase; and

- (c) to develop requirements and standards for the executive branch's information technology needs, functions, systems and resources, including: 1) information technology security; 2) approval for information technology procurement that exceeds the amount set by rule; 3) detail and format for the agency information technology plan; 4) acquisition licensing and sale of information technology; and 5) requirements for agency information technology projects and related plans, analysis, oversight, assessment and specifications;
- (2) review executive agency plans regarding prudent allocation of information technology resources; reduction of duplicate or redundant data, hardware and software; and improvement of system interoperability and data accessibility among agencies;
- (3) approve executive agency information technology requests for proposals and other executive agency requests that are subject to the Procurement Code, prior to final approval;
- (4) approve executive agency information technology contracts and amendments to those contracts, including emergency procurements, sole source contracts and price agreements, prior to approval by the department of

finance and administration;

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- develop and implement procedures to standardize data elements, determine data ownership and ensure data sharing among executive agencies;
- (6) verify compliance with state information architecture and the state information technology strategic plan before approving documents referred to in Paragraphs (3) and (4) of this subsection;
- (7) monitor executive agency compliance with its agency plan, the state information technology strategic plan and state information architecture and report to the secretary, the governor, executive agency management and the legislative finance committee on noncompliance;
- (8) develop information technology cost recovery mechanisms and information systems rate and fee structures of state agencies and other public or private sector providers and make recommendations to the information technology rate committee;
- (9) provide technical support to executive agencies in the development of their agency plans;
- (10) ensure the use of existing public or private information technology or telecommunications resources when the use is practical, efficient, effective and financially prudent and is in compliance with the Procurement Code;
- (11) review appropriation requests related to .188391.1

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executive agency information technology requests to ensure compliance with agency plans and the state information technology strategic plan and make written recommendations by November 14 of each year to the department of finance and administration and by November 21 of each year to the legislative finance committee and the appropriate interim legislative committee; provided, however, that the recommendations to the legislative committees have been agreed to by the division and the department of finance and administration;

- (12) provide oversight of information technology projects, including ensuring adequate risk management, disaster recovery and business continuity practices and monitoring compliance for information technology projects that affect multiple agencies;
- (13) conduct reviews of information technology projects and provide written reports to the appropriate legislative oversight bodies;
- (14) conduct background checks on division employees and prospective division employees that have or will have administrative access or authority to sensitive, confidential or private information or the ability to alter systems, networks or other information technology hardware or software; and
- (15) perform any other information technology .188391.1

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function assigned by the governor or the secretary.

- The division shall prepare a state information technology strategic plan for the executive branch and update it at least once every three years, which plan shall be available to agencies by July 31 of each year. The plan shall provide for the:
- (1) interchange of information related to information technology among executive agencies;
- (2) coordination among executive agencies in the development and maintenance of information technology systems; and
- (3) protection of the privacy and security of individual information as well as of persons using the state's information technology systems.
- The division, in conjunction with the secretary, may apply for and receive, with the governor's approval, in the name of the department, any public or private funds, including United States government funds, available to the division or the department to carry out the division's programs, duties or services.
- Where information technology functions of executive agencies overlap or a function assigned to one agency could be better performed by another agency, the division may recommend appropriate legislation to the next session of the legislature for its approval."

SECTION 5. A new section of Chapter 15 NMSA 1978 is enacted to read:

"[NEW MATERIAL] STATE AGENCIES--DUTIES--DISPUTE.--

A. Each executive agency shall submit an agency information technology plan to the division in the form and detail required by the division. Each executive agency shall conduct background checks on agency or prospective agency employees that have or will have administrative access or authority to alter systems, networks or other information technology hardware or software.

B. A state agency that receives an invoice from the division for services rendered to the state agency has thirty days from receipt of the invoice to pay the division or to notify the division that the amount of the invoice is in dispute. The state agency has fifteen days from its notification of dispute to the division to present in writing its reasons for dispute and to request an adjustment. The division has fifteen days from its receipt of the reasons for dispute to notify the state agency of its decision regarding the dispute. If the division and the state agency do not agree on a resolution, the secretary of finance and administration shall make a determination on the amount owed by the state agency to the division. If the state agency has not paid the division or notified the division of a dispute within thirty days of receipt of the invoice, the division shall notify the

1	department of finance and administration and request that the										
2	department of finance and administration transfer funds from										
3	the state agency to the division to satisfy the state agency's										
4	obligation."										
5	SECTION 6. Section 9-27-7 NMSA 1978 (being Laws 2007,										
6	Chapter 290, Section 7, as amended) is recompiled in the										
7	Information Technology Act and is amended to read:										
8	"INFORMATION TECHNOLOGY RATE COMMITTEEMEMBERSHIP										
9	DUTIES										
10	A. The "information technology rate committee" is										
11	created. The committee consists of seven members as follows:										
12	(1) five members appointed by the governor										
13	from executive agencies that use information technology										
14	services and pay rates to an internal service fund;										
15	(2) the secretary of finance and										
16	administration, who shall serve as chair of the committee; and										
17	(3) the secretary of [information technology]										
18	general services.										
19	B. The information technology rate committee shall:										
20	(1) review the rate and fee schedule proposed										
21	by the [secretary] state chief information officer;										
22	(2) ensure that the rate and fee schedule										
23	complies with the federal office of management and budget										
24	circular A-87 or its successor directive;										
25	(3) consider for approval an equitable rate										
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and fee schedule based on cost recovery for state agencies that
use information technology services and pay rates to an
internal service fund, with priority service to public safety
agencies;

(4) present the committee's proposed rate and
fee schedule by June 1 of each year to the office of the
governor, the department of finance and administration and the

legislative finance committee; and

and fee schedule based on the [committee's] state chief
information officer's recommendations; provided, however, that
a reduction in rates or fees by the [department] division shall
not require the committee's approval if the reduction is based
on cost recovery and if the committee is notified timely."

SECTION 7. Section 9-27-11 NMSA 1978 (being Laws 2008, Chapter 84, Section 2, as amended) is recompiled in the Information Technology Act and is amended to read:

"EQUIPMENT REPLACEMENT PLANS--EQUIPMENT REPLACEMENT REVOLVING FUNDS.--

A. In order to plan for the expenditure of capital investments necessary to provide goods and services to the state and its agencies and to local public bodies and other enterprise customers, the [department] division shall establish and maintain an equipment replacement plan for each of the [department's] division's enterprise functions. No later than .188391.1

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September 1 of each year, the plans shall be submitted to the department of finance and administration [the information technology commission] and the legislature, accompanied by a reconciliation report of the preceding fiscal year reflecting financial activity in each of the equipment replacement revolving funds established pursuant to this section.

- Upon the request of the [secretary] state chief information officer, the state treasurer shall establish in the state treasury such "equipment replacement revolving funds" as are necessary to administer each of the [department's] division's enterprise functions. The revolving funds [shall] consist of legislative appropriations to the funds and transfers made to the funds pursuant to [Subsections] Subsection C [and D] of this section. Income from investment of the revolving funds shall be credited [back] to the funds, and money in the funds shall not revert at the end of a fiscal year. Expenditures from the funds shall only be made pursuant to an appropriation from the legislature and only for the purpose of acquiring and replacing capital equipment and associated software used to provide enterprise services pursuant to the [department's] division's equipment replacement plans.
- C. The [department] division shall record amounts due to the equipment replacement revolving funds each fiscal year, based on the calculation of amortization and depreciation .188391.1

applicable to each enterprise service as reflected in the [department's] division's published cost structures for calculation of rates for services. Transfers to the funds shall be made from the operating funds of each enterprise in amounts that reconcile with the recorded amounts due. The recording of amounts due to the equipment replacement revolving funds and the transfer of the funds shall be consistent with generally accepted accounting principles.

[D. The department may make initial transfers from its operating funds to establish the beginning fund balances as of July 1, 2008.]"

SECTION 8. Section 9-27-13 NMSA 1978 (being Laws 1977, Chapter 247, Section 23, as amended) is recompiled in the Information Technology Act and is amended to read:

"TELECOMMUNICATIONS SERVICES. --

A. The [secretary of information technology] state chief information officer may hire a communications engineer to oversee the engineering responsibilities of the [department of information technology] division. The communications engineer shall have a degree in [either electrical engineering with an electrical communications specialty or in electronics engineering] an appropriate technical field.

B. In providing telecommunications services pursuant to Chapter 15 NMSA 1978, the [department of information technology] division shall not provide
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telecommunications services, including telephone, data and broadband services, to an entity other than those authorized pursuant to Section [15-5-1 NMSA 1978] 15 of this 2012 act, except as is necessary to facilitate a state-mandated program, including distance education, telehealth or school-based health center programs. Before expansion or upgrade of a state-owned or state-funded telecommunications network, whether voice, data or video transmission, the [department] division shall prepare a plan consistent with state law and applicable rules that includes an assessment of how the project would potentially affect local telecommunications service providers and telecommunications service ratepayers."

SECTION 9. Section 9-27-14 NMSA 1978 (being Laws 1977, Chapter 247, Section 24, as amended) is recompiled in the Information Technology Act and is amended to read:

"RADIO COMMUNICATIONS.--The [department of information technology] division shall have supervisory control over all mobile or fixed radio equipment now owned or subsequently acquired by the executive branch or any state officer, department, other agency, board, commission, division or bureau of any executive state department or agency. This supervisory control shall include but not be limited to the determination of the need for, purchase, repair, maintenance, combination or disposition of radio equipment."

SECTION 10. Section 9-27-15 NMSA 1978 (being Laws 1997, .188391.1

Chapter 263, Section 1, as amended by Laws 2007, Chapter 288, Section 2 and by Laws 2007, Chapter 290, Section 15) is recompiled in the Information Technology Act and is amended to read:

"LEASE OF RADIO COMMUNICATIONS NETWORK--CONDITIONS AND REQUIREMENTS.--In exercising supervisory control pursuant to Section [15-2-2 NMSA 1978, the department of information technology] 9 of this 2012 act, the division may lease to a private entity excess capacity relating to the provision of two-way radio services on its radio communications property, including buildings, towers or antennas, provided that:

- A. the lease conforms with competitive procurement requirements of the Procurement Code;
- B. the lease is for an equal value exchange of money or property;
- C. the [secretary of information technology] state chief information officer certifies that the excess capacity will be available for at least the duration of the lease;
- D. if the lease exceeds ten years, the lease is first approved by the state board of finance;
- E. the [department of information technology]

 division has submitted to the legislative finance committee a

 detailed plan for the use of excess capacity being leased and

 an assessment of how the lease will affect public sector uses

 and local telecommunication service providers; and

1	F. income from the leases shall be deposited to the
2	credit of the [department of information technology] <u>division</u>
3	and used to carry out the duties of the [department] division."
4	SECTION 11. Section 9-27-16 NMSA 1978 (being Laws 1970,
5	Chapter 71, Section 1, as amended) is recompiled in the
6	Information Technology Act and is amended to read:
7	"SERVICE CHARGE
8	A. The [department of information technology]
9	division shall charge a fee to the state or any officer,

division shall charge a fee to the state or any officer, agency, department, division, board or commission of the state for any services rendered in the exercise of its supervisory control.

- B. Fees shall be fixed by the [secretary of information technology] state chief information officer.
- C. Income from fees collected shall be deposited to the credit of the [department of information technology]

 division and used to carry out the duties of the [department]

 division.
- D. The [department of information technology]

 division may provide two-way radio services to counties and municipalities at the same rates charged state agencies."

SECTION 12. Section 9-27-17 NMSA 1978 (being Laws 1966, Chapter 32, Section 3, as amended) is recompiled in the Information Technology Act and is amended to read:

"EXCLUSION FROM JURISDICTION.--The [department of .188391.1

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information technology] division shall not have supervisory control over:

- the use of radio equipment, except as to the technical requirements of the equipment or unless the equipment is used by one or more agencies and the [department of information technology must determine] division determines priority of use;
- the radio equipment of the department of military affairs, except the [department of information technology] division may maintain all radio equipment owned by the department of military affairs that interfaces with stateowned radio equipment; or
- C. unless otherwise directed by the [secretary of information technology] state chief information officer, radio equipment that is incidental to a system that is primarily a telephone system."

SECTION 13. Section 9-27-18 NMSA 1978 (being Laws 1971, Chapter 115, Section 2, as amended) is recompiled in the Information Technology Act and is amended to read:

"PROPERTY TRANSFER. -- Ownership of all radio communication property at mountaintop or remote sites, including buildings, towers, antennas, emergency power plants and radio equipment owned by the New Mexico state police, department of transportation, department of game and fish and forestry division of the energy, minerals and natural resources .188391.1

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department, is transferred to the [department of information technology | division."

SECTION 14. Section 9-27-19 NMSA 1978 (being Laws 1975, Chapter 214, Section 4, as amended) is recompiled in the Information Technology Act and is amended to read:

"TRANSFER OF PROPERTY--CUSTODY AND CONTROL.--The radio equipment purchased in accordance with Laws 1972, Chapter 74 by the property control division of the general services department [is] and then transferred to the department of information technology is transferred to the information technology division of the general services department. [department] information technology division of the general services department has the custody and control of the transferred radio equipment."

Section 9-27-20 NMSA 1978 (being Laws 1963, SECTION 15. Chapter 181, Section 1, as amended by Laws 2007, Chapter 288, Section 3 and by Laws 2007, Chapter 290, Section 20) is recompiled in the Information Technology Act and is amended to read:

"TELECOMMUNICATIONS--DUTIES.--The [department of information technology | division shall enter into necessary agreements to provide, where feasible, a central telephone system, including wide-area telephone service, and related facilities to all executive, legislative and judicial branches. Nothing in this section shall be construed to apply to the

provision of a central telephone system and related facilities to political subdivisions of the state."

SECTION 16. Section 9-27-21 NMSA 1978 (being Laws 1963, Chapter 181, Section 2, as amended) is recompiled in the Information Technology Act and is amended to read:

"CENTRAL TELEPHONE SERVICES--STAFF--BUDGET.--The

[telecommunications bureau of the enterprise services] division

[of the department] shall provide the staff and material

necessary to properly and adequately operate the central

telephone system. The budget for the central telephone system

shall be approved as part of the total operating budget of the

department."

SECTION 17. Section 9-27-22 NMSA 1978 (being Laws 1963, Chapter 181, Section 3, as amended) is recompiled in the Information Technology Act and is amended to read:

"CHARGES FOR CENTRAL TELEPHONE SERVICES.--Departments, institutions and agencies participating in the central telephone system shall be charged a pro rata and equitable share of the total monthly costs of the service. This determination is to be made by the [department of information technology] division. Toll calls not covered by the wide-area telephone service and supplemental equipment shall be segregated and paid for by the agencies, institutions and departments that are making the calls or using the supplemental equipment."

SECTION 18. Section 9-27-23 NMSA 1978 (being Laws 1963, Chapter 181, Section 4, as amended) is recompiled in the Information Technology Act and is amended to read:

"DEPOSIT OF MONEY.--The [department of information technology] division shall order the deposit or transfer monthly to a fund known as the "central telephone services fund" the amount of money owed by each department, institution and agency [utilizing] using the central telephone system. State institutions and agencies shall adopt such accounting procedures as are prescribed by the department of finance and administration for the handling of payments with reference to the central telephone system."

SECTION 19. Section 9-27-24 NMSA 1978 (being Laws 1963, Chapter 181, Section 5, as amended) is recompiled in the Information Technology Act and is amended to read:

"INCOME--APPROPRIATION.--All income to the central telephone services fund is appropriated to carry out the purposes of Sections [15-5-1 through 15-5-6 NMSA 1978] 15 through 18 of this 2012 act and Section 9-27-25 NMSA 1978 or their successor recompiled sections. Payments from the central telephone services fund shall be made on vouchers signed by the secretary of general services or the secretary's designee."

SECTION 20. TEMPORARY PROVISION--TRANSFER OF FUNCTIONS,

APPROPRIATIONS, PERSONNEL AND PROPERTY--CONTRACTUAL

OBLIGATIONS--REFERENCES IN LAW.--

- A. All functions, personnel, appropriations, money, records, furniture, equipment and other property of the department of information technology are transferred to the information technology division of the general services department.
- B. Contractual obligations of the department of information technology are binding on the information technology division of the general services department.
- C. All references in law to the department of information technology shall be deemed to be references to the information technology division of the general services department.
- D. All references in law to the secretary of information technology or to the chief information officer shall be deemed to be references to the state chief information officer of the information technology division of the general services department.
- SECTION 21. TEMPORARY PROVISION--RECOMPILATION.--Sections 9-27-12 and 9-27-25 NMSA 1978 (being Laws 2009, Chapter 146, Section 6 and Laws 1963, Chapter 181, Section 6, as amended) are recompiled in the Information Technology Act.

SECTION 22. REPEAL.--

- A. Laws 2007, Chapter 288, Sections 2 and 3 are repealed.
- B. Sections 9-27-1 through 9-27-6 and 9-27-8
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through	9-2	27-10	NMS.	A .	1978	3 (bein	ıg L	aws	2007,	Cha	apter	290,
Sections	s 1	throu	ıgh 6	ó,	8,	9	and	26,	as	amende	ed)	are	repealed.

SECTION 23. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2012.

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