

As Introduced

134th General Assembly

Regular Session

2021-2022

H. B. No. 230

Representatives Ray, Hall

Cosponsors: Representatives Riedel, Fraizer, Holmes, Hoops, Click, McClain, Carfagna, Abrams, Jones, Powell, Cross, Young, T., Kick, Koehler, Stephens, Hillyer, Troy, Plummer

A BILL

To amend sections 125.18 and 126.506 and to enact 1
sections 126.41 and 126.42 of the Revised Code 2
regarding the state's information technology 3
systems and shared services and to make an 4
appropriation. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 125.18 and 126.506 be amended and 6
sections 126.41 and 126.42 of the Revised Code be enacted to 7
read as follows: 8

Sec. 125.18. (A) There is hereby established the office of 9
information technology within the department of administrative 10
services. The office shall be under the supervision of a state 11
chief information officer to be appointed by the director of 12
administrative services and subject to removal at the pleasure 13
of the director. The chief information officer is an assistant 14
director of administrative services. 15

(B) Under the direction of the director of administrative 16

services, the state chief information officer shall lead, 17
oversee, and direct state agency activities related to 18
information technology development and use. In that regard, the 19
state chief information officer shall do all of the following: 20

(1) Coordinate and superintend statewide efforts to 21
promote common use and development of technology by state 22
agencies. The office of information technology shall establish 23
policies and standards that govern and direct state agency 24
participation in statewide programs and initiatives. 25

(2) Establish policies and standards for the acquisition 26
and use of common information technology by state agencies, 27
including, but not limited to, hardware, software, technology 28
services, and security, and the extension of the service life of 29
information technology systems, with which state agencies shall 30
comply; 31

(3) Establish criteria and review processes to identify 32
state agency information technology projects or purchases that 33
require alignment or oversight. As appropriate, the department 34
of administrative services shall provide the governor and the 35
director of budget and management with notice and advice 36
regarding the appropriate allocation of resources for those 37
projects. The state chief information officer may require state 38
agencies to provide, and may prescribe the form and manner by 39
which they must provide, information to fulfill the state chief 40
information officer's alignment and oversight role; 41

(4) Establish policies and procedures for the security of 42
personal information that is maintained and destroyed by state 43
agencies; 44

(5) Employ a chief information security officer who is 45

responsible for the implementation of the policies and 46
procedures described in division (B)(4) of this section and for 47
coordinating the implementation of those policies and procedures 48
in all of the state agencies; 49

(6) Employ a chief privacy officer who is responsible for 50
advising state agencies when establishing policies and 51
procedures for the security of personal information and 52
developing education and training programs regarding the state's 53
security procedures; 54

(7) Establish policies on the purchasing, use, and 55
reimbursement for use of handheld computing and 56
telecommunications devices by state agency employees; 57

(8) Establish policies for the reduction of printing and 58
the use of electronic records by state agencies; 59

(9) Establish policies for the reduction of energy 60
consumption by state agencies; 61

(10) Compute the amount of revenue attributable to the 62
amortization of all equipment purchases and capitalized systems 63
from information technology service delivery and major 64
information technology purchases, MARCS administration, 65
enterprise applications, and the professions licensing system 66
operating appropriation items and major computer purchases 67
capital appropriation items that is recovered as part of the 68
information technology services rates the department of 69
administrative services charges and deposits into the 70
information technology fund created in section 125.15 of the 71
Revised Code, the user fees the department of administrative 72
services charges and deposits in the MARCS administration fund 73
created in section 4501.29 of the Revised Code, the rates the 74

department of administrative services charges to benefiting 75
agencies for the operation and management of information 76
technology applications and deposits in the enterprise 77
applications fund, and the rates the department of 78
administrative services charges for the cost of ongoing 79
maintenance of the professions licensing system and deposits in 80
the professions licensing system fund. The enterprise 81
applications fund is hereby created in the state treasury. 82

(11) Regularly review and make recommendations regarding 83
improving the infrastructure of the state's cybersecurity 84
operations with existing resources and through partnerships 85
between government, business, and institutions of higher 86
education; 87

(12) Assist, as needed, with general state efforts to grow 88
the cybersecurity industry in this state; 89

(13) Establish and implement a strategic roadmap for 90
migrating the state's information technology systems to the 91
state of Ohio computer center and to the state's cloud 92
environment managed by the office of information technology. 93

(C) (1) The chief information security officer shall assist 94
each state agency with the development of an information 95
technology security strategic plan and review that plan, and 96
each state agency shall submit that plan to the state chief 97
information officer. The chief information security officer may 98
require that each state agency update its information technology 99
security strategic plan annually as determined by the state 100
chief information officer. 101

(2) Prior to the implementation of any information 102
technology data system, a state agency shall prepare or have 103

prepared a privacy impact statement for that system. 104

(D) When a state agency requests a purchase of information 105
technology supplies or services under Chapter 125. of the 106
Revised Code, the state chief information officer may review and 107
reject the requested purchase for noncompliance with information 108
technology direction, plans, policies, standards, or project- 109
alignment criteria. 110

(E) The office of information technology may operate 111
technology services for state agencies in accordance with this 112
chapter. 113

Notwithstanding any provision of the Revised Code to the 114
contrary, the office of information technology may assess a 115
transaction fee on each license or registration issued as part 116
of an electronic licensing system operated by the office in an 117
amount determined by the office not to exceed three dollars and 118
fifty cents. The transaction fee shall apply to all 119
transactions, regardless of form, that immediately precede the 120
issuance, renewal, reinstatement, reactivation of, or other 121
activity that results in, a license or registration to operate 122
as a regulated professional or entity. Each license or 123
registration is a separate transaction to which a fee under this 124
division applies. Notwithstanding any provision of the Revised 125
Code to the contrary, if a fee is assessed under this section, 126
no agency, board, or commission shall issue a license or 127
registration unless a fee required by this division has been 128
received. The director of administrative services may collect 129
the fee or require a state agency, board, or commission for 130
which the system is being operated to collect the fee. Amounts 131
received under this division shall be deposited in or 132
transferred to the professions licensing system fund created in 133

division (I) of this section. 134

(F) With the approval of the director of administrative 135
services, the office of information technology may establish 136
cooperative agreements with federal and local government 137
agencies and state agencies that are not under the authority of 138
the governor for the provision of technology services and the 139
development of technology projects. 140

(G) The office of information technology may operate a 141
program to make information technology purchases. The director 142
of administrative services may recover the cost of operating the 143
program from all participating government entities by issuing 144
intrastate transfer voucher billings for the procured technology 145
or through any pass-through billing method agreed to by the 146
director of administrative services, the director of budget and 147
management, and the participating government entities that will 148
receive the procured technology. 149

If the director of administrative services chooses to 150
recover the program costs through intrastate transfer voucher 151
billings, the participating government entities shall process 152
the intrastate transfer vouchers to pay for the cost. Amounts 153
received under this section for the information technology 154
purchase program shall be deposited to the credit of the 155
information technology governance fund created in section 125.15 156
of the Revised Code. 157

(H) Upon request from the director of administrative 158
services, the director of budget and management may transfer 159
cash from the information technology fund created in section 160
125.15 of the Revised Code, the MARCS administration fund 161
created in section 4501.29 of the Revised Code, the enterprise 162
applications fund created in division (B)(10) of this section, 163

or the professions licensing system fund created in division (I) 164
of this section to the major information technology purchases 165
fund in an amount not to exceed the amount computed under 166
division (B) (10) of this section. The major information 167
technology purchases fund is hereby created in the state 168
treasury. 169

(I) There is hereby created in the state treasury the 170
professions licensing system fund. The fund shall be used to 171
operate the electronic licensing system referenced in division 172
(E) of this section. 173

(J) As used in this section: 174

(1) "Personal information" has the same meaning as in 175
section 149.45 of the Revised Code. 176

(2) "State agency" means every organized body, office, or 177
agency established by the laws of the state for the exercise of 178
any function of state government, other than any state-supported 179
institution of higher education, the office of the auditor of 180
state, treasurer of state, secretary of state, or attorney 181
general, the adjutant general's department, the bureau of 182
workers' compensation, the industrial commission, the public 183
employees retirement system, the Ohio police and fire pension 184
fund, the state teachers retirement system, the school employees 185
retirement system, the state highway patrol retirement system, 186
the general assembly or any legislative agency, the capitol 187
square review advisory board, or the courts or any judicial 188
agency. 189

Sec. 126.41. (A) The cybersecurity and fraud advisory 190
board is created. The board shall develop and adopt best 191
practices in cybersecurity and fraud prevention with respect to 192

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| <u>the information technology systems and shared services across</u> | 193 |
| <u>state agencies.</u> | 194 |
| <u>(B) The board consists of the following five members, all</u> | 195 |
| <u>of whom must have a background in cybersecurity and information</u> | 196 |
| <u>technology to be eligible for appointment:</u> | 197 |
| <u>(1) One member appointed by the governor;</u> | 198 |
| <u>(2) One member appointed by the attorney general;</u> | 199 |
| <u>(3) One member appointed by the auditor of state;</u> | 200 |
| <u>(4) One member appointed by the secretary of state;</u> | 201 |
| <u>(5) One member appointed by the treasurer of state.</u> | 202 |
| <u>(C) The members shall serve without compensation and shall</u> | 203 |
| <u>serve at the pleasure of the appointing authority. Vacancies</u> | 204 |
| <u>shall be filled in the same manner as original appointments.</u> | 205 |
| <u>Sec. 126.42. The biannual advisory council is created to</u> | 206 |
| <u>provide information technology system enhancements to county</u> | 207 |
| <u>departments that use state-owned application software.</u> | 208 |
| Sec. 126.506. (A) Each state agency shall participate in | 209 |
| information technology consolidation projects implemented by the | 210 |
| state chief information officer under section 125.18 of the | 211 |
| Revised Code. | 212 |
| (B) At the direction of and in the format specified by the | 213 |
| director of administrative services, each state agency shall | 214 |
| maintain a list of information technology assets possessed by | 215 |
| the agency and associated costs related to those assets. | 216 |
| <u>(C) The director shall maintain a list of state-owned</u> | 217 |
| <u>application software.</u> | 218 |
| Section 2. That existing sections 125.18 and 126.506 of | 219 |

the Revised Code are hereby repealed. 220

Section 3. All items in this act are hereby appropriated 221
as designated out of any moneys in the state treasury to the 222
credit of the designated fund. For all operating appropriations 223
made in this act, those in the first column are for fiscal year 224
2022 and those in the second column are for fiscal year 2023. 225
The operating appropriations made in this act are in addition to 226
any other operating appropriations made for the FY 2022-FY 2023 227
biennium. All items in this act are hereby appropriated as 228
designated out of any moneys in the state treasury to the credit 229
of the designated fund. For all operating appropriations made in 230
this act, those in the first column are for fiscal year 2022 and 231
those in the second column are for fiscal year 2023. The 232
operating appropriations made in this act are in addition to any 233
other operating appropriations made for the FY 2022-FY 2023 234
biennium. 235

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| | 1 | 2 | 3 | 4 | 5 |
|---|---|--------|-------------------------|-----------|-----|
| A | DAS DEPARTMENT OF ADMINISTRATIVE SERVICES | | | | |
| B | General Revenue Fund | | | | |
| C | GRF | 100505 | IT Infrastructure Study | \$250,000 | \$0 |
| D | TOTAL GRF General Revenue Fund | | | \$250,000 | \$0 |
| E | TOTAL ALL BUDGET FUND GROUPS | | | \$250,000 | \$0 |
| | IT INFRASTRUCTURE STUDY | | | | 237 |

The foregoing appropriation item 100505, IT Infrastructure Study, shall be used to contract with a private entity to conduct a study and report on the status of the state's information technology systems and data management practices pursuant to division (B) of Section 5 of this act.

Section 4. Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from operating appropriations contained in this act shall be accounted for as though made in the main operating appropriations act of the 134th General Assembly. The operating appropriations made in this act are subject to all provisions of the main operating appropriations act of the 134th General Assembly that are generally applicable to such appropriations.

Section 5. (A) As used in this section, "state agency" has the same meaning as in section 126.50 of the Revised Code.

(B) The Director of Administrative Services shall enter into a contract with a private entity pursuant to which the entity agrees to do both of the following:

(1) Study all of the following:

(a) The state's management practices regarding its information technology systems and shared services;

(b) The state's processes for procuring information technology;

(c) The state's processes for procuring personnel with backgrounds in cybersecurity and information technology;

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|---|--------------------------|
| (d) The state's data management practices; | 266 |
| (e) An analysis of data and information silos that exist throughout the state's information technology systems; | 267 268 |
| (f) The state's ability to consolidate its information technology services and structures; | 269 270 |
| (g) The state's ability to improve user engagement through user input; | 271 272 |
| (h) An outlook of the state's ability to improve its future information technology systems, shared services, and control framework. | 273 274 275 |
| (2) Prepare a report that includes the entity's findings from the study performed under division (B) (1) of this section and submit the report to the General Assembly not later than eighteen months after the effective date of this section. | 276 277 278 279 |
| (C) (1) The Director shall do both of the following: | 280 |
| (a) Establish a strategic roadmap to consolidate state ownership of application software that are shared across state agencies; | 281 282 283 |
| (b) Identify existing data and information silos that exist throughout the state's information technology systems. | 284 285 |
| (2) The Director shall prepare and submit a report that includes the information described in division (C) (1) of this section to the General Assembly not later than eighteen months after the effective date of this section. | 286 287 288 289 |
| (D) The Director of Administrative Services, in consultation with the Director of Budget and Management, shall conduct a study that analyzes the average industry fee rates | 290 291 292 |

charged for data hosting services. The Director of 293
Administrative Services shall conclude the study and submit the 294
findings of the study to the Director of Budget and Management 295
not later than six months after the effective date of this 296
section. Not later than six months after the Director of 297
Administrative Services submits the study, the Director of 298
Budget and Management shall set the fees the Director of Budget 299
and Management charges for data hosting services to rates that 300
are comparable to average industry rates. 301