

1 Introduced by Committee on Energy and Technology

2 Date:

3 Subject: Information technology; Agency of Digital Services; technical  
4 corrections; Vermont Statutes Annotated

5 Statement of purpose of bill as introduced: This bill proposes to make  
6 technical corrections to the Vermont Statutes Annotated to transfer the  
7 authority from the former Department of Information and Innovation to the  
8 newly created Agency of Digital Services and to amend the authority of the  
9 Agency of Digital Services.

10 An act relating to the authority of the Agency of Digital Services

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 3 V.S.A. § 218 is amended to read:

13 § 218. AGENCY/DEPARTMENT RECORDS MANAGEMENT PROGRAM

14 (a) The General Assembly finds that public records are essential to the  
15 administration of State and local government. Public records contain  
16 information which allows government programs to function, provides officials  
17 with a basis for making decisions, and ensures continuity with past operations.  
18 Public records document the legal responsibilities of government, help protect  
19 the rights of citizens, and provide citizens a means of monitoring government  
20 programs and measuring the performance of public officials. Public records

1 provide documentation for the functioning of government and for the  
2 retrospective analysis of the development of Vermont government and the  
3 impact of programs on citizens. Public records in general and archival records  
4 in particular need to be systematically managed to preserve their legal, historic,  
5 and informational value, to provide ready access to vital information, and to  
6 promote the efficient and economical operation of government.

7 \* \* \*

8 (10) implement and sustain a record schedule in accordance with  
9 requirements established by the Vermont State Archives and Records  
10 Administration under section 117 of this title and the ~~Department of~~  
11 ~~Information and Innovation~~ Agency of Digital Services under ~~subdivision~~  
12 ~~2222(a)(10)~~ chapter 56 of this title.

13 (d) The head of each State agency or department shall designate a member  
14 of his or her staff as the records officer for his or her agency or department,  
15 and shall notify the Vermont State Archives and Records Administration in  
16 writing of the name and title of the person designated, and shall post the name  
17 and contact information of the person on the agency or department website, if  
18 one exists.

19 (e) The Vermont State Archives and Records Administration shall approve  
20 all agency record schedules, as defined by section 117 of this title, unless set  
21 forth in a general record schedule issued by the Vermont State Archives and

1 Records Administration. Authorizations by the Public Records Advisory Board  
2 regarding the disposition of public records shall remain in effect until  
3 superseded by a record schedule issued or approved by the Vermont State  
4 Archives and Records Administration.

5 Sec. 2. 3 V.S.A. § 346 is amended to read:

6 § 346. STATE CONTRACTING; INTELLECTUAL PROPERTY,  
7 SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

8 (a) The Secretary of Administration shall include in Administrative  
9 Bulletin 3.5 a policy direction applicable to State procurement contracts that  
10 include services for the development of software applications, computer  
11 coding, or other intellectual property, which would allow the State of Vermont  
12 to grant permission to the contractor to use or own the intellectual property  
13 created under the contract for the contractor’s commercial purposes.

14 \* \* \*

15 (c) If the Secretary authorizes a contractor to own intellectual property  
16 developed under a State contract, the Secretary may recommend language to  
17 ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid  
18 right to continue to use the intellectual property, including escrow for perpetual  
19 use escrow at least annually.

1 Sec. 3. 3 V.S.A. § 2222 is amended to read:

2 § 2222. POWERS AND DUTIES; BUDGET AND REPORT

3 (a) In addition to the duties expressly set forth elsewhere by law, the  
4 Secretary shall:

5 (1) As principal administrative aide to the Governor, plan, organize,  
6 direct, control, integrate, coordinate, and supervise all functions and programs  
7 of the Agency and its departments and divisions.

8 \* \* \*

9 (9) Submit to the General Assembly, concurrent with the Governor's  
10 annual budget request required under 32 V.S.A. § 306, ~~a strategic plan~~ annual  
11 report for information technology and information security ~~that outlines the~~  
12 ~~significant deviations from the previous year's plan, and that details the plans~~  
13 ~~for information technology activities of State government for the following~~  
14 ~~fiscal year as well as the administration's financing recommendations for these~~  
15 ~~activities. For purposes of this section, "information security" shall mean~~  
16 ~~protecting information and information systems from unauthorized access, use,~~  
17 ~~disclosure, disruption, modification, or destruction in order to provide~~  
18 ~~integrity, confidentiality, and availability. All such plans shall be reviewed~~  
19 ~~and approved by the State Chief Information Officer prior to being included in~~  
20 ~~the Governor's annual budget request. The plan shall identify the proposed~~  
21 ~~sources of funds for each project identified. The plan shall also contain a~~

1 review of the State's information technology and information security and an  
2 identification of priority projects by agency. The plan shall include, for any  
3 proposed information technology activity with a cost in excess of \$500,000.00:

4 (A) a life cycle costs analysis including planning, purchase, and  
5 development of applications, the purchase of hardware, and the ongoing  
6 operation and maintenance costs to be incurred over the expected life of the  
7 systems; and a cost benefit analysis that shall include acquisition costs as well  
8 as operational and maintenance costs over the expected life of the system;

9 (B) the cost savings and any service delivery improvements, or both,  
10 that will accrue to the public or to State government;

11 (C) a statement identifying any impact of the proposed new computer  
12 system on the privacy or disclosure of individually identifiable information;

13 (D) a statement identifying costs and issues related to public access  
14 to nonconfidential information;

15 (E) a statewide budget for all information technology activities with a  
16 cost in excess of \$500,000.00, prepared by the Secretary of Digital Services  
17 pursuant to chapter 56 of this title.

18 (10) The Secretary shall annually submit to the General Assembly a  
19 five year information technology and information security plan that indicates  
20 the anticipated information technology activities of the Executive Branch of

1 ~~State government. For purposes of this section, “information technology~~  
2 ~~activities” shall mean:~~

3 ~~(A) the creation, collection, processing, storage, management,~~  
4 ~~transmission, or conversion of electronic data, documents, or records;~~

5 ~~(B) the design, construction, purchase, installation, maintenance, or~~  
6 ~~operation of systems, including hardware, software, and services that perform~~  
7 ~~or are contracted under Administrative Bulletin 3.5 to perform these activities.~~

8 [Repealed.]

9 \* \* \*

10 ~~(g)(1) The Secretary of Administration shall obtain independent expert~~  
11 ~~review of any recommendation for any information technology activity~~  
12 ~~initiated after July 1, 1996, as information technology activity is defined by~~  
13 ~~subdivision (a)(10) of this section, when its total cost is \$1,000,000.00 or~~  
14 ~~greater or when required by the State Chief Information Officer.~~

15 ~~Documentation of this independent review shall be included when plans are~~  
16 ~~submitted for review pursuant to subdivisions (a)(9) and (10) of this section.~~

17 ~~The independent review shall include:~~

18 ~~(A) an acquisition cost assessment;~~

19 ~~(B) a technology architecture review;~~

20 ~~(C) an implementation plan assessment;~~

21 ~~(D) a cost analysis and a model for benefit analysis;~~



1           (1) To provide services for all activities directly related to information  
2           technology and information security, including telecommunications services,  
3           information technology equipment, software, accessibility, networks in State  
4           government, and the sharing of data and information within State government.

5           (2) To review and approve information technology activities within  
6           State government with a cost in excess of \$500,000.00.

7           (3) To prepare an annual report for information technology. The report  
8           shall include performance metrics and trends, including baseline and annual  
9           measurements, for each division of the Agency. The annual report shall also  
10           include costs avoided or saved as a result of technology optimization for the  
11           previous year, and shall outline summary information, including scope,  
12           schedule, budget and status for information technology projects with a total  
13           cost in excess of \$500,000.00 and reflect the priority of projects by agency.  
14           The report shall also include a summary of independent reviews as required by  
15           subdivision (4) of this section. The Agency shall maintain the following  
16           records for information technology projects with a total cost in excess of  
17           \$500,000.00:

18           (A) a business case, including life-cycle costs and sources of funds  
19           for design, development, and implementation, as well as maintenance and  
20           operations. The business case shall include expected benefits, including cost  
21           savings and service delivery requirements.

1           (B) detailed project plans and status reports, including risk  
2           identification and risk mitigation plans.

3           (3) To biannually submit, in consultation with the Secretary of  
4           Administration to the General Assembly a strategic plan for information  
5           technology. The strategic plan shall include the Agency’s vision, mission,  
6           objectives, strategies, and overarching action plans for information technology  
7           within State government, and update the information technology goals for  
8           State government for the following fiscal year.

9           (4) To obtain independent expert review of any new information  
10          technology projects when its total cost is \$1,000,000.00 or greater or when  
11          required by the State Chief Information Officer. The independent review shall  
12          include:

13           (A) an acquisition cost assessment;

14           (B) a technology architecture review;

15           (C) an implementation plan assessment;

16           (D) a cost analysis and a model for benefit analysis;

17           (E) an analysis of alternatives, and

18           (F) an impact analysis on net operating costs for the agency carrying  
19          out the activity.

20          (5) To provide strategy, services, and solutions for information  
21          technology activities within State government with a cost in excess of

1 \$500,000.00. The cost of the oversight, monitoring, and control shall be  
2 assessed to the entity requesting the activity.

3 (6) To provide information technology project management services and  
4 business analyst services to the Executive Branch. When project managers are  
5 not available, the Agency shall procure those services and bill them back to the  
6 agencies using the services.

7 (7) To provide standards for the management, organization, and tracking  
8 of information technology activities within State government with a cost in  
9 excess of \$500,000.00.

10 (8) To create information technology procurement policy and process  
11 for State government within the Agency of Administration, and review all  
12 information technology and information technology requests for proposal in  
13 accordance with Agency of Administration policies.

14 (9) To perform the responsibilities of the Secretary of Administration  
15 under 30 V.S.A. § 227b.

16 (10) To inventory technology fixed assets within State government.

17 (11) To manage the training and classification of information  
18 technology employees within State government in collaboration with the  
19 Agency of Administration.

20 (12) To support the statewide development of broadband  
21 telecommunications infrastructure and services, in a manner consistent with

1 the telecommunications plan prepared pursuant to 30 V.S.A. § 202d and  
2 community development objectives established by the Agency of Commerce  
3 and Community Development, by:

4 (A) purchasing telecommunications services or facilities at rates  
5 competitive within the national marketplace;

6 (B) sharing bandwidth with service providers or other users;

7 (C) establishing equipment colocation arrangements with service  
8 providers; or

9 (D) making other reasonable arrangements.

10 (13) To develop information technology policies for State government.

11 (14) To provide technical support and services to the Legislative and  
12 Judicial branches, as needed.

13 (b) As used in this section:

14 (1) “Information security” means protecting information and  
15 information systems from unauthorized access, use, disclosure, disruption,  
16 modification, or destruction in order to provide integrity, confidentiality, and  
17 availability.

18 (2) “Information technology activities” means:

19 (A) the creation, collection, processing, storage, management,  
20 transmission, or conversion of electronic data, documents, or records; and

1           (B) the design, construction, purchase, installation, maintenance, or  
2           operation of systems, including hardware, software, and services that perform  
3           or are contracted under Administrative Bulletin 3.5 to perform these activities.

4           (3) “State government” means the agencies of the Executive Branch of  
5           State government.

6           § 3302. APPOINTMENT OF SECRETARY; POWERS

7           AND DUTIES

8           (a) The Governor, with the advice and consent of the Senate, shall appoint  
9           the Secretary of Digital Services who shall be the Chief Information Officer of  
10           the State. The Secretary shall appoint a deputy secretary who shall serve at the  
11           pleasure of the Secretary.

12           (b) The Secretary shall serve as the administrative head of the Agency of  
13           Digital Services, and shall have the following responsibilities:

14           (1) coordinate and optimize the use of technology within State  
15           government;

16           (2) approve, in consultation with the Agency of Administration, State  
17           government information technology contracts and procurement activity;

18           (3) review and approve State government information technology  
19           policies;

20           (4) approve State government information technology recruitment and  
21           classification of employees; and



1 (c) [Repealed.]

2 Sec. 7. 10 V.S.A. § 128 is amended to read:

3 § 128. VERMONT CENTER FOR GEOGRAPHIC INFORMATION  
4 SPECIAL FUND

5 (a) A Special Fund is created for the operation of the Vermont Center for  
6 Geographic Information in the Agency of ~~Commerce and Community~~  
7 ~~Development~~ Digital Services. The Fund shall consist of revenues derived  
8 from the charges by the Agency of ~~Commerce and Community Development~~  
9 Digital Services pursuant to subsection (c) of this section for the provision of  
10 Geographic Information products and services, interest earned by the Fund,  
11 and sums which from time to time may be made available for the support of  
12 the Center and its operations. The Fund shall be established and managed  
13 pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the  
14 Agency to support activities of the Center.

15 (b) The receipt and expenditure of monies from the Special Fund shall be  
16 under the supervision of the Secretary of ~~Commerce and Community~~  
17 ~~Development~~ Digital Services.

18 (c) Notwithstanding 32 V.S.A. § 603, the Secretary of ~~Commerce and~~  
19 ~~Community Development~~ Digital Services is authorized to impose charges  
20 reasonably related to the costs of the products and services of the Vermont

1 Center for Geographic Information, including the cost of personnel,  
2 equipment, supplies, and intellectual property.

3 Sec. 8. REPEAL

4 22 V.S.A. chapter 15 (Department of Information and Innovation) is  
5 repealed.

6 Sec. 9. 22 V.S.A. § 952 is amended to read:

7 § 952. VERMONT WEB PORTAL; VERMONT WEB PORTAL BOARD;  
8 MEMBERSHIP

9 (a) There is created the Vermont web portal which shall be governed by a  
10 Board consisting of 10 members as follows:

11 (1) The ~~Commissioner of Information and Innovation~~ Secretary of  
12 Digital Services or ~~his or her~~ designee;

13 (2) The Secretary of State or ~~his or her~~ designee;

14 (3) The Secretary of Administration or ~~his or her~~ designee;

15 (4) The State Librarian or ~~his or her~~ designee;

16 (5) The Court Administrator or ~~his or her~~ designee;

17 (6) One member or ~~his or her~~ designee who is an officer of the  
18 Executive ~~branch~~ Branch as identified in 32 V.S.A. § 1003(b), other than of the  
19 Department of Finance and Management, the ~~Department of Information and~~  
20 ~~Innovation~~ Agency of Digital Services, and the Department of Libraries, and  
21 who shall be appointed by the Governor;

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Sec. 10. 22 V.S.A. § 953 is amended to read:

§ 953. VERMONT WEB PORTAL BOARD; DUTIES

(a) The Board shall:

(1) Oversee the development of a self-funded web portal and establish charges for the services it provides.

(2) Oversee development, implementation, and promotion, in cooperation with the ~~Department of Information and Innovation~~ Agency of Digital Services, of electronic commerce and digital signature applications involving the State of Vermont.

(3) Serve in an advisory capacity to the Agency of ~~Administration~~ Digital Services and other State agencies regarding the dissemination and collection of State data to and from the citizens and businesses of Vermont.

(4) Seek advice from the general public, users of the web portal, professional associations, academic groups, and institutions and individuals with knowledge or interest in computer networking, electronic mail, public information access, gateway services, add-on services, and electronic filing of information.

(5) Accept gifts, donations, and grants for the support of the Vermont web portal.



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(4) An assessment, conducted in cooperation with the ~~Department of Innovation and Information~~ Agency of Digital Services and the Agency of Transportation, of the current State telecommunications system and evaluation of alternative proposals for upgrading the system to provide the best available and affordable technology for use by government.

\* \* \*

(d) In establishing plans, public hearings shall be held and the Department shall consult with members of the public, representatives of telecommunications utilities with a certificate of public good, other providers, including the Vermont Electric Power Co., Inc. (VELCO), and other interested State agencies, particularly the Agency of Commerce and Community Development, the Agency of Transportation, and the ~~Department of Innovation and Information~~ Agency of Digital Services, whose views shall be considered in preparation of the Plan. To the extent necessary, the Department shall include in the Plan surveys to determine existing, needed, and desirable plant improvements and extensions, access and coordination between telecommunications providers, methods of operations, and any change that will produce better service or reduce costs. To this end, the Department may require the submission of data by each company subject to supervision by the Public Utility Commission.

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Sec. 12. 32 V.S.A. § 183 is amended to read:

§ 183. FINANCIAL AND HUMAN RESOURCE INFORMATION  
INTERNAL SERVICE FUND

(a) There is established in the Department of Finance and Management a Financial and Human Resource Information Internal Service Fund, to consist of revenues from charges to agencies, departments, and similar units of Vermont State government, and to be available to fund the costs of the Division of Financial Operations in the Department of Finance and Management, and the technical support and services provided by the ~~Department of Information and Innovation~~ Agency of Digital Services for the statewide central accounting and encumbrance, budget development, and human resource management systems.

(b) The rate of the charges shall be proposed by the Commissioner of Finance and Management, subject to the approval of the Secretary of Administration. Proposed rates of charges shall be based upon the cost of operations.

Sec. 13. 32 V.S.A. § 315 is amended to read:

~~§ 315. ANNUAL REPORT; INFORMATION TECHNOLOGY~~

~~(a) Annual report. The Agency of Administration shall annually present to the General Assembly a five year Information Technology (IT) Program. The~~

1 ~~Program shall be consistent with the planning process established in 22 V.S.A.~~  
2 ~~§ 901 and shall include for each fiscal year:~~

3 ~~(1) IT activities estimated to cost \$1,000,000.00 or more;~~

4 ~~(2) systemwide performance measures;~~

5 ~~(3) performance measures for projects; and~~

6 ~~(4) the budget for the Department of Information and Innovation (DII).~~

7 ~~(b) IT activities estimated to cost \$1,000,000.00 or more.~~

8 ~~(1) For each new proposed project with an estimated total cost that~~  
9 ~~exceeds \$1,000,000.00, there shall be:~~

10 ~~(A) a description of the project;~~

11 ~~(B) the justification for the scope of the project;~~

12 ~~(C) an explanation of proposed project management methodology,~~  
13 ~~including the relationship between chosen methodology and project scope;~~

14 ~~(D) a project budget that includes all projected costs, including~~  
15 ~~operating costs and personnel services; and~~

16 ~~(E) a project timeline with projected costs, matched to a detailed list~~  
17 ~~of all estimated funding sources and amounts.~~

18 ~~(2) The reporting requirements set forth in subdivision (1) of this~~  
19 ~~subsection shall not be interpreted or applied to limit the project methodology~~  
20 ~~chosen for any project.~~

1           ~~(3) For each ongoing project with an estimated total cost that exceeds~~  
2           ~~\$1,000,000.00, there shall be:~~

3                   ~~(A) a budget that includes all costs including operating costs and~~  
4           ~~personnel services;~~

5                   ~~(B) a cost benefit analysis, which shall include:~~

6                           ~~(i) an explanation of ongoing costs, including training and~~  
7           ~~maintenance, after project implementation;~~

8                           ~~(ii) an analysis of the net benefit to the project users, and to the~~  
9           ~~State, from proceeding with the project, in comparison to not proceeding with~~  
10           ~~the project;~~

11                           ~~(iii) projected savings, including personnel services, if any, that~~  
12           ~~will result from the project; and~~

13                           ~~(iv) other benefits to the project users, and to the State, from~~  
14           ~~proceeding with the project, in comparison to not proceeding with the~~  
15           ~~project; and~~

16                   ~~(C) a statement whether any of the information provided pursuant to~~  
17           ~~subdivision (1) of this subsection (b) has changed or is no longer accurate and~~  
18           ~~an explanation of the reasons.~~

19                   ~~(e) Systemwide performance measures. The Agency of Administration~~  
20           ~~shall develop systemwide performance measures which analyze the overall~~  
21           ~~performance of the State government IT system. The Program:~~

1           ~~(1) shall indicate the background and utility of the performance~~  
2           ~~measures;~~

3           ~~(2) shall track the performance measures over time;~~

4           ~~(3) where appropriate, shall recommend the setting of targets for the~~  
5           ~~performance measures;~~

6           ~~(4) shall indicate the overall condition of the system; and~~

7           ~~(5) shall indicate potential risks measured by severity and likelihood and~~  
8           ~~plans to mitigate those risks.~~

9           ~~(d) Performance measures. The Agency of Administration shall develop~~  
10          ~~performance measures for projects. The Program:~~

11          ~~(1) shall indicate the background and utility of the performance~~  
12          ~~measures;~~

13          ~~(2) shall track the performance measures over time; and~~

14          ~~(3) shall indicate potential risks measured by severity and likelihood and~~  
15          ~~plans to mitigate those risks.~~

16          ~~(e) The budget for DII. The Program shall include:~~

17          ~~(1) the recommended budget for DII; and~~

18          ~~(2) the DII fee charged to each branch, agency, and department and the~~  
19          ~~services provided.~~

1       ~~(f) Each year following the submission of an IT Program under this section,~~  
2       ~~the Agency shall prepare and make available to the public the Program.~~

3       [Repealed.]

4       Sec. 14. 32 V.S.A. § 1003(b) is amended to read:

5       (b) The Governor may appoint each officer of the Executive Branch listed  
6       in this subsection at a starting salary ranging from the base salary stated for  
7       that position to a salary ~~which~~ that does not exceed the maximum salary unless  
8       otherwise authorized by this subsection. The maximum salary for each  
9       appointive officer shall be 50 percent above the base salary. Annually, the  
10      Governor may grant to each of those officers an annual salary adjustment  
11      subject to the maximum salary. The annual salary adjustment granted to  
12      officers under this subsection shall not exceed the average of the total rate of  
13      adjustment available to classified employees under the collective bargaining  
14      agreement then in effect. In addition to the annual salary adjustment specified  
15      in this subsection, the Governor may grant a special salary increase subject to  
16      the maximum salary, or a bonus, to any officer listed in this subsection whose  
17      job duties have significantly increased, or whose contributions to the State in  
18      the preceding year are deemed especially significant. Special salary increases  
19      or bonuses granted to any individual shall not exceed the average of the total  
20      rate of adjustment available to classified employees under the collective  
21      bargaining agreement then in effect.

1 (1) Heads of the following Departments and Agencies:

	Base Salary	Base Salary
	as of	as of
	July 10, 2016	July 09, 2017
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5	(A) Administration	\$100,416 \$104,382

6 \* \* \*

7 (T) ~~Information and Innovation~~ Digital Services

8	93,874	<u>100,416</u>	97,582	<u>104,382</u>
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10 Sec. 15. EFFECTIVE DATE

11 This act shall take effect on passage.