

SENATE BILL NO. 131

INTRODUCED BY M. TAYLOR

BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS GOVERNING INFORMATION
6 TECHNOLOGY; ~~CREATING A DEPARTMENT OF INFORMATION TECHNOLOGY; PROVIDING THAT THE~~
7 ~~DEPARTMENT HEAD IS THE~~ FOR A CHIEF INFORMATION OFFICER; ESTABLISHING POLICIES FOR
8 STATE INFORMATION TECHNOLOGY; ~~TRANSFERRING~~ ESTABLISHING DUTIES AND RESPONSIBILITIES
9 CONCERNING INFORMATION TECHNOLOGY ~~TO THE DEPARTMENT OF INFORMATION TECHNOLOGY;~~
10 AMENDING SECTIONS 2-3-301, 2-6-214, 2-15-102, ~~2-15-104~~, 2-15-114, 2-15-404, ~~2-15-1013~~,
11 2-15-1514, 2-15-2212, 2-17-301, 2-17-303, 2-17-306, ~~2-17-311, 2-17-312, 2-17-313~~, 2-17-322,
12 2-17-323, 2-17-503, 2-18-103, 5-11-402, 5-11-403, 5-12-205, 10-3-106, ~~10-4-101~~, 17-7-111,
13 17-7-112, 17-7-123, 18-4-313, ~~20-32-102, 20-32-103, 20-32-104~~, 61-3-345, AND 61-3-346, ~~AND~~
14 ~~61-3-347~~, MCA; REPEALING SECTIONS 2-17-302, 2-17-304, 2-17-305, 2-17-321, 2-17-501, AND
15 2-17-502, MCA; AND PROVIDING AN EFFECTIVE DATE."

16
17 WHEREAS, the Legislature finds that information technology is becoming a critical component of
18 the methods used by state agencies in providing information and services to Montana citizens; and

19 WHEREAS, the cost for information technology is increasing both in absolute and relative terms
20 in agency budgets; and

21 WHEREAS, information technology, in order to be deployed most effectively, must be carefully
22 managed and coordinated throughout state agencies.

23
24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

25
26 ~~NEW SECTION. Section 1. Department of information technology -- chief information officer.~~
27 ~~There is a department of information technology. The department head is the chief information officer and~~
28 ~~is appointed by the governor in accordance with 2-15-111.~~

29
30 NEW SECTION. Section 1. Information technology board -- membership -- qualifications --



1 **vacancies -- compensation.** (1) There is an information technology board. The board consists of ~~47~~ 19
 2 members who are appointed as follows:

3 (a) ~~the chief information officer, provided for in [section 1]~~ DIRECTOR OF THE DEPARTMENT OF
 4 ADMINISTRATION, who serves as presiding officer of the board;

5 (B) THE CHIEF INFORMATION OFFICER PROVIDED FOR IN [SECTION 5];

6 (C) THE DIRECTOR OF THE OFFICE OF BUDGET AND PROGRAM PLANNING;

7 ~~(b)(D)~~ (D) six members who are directors of state agencies ~~or the directors' designees~~ and who are
 8 appointed by the governor;

9 ~~(e)(E)~~ (E) two members representing local government, appointed by the governor;

10 ~~(d)(F)~~ (F) one member representing the ~~federal government, appointed by the governor~~ PUBLIC SERVICE
 11 COMMISSION, APPOINTED BY THE PUBLIC SERVICE COMMISSION;

12 ~~(e)(G)~~ (G) one member representing the private sector, appointed by the governor;

13 ~~(f)(H)~~ (H) one member of the house of representatives, appointed by the speaker of the house of
 14 representatives;

15 ~~(g)(I)~~ (I) one member of the senate, appointed by the president of the senate;

16 ~~(h)(J)~~ (J) one member representing the legislative branch, appointed by the legislative branch
 17 computer system planning council;

18 ~~(i)(K)~~ (K) one member representing the judicial branch, appointed by the chief justice of the supreme
 19 court;

20 ~~(j)(L)~~ (L) one member representing the university system, appointed by the board of regents; and

21 ~~(k)(M)~~ (M) one member representing K-12 education, appointed by the superintendent of public
 22 instruction.

23 (2) Appointments must be made without regard to political affiliation and must be made solely for
 24 the wise management of the information technology resources used by the state. ~~A person may not be~~
 25 ~~appointed to the board unless the person is informed or interested and experienced in the subject of~~
 26 ~~information technology.~~

27 (3) A vacancy occurring on the board must be filled by the appointing authority in the same
 28 manner as the original appointment.

29 (4) The board shall function in an advisory capacity as defined in 2-15-102.

30 (5) Members of the board must be reimbursed and compensated in the same manner as members

1 of quasi-judicial boards under 2-15-124(7), except that legislative members are reimbursed and
 2 compensated as provided in 5-2-302.

3

4 NEW SECTION. **Section 2. Short title.** [Sections ~~3~~ 2 through 18] may be cited as the "Montana
 5 Information Technology Act".

6

7 NEW SECTION. **Section 3. Policy.** (1) It is the policy of the state that information technology be
 8 used to improve the quality of life of Montana citizens by providing educational opportunities, creating
 9 quality jobs and a favorable business climate, improving government, and protecting individual privacy and
 10 the privacy of the information contained within information technology systems.

11 (2) It is the policy of the state that the development of information technology resources in the
 12 state must be conducted in an organized, deliberative, and cost-effective manner. The following ~~concepts~~
 13 PRINCIPLES must be used in GUIDE the development of state information technology resources:

14 (a) There are statewide information technology policies, standards, procedures, and guidelines
 15 applicable to all state agencies and other entities using the state network.

16 (b) ~~Common~~ WHENEVER FEASIBLE AND COST-EFFECTIVE, COMMON data is entered once and shared
 17 among agencies.

18 (c) In order to minimize unwarranted duplication, similar information technology systems and data
 19 management applications are implemented and managed in a coordinated manner.

20 (d) Planning and development of information technology resources are conducted in conjunction
 21 with budget development and approval.

22 ~~Access to information and services provided by state information technology systems is~~
 23 ~~user-friendly and is based on the citizen's perspective, not an individual department's perspective.~~

24 ~~(F)~~(E) Information technology systems are deployed aggressively whenever it can be shown that
 25 it will provide improved services to Montana citizens.

26 ~~(G)~~(E) Public-private partnerships are used to deploy information technology systems when practical
 27 and cost-effective.

28 ~~(H)~~(G) State information technology systems are developed in cooperation with the federal
 29 government and local governments with the objective of providing seamless access to information and
 30 services to the greatest degree possible.

1 ~~(H)~~ State information technology systems are able to accommodate electronic transmissions
2 between the state and its citizens, businesses, and other government entities.

3 (3) It is the policy of the state that the department must be accountable to the governor, the
4 legislature, and the citizens of Montana.

5

6 NEW SECTION. Section 4. Definitions. In [sections ~~3~~ 2 through 18], unless the context requires
7 otherwise, the following definitions apply:

8 (1) "Board" means the information technology board established in [section ~~2~~ 1].

9 (2) "Central computer center" means any stand-alone or shared computer and associated
10 equipment, software, facilities, and services administered by the department for use by state agencies.

11 (3) "Chief information officer" means ~~the department head provided for in [section 1]~~ A PERSON
12 APPOINTED BY THE DIRECTOR OF THE DEPARTMENT TO CARRY OUT THE DUTIES AND RESPONSIBILITIES OF THE DEPARTMENT
13 RELATING TO INFORMATION TECHNOLOGY.

14 (4) "Data" means any information stored on information technology resources.

15 (5) "Department" means the department of ~~information technology~~ ADMINISTRATION established in
16 ~~[section 1]~~ 2-15-1001.

17 (6) "Electronic access system" means a system capable of making data accessible by means of
18 an information technology facility in a voice, video, or electronic data form, including but not limited to the
19 internet.

20 (7) "Information technology" means hardware, software, and associated services and
21 infrastructure used to store or transmit information in any form, including voice, video, and electronic data.

22 (8) "State agency" means any entity of the executive branch, including the university system.

23 (9) "Statewide telecommunications network" means any telecommunications facilities, circuits,
24 equipment, software, and associated contracted services administered by the department for the
25 transmission of voice, video, or electronic data from one device to another.

26

27 NEW SECTION. Section 5. Chief information officer -- duties. The duties of the chief information
28 officer include but are not limited to:

29 (1) carrying out all powers and duties of the department as ~~established in [section 7]~~ ASSIGNED BY
30 THE DIRECTOR OF THE DEPARTMENT;

1 ~~—— (2) presiding over the information technology board as provided for in [section 2];~~
 2 ~~—— (3) reporting to the legislature and its committees on a regular basis the activities of the~~
 3 ~~department; and~~
 4 ~~—— (4) representing the state with other private and public entities on matters of information~~
 5 ~~technology.~~

6 (2) SERVING AS THE CHIEF POLICY ADVISOR TO THE DIRECTOR OF THE DEPARTMENT ON STATEWIDE INFORMATION
 7 TECHNOLOGY ISSUES; AND

8 (3) ASSISTING AND ADVISING THE DIRECTOR OF THE DEPARTMENT ON THE ENFORCEMENT RESPONSIBILITIES
 9 PROVIDED IN [SECTION 8].

10

11 NEW SECTION. Section 6. Powers and duties of department. (1) The department IS RESPONSIBLE
 12 FOR CARRYING OUT THE PLANNING AND PROGRAM RESPONSIBILITIES FOR INFORMATION TECHNOLOGY FOR STATE
 13 GOVERNMENT. THE DEPARTMENT:

14 ~~—— (a) shall encourage and promote the deployment of information technology in state government;~~

15 ~~(b)~~(A) shall ENCOURAGE AND foster the development of new and innovative information technology
 16 within ~~the state~~ GOVERNMENT;

17 ~~(c)~~(B) shall promote, coordinate, and approve the development and sharing of shared information
 18 technology application software, management systems, and information that provide similar functions for
 19 multiple state agencies;

20 ~~(d)~~(C) shall, ~~in cooperation~~ COOPERATE with the department of commerce, TO promote economic
 21 development initiatives based on information technology;

22 ~~(e)~~(D) shall establish AND ENFORCE a state strategic information technology plan as provided for in
 23 [section 13];

24 ~~(f)~~(E) shall establish AND ENFORCE statewide information technology policies and standards;

25 ~~(g)~~(F) shall review and approve state agency information technology plans provided for in [section
 26 15];

27 ~~(h)~~(G) shall coordinate with the office of budget and program planning to evaluate budget requests
 28 that include information technology resources. The department shall make recommendations to the office
 29 of budget and program planning for the approval or disapproval of information technology budget requests.
 30 An unfavorable recommendation must be based on a determination that the request is not provided for in

1 the approved agency information technology plan provided for in [section 15].

2 ~~(h)~~(H) shall staff the information technology board provided for in [section ~~2~~ 1];

3 ~~(i)~~(I) shall fund the administrative costs of the information technology board provided for in [section
4 ~~2~~ 1];

5 ~~(k)~~(J) shall review ~~and approve~~ the use of information technology resources for all state agencies;

6 ~~(k)~~(K) shall review and approve state agency specifications and procurement methods for the
7 acquisition of information technology resources;

8 ~~(m)~~(L) shall review ~~and~~ approve, AND SIGN all state agency contracts and SHALL REVIEW AND APPROVE
9 other formal agreements for information technology ~~services~~ RESOURCES provided by the private sector and
10 other government entities;

11 ~~(n)~~(M) shall operate and maintain a central computer center for the use of state government,
12 political subdivisions, and other participating entities UNDER TERMS AND CONDITIONS ESTABLISHED BY THE
13 DEPARTMENT;

14 ~~(o)~~(N) shall operate and maintain a statewide telecommunications network for the use of state
15 government, political subdivisions, and other participating entities UNDER TERMS AND CONDITIONS ESTABLISHED
16 BY THE DEPARTMENT;

17 ~~(p)~~(O) shall ensure that the statewide telecommunications network is properly maintained. The
18 department may establish a centralized maintenance program for the statewide telecommunications
19 network.

20 ~~(q)~~(P) shall coordinate public safety communications on behalf of all state agencies as provided
21 for in 2-17-311 through 2-17-313;

22 ~~(r)~~(Q) shall manage the state 9-1-1 program as provided for in Title 10, chapter 4, part 3;

23 ~~(s)~~(R) shall provide electronic access to information and services of the state as provided for in
24 2-17-322;

25 ~~(t)~~(S) shall provide assistance to the legislature, THE JUDICIARY, the governor, and state agencies
26 relative to state and interstate information technology matters;

27 ~~(u)~~(T) shall establish rates and other charges for services provided by the department;

28 ~~(v)~~ shall provide a means for the political subdivisions of the state to use the state's information
29 technology resources, under terms and conditions that the department may establish;

30 ~~(w)~~(U) must accept federal funds granted by congress or by executive order and gifts, grants, and

1 donations for any purpose of this section;

2 ~~(x)~~(v) shall dispose of personal property owned by it in a manner provided by law when, in the
3 judgment of the department, the disposal best promotes the purposes for which the department is
4 established; ~~and~~

5 ~~(y)~~(w) shall ~~enforce~~ IMPLEMENT [sections ~~3~~ 2 through 18] and all other laws for the use of
6 information technology in state government;

7 (X) SHALL REPORT TO THE APPROPRIATE INTERIM COMMITTEE ON A REGULAR BASIS AND TO THE LEGISLATURE
8 AS PROVIDED IN 5-11-210 ON THE INFORMATION TECHNOLOGY ACTIVITIES OF THE DEPARTMENT; AND

9 (Y) SHALL REPRESENT THE STATE WITH PUBLIC AND PRIVATE ENTITIES ON MATTERS OF INFORMATION
10 TECHNOLOGY.

11 (2) If it is in the state's best interest, the department may contract with qualified private
12 organizations, foundations, or individuals to carry out the purposes of this section.

13 (3) THE DIRECTOR OF THE DEPARTMENT SHALL APPOINT THE CHIEF INFORMATION OFFICER TO ASSIST IN CARRYING
14 OUT THE DEPARTMENT'S INFORMATION TECHNOLOGY DUTIES.

15

16 NEW SECTION. **Section 7. Duties of board.** The board shall:

17 (1) provide a forum to:

18 (a) guide state agencies, the legislative branch, the judicial branch, and local governments in the
19 development and deployment of intergovernmental information technology resources;

20 (b) share information among state agencies, local governments, and federal agencies regarding
21 the development of information technology resources;

22 (2) advise the department in the development of cooperative contracts for the purchase of
23 information technology resources;

24 (3) review and advise the ~~chief information officer~~ DEPARTMENT on:

25 (a) statewide information technology standards and policies;

26 (b) the state strategic information technology plan;

27 (c) major information technology budget requests;

28 (D) RATES AND OTHER CHARGES FOR SERVICES ESTABLISHED BY THE DEPARTMENT AS PROVIDED IN [SECTION
29 6(1)(T)]:

30 ~~(d)~~(E) requests for exceptions as provided for in [section 9];

1 ~~(e)~~(F) notification of proposed exemptions by the university system and office of public instruction
2 as provided for in [section 10];

3

4 (G) ACTION TAKEN BY THE DEPARTMENT AS PROVIDED IN [SECTION 8(1)] FOR ANY ACTIVITY THAT IS NOT IN
5 COMPLIANCE WITH [SECTIONS 2 THROUGH 18];

6 ~~(f)~~(H) transfer of information technology funds, resources, and employees as provided for in
7 2-17-303; and

8 ~~(g)~~(I) the implementation of major information technology projects and advise the respective
9 governing authority of any issue of concern to the board relating to implementation of the project;

10 (4) study state government's present and future information technology needs and advise the ~~chief~~
11 ~~information officer~~ DEPARTMENT on the use of emerging technology in state government; and

12 (5) request information and reports that it considers necessary from any entity using or having
13 access to the statewide telecommunications network or central computer center.

14

15 NEW SECTION. SECTION 8. DEPARTMENT -- ENFORCEMENT RESPONSIBILITIES. (1) IF THE DEPARTMENT
16 DETERMINES THAT AN AGENCY IS NOT IN COMPLIANCE WITH THE STATE STRATEGIC INFORMATION TECHNOLOGY PLAN
17 PROVIDED FOR IN [SECTION 13], THE AGENCY INFORMATION TECHNOLOGY PLAN PROVIDED FOR IN [SECTION 15], OR THE
18 STATEWIDE INFORMATION TECHNOLOGY POLICIES AND STANDARDS PROVIDED FOR IN [SECTION 6], THE DEPARTMENT MAY
19 CANCEL OR MODIFY ANY CONTRACT, PROJECT, OR ACTIVITY THAT IS NOT IN COMPLIANCE.

20 (2) PRIOR TO TAKING ACTION PROVIDED FOR IN SUBSECTION (1), THE DEPARTMENT SHALL REVIEW WITH THE
21 BOARD ANY ACTIVITIES THAT ARE NOT IN COMPLIANCE.

22 (3) ANY CONTRACT ENTERED INTO BY AN AGENCY THAT INCLUDES INFORMATION TECHNOLOGY RESOURCES MUST
23 INCLUDE LANGUAGE DEVELOPED BY THE DEPARTMENT THAT REFERENCES THE DEPARTMENT'S ENFORCEMENT
24 RESPONSIBILITIES PROVIDED FOR IN SUBSECTION (1). A CONTRACT THAT DOES NOT CONTAIN THE REQUIRED LANGUAGE
25 IS CONSIDERED TO BE IN VIOLATION OF STATE LAW AND IS VOIDABLE PURSUANT TO SUBSECTION (1). THE LANGUAGE
26 DEVELOPED BY THE DEPARTMENT MAY NOT BE VARIED PURSUANT TO 18-4-224.

27

28 NEW SECTION. Section 9. Granting exceptions to state agencies. Subject to [section 10], the
29 department may grant exceptions to any policy, standard, or other requirement of [sections ~~3~~ 2 through
30 18] if it is in the best interests of the state of Montana. The ~~chief information officer~~ DEPARTMENT shall

1 inform the board, the office of budget and program planning, and the legislative finance committee of all
 2 exceptions that are granted and of the rationale for granting the exceptions. The department shall maintain
 3 written documentation that identifies the terms and conditions of the ~~exemption~~ EXCEPTION and the
 4 rationale for the ~~exemption~~ EXCEPTION.

5

6 NEW SECTION. Section 10. Exemptions -- university system -- office of public instruction --
 7 NATIONAL GUARD. (1) ~~The university system and the office of public instruction are exempt from [section~~
 8 ~~7(1)(l) 6(1)(k) and (1)(m) (1)(L)] unless the proposed activities would affect the operation of the central~~
 9 ~~computer center or the statewide telecommunications network.~~ UNLESS THE PROPOSED ACTIVITIES WOULD
 10 DETRIMENTALLY AFFECT THE OPERATION OF THE CENTRAL COMPUTER CENTER OR THE STATEWIDE TELECOMMUNICATIONS
 11 NETWORK, THE OFFICE OF PUBLIC INSTRUCTION IS EXEMPT FROM [SECTION 6(1)(K) AND (1)(L)].

12 (2) UNLESS THE PROPOSED ACTIVITIES WOULD DETRIMENTALLY AFFECT THE OPERATION OF THE CENTRAL
 13 COMPUTER CENTER OR THE STATEWIDE TELECOMMUNICATIONS NETWORK, THE UNIVERSITY SYSTEM IS EXEMPT FROM:

14 (A) THE ENFORCEMENT PROVISIONS OF [SECTIONS 6(1)(D) AND (1)(E) AND 8];

15 (B) THE APPROVAL PROVISIONS OF [SECTIONS 6(1)(F), 15, AND 17];

16 (C) THE BUDGET APPROVAL PROVISIONS OF [SECTION 6(1)(G)];

17 (D) THE PROVISIONS OF [SECTIONS 6(1)(K) AND (1)(L)]; AND

18 (E) THE TRANSFER PROVISIONS OF 2-17-303.

19 ~~(2)~~(3) The department, upon notification of proposed activities by the university system or the
 20 office of public instruction, shall determine if the central computer center or the statewide
 21 telecommunications network would be DETRIMENTALLY affected by the proposed activity.

22 ~~(3)~~(4) For purposes of this section, a proposed activity affects the operation of the central
 23 computer center or the statewide telecommunications network if it DETRIMENTALLY affects the processing
 24 workload, reliability, cost of providing service, or support service requirements of the central computer
 25 center or the statewide telecommunications network.

26 ~~(4) When reviewing proposed activities submitted by the university system or the office of public~~
 27 ~~instruction, the department shall consider and make reasonable allowances for the unique educational~~
 28 ~~needs and characteristics of the university system and the office of public instruction to communicate and~~
 29 ~~share data with units of the university system and with school districts.~~

30 (5) WHEN REVIEWING PROPOSED ACTIVITIES OF THE UNIVERSITY SYSTEM, THE DEPARTMENT SHALL CONSIDER

1 AND MAKE REASONABLE ALLOWANCES FOR THE UNIQUE EDUCATIONAL NEEDS AND CHARACTERISTICS AND THE WELFARE
 2 OF THE UNIVERSITY SYSTEM AS DETERMINED BY THE BOARD OF REGENTS.

3 (6) WHEN REVIEWING PROPOSED ACTIVITIES OF THE OFFICE OF PUBLIC INSTRUCTION, THE DEPARTMENT SHALL
 4 CONSIDER AND MAKE REASONABLE ALLOWANCES FOR THE UNIQUE EDUCATIONAL NEEDS AND CHARACTERISTICS OF THE
 5 OFFICE OF PUBLIC INSTRUCTION TO COMMUNICATE AND SHARE DATA WITH SCHOOL DISTRICTS.

6 (7) [SECTION 6(1)(u)] MAY NOT BE CONSTRUED TO PROHIBIT THE UNIVERSITY SYSTEM FROM ACCEPTING FEDERAL
 7 FUNDS OR GIFTS, GRANTS, OR DONATIONS RELATED TO INFORMATION TECHNOLOGY OR TELECOMMUNICATIONS.

8 (8) THE NATIONAL GUARD, AS DEFINED IN 10-1-101(3), IS EXEMPT FROM [SECTION 6].

9

10 NEW SECTION. Section 11. Legislative and judicial branch information sharing. The legislative
 11 branch and the judicial branch shall provide their information technology plans to the department.

12

13 NEW SECTION. Section 12. Rulemaking authority. (1) The department shall adopt rules to
 14 implement [sections 3 2 through 18], including the following:

15 (a) rules to guide the review and approval process for state agency software and management
 16 systems that provide similar functions for multiple state agencies, which must include but are not limited
 17 to:

18 (i) identifying the software and management systems that must be approved;
 19 (ii) establishing the information that state agencies are required to provide to the department; and
 20 (iii) establishing guidelines for the department's approval decision;

21 (b) rules to guide the review and approval process for state agency acquisition of information
 22 technology resources, which must include but are not limited to processes and requirements for:

23 (i) agency submissions to gain approval for acquiring information technology resources;
 24 (ii) approving specifications for information technology resources; and
 25 (iii) approving contracts for information technology resources; and

26 (c) rules for granting exceptions from the requirements of [sections 3 2 through 18], which must
 27 include but are not limited to:

28 (i) a process for applying for an ~~exemption~~ EXCEPTION; and
 29 (ii) guidelines for determining the department's approval decision.

30 (2) The department may adopt rules to guide the development of state agency information

1 technology plans. The rules may include:

2 (a) agency plan review procedures;

3 (b) agency plan content requirements;

4 (c) guidelines for the department's approval decision; and

5 (d) dispute resolution processes and procedures.

6 (3) Adequate rules for the use of any information technology resources must be adopted by the:

7 (a) supreme court for judicial branch agencies; and

8 (b) legislative council, with the concurrence of the legislative audit committee and the legislative

9 finance committee, for the consolidated legislative branch, as provided for in 5-2-504.

10

11 NEW SECTION. **Section 13. State strategic information technology plan -- biennial report.** (1)

12 The department shall prepare a state strategic information technology plan. The department shall seek

13 the advice of the board in the development of the plan.

14 (2) The plan must:

15 (a) reflect the policies as set forth in [section 4 3] and be in accordance with statewide standards

16 and policies established by the department;

17 (b) establish the statewide mission, goals, and objectives for the use of information technology,

18 including goals for electronic access to government records, information, and services; and

19 (c) establish the strategic direction for how state agencies will develop and use information

20 technology resources to provide state government services.

21 (3) The department shall update the plan as necessary. The plan and any updates must be

22 distributed as provided in [section 14].

23 (4) The department shall prepare a biennial report on information technology based on agency

24 information technology plans and performance reports required under [section 16] and other information

25 considered appropriate by the department. The biennial report must include:

26 (a) an analysis of the state's information technology infrastructure, including its value, condition,

27 and capacity;

28 (b) an evaluation of performance relating to information technology;

29 (c) an assessment of progress made toward implementing the state strategic information

30 technology plan;

- 1 (d) an inventory of state information services, equipment, and proprietary software;
2 (e) agency budget requests for major projects; and
3 (f) other information as determined by the department or requested by the governor or the
4 legislature.

5

6 **NEW SECTION. Section 14. State strategic information technology plan -- distribution.** (1) The
7 department shall distribute the state strategic information technology plan and the biennial report to the
8 governor and to the legislature as provided in 5-11-210.

9 (2) Updates to the state strategic information technology plan must be provided to the governor
10 by March 1 of each even-numbered year and to the legislative finance committee at its next scheduled
11 meeting after March 1.

12 (3) By April 1 of each even-numbered year, the updated state strategic information technology
13 plan must be distributed to all state agencies with instructions and schedules for updating and approving
14 agency information technology plans in accordance with [section 17].

15

16 **NEW SECTION. Section 15. Agency information technology plans -- policy.** (1) Each state
17 agency is required to develop and maintain an agency information technology plan. The agency
18 information technology plans must reflect the content and format requirements specified in [section 16].

19 (2) An agency information technology plan must be submitted to and approved by the department
20 as described in [section 17].

21 (3) New investments in information technology can be included in the governor's budget only if
22 the project is contained in the approved agency information technology plan.

23

24 **NEW SECTION. Section 16. Agency information technology plans -- form and content --**
25 **performance reports.** (1) Each agency's information technology plan must include but is not limited to
26 the following:

27 (a) a statement of the agency's mission, goals, and objectives for information technology,
28 including a discussion of how the agency uses or plans to use information technology to provide
29 mission-critical services to Montana citizens and businesses;

30 (b) an explanation of how the agency's mission, goals, and objectives for information technology

1 support and conform to the state strategic information technology plan required in [section 13];

2 (c) a baseline profile of the agency's current information technology resources and capabilities
3 that:

4 (i) includes sufficient information to fully support state-level review and approval activities; and

5 (ii) will serve as the basis for subsequent planning and performance measures;

6 (d) an evaluation of the baseline profile that identifies real or potential deficiencies or obsolescence
7 of the agency's information technology resources and capabilities;

8 (e) a list of new projects and resources required to meet the objectives of the agency's information
9 technology plan. The investment required for the new projects and resources must be developed using
10 life-cycle cost analysis, including the initial investment, maintenance, and replacement costs, AND MUST
11 FULFILL OR SUPPORT AN AGENCY'S BUSINESS REQUIREMENTS.

12 (f) when feasible, estimated schedules and funding required to implement identified projects; and

13 (g) any other information required by law or requested by the ~~chief information officer~~ DEPARTMENT,
14 the governor, or the legislature.

15 (2) Each agency's information technology plan must project activities and costs over a 6-year time
16 period, consisting of the biennium during which the plan is written or updated and the 2 subsequent
17 bienniums.

18 (3) Each agency shall prepare and submit to the department a biennial performance report that
19 evaluates progress toward the objectives articulated in its information technology plan. The report must
20 include:

21 (a) an evaluation of the agency's performance relating to information technology;

22 (b) an assessment of progress made toward implementing the agency information technology plan;

23 and

24 (c) an inventory of agency information services, equipment, and proprietary software.

25 (4) State agencies shall prepare agency information technology plans and biennial performance
26 reports using standards, elements, forms, and formats specified by the department.

27

28 NEW SECTION. Section 17. Agency information technology plans -- review and approval --
29 updates. (1) Plans and reports required under [section 16] must be submitted to the department for
30 review and approval according to a schedule adopted by the ~~chief information officer~~ DEPARTMENT. The

1 schedule must provide for approval of plans no later than June 30 in each even-numbered year.

2 (2) The department may reject, require modification of, or approve agency information technology
3 plans as considered appropriate by the department. The primary basis for evaluating agency information
4 technology plans must be conformity to the state strategic information technology plan, as provided for
5 in [section 13].

6 (3) Agency information technology plans must be updated and are subject to review and approval
7 whenever substantive changes occur to an agency's information technology profile. Plan updates must
8 be submitted to the department in a timely manner and may not be held until the next biennial reporting
9 cycle.

10

11 NEW SECTION. **Section 18. Information technology project budget summary.** (1) The office of
12 budget and program planning, in cooperation with the department, shall prepare a statewide summary of
13 major new information technology projects contained in the state budget. The office of budget and
14 program planning and the department shall jointly determine the criteria for classifying a project as a major
15 new information technology project. The information technology project summary must include:

16 (a) a listing by institution, agency, or branch of all major new information technology budget
17 requests included in the state budget. Each information technology budget request included on the list
18 must include:

19 (i) a description of what would be accomplished by funding the request;

20 (ii) the proposed amount of the request; ~~and~~

21 (iii) the funding source for the request; AND

22 (IV) THE PROPOSED COST OF OPERATING NEW INFORMATION TECHNOLOGY SYSTEMS.

23 (b) a listing of internal service rates proposed for providing information technology services. Each
24 internal service rate included on the list must include:

25 (i) a description of the services provided; and

26 (ii) a breakdown, aggregated by fund type, of requests included in the state budget to support the
27 rate.

28 (c) any other information as determined by the budget director or the ~~chief information officer~~
29 DEPARTMENT or as requested by the governor or the legislature.

30 (2) The information technology project summary must be presented to the legislative fiscal analyst

1 in accordance with 17-7-111(4).

2

3 **Section 19.** Section 2-3-301, MCA, is amended to read:

4 **"2-3-301. Agency ~~using electronic mail to accept public comment electronically -- dissemination~~**
 5 **of electronic mail address and documents required -- prohibiting fees.** (1) An agency that accepts public
 6 comment pursuant to a statute, administrative rule, or policy, including an agency adopting rules pursuant
 7 to the Montana Administrative Procedure Act or an agency to which 2-3-111 applies, shall, ~~if the agency~~
 8 ~~is capable of receiving electronic mail from the internet world wide web,~~ provide for the receipt of public
 9 comment by the agency by use of ~~that~~ an electronic mail system.

10 (2) As part of the agency action required by subsection (1), an agency shall disseminate by
 11 appropriate ~~mediums~~ media its electronic mail address to which public comment may be made, including
 12 dissemination in:

13 (a) rulemaking notices published pursuant to the Montana Administrative Procedure Act;

14 (b) the telephone directory of state agencies published by the department of ~~administration~~
 15 ~~information technology~~ ADMINISTRATION;

16 (c) any notice of agency existence, purpose, and operations published on the internet world wide
 17 web, popularly known as a "website", used by the agency;

18 ~~(d) the state electronic bulletin board;~~ or

19 ~~(e)(d)~~ (d) any combination of the methods of dissemination provided in subsections (2)(a) through
 20 ~~(2)(d)~~ (2)(c).

21 (3) An agency ~~that uses electronic mail and creates or receives electronic documents~~ shall, at the
 22 request of another agency or person, disseminate the electronic documents to that agency or person by
 23 electronic mail in place of surface mail. An agency may not charge a fee for providing documents by
 24 electronic mail in accordance with this subsection.

25 (4) As used in this section, "agency" means a department, division, bureau, office, board,
 26 commission, authority, or other agency of the executive branch of state government."

27

28 **Section 20.** Section 2-6-214, MCA, is amended to read:

29 **"2-6-214. Department of ~~administration information technology~~ ADMINISTRATION -- powers and**
 30 **duties.** (1) In order to ensure compatibility with the ~~computer and telecommunications~~ information

1 technology systems of state government, the department of ~~administration information technology~~
 2 ADMINISTRATION shall develop standards for technological compatibility for state agencies for records
 3 management equipment or systems used to electronically capture, store, or retrieve public records through
 4 computerized, optical, or other electronic methods.

5 (2) The department of ~~administration information technology~~ ADMINISTRATION shall approve all
 6 acquisitions of executive agency records management equipment or systems used to electronically
 7 capture, store, or retrieve public records through computerized, optical, or other electronic methods to
 8 ensure compatibility with the standards developed under subsection (1).

9 (3) The department of ~~administration information technology~~ ADMINISTRATION is responsible for the
 10 management and operation of equipment, systems, facilities, or processes integral to the department's
 11 central computer CENTER and STATEWIDE telecommunications ~~systems~~ SYSTEM."

12

13 **Section 21.** Section 2-15-102, MCA, is amended to read:

14 **"2-15-102. Definitions.** As used in this chapter, the following definitions apply:

15 (1) "Advisory capacity" means furnishing advice, gathering information, making recommendations,
 16 and performing ~~such~~ other activities ~~as~~ that may be necessary to comply with federal funding requirements
 17 and does not mean administering a program or function or setting policy.

18 (2) "Agency" means an office, position, commission, committee, board, department, council,
 19 division, bureau, section, or any other entity or instrumentality of the executive branch of state
 20 government.

21 (3) ~~"Data and information technology resources"~~ "Data" means ~~data processing mainframe,~~
 22 ~~microcomputer hardware, peripherals, software, special forms, personnel, facility resources, maintenance,~~
 23 ~~training, electronically stored data, or other related resources~~ any information stored on information
 24 technology resources.

25 (4) "Department" means a principal functional and administrative entity; that:

26 (a) is created by this chapter within the executive branch of state government;

27 (b) is one of the 20 principal departments permitted under the constitution; and

28 (c) includes its units.

29 (5) "Department head" means a director, commission, board, commissioner, or constitutional
 30 officer in charge of a department created by this chapter.

1 (6) "Director" means a department head specifically referred to as a director in this chapter, and
 2 does not mean a commission, board, commissioner, or constitutional officer.

3 (7) "Executive branch" means the executive branch of state government referred to in Article III,
 4 section 1, and Article VI of the Montana constitution, ~~Articles III and VI.~~

5 (8) "Function" means a duty, power, or program, exercised by or assigned to an agency, whether
 6 or not specifically provided for by law.

7 (9) "Information technology resources" means hardware, software, and associated services and
 8 infrastructure used to store or transmit information in any form, including voice, video, and electronic data.

9 ~~(9)~~(10) "Quasi-judicial function" means an adjudicatory function exercised by an agency, involving
 10 the exercise of judgment and discretion in making determinations in controversies. The term includes but
 11 is not limited to the functions of:

- 12 (a) interpreting, applying, and enforcing existing rules and laws;
- 13 (b) granting or denying privileges, rights, or benefits;
- 14 (c) issuing, suspending, or revoking licenses, permits, and certificates;
- 15 (d) determining rights and interests of adverse parties;
- 16 (e) evaluating and passing on facts;
- 17 (f) awarding compensation;
- 18 (g) fixing prices;
- 19 (h) ordering action or abatement of action;
- 20 (i) adopting procedural rules;
- 21 (j) holding hearings; and
- 22 (k) any other act necessary to the performance of a quasi-judicial function.

23 ~~(10)~~(11) "Quasi-legislative function" generally means making or having the power to make rules
 24 or set rates and all other acts connected with or essential to the proper exercise of a quasi-legislative
 25 function.

26 ~~(11)~~(12) "Unit" means an internal subdivision of an agency, created by law or by administrative
 27 action, including a division, bureau, section, or department, and an agency allocated to a department for
 28 administrative purposes only by this chapter."

29

30 ~~Section 22. Section 2-15-104, MCA, is amended to read:~~

1 ~~—————"2-15-104. Structure of executive branch. (1) In accordance with the constitution, all executive~~
 2 ~~and administrative offices, boards, commissions, agencies, and instrumentalities of the executive branch~~
 3 ~~of state government and their respective functions are allocated by this chapter among and within the~~
 4 ~~following departments or entities:~~

5 ~~————(a) department of administration;~~
 6 ~~————(b) department of military affairs;~~
 7 ~~————(c) department of revenue;~~
 8 ~~————(d) state board of education;~~
 9 ~~————(e) department of labor and industry;~~
 10 ~~————(f) department of commerce;~~
 11 ~~————(g) department of justice;~~
 12 ~~————(h) department of public health and human services;~~
 13 ~~————(i) department of corrections;~~
 14 ~~————(j) department of transportation;~~
 15 ~~————(k) department of public service regulation;~~
 16 ~~————(l) department of agriculture;~~
 17 ~~————(m) department of livestock;~~
 18 ~~————(n) department of natural resources and conservation;~~
 19 ~~————(o) department of fish, wildlife, and parks;~~
 20 ~~————(p) department of environmental quality;~~
 21 ~~————(q) department of information technology.~~

22 ~~————(2) For its internal structure, each department shall adhere to the following standard terms:~~
 23 ~~————(a) The principal unit of a department is a division. Each division is headed by an administrator.~~
 24 ~~————(b) The principal unit of a division is a bureau. Each bureau is headed by a chief.~~
 25 ~~————(c) The principal unit of a bureau is a section. Each section is headed by a supervisor."~~

26

27 **Section 22.** Section 2-15-114, MCA, is amended to read:

28 **"2-15-114. Security responsibilities of departments for data and information technology resources.**
 29 Each department head is responsible for ~~assuring~~ ensuring an adequate level of security for all data and
 30 information technology resources within ~~his~~ that department and shall:

1 (1) develop and maintain written internal policies and procedures to ~~assure~~ ensure security of data
 2 and information technology resources. The internal policies and procedures are confidential information
 3 and exempt from public inspection, except that ~~such~~ the information must be available to the legislative
 4 auditor in performing ~~his~~ postauditing duties.

5 (2) designate an information security manager to administer the department's security program
 6 for data and information technology resources;

7 (3) implement appropriate cost-effective safeguards to reduce, eliminate, or recover from identified
 8 threats to data and information technology resources;

9 (4) ensure that internal evaluations of the security program for data and information technology
 10 resources are conducted. The results of ~~such~~ the internal evaluations are confidential and exempt from
 11 public inspection, except that ~~such~~ the information must be available to the legislative auditor in performing
 12 ~~his~~ postauditing duties.

13 (5) include appropriate security requirements, as determined by the department, in the written
 14 specifications for the department's solicitation of data and information technology resources; and

15 (6) ~~maintain an information technology plan, including~~ include a general description of the existing
 16 security program and future plans for ~~assuring~~ ensuring security of data and information technology
 17 resources in the department's AGENCY information technology plan as provided for in [section 15]."

18

19 **Section 23.** Section 2-15-404, MCA, is amended to read:

20 **"2-15-404. Electronic filing system -- requirements -- rules.** (1) As authorized by 2-15-401, the
 21 secretary of state may develop and implement a statewide electronic filing system to accommodate the
 22 electronic filing of records and documents that are required to be filed in the office of the secretary of
 23 state.

24 (2) If the secretary of state develops and implements a statewide electronic filing system, the
 25 secretary of state shall establish a central database for all records and documents filed electronically with
 26 the secretary of state.

27 (3) If the secretary of state develops and implements a statewide electronic filing system, the
 28 secretary of state shall adopt rules that:

29 (a) provide procedures for entering data;

30 (b) provide security and protection of information in the system and monitor the database and

1 other components of the system to ensure that unauthorized entry is precluded;

2 (c) require standardized information for entry into the system;

3 (d) prescribe an identification procedure for a person filing records or other documents or
4 otherwise accessing the system;

5 (e) require each individual who is required to sign a document that is filed electronically to be
6 specifically identified as acknowledging the document and giving assent to the electronic filing through an
7 identification procedure unique to that individual;

8 (f) prescribe a procedure for certification of electronic filings by the secretary of state; and

9 (g) prescribe a procedure for converting an electronic filing to a paper copy and for certifying the
10 paper copy for a person requesting a paper copy.

11 (4) ~~In accordance with 2-17-501, the~~ The secretary of state shall cooperate with the department
12 of ~~administration information technology~~ ADMINISTRATION in the development of any electronic filing system.

13 The filing system must comply with the standards established pursuant to [section 7 6].

14 (5) This section may not be construed to affect any requirement that a particular individual or
15 officer of an organization acknowledge a document. Any person using an identification procedure in place
16 of a signature or facsimile signature for any electronic filing is subject to the same civil and criminal
17 penalties applicable to a person providing a signature or facsimile signature.

18 (6) An electronic filing system developed and implemented under this section may be constructed
19 in phases as resources and technology allow."

20

21 ~~Section 25. Section 2-15-1013, MCA, is amended to read:~~

22 ~~"2-15-1013. Records committee -- composition and meetings. (1) There is a committee to be
23 known as the state records committee composed of representatives of:~~

24 ~~(a) the department of administration;~~

25 ~~(b) the legislative auditor;~~

26 ~~(c) the attorney general;~~

27 ~~(d) the secretary of state; and~~

28 ~~(e) the Montana historical society; and~~

29 ~~(f) the department of information technology.~~

30 ~~(2) The representatives are to must be designated by the head of the respective agencies, and~~

1 ~~their appointments shall must be submitted in writing to the secretary of state.~~

2 ~~——(3) The committee shall meet at least quarterly.~~

3 ~~——(4) Committee members shall serve without additional salary but are entitled to reimbursement~~
 4 ~~for travel expense incurred while engaged in committee activities as provided for in 2-18-501 through~~
 5 ~~2-18-503. Such Travel expenses shall must be paid from the appropriations made for operation of their~~
 6 ~~respective agencies."~~

7

8 **Section 24.** Section 2-15-1514, MCA, is amended to read:

9 **"2-15-1514. State library commission -- natural resource data system advisory committee.** (1) (a)

10 There is a state library commission ~~which is~~ created in Title 22, chapter 1.

11 (b) The composition, method of appointment, terms of office, compensation, reimbursement, and
 12 qualifications of commission members ~~remain~~ are as prescribed by law.

13 (2) (a) There is a natural resource data system advisory committee consisting of an employee of
 14 the legislative services division, ~~of the department of information technology~~ ADMINISTRATION, of the state
 15 library, and of each principal data source agency, appointed by the head of the respective state agency,
 16 and by the board of regents of higher education for the Montana university system.

17 (b) The state library shall provide staff support to the committee, within the limits of the library's
 18 available resources."

19

20 **Section 25.** Section 2-15-2212, MCA, is amended to read:

21 **"2-15-2212. Committee on telecommunications access services for persons with disabilities --**

22 **composition -- allocation.** (1) There is a committee on Montana telecommunications access services for
 23 persons with disabilities.

24 (2) The committee consists of ~~42~~ 13 members appointed by the governor as follows:

25 (a) four members who are persons with disabilities, two of whom must be deaf or hard-of-hearing;

26 (b) two members who are not persons with disabilities, one of whom must be engaged in a
 27 business other than a business in the telecommunications industry and one of whom must be a senior
 28 citizen;

29 (c) one member from the department of public health and human services;

30 (d) one member from the largest local exchange company in Montana;

- 1 (e) one member from an independent local exchange company;
 2 (f) one member from an interLATA interexchange carrier;
 3 (g) one member from the public service commission; ~~and~~
 4 (h) one member who is a licensed audiologist; and
 5 (i) one member from the department of information technology ADMINISTRATION.

6 (3) The committee is allocated to the department of public health and human services for
 7 administrative purposes only as provided in 2-15-121."
 8

9 **Section 26.** Section 2-17-301, MCA, is amended to read:

10 **"2-17-301. Supervision of mailing, ~~duplicating, and~~ copying, ~~and~~ telephone facilities.** (1) The
 11 department of administration shall maintain and supervise any central mailing, messenger service,
 12 ~~duplicating, and copying facilities for state agencies in the capitol area. The central mailing, messenger~~
 13 service, and copying facilities must be capable of supporting state agencies within a 10-mile radius of the
 14 capitol.

15 ~~(2) The department shall maintain and supervise any central telephone switchboard for state~~
 16 ~~agencies located in Helena.~~

17 ~~(3)(2)~~ Cost records ~~shall~~ must be maintained, and agencies ~~shall~~ must be billed for services
 18 received.

19 (3) The department of administration shall plan, review, and approve any additional installations
 20 of mail equipment for state agencies within a 10-mile radius of the capitol. In approving the installation
 21 of additional equipment or systems, the department shall first consult with and consider the
 22 recommendations and advice of the department heads of the various state agencies."

23

24 **Section 27.** Section 2-17-303, MCA, is amended to read:

25 **"2-17-303. Transfer of funds, equipment, facilities, and employees.** (1) ~~In order to~~ The department
 26 shall provide for a centralized, economical, efficient, and effective maintenance program for all state
 27 communications statewide telecommunications network equipment and facilities THE COST-EFFECTIVE USE OF
 28 INFORMATION TECHNOLOGY RESOURCES. and In order to ensure that needless duplication of efforts in this field
 29 do not occur, the department of administration may order ~~such~~ the transfer of appropriated funds, custody,
 30 and control of equipment and facilities and employees to the department as may be necessary to

1 implement this program. Upon transfer, as authorized in this section, a credit account ~~shall~~ must be
 2 established in the name of the agency from which transfer is made in the amount of funds appropriated
 3 and the market value of equipment and facilities. ~~Such A~~ credit account ~~shall~~ must be used to defray the
 4 costs of ~~maintenance and repair~~ ASSOCIATED CHARGES FROM THE DEPARTMENT as provided in ~~2-17-302(1)(e)~~
 5 [section 7 6].

6 (2) The provisions of this section ~~shall in no manner~~ may not affect the rights or privileges of any
 7 employee transferred to the department of ~~administration~~ under the public employees' retirement system,
 8 the group insurance plan, or personnel system."

9

10 **Section 28.** Section 2-17-306, MCA, is amended to read:

11 **"2-17-306. Exemption of law enforcement ~~communications~~ telecommunications system --**
 12 **exception.** The provisions of this part ~~shall do~~ not apply to the law enforcement ~~communications~~
 13 telecommunications system or its successor except ~~as to for~~ the provisions dealing with the purchase,
 14 maintenance, and allocation of ~~communication~~ telecommunication facilities. However, the department of
 15 justice shall cooperate with the department of ~~administration~~ to coordinate the ~~communications~~
 16 telecommunications networks of the state."

17

18 ~~Section 31.~~ Section 2-17-311, MCA, is amended to read:

19 ~~"2-17-311. Legislative recognition -- FCC contact agency.~~ The legislature recognizes that prior
 20 to issuing a land mobile public safety radio license, the federal communications commission (FCC) attempts
 21 to coordinate the license application with other licenses to minimize the interference caused by the
 22 overlapping of frequencies on the same channel or an adjacent channel. The department of administration
 23 is the contact agency within the state of Montana to assist the FCC in the coordination of land mobile
 24 public safety radio frequencies."

25

26 ~~Section 32.~~ Section 2-17-312, MCA, is amended to read:

27 ~~"2-17-312. Land mobile public safety radio frequency utilization plan.~~ (1) In order to assist the
 28 federal communications commission in the coordination of land mobile public safety radio frequencies, the
 29 department of administration shall develop and maintain a land mobile public safety radio frequency
 30 utilization plan.

1 ~~—— (2) The plan must include but is not limited to:~~

2 ~~—— (a) frequency usage and allocation standards relating to radio antenna height and power, types~~
 3 ~~of use intended for the requested frequency, and other technical features of proposed radio systems;~~

4 ~~—— (b) technical standards applying to types of radio usage;~~

5 ~~—— (c) policies and procedures for the management of statewide mutual aid frequencies."~~

6

7 ~~—— **Section 33.** Section 2-17-313, MCA, is amended to read:~~

8 ~~—— **"2-17-313. Rulemaking authority.** (1) The department of administration may adopt rules to~~
 9 ~~implement the land mobile public safety radio frequency utilization plan provided for in 2-17-312.~~

10 ~~—— (2) The department shall obtain input from all state and local users of public safety radio services."~~

11

12 **Section 29.** Section 2-17-322, MCA, is amended to read:

13 **"2-17-322. Establishment.** (1) The department ~~of administration~~ shall establish and maintain
 14 appropriate electronic access systems for state agencies to use ~~as a means of conveying information to~~
 15 ~~the citizens of Montana to provide direct electronic access to information and services by citizens,~~
 16 businesses, and other government entities. State agencies ~~may~~ shall establish electronic access systems
 17 that meet minimum technical standards established by the department. Agencies involved in
 18 communicating information or providing services to the public shall use these systems to provide
 19 appropriate information to the public, including but not limited to:

20 (a) descriptions of agency functions, including contact information;

21 (b) agency program services provided to citizens, businesses, and other government entities;

22 ~~(a)(c)~~ environmental assessments;

23 ~~(b)(d)~~ rulemaking notices;

24 ~~(e)(e)~~ board vacancy notices as required by 2-15-201;

25 ~~(f)(f)~~ agency reports mandated by statute;

26 ~~(e)(g)~~ parks reports required by 23-1-110;

27 ~~(f)(h)~~ requests for bids or proposals; and

28 ~~(g)(i)~~ public meeting notices and agendas.

29 (2) The purpose of electronic access systems is to encourage the practice of providing for direct
 30 citizen, business, and other government entity access to state computerized information and services."

1

2 **Section 30.** Section 2-17-323, MCA, is amended to read:

3 **"2-17-323. Responsibilities.** (1) The department of ~~administration~~ shall:

4 (a) ~~in collaboration with other state agencies, set~~ establish policies, standards, and procedures for
5 ~~the selection of software for the electronic access systems;~~

6 (b) establish appropriate services to support state agencies' use of the electronic access systems;
7 and

8 (c) develop user-friendly ~~file transfer and message~~ systems for entities regularly interacting with
9 state government, ~~such as professional associations and citizen groups~~ including but not limited to citizens,
10 businesses, and other government entities, and promote the systems' use to reduce copying and mailing
11 costs for state government and as a means to obtain information and services faster and in a more
12 cost-effective manner; ~~and~~

13 ~~———(d) determine procedures for use of the electronic access systems.~~

14 (2) The department shall provide security to protect the integrity of its electronic access systems.

15 (3) Each department is responsible for ensuring the integrity and appropriateness of the
16 information that it places in the electronic access systems.

17 ~~(3)~~(4) The department shall provide for an equitable method for recovering the cost of operating
18 the electronic access systems that the department provides."

19

20 **Section 31.** Section 2-17-503, MCA, is amended to read:

21 **"2-17-503. Security responsibilities of department of ~~administration~~.** The department of
22 ~~administration~~ is responsible for providing centralized management and coordination of state policies for
23 security of data and information technology resources and shall:

24 (1) establish and maintain the minimum security standards and policies to implement 2-15-114,
25 including the physical security of THE central computer center, statewide telecommunications network, and
26 backup ~~computer~~ facilities consistent with these standards;

27 (2) establish guidelines to assist agencies in identifying ~~electronic data processing~~ information
28 technology personnel occupying positions of special trust or responsibility or sensitive locations;

29 (3) establish standards and policies for the exchange of data between ~~data centers or departments~~
30 by hardwired or non-dedicated telecommunications any agency information technology resource and any

1 other state agency, private entity, or public entity to ensure that exchanges do not jeopardize data security
2 and confidentiality;

3 (4) coordinate and provide for a training program regarding security of data and information
4 technology resources to serve governmental technical and managerial needs;

5 (5) include appropriate security requirements in the specifications for solicitation of state contracts
6 for procuring data and information technology resources; and

7 (6) upon request, provide technical and managerial assistance relating to ~~the~~ information
8 technology security ~~program~~."

9

10 **SECTION 32. SECTION 2-18-103, MCA, IS AMENDED TO READ:**

11 **"2-18-103. Officers and employees excepted.** Parts 1 through 3 and 10 do not apply to the
12 following officers and employees in state government:

13 (1) elected officials;

14 (2) county assessors and their chief deputies;

15 (3) employees of the office of consumer counsel;

16 (4) judges and employees of the judicial branch;

17 (5) members of boards and commissions appointed by the governor, the legislature, or other
18 elected state officials;

19 (6) officers or members of the militia;

20 (7) agency heads appointed by the governor;

21 (8) academic and professional administrative personnel with individual contracts under the
22 authority of the board of regents of higher education;

23 (9) academic and professional administrative personnel and live-in houseparents who have entered
24 into individual contracts with the state school for the deaf and blind under the authority of the state board
25 of public education;

26 (10) investment officer, assistant investment officer, executive director, and five professional staff
27 positions of the board of investments;

28 (11) four professional staff positions under the board of oil and gas conservation;

29 (12) assistant director for security of the Montana state lottery;

30 (13) executive director and employees of the state compensation insurance fund;

- 1 (14) state racing stewards employed by the executive secretary of the Montana board of
 2 horseracing;
- 3 (15) executive director of the Montana wheat and barley committee;
- 4 (16) commissioner of banking and financial institutions;
- 5 (17) training coordinator for county attorneys;
- 6 (18) employees of an entity of the legislative branch consolidated, as provided in 5-2-504;
- 7 (19) chief information officer in the department of administration."

8

9 **Section 33.** Section 5-11-402, MCA, is amended to read:

10 **"5-11-402. Legislative branch computer system planning council.** There is a legislative branch
 11 computer system planning council composed of:

- 12 (1) the secretary of the senate or another representative of the senate designated by the president;
- 13 (2) the chief clerk of the house of representatives or another representative of the house
 14 designated by the speaker;
- 15 (3) the sergeants-at-arms in the two houses or another representative of each house designated
 16 by the presiding officer of the legislative administration committee of that house;
- 17 (4) the executive director of the legislative services division, who shall chair the planning council;
- 18 (5) the legislative auditor;
- 19 (6) the legislative fiscal analyst;
- 20 (7) the consumer counsel; and
- 21 (8) a person designated by the ~~director~~ chief information officer ~~DIRECTOR~~ of the department of
 22 ~~administration~~ information technology ~~ADMINISTRATION~~ to represent the ~~data processing policy and planning~~
 23 ~~functions~~ information technology responsibilities of the department, who shall serve as a nonvoting
 24 member of the planning council."

25

26 **Section 34.** Section 5-11-403, MCA, is amended to read:

27 **"5-11-403. Duties of legislative branch computer system planning council.** (1) The legislative
 28 branch computer system planning council shall develop and maintain a legislative branch computer system
 29 plan. In developing and maintaining this plan, the planning council shall:

- 30 (a) continuously review or have reviewed existing information systems that are candidates for

1 automation or enhancement, as well as review existing automated systems that may be improved or
2 integrated with new applications;

3 (b) develop and maintain a description of functions or services in the legislative branch and its
4 agencies that would, through application or improvement of computer technology, provide better service
5 to members of the legislature, legislative agencies, and the public;

6 (c) develop and maintain a ranking of needs, taking into consideration the relative effectiveness
7 and probable cost of alternative systems; and

8 (d) develop and maintain recommended system standards for the legislative branch and standard
9 or custom software and hardware solutions appropriate to the needs and environment of the legislative
10 branch and its agencies.

11 (2) To the extent possible:

12 (a) future applications should be explicitly identified in the plan;

13 (b) current applications should allow a high degree of flexibility so that future applications are not
14 limited; and

15 (c) both current and future applications should be coordinated and compatible with the standards
16 and goals of the executive branch ~~established under 2-17-501 through 2-17-503~~ as expressed in the state
17 strategic information technology plan provided for in [section 13], as well as the legislative branch
18 standards developed in accordance with the requirement in subsection (1)(d)."

19

20 **Section 35.** Section 5-12-205, MCA, is amended to read:

21 **"5-12-205. Powers and duties of committee.** The committee:

22 (1) may organize, adopt rules to govern its proceedings, and meet as often as necessary, upon
23 the call of the presiding officer, to advise and consult with the legislative fiscal analyst;

24 (2) may employ and, in accordance with the rules for classification and pay adopted by the
25 legislative council, set the salary of the legislative fiscal analyst. The legislative fiscal analyst shall serve
26 at the pleasure of and be responsible for providing services to the committee.

27 (3) may exercise the investigatory powers of a standing committee under chapter 5, part 1, of
28 this title; ~~and~~

29 ~~—(4) shall perform the administrative rule review functions of an interim committee under 5-5-215~~
30 ~~for the department of information technology;~~

1 ~~(5)(4)~~ shall monitor the ~~operation~~ INFORMATION TECHNOLOGY POLICIES of the department of
 2 ~~information technology~~ ADMINISTRATION with specific attention to:

3 (a) identification of INFORMATION TECHNOLOGY issues likely to require future legislative attention; and

4 (b) the evaluation of proposed information technology policy changes and the fiscal implications
 5 of the proposed changes and shall provide written responses to the department of ~~information technology~~
 6 ADMINISTRATION communicating the committee's positions and concerns on proposed policy changes;

7 ~~(6)(5)~~ may accumulate, compile, analyze, and provide information relevant to existing or proposed
 8 legislation on how information technology can be used to impact the welfare of the state;

9 ~~(7)(6)~~ may prepare legislation to implement any proposed changes involving information
 10 technology; and

11 ~~(4)(9)(7)~~ shall, before each regular and special legislative session involving budgetary matters,
 12 prepare recommendations to the house appropriations committee and the senate finance and claims
 13 committee on the application of certain budget issues. At a minimum, the recommendations must include
 14 procedures for the consistent application during each session of inflation factors, the allocation of fixed
 15 costs, and the personal services budget. The committee may also make recommendations on other issues
 16 of major concern in the budgeting process, such as estimating the cost of implementing particular
 17 programs based upon present law."

18

19 **Section 36.** Section 10-3-106, MCA, is amended to read:

20 **"10-3-106. Communications.** (1) The division shall coordinate whatever means exist for rapid and
 21 efficient communications in time of emergency or disaster.

22 (2) The division shall, in cooperation with the ~~division of communications~~, department of
 23 ~~administration information technology~~ ADMINISTRATION, consider the desirability of supplementing
 24 communications resources or of integrating them into a comprehensive state or state-federal
 25 telecommunications or other communications system or network.

26 (3) The division shall, in cooperation with the ~~division of communications~~ department of
 27 ~~information technology~~ ADMINISTRATION and local political subdivisions, evaluate the possibility of
 28 multipurpose use of communications systems or networks for general state and local governmental
 29 purposes.

30 (4) The division shall assist political subdivisions in the orderly development of telecommunications

1 systems complementary to the state statewide telecommunications ~~system or network.~~"

2

3 ~~Section 41.~~ Section 10-4-101, MCA, is amended to read:

4 ~~"10-4-101. Definitions. As used in this chapter, unless the context requires otherwise, the~~
5 following definitions apply:

6 ~~(1) "Basic 9-1-1 account" means the 9-1-1 emergency telecommunications account established~~
7 in 10-4-301(1)(a).

8 ~~(2) "Basic 9-1-1 service" means a telephone service meeting the standards established in~~
9 10-4-102 that automatically connects a person dialing the digits 9-1-1 to an established public safety
10 answering point.

11 ~~(3) "Basic 9-1-1 system" includes equipment for connecting and outswitching 9-1-1 calls within~~
12 a telephone central office, trunking facilities from the central office to a public safety answering point, and
13 equipment, as appropriate, that is used for transferring the call to another point, when appropriate, and
14 that is capable of providing basic 9-1-1 service.

15 ~~(4) "Department" means the department of administration information technology provided for in~~
16 Title 2, chapter 15, part 10 ~~[section 1].~~

17 ~~(5) "Direct dispatch" means a 9-1-1 service in which a public safety answering point, upon receipt~~
18 of a telephone request for emergency services, provides for a decision as to the proper action to be taken
19 and for dispatch of appropriate emergency service units.

20 ~~(6) "Emergency" means an event that requires dispatch of a public or private safety agency.~~

21 ~~(7) "Emergency services" means services provided by a public or private safety agency, including~~
22 law enforcement, firefighting, ambulance or medical services, and civil defense services.

23 ~~(8) "Enhanced 9-1-1 account" means the 9-1-1 emergency telecommunications account~~
24 established in 10-4-301(1)(b).

25 ~~(9) "Enhanced 9-1-1 service" means telephone service that meets the requirements for basic 9-1-1~~
26 service and that consists of selective routing with the capability of automatic number identification and
27 automatic location identification at a public safety answering point enabling users of the public
28 telecommunications system to request emergency services by dialing the digits 9-1-1.

29 ~~(10) "Enhanced 9-1-1 system" includes customer premises equipment that is directly related to~~
30 the operation of an enhanced 9-1-1 system, including but not limited to automatic number identification

~~1 or automatic location identification controllers and display units, printers, and software associated with
2 call detail recording, and that is capable of providing enhanced 9-1-1 service.~~

~~3 (11) "Exchange access services" means:~~

~~4 (a) telephone exchange access lines or channels that provide local access from the premises of
5 a subscriber in this state to the local telecommunications network to effect the transfer of information;
6 and~~

~~7 (b) unless a separate tariff rate is charged for the exchange access lines or channels, any facility
8 or service provided in connection with the services described in subsection (11)(a).~~

~~9 (12) A "9-1-1 jurisdiction" means a group of public or private safety agencies who operate within
10 or are affected by one or more common central office boundaries and who have agreed in writing to jointly
11 plan a 9-1-1 emergency telephone system.~~

~~12 (13) "Private safety agency" means any entity, except a public safety agency, providing emergency
13 fire, ambulance, or medical services.~~

~~14 (14) "Provider" means a public utility, cooperative telephone company, or any other entity that
15 provides telephone exchange access services.~~

~~16 (15) "Public safety agency" means the state and any city, county, city-county consolidated
17 government, municipal corporation, chartered organization, public district, or public authority located in
18 whole or in part within this state that provides or has authority to provide emergency services.~~

~~19 (16) "Public safety answering point" means a communications facility operated on a 24-hour basis
20 that first receives 9-1-1 calls from persons in a 9-1-1 service area and that may, as appropriate, directly
21 dispatch public or private safety services or transfer or relay 9-1-1 calls to appropriate public safety
22 agencies.~~

~~23 (17) "Relay" means a 9-1-1 service in which a public safety answering point, upon receipt of a
24 telephone request for emergency services, notes the pertinent information from the caller and relays the
25 information to the appropriate public safety agency, other agencies, or other providers of emergency
26 services for dispatch of an emergency unit.~~

~~27 (18) "Subscriber" means an end user who receives telephone exchange access services.~~

~~28 (19) "Transfer" means a 9-1-1 service in which a public safety answering point, upon receipt of
29 a telephone request for emergency services, directly transfers the request to an appropriate public safety
30 answering agency or other provider of emergency services."~~

1

2 **Section 37.** Section 17-7-111, MCA, is amended to read:

3 **"17-7-111. Preparation of state budget -- agency program budgets -- form distribution and**
4 **contents.** (1) (a) To prepare a state budget, the executive branch, the legislature, and the citizens of the
5 state need information that is consistent and accurate. Necessary information includes detailed
6 disbursements by fund type for each agency and program for the appropriate time period,
7 recommendations for creating a balanced budget, and recommended disbursements and estimated receipts
8 by fund type and fund category.

9 (b) Subject to the requirements of this chapter, the budget director and the legislative fiscal
10 analyst shall by agreement:

11 (i) establish necessary standards, formats, and other matters necessary to share information
12 between the agencies and to ensure that information is consistent and accurate for the preparation of the
13 state's budget; and

14 (ii) provide for the collection and provision of budgetary and financial information that is in addition
15 to or different from the information otherwise required to be provided pursuant to this section.

16 (2) In the preparation of a state budget, the budget director shall, not later than the date specified
17 in 17-7-112(1), distribute to all agencies the proper forms and instructions necessary for the preparation
18 of budget estimates by the budget director. These forms must be prescribed by the budget director to
19 procure the information required by subsection (3). The forms must be submitted to the budget director
20 by the date provided in 17-7-112(2) or the agency's budget is subject to preparation based upon estimates
21 as provided in 17-7-112(5). The budget director may refuse to accept forms that do not comply with the
22 provisions of this section or the instructions given for completing the forms.

23 (3) The agency budget request must set forth a balanced financial plan for the agency completing
24 the forms for each fiscal year of the ensuing biennium. The plan must consist of:

25 (a) a consolidated agency budget summary of funds subject to appropriation or enterprise funds
26 that transfer profits to the general fund or to an account subject to appropriation for the current base
27 budget expenditures, including statutory appropriations, and for each present law adjustment and new
28 proposal request setting forth the aggregate figures of the full-time equivalent personnel positions (FTE)
29 and the budget, showing a balance between the total proposed disbursements and the total anticipated
30 receipts, together with the other means of financing the budget for each fiscal year of the ensuing

1 biennium, contrasted with the corresponding figures for the last completed fiscal year and the fiscal year
2 in progress;

3 (b) a schedule of the actual and projected receipts, disbursements, and solvency of each
4 accounting entity within each fund for the current biennium and estimated for the subsequent biennium;

5 (c) a statement of the agency mission and a statement of goals and objectives for each program
6 of the agency. The goals and objectives must include, in a concise form, sufficient specific information and
7 quantifiable information to enable the legislature to formulate an appropriations policy regarding the agency
8 and its programs and to allow a determination, at some future date, on whether the agency has succeeded
9 in attaining its goals and objectives.

10 (d) actual FTE and disbursements for the completed fiscal year of the current biennium, estimated
11 FTE and disbursements for the current fiscal year, and the agency's request for the ensuing biennium, by
12 program;

13 (e) actual disbursements for the completed fiscal year of the current biennium, estimated
14 disbursements for the current fiscal year, and the agency's recommendations for the ensuing biennium,
15 by disbursement category;

16 (f) a reference, for each program included in the agency budget request, identifying whether the
17 program may be operated at the discretion of the agency or whether the agency is required by federal or
18 state law to operate, administer, or manage the program;

19 (g) for only agencies with more than 20 FTE, a plan to reduce the proposed budget to 85% of the
20 current base budget. The plan must include:

21 (i) a prioritized list of services that would be eliminated or reduced;

22 (ii) for each service included in the prioritized list, the savings that would result from the elimination
23 or reduction; and

24 (iii) the consequences or impacts of the proposed elimination or reduction of each service.

25 (h) a reference for each new information technology proposal stating whether the new proposal
26 is included in the approved agency information technology plan as required in [section 15]; and

27 ~~(h)~~(i) other information the budget director feels is necessary for the preparation of a budget.

28 (4) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with
29 17-7-112:

30 (a) detailed recommendations for the state long-range building program. Each recommendation

1 must be presented by institution, agency, or branch, by funding source, with a description of each
2 proposed project.

3 (b) a statewide summary of recommendations for information technology projects and new
4 initiatives. Each recommendation must be presented by institution, agency, or branch and by funding
5 source, and recommendations for major new information technology projects must contain the information
6 identified in [section 18].

7 ~~(b)~~(c) the proposed pay plan schedule for all executive branch employees at the program level by
8 fund, with the specific cost and funding recommendations for each agency. Submission of a pay plan
9 schedule under this subsection is not an unfair labor practice under 39-31-401.

10 ~~(e)~~(d) agency proposals for the use of cultural and aesthetic project grants under Title 22, chapter
11 2, part 3, the renewable resource grant and loan program under Title 85, chapter 1, part 6, the reclamation
12 and development grants program under Title 90, chapter 2, part 11, and the treasure state endowment
13 program under Title 90, chapter 6, part 7.

14 (5) The board of regents shall submit, with its budget request for each university unit in
15 accordance with 17-7-112, a report on the university system bonded indebtedness and related finances
16 as provided in this subsection (5). The report must include the following information for each year of the
17 biennium, contrasted with the same information for the last completed fiscal year and the fiscal year in
18 progress:

19 (a) a schedule of estimated total bonded indebtedness for each university unit by bond indenture;

20 (b) a schedule of estimated revenue, expenditures, and fund balances by fiscal year for each
21 outstanding bond indenture, clearly delineating the accounts relating to each indenture and the minimum
22 legal funding requirements for each bond indenture; and

23 (c) a schedule showing the total funds available from each bond indenture and its associated
24 accounts, with a list of commitments and planned expenditures from such accounts, itemized by revenue
25 source and project for each year of the current and ensuing bienniums.

26 (6) The budget director may not obtain copies of individual income tax records protected under
27 15-30-303. The department of revenue shall make individual income tax data available by removing
28 names, addresses, occupations, social security numbers, and taxpayer identification numbers. The
29 department of revenue may not alter the data in any other way. The data is subject to the same
30 restrictions on disclosure as are individual income tax returns."

1

2 **Section 38.** Section 17-7-112, MCA, is amended to read:

3 **"17-7-112. Submission deadlines -- budgeting schedule.** The following is the schedule for the
4 preparation of a state budget for submission to the legislature convening in the following year:

5 (1) By August 1, forms necessary for preparation of budget estimates must be distributed pursuant
6 to 17-7-111(2).

7 (2) By September 1, each agency shall submit the information required under 17-7-111 to the
8 budget director. The department of justice shall submit information received from counties concerning the
9 state's share of county attorney salaries.

10 (3) By September 1, the budget director shall submit each state agency's budget request required
11 under 17-7-111(3) to the legislative fiscal analyst. The transfer of budget information must be done on
12 a schedule mutually agreed to by the budget director and the legislative fiscal analyst in a manner that
13 facilitates an even transfer of budget information that allows each office to maintain a reasonable staff
14 workflow.

15 (4) By October 10, the budget director shall furnish the legislative fiscal analyst with a preliminary
16 budget reflecting the base budget in a format agreed upon by both the office of budget and program
17 planning and the legislative fiscal analyst.

18 (5) By October 30, a budget request must be prepared by the budget director and submitted to
19 the legislative fiscal analyst on behalf of any agency that did not present the information required by this
20 section. The budget request must be based upon the budget director's studies of the operations, plans,
21 and needs of the institution, university unit, or agency.

22 (6) By November 1, the budget director shall furnish the legislative fiscal analyst with a present
23 law base for each agency and a copy of the documents that reflect the anticipated receipts and other
24 means of financing the base budget and present law base for each fiscal year of the ensuing biennium.
25 The material must be in a format agreed upon by both the office of budget and program planning and the
26 legislative fiscal analyst.

27 (7) By November 12, the budget director shall furnish the legislative fiscal analyst with the
28 documents, in a format agreed upon by both the office of budget and program planning and the legislative
29 fiscal analyst, that reflect expenditures to the second level, as provided in 17-1-102(3), by funding source
30 and detailed by accounting entity.

1 (8) By November 15, the proposed pay plan schedule and the information technology summary
2 required by 17-7-111(4), a preliminary budget that meets the statutory requirements for submission of the
3 budget to the legislature, and a summary of the preliminary budget designed for distribution to members
4 and members-elect of the legislature must be submitted to the legislative fiscal analyst.

5 (9) By December 15, the budget director shall submit a preliminary budget to the governor and
6 to the governor-elect, if there is one, as provided in 17-7-121, and shall furnish the legislative fiscal analyst
7 with all amendments to the preliminary budget.

8 (10) By January 7, recommended changes proposed by a governor-elect must be transmitted to
9 the legislative fiscal analyst and the legislature as provided in 17-7-121."

10

11 **Section 39.** Section 17-7-123, MCA, is amended to read:

12 **"17-7-123. Form of executive budget.** The budget submitted must set forth a balanced financial
13 plan for funds subject to appropriation and enterprise funds that transfer profits to the general fund or to
14 accounts subject to appropriation for each accounting entity and for the state government for each fiscal
15 year of the ensuing biennium. The base level plan must consist of:

16 (1) a consolidated budget summary setting forth the aggregate figures of the budget in a manner
17 that shows a balance between the total proposed disbursements and the total anticipated receipts,
18 together with the other means of financing the budget for each fiscal year of the ensuing biennium,
19 contrasted with the corresponding figures for the last completed fiscal year and the fiscal year in progress.
20 The consolidated budget summary must be supported by explanatory schedules or statements.

21 (2) budget and full-time equivalent personnel position comparisons by agency, program, and
22 appropriated funds for the current and subsequent biennium;

23 (3) the departmental mission and a statement of goals and objectives for each program of the
24 department;

25 (4) base budget disbursements for the completed fiscal year of the current biennium, estimated
26 comparable disbursements for the current fiscal year, and the proposed present law base budget plus new
27 proposals, if any, for each department and each program of the department;

28 (5) a statement containing recommendations of the governor for the ensuing biennium by program
29 and disbursement category, including:

30 (a) explanations of appropriation and revenue measures included in the budget that involve policy

1 changes; ~~and~~

2 (b) matters not included as a part of the budget bill but included as a part of the executive budget,
3 such as the state employee pay plan, programs funded through separate appropriations measures, and
4 other matters considered necessary for comprehensive public and legislative consideration of the state
5 budget; and

6 (c) a summary of budget requests that include proposed expenditures on information technology
7 resources. The summary must include funding, program references, and a decision package reference;

8 (6) a report on:

9 (a) enterprise funds not subject to the requirements of subsections (1) through (5), including
10 retained earnings and contributed capital, projected operations and charges, and projected fund balances;
11 and

12 (b) fees and charges in the internal service fund type, including changes in the level of fees and
13 charges, projected use of the fees and charges, and projected fund balances. Fees and charges in the
14 internal service fund type must be approved by the legislature in the general appropriations act. Fees and
15 charges in a biennium may not exceed the level approved by the legislature in the general appropriations
16 act effective for that biennium.

17 (7) any other financial or budgetary material agreed to by the budget director and the legislative
18 fiscal analyst."

19

20 **Section 40.** Section 18-4-313, MCA, is amended to read:

21 **"18-4-313. Contracts -- terms, extensions, and time limits.** (1) Unless otherwise provided by law,
22 a contract, lease, or rental agreement for supplies or services may not be made for a period of more than
23 7 years. However, the department ~~of information technology~~ may contract for ~~the lease or purchase of~~
24 ~~telecommunications equipment and systems, data processing equipment~~ information technology resources,
25 the department of revenue may contract with liquor agencies, and the department of public health and
26 human services may contract for the medicaid management information system (MMIS) for a period not
27 to exceed 10 years. A contract, lease, or rental agreement may be extended or renewed if the terms of
28 the extension or renewal, if any, are included in the solicitation, if funds are available for the first fiscal
29 period at the time of the agreement, and if the total contract period, including any extension or renewal,
30 does not exceed 7 years. Payment and performance obligations for succeeding fiscal periods are subject

1 to the availability and appropriation of funds for the fiscal periods.

2 (2) Prior to the issuance, extension, or renewal of a contract, it must be determined that:

3 (a) estimated requirements cover the period of the contract and are reasonably firm and
4 continuing; and

5 (b) the contract will serve the best interests of the state by encouraging effective competition or
6 otherwise promoting economies in state procurement.

7 (3) ~~When~~ If funds are not appropriated or otherwise made available to support continuation of
8 performance in a subsequent fiscal period, the contract must be canceled."

9

10 ~~Section 46.~~ Section 20-32-102, MCA, is amended to read:

11 ~~"20-32-102. Agency cooperation -- responsibilities. (1) To meet the objectives of the network,~~
12 ~~the following entities shall cooperate with one another:~~

13 ~~(a) the department of administration information technology, with its responsibilities for~~
14 ~~telecommunications for agencies of state government;~~

15 ~~(b) the superintendent of public instruction, with a supervisory role over the public system of~~
16 ~~elementary and high schools; and~~

17 ~~(c) the commissioner of higher education, with responsibilities to the Montana university system~~
18 ~~and the community colleges.~~

19 ~~(2) The responsibilities of the superintendent of public instruction to the network include but are~~
20 ~~not limited to:~~

21 ~~(a) general supervision of delivery of educational materials through telecommunications to~~
22 ~~elementary and high school districts in the state;~~

23 ~~(b) compilation, maintenance, and dissemination to participating school districts of information that~~
24 ~~identifies the educational programming available from within and from outside the state;~~

25 ~~(c) training of teachers and other school personnel in the use of telecommunications technologies~~
26 ~~for instructional purposes;~~

27 ~~(d) assistance to school districts in identifying and procuring the telecommunications technologies~~
28 ~~needed to interface with the network;~~

29 ~~(e) identification of production capability for telecommunication of educational materials;~~

30 ~~(f) assistance to participating school districts with group purchases of instructional and educational~~

- 1 materials;
- 2 ~~—— (g) coordination with the commissioner of higher education and the units of the Montana university~~
3 ~~system to offer advanced placement courses, teacher inservice training, and other instruction through the~~
4 ~~network;~~
- 5 ~~—— (h) payment of the superintendent's share of the network costs to the department of~~
6 ~~administration information technology, as provided in 20-32-104;~~
- 7 ~~—— (i) coordination with the department of administration information technology to ensure~~
8 ~~compatibility of network components, to minimize duplication of efforts on behalf of the network, and to~~
9 ~~maximize use of the network by school districts; and~~
- 10 ~~—— (j) determination of kinds of equipment, inservice, and district accounting necessary to implement~~
11 ~~the provisions of this part for school districts.~~
- 12 ~~—— (3) The responsibilities of the department of administration information technology to the network~~
13 ~~include but are not limited to:~~
- 14 ~~—— (a) provision of technical support to the coordinating agencies referred to in subsection (1);~~
15 ~~—— (b) development of standards of compatibility for the network;~~
16 ~~—— (c) procurement and management of network equipment and facilities that have shared use by~~
17 ~~multiple users or agencies;~~
- 18 ~~—— (d) assistance with procurement, installation, maintenance, and operation of end-terminal~~
19 ~~equipment and facilities of the network;~~
- 20 ~~—— (e) minimizing any duplication of equipment and facilities within the network and in conjunction~~
21 ~~with the department of administration's information technology's other networking capabilities;~~
- 22 ~~—— (f) coordination of use of the network by state agencies, subdivisions of the state, and public~~
23 ~~libraries in a manner that does not interfere with the delivery of the primary network function of providing~~
24 ~~educational services to school districts and state units of higher education;~~
- 25 ~~—— (g) studying the use of the network by Native American tribal colleges and other nonpublic~~
26 ~~education institutions in the state, with the long-range goal of coordinating the use of the network with~~
27 ~~those entities; and~~
- 28 ~~—— (h) maintenance of cost and usage records and a billing system for user agencies for services~~
29 ~~rendered that incur marginal costs for the network.~~
- 30 ~~—— (4) The responsibilities of the commissioner of higher education to the network include but are not~~

1 limited to:

2 ~~—— (a) coordination of the use of the network among the units of higher education and with the~~
 3 ~~superintendent of public instruction and the department of administration information technology;~~

4 ~~—— (b) assistance to the units of the Montana university system to provide college credit courses~~
 5 ~~through the network to students throughout the state;~~

6 ~~—— (c) coordination with the superintendent of public instruction to develop advance placement~~
 7 ~~courses for high school students in Montana, teacher inservice training, and other services and instruction~~
 8 ~~through the network;~~

9 ~~—— (d) assistance to the units of the Montana university system and the community colleges in~~
 10 ~~defining their specific needs for interfacing with the network;~~

11 ~~—— (e) assistance to participating units, centers, and colleges with group purchases of instructional~~
 12 ~~and educational materials; and~~

13 ~~—— (f) determination of the kinds of equipment, inservice, and accounting necessary to implement the~~
 14 ~~provisions of this part for the university system and community colleges."~~

15

16 ~~—— **Section 47.** Section 20-32-103, MCA, is amended to read:~~

17 ~~—— **"20-32-103. Fee collection and disposition for operational costs.** As a condition of participation~~
 18 ~~in the network, the Montana university system and community colleges shall collect from appropriate~~
 19 ~~discretionary funds in a manner approved by the board of regents an amount not to exceed \$5 for each~~
 20 ~~full-time equivalent student enrolled in the units or colleges. The funds collected must be deposited with~~
 21 ~~the commissioner of higher education for the purposes of 20-32-102(4). The commissioner of higher~~
 22 ~~education shall pay the department of administration information technology the commissioner's share of~~
 23 ~~the network costs."~~

24

25 ~~—— **Section 48.** Section 20-32-104, MCA, is amended to read:~~

26 ~~—— **"20-32-104. Apportionment of costs.** The superintendent of public instruction and the~~
 27 ~~commissioner of higher education shall share on a prorated basis according to the related student counts~~
 28 ~~any costs incurred by the department of administration information technology for the purposes of~~
 29 ~~20-32-102(3)."~~

30

1 **Section 41.** Section 61-3-345, MCA, is amended to read:

2 **"61-3-345. County motor vehicle computer system.** (1) The department shall maintain a statewide
3 online computer system to be used to register and reregister motor vehicles, boats, snowmobiles, and
4 off-highway vehicles.

5 (2) The department shall establish the user advisory group to assist in the development of policies
6 governing the registration and reregistration of motor vehicles, boats, snowmobiles, and off-highway
7 vehicles. The user advisory group must be appointed by the attorney general and must include:

8 (a) an employee of the department of ~~administration, data processing division, information~~
9 ~~technology~~ ADMINISTRATION selected by the ~~division administrator chief information officer~~ DIRECTOR OF THE
10 DEPARTMENT OF ADMINISTRATION;

11 (b) two county treasurers, selected by the Montana county treasurers association;

12 (c) one county motor vehicle section supervisor, selected by the Montana county treasurers
13 association;

14 (d) an employee of the department of revenue who is engaged in property assessment, selected
15 by the director of the department of revenue;

16 (e) an employee of the department of justice, data processing division, selected by the division
17 administrator;

18 (f) an employee of the department of justice, motor vehicle division, registrar's bureau, selected
19 by the division administrator;

20 (g) an employee of the department of justice, motor vehicle division, driver services bureau,
21 selected by the division administrator;

22 (h) a member of the Montana bankers' association, selected by the association director;

23 (i) a member of the Montana automobile dealers association, selected by the association director;
24 and

25 (j) a member or employee of the Montana American automobile association, selected by the
26 association director.

27 (3) Committee members who are not employees of the state of Montana shall serve a term of 2
28 years, and state employee members shall serve at the pleasure of the attorney general.

29 (4) Travel and per diem expenses for the committee must be charged to the motor vehicle division.

30 (5) Secretarial and support services for the committee must be provided by the motor vehicle

1 division.

2 (6) The committee shall meet no more than four times a year unless specifically called by the
3 attorney general."

4

5 **Section 42.** Section 61-3-346, MCA, is amended to read:

6 **"61-3-346. County motor vehicle computer committee.** (1) There is a county motor vehicle
7 computer committee.

8 (2) The committee is allocated to the department of justice for administrative purposes only as
9 provided in 2-15-121.

10 (3) The committee consists of:

11 (a) an employee of the ~~information service division of the department of administration~~ information
12 technology ADMINISTRATION, appointed by the ~~director of the department of administration~~ chief information
13 officer DIRECTOR OF THE DEPARTMENT;

14 (b) two county treasurers, appointed by the Montana county treasurers association; and

15 (c) two employees of the department of justice, appointed by the attorney general."

16

17 ~~Section 51.~~ Section 61-3-347, MCA, is amended to read:

18 ~~"61-3-347. Duties of county motor vehicle computer committee.~~ (1) ~~The county motor vehicle~~
19 ~~computer committee shall:~~

20 ~~(a) establish the requirements and specifications for the county motor vehicle computer system~~
21 ~~to be used by county treasurers and the department of justice to register and reregister motor vehicles,~~
22 ~~boats, snowmobiles, and off-highway vehicles;~~

23 ~~(b) approve the purchase of computer equipment, including peripherals, to be used for the~~
24 ~~registration and reregistration of motor vehicles, boats, snowmobiles, and off-highway vehicles;~~

25 ~~(c) approve the procedures for the development of the county motor vehicle computer system~~
26 ~~provided for in 61-3-345 and for training in the use of that system.~~

27 ~~(2) As used in this section, "computer system" means the county motor vehicle application system~~
28 ~~and does not include the central computer centers or imply that the department of administration~~
29 ~~information technology is responsible for establishing policy and operating and maintaining central~~
30 ~~computer centers."~~

1

2 NEW SECTION. Section 43. Repealer. Sections 2-17-302, 2-17-304, 2-17-305, 2-17-321,
3 2-17-501, and 2-17-502, MCA, are repealed.

4

5 ~~NEW SECTION. Section 53. Transition.~~ The provisions of 2-15-131 through 2-15-137 apply to
6 ~~[sections 1 through 18].~~

7

8 NEW SECTION. Section 44. Codification instructions -- instructions to code commissioner. (1)
9 ~~[Sections SECTION 1 and 2]~~ are is intended to be codified as an integral part of Title 2, chapter 15, PART
10 10, and the provisions of Title 2, chapter 15, PART 10, apply to ~~[sections SECTION 1 and 2].~~

11 (2) ~~[Sections 3 2 through 18]~~ are intended to be codified as an integral part of Title 2, and the
12 provisions of Title 2 apply to ~~[sections 3 2 through 18].~~

13 (3) The code commissioner shall renumber sections 2-17-303, 2-17-306, 2-17-311 through
14 2-17-313, 2-17-322, 2-17-323, and 2-17-503 as an integral part of ~~[sections 3 2 through 18].~~

15

16 NEW SECTION. SECTION 45. NO APPROPRIATION. THE LEGISLATURE HAS DETERMINED THAT [THIS ACT] CAN
17 BE IMPLEMENTED WITHIN EXISTING APPROPRIATIONS, AND THEREFORE NO SEPARATE APPROPRIATION OF STATE MONEY IS
18 NECESSARY TO CARRY OUT THE PURPOSES OF [THIS ACT].

19

20 NEW SECTION. SECTION 46. COORDINATION INSTRUCTION. IF SENATE BILL NO. 90 AND [THIS ACT] ARE
21 BOTH PASSED AND APPROVED, THEN [SECTION 40 OF THIS ACT] IS AMENDED TO READ:

22 **"18-4-313. Contracts -- terms, extensions, and time limits.** (1) Unless otherwise provided by law,
23 a contract, lease, or rental agreement for supplies or services may not be made for a period of more than
24 7 years. However, the department may contract for ~~the lease or purchase of telecommunications~~
25 ~~equipment and systems, data processing equipment~~ hardware, software, or other information technology
26 resources, the department of revenue may contract with liquor agencies, and the department of public
27 health and human services may contract for the medicaid management information system (MMIS) for a
28 period not to exceed 10 years. A contract, lease, or rental agreement may be extended or renewed if the
29 terms of the extension or renewal, if any, are included in the solicitation, if funds are available for the first
30 fiscal period at the time of the agreement, and if the total contract period, including any extension or

1 renewal, does not exceed 7 years. Payment and performance obligations for succeeding fiscal periods are
2 subject to the availability and appropriation of funds for the fiscal periods.

3 (2) Prior to the issuance, extension, or renewal of a contract, it must be determined that:

4 (a) estimated requirements cover the period of the contract and are reasonably firm and
5 continuing; and

6 (b) the contract will serve the best interests of the state by encouraging effective competition or
7 otherwise promoting economies in state procurement.

8 (3) ~~When~~ If funds are not appropriated or otherwise made available to support continuation of
9 performance in a subsequent fiscal period, the contract must be canceled."

10

11 NEW SECTION. **Section 47. Effective date.** [This act] is effective July 1, 2001.

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