

Alaska State Legislature

SESSION:
Alaska State Capitol
Juneau, AK 99801
(907) 465-4949



INTERIM
1500 W Benson Blvd
Anchorage, AK 99503
(907) 269-0244

SENATOR JAMES KAUFMAN

Sectional Analysis for SB 201 – Bill Version B

"An Act relating to the Office of Information Technology; relating to information technology projects undertaken by state agencies; and providing for an effective date."

Section 1:

Adds a new Article to AS 44.21 (State Government → Department of Administration)

New Section 44.21.600:

Creates the Office of Information Technology (OIT) within the Department of Administration (DOA) and names the director of the office as the Chief Information Officer (CIO) of the state.

New Section 44.21.610: Duties of Office and Director

Duties of OIT:

- Develop and implement standardized Information Technology (IT) project management processes.
- Manage IT projects using these processes.
- Ensure major IT projects meet time, budget, and other requirements.
- Ensure minor IT projects follow established processes.
- Establish procedures to reduce change requests.

CIO's responsibilities

- Review, approve or reject, and monitor state agency IT projects undertaken by state agencies.
- May approve IT projects that conforms to procedures and policies, do not duplicate existing capabilities, conform to procurement rules and policies, and for which sufficient funds are available.
- Ensure IT project requirements are documented in biennial IT plans.
- If biennial IT plans change, report new project and funding requirements to OMB.
- May adopt regulations as deemed necessary.

New Section 44.21.620: Approval, suspension, and cancellation of projects

- State agencies may not initiate IT projects without approval from the CIO. A rejection must be in writing with reasons specified.

- CIO may suspend or cancel IT projects that fail to meet applicable quality standards.
- Agencies can request the review by the governor within 15 business days if the CIO rejects, suspends, or cancels a project. The governor has 30 days to respond with a decision to affirm, reverse, modify, or remand the CIO’s decision.
- Contracts with private entities must include provisions for Vendor performance review, suspension, or termination.
- The CIO may require performance bonds, penalties, or other measures in case a project is over budget or completed late.
- The CIO may also use realized cost savings as performance incentives for vendors.

New Section 44.21.630: Project Management

- The CIO shall establish standardized documentation requirements, project manager standards, and performance measures for project reporting.
- Project reports will be available on a publicly accessible website.
- The CIO must establish a standardized project management process including timelines, reporting requirements, and post-completion monitoring.
- For “Major Information Technology Projects” the CIO will designate a project manager from OIT.
 - The project manager shall select qualified personnel to participate in project activities.
 - The project manager shall provide reports including business requirements, applicable laws and regulations, project costs, issues, training, project and actual completion dates, and other relevant information.
- For “Major Information Technology Projects” the CIO may require agencies to engage private counsel or subject matter experts.
- For “Minor Information Technology Projects” the relevant state agency shall provide a project manager meeting CIO established standards
- A project management assistant from OIT will advise on all “Minor Information Technology Projects”

New Section 44.21.640: Standards for Purchases

The CIO shall establish standards for purchasing hardware and software that are consistent with State Procurement Code.

New Section 44.21.650: Definitions (Selected Definitions Listed Below)

Change Request: A formal proposal requesting deviations in the project processes, cost, scope, or timeline.

Information Technology Project: An effort of defined and limited duration that implements, effects a change in, or addresses a risk to processes, services, security, systems, records, human resources, or architecture related to technology for the processing and transmission of information
IT Projects do not include broadband projects managed by the office of broadband

Major Information Technology Project: An information technology project undertaken by a state agency that has a total lifetime cost of ownership of \$5 million or more or an IT project that affects more than one agency

Minor Information Technology Project: An information technology project undertaken by a single state agency that has a total lifetime cost of ownership of less than \$5 million

Section 2: Transition

The Department of Administration shall adopt necessary regulations

Section 3: Effective Date of Beginning Regulatory Work

The Department of Administration may beginning drafting regulations immediately

Section 4: Effective Date of Bill

All other sections of this bill take effect January 1, 2025