

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 65(L&C)
 (H) Publish Date: 4/24/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title "An Act relating to Breaches of Security Involving..." RDU Enterprise Technology Services
 Component Enterprise Technology Services
 Sponsor Reps. Coghill, Gara
 Requester _____ Component No. 2082

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	275.0	319.0	319.0	319.0	319.0	319.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	1,765.6	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	2,040.6	319.0	319.0	319.0	319.0	319.0

CAPITAL EXPENDITURES		0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	2,040.6	319.0	319.0	319.0	319.0	319.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1156 Reciept Supported Services	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	2,040.6	319.0	319.0	319.0	319.0	319.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB65 has 2 primary components related to security breaches: 1) Preventative and 2) Remediation. This fiscal note addresses the Preventative component by providing funding to continue the department's efforts to secure the state's networks and data.

For the past two years, the department has been working on strengthening the security components of our network. We have installed Cisco Security Agent (CSA) on desktop computers and servers throughout the state. We are also working to deploy a demilitarized zone (DMZ) that places all of our databases behind two firewalls, with our public-facing servers deployed between the two firewalls. This effort is scheduled to be completed by June 2008.

Prepared by: Frank Bailey, Special Assistant II Phone 269-6293
 Division Department of Administration Date/Time 3/26/04 12:00 PM
 Approved by: Kevin Brooks, Deputy Commissioner Date 3/26/2007
 Agency Department of Administration

FISCAL NOTE #2

**STATE OF ALASKA
2007 LEGISLATIVE SESSION**

BILL NO. CSHB 65(L&C)

ANALYSIS CONTINUATION

The third phase of this security effort is deployment of encryption hardware and software to protect our network as well as legacy data stored and processed on the state's mainframe computer. This fiscal note will provide funding for this final phase of security enhancements to insure that data used by state agencies to provide services is secure from known types of attack. This will be an ongoing effort as attackers have become more sophisticated over time.

Previous funding for security efforts is as follows:

FY05 Supplemental \$5,002,500
FY06 Capital Project \$3,537,500
FY07 Capital Project \$2,000,000
FY08 Capital Request \$4,400,000

The amount requested in this fiscal note would have been requested as an FY09 Capital project, but passage of this legislation will require funding now with an anticipated project completion date of June 2008.