To: Appropriations

By: Representative Brown

## HOUSE BILL NO. 989

AN ACT TO AMEND SECTION 25-53-3, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF CERTAIN TERMS AS USED IN THE CHAPTER OF 3 LAW THAT CREATES THE MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES AND PRESCRIBES ITS POWERS AND DUTIES; TO AMEND 5 SECTIONS 25-53-5 AND 25-53-123, MISSISSIPPI CODE OF 1972, TO REQUIRE ADVERTISEMENT AND RECEIPT OF COMPETITIVE BIDS BY THE MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES FOR THE 6 7 ACQUISITION OR RENTAL OF COMPUTER EQUIPMENT AND SERVICES WHEN THE 8 9 EXPENDITURE OF FUNDS EXCEEDS A CERTAIN DOLLAR AMOUNT AS 10 ESTABLISHED IN THE PUBLIC PURCHASING LAW; TO AMEND SECTION 25-53-51, MISSISSIPPI CODE OF 1972, TO REQUIRE CERTAIN APPLICANTS 11 FOR EMPLOYMENT AT THE MISSISSIPPI DEPARTMENT OF INFORMATION 12 TECHNOLOGY SERVICES TO BE FINGERPRINTED AND TO PROVIDE THAT SUCH 13 14 FINGERPRINTS SHALL BE FORWARDED TO THE FEDERAL BUREAU OF 15 INVESTIGATION IF NO DISQUALIFYING RECORD OF THE APPLICANT IS IDENTIFIED AT THE STATE LEVEL; TO REPEAL SECTION 25-53-103, 16 17 MISSISSIPPI CODE OF 1972, WHICH PRESCRIBES DEFINITIONS FOR CERTAIN TERMS USED IN THE SECTIONS OF LAW THAT PLACE RESPONSIBILITY FOR 18 19 ACQUISITION, OPERATION AND MAINTENANCE OF TELECOMMUNICATION 20 SYSTEMS IN THE MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY 2.1 SERVICES; AND FOR RELATED PURPOSES. 22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: SECTION 1. Section 25-53-3, Mississippi Code of 1972, is 23 24 amended as follows: 25 25-53-3. (1) Whenever the term "Central Data Processing Authority" or the term "authority," when referring to the Central 26 Data Processing Authority, is used in any law, rule, regulation, 27 document or elsewhere, it shall be construed to mean the 28 29 Mississippi Department of Information Technology Services. (2) For the purposes of this chapter the following terms 30 31 shall have the meanings ascribed in this section unless the context otherwise requires: 32 (a) "Central Data Processing Authority" and 33 "CDPA" \* \* \* mean "Mississippi Department of Information 34 Technology Services (MDITS)" and the term "authority" means "board 35

- 36 of the MDITS." \* \* \*
- 37 (b) "Bureau of Systems Policy and Planning," "Bureau of
- 38 Telecommunications, " \* \* \* "Bureau of Central Data Processing" and
- 39 "bureau" mean "Mississippi Department of Information Technology
- 40 Services." \* \* \*
- 41 <u>(c) "Computer equipment or services" means</u> any
- 42 information technology, computer or computer related
- 43 telecommunications equipment, electronic word processing and
- 44 office systems, or services utilized in connection therewith,
- 45 including, but not limited to, all phases of computer software and
- 46 consulting services, and insurance on all state-owned computer
- 47 equipment.
- 48 (d) "Acquisition" of computer or telecommunications
- 49 equipment or services means the purchase, lease, rental, or
- 50 acquisition in any other manner of any such computer or
- 51 <u>telecommunications</u> equipment or services.
- (e) "Agency" means and includes all the various state
- 53 agencies, officers, departments, boards, commissions, offices and
- 54 <u>institutions of the state but does not include any agency financed</u>
- 55 <u>entirely by federal funds.</u>
- (f) "Governing authority" means boards of supervisors,
- 57 governing boards of all school districts, all boards of directors
- 58 of public water supply districts, boards of directors of master
- 59 public water supply districts, municipal public utility
- 60 commissions, governing authorities of all municipalities, port
- 61 <u>authorities</u>, <u>commissioners</u> and <u>boards</u> of trustees of any <u>public</u>
- 62 hospitals and any political subdivision of the state supported
- 63 wholly or in part by public funds of the state or political
- 64 <u>subdivisions thereof.</u>
- (g) "Bid" means any of the valid source selection
- 66 <u>techniques</u> and competitive procurement methods appropriate to
- 67 <u>information technology procurement in the public sector, including</u>
- 68 <u>but not limited to, competitive sealed bidding, competitive sealed</u>
- 69 proposals, simplified small purchase procedures, sole source
- 70 procurements, and emergency procurements.
- 71 (h) "Telecommunications transmission facility" means
- 72 <u>any transmission medium, switch, instrument, inside wiring system</u>

73	or other facility which is used, in whole or part, to provide any
74	transmission.
75	(i) "Equipment support contract" means a contract which
76	covers a single, specific class or classes of telecommunications
77	equipment or service and all features associated with that class,
78	through which state agencies may purchase or lease the item of
79	equipment or service specified by issuing a purchase order under
80	the terms of the contract without the necessity of further
81	competitive bidding.
82	(j) "Inside wiring system" means any wiring which:
83	(i) Directly or indirectly, interconnects any
84	terminal equipment with any other terminal equipment or with any
85	regulated facility or common carrier services; and
86	(ii) Is located at the premises of the customer
87	and is not inside any terminal equipment.
88	(k) "Procurement" means the selling, buying,
89	purchasing, renting, leasing or otherwise obtaining
90	telecommunications equipment, system or related services, as well
91	as activities engaged in, resulting in or expected to result in
92	selling, buying, purchasing, renting, leasing or otherwise
93	obtaining telecommunications equipment.
94	(1) "Telecommunications equipment, systems, related
95	services" are limited to the equipment and means to provide:
96	(i) Telecommunications transmission facilities.
97	(ii) Telephone systems, including voice processing
98	systems.
99	(iii) Facsimile systems.
100	(iv) Radio paging services.
101	(v) Mobile telephone services, including cellular
102	mobile telephone service.
103	(vi) Intercom and paging systems.
104	(vii) Video teleconferencing systems.
105	(viii) Personal communications networks and

106 <u>services.</u>

107 (ix) Any and all systems based on emerging and

- 108 <u>future telecommunications technologies relative to (i) through</u>
- 109 <u>(viii) above.</u>
- 110 <u>(m) "Telecommunications system lease contract" means a</u>
- 111 contract between a supplier of telecommunications systems,
- 112 <u>including equipment and related services</u>, and the Mississippi
- 113 Department of Information Technology Services through which
- 114 <u>telecommunications systems, including equipment and related</u>
- 115 services, may be leased for a term which shall not exceed sixty
- 116 (60) months for a system lease valued less than One Million
- 117 Dollars (\$1,000,000.00) and shall not exceed one hundred twenty
- 118 (120) months for a system lease valued One Million Dollars
- 119 (\$1,000,000.00) or more.
- 120 <u>(n) "Tariffed or regulated service" means</u>
- 121 <u>telecommunications</u> service offered by common carriers and subject
- 122 to control by the Mississippi Public Service Commission or the
- 123 <u>Federal Communications Commission.</u>
- 124 SECTION 2. Section 25-53-5, Mississippi Code of 1972, is
- 125 amended as follows:
- 126 25-53-5. The authority shall have the following powers,
- 127 duties, and responsibilities:
- 128 (a) The authority shall provide for the development of
- 129 plans for the efficient acquisition and utilization of computer
- 130 equipment and services by all agencies of state government, and
- 131 provide for their implementation. In so doing, the authority may
- 132 use the MDITS staff, at the discretion of the executive director
- 133 of the authority, or the authority may contract for the services
- 134 of qualified consulting firms in the field of information
- 135 technology and utilize the service of such consultants as may be
- 136 necessary for such purposes.
- 137 (b) The authority shall immediately institute
- 138 procedures for carrying out the purposes of this chapter and

139 supervise the efficient execution of the powers and duties of the office of executive director of the authority. In the execution 140 141 of its functions under this chapter, the authority shall maintain as a paramount consideration the successful internal organization 142 143 and operation of the several agencies so that efficiency existing therein shall not be adversely affected or impaired. In executing 144 145 its functions in relation to the institutions of higher learning and junior colleges in the state, the authority shall take into 146 147 consideration the special needs of such institutions in relation 148 to the fields of teaching and scientific research.

- (c) Title of whatever nature of all computer equipment now vested in any agency of the State of Mississippi is hereby vested in the authority, and no such equipment shall be disposed of in any manner except in accordance with the direction of the authority or under the provisions of such rules and regulations as may hereafter be adopted by the authority in relation thereto.
- 155 The authority shall adopt rules, regulations, and procedures governing the acquisition of computer and 156 157 telecommunications equipment and services which shall, to the fullest extent practicable, insure the maximum of competition 158 159 between all manufacturers of supplies or equipment or services. 160 In the writing of specifications, in the making of contracts 161 relating to the acquisition of such equipment and services, and in 162 the performance of its other duties the authority shall provide for the maximum compatibility of all information systems hereafter 163 164 installed or utilized by all state agencies and may require the 165 use of common computer languages where necessary to accomplish the purposes of this chapter. The authority may establish by 166 167 regulation and charge reasonable fees on a nondiscriminatory basis for the furnishing to bidders of copies of bid specifications and 168 169 other documents issued by the authority.
- 170 (e) The authority shall adopt rules and regulations 171 governing the sharing with, or the sale or lease of information

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- technology services to any nonstate agency or person. Such
  regulations shall provide that any such sharing, sale, or lease
  shall be restricted in that same shall be accomplished only where
  such services are not readily available otherwise within the
  state, and then only at a charge to the user not less than the
  prevailing rate of charge for similar services by private
  enterprise within this state.
- (f) The authority may, in its discretion, establish a 179 180 special technical advisory committee or committees to study and 181 make recommendations on technology matters within the competence of the authority as the authority may see fit. Persons serving on 182 183 the Information Resource Council, its task forces, or any such technical advisory committees shall be entitled to receive their 184 actual and necessary expenses actually incurred in the performance 185 of such duties, together with mileage as provided by law for state 186 187 employees, provided the same has been authorized by a resolution 188 duly adopted by the authority and entered on its minutes prior to the performance of such duties. 189
- 190 (g) The authority may provide for the development and
  191 require the adoption of standardized computer programs and may
  192 provide for the dissemination of information to and the
  193 establishment of training programs for the personnel of the
  194 various information technology centers of state agencies and
  195 personnel of the agencies utilizing the services thereof.
  - (h) The authority shall adopt reasonable rules and regulations requiring the reporting to the authority through the office of executive director of such information as may be required for carrying out the purposes of this chapter and may also establish such reasonable procedures to be followed in the presentation of bills for payment under the terms of all contracts for the acquisition of computer equipment and services now or hereafter in force as may be required by the authority or by the executive director in the execution of their powers and duties.

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- 205 (i) The authority shall require such adequate
  206 documentation of information technology procedures utilized by the
  207 various state agencies and may require the establishment of such
  208 organizational structures within state agencies relating to
  209 information technology operations as may be necessary to
  210 effectuate the purposes of this chapter.
- 211 (j) The authority may adopt such further reasonable 212 rules and regulations as may be necessary to fully implement the purposes of this chapter. All rules and regulations adopted by 213 214 the authority shall be published and disseminated in readily 215 accessible form to all affected state agencies, and to all current 216 suppliers of computer equipment and services to the state, and to 217 all prospective suppliers requesting the same. Such rules and 218 regulations shall be kept current, be periodically revised, and 219 copies thereof shall be available at all times for inspection by 220 the public at reasonable hours in the offices of the authority. 221 Whenever possible no rule, regulation or any proposed amendment to such rules and regulations shall be finally adopted or enforced 222 223 until copies of said proposed rules and regulations have been 224 furnished to all interested parties for their comment and 225 suggestions.
  - (k) The authority shall establish rules and regulations which shall provide for the submission of all contracts proposed to be executed by the executive director for computer equipment or services to the authority for approval before final execution, and the authority may provide that such contracts involving the expenditure of less than such specified amount as may be established by the authority may be finally executed by the executive director without first obtaining such approval by the authority.
- 235 (1) The authority is authorized to purchase, lease, or 236 rent computer equipment or services and to operate said equipment 237 and utilize said services in providing services to one or more

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state agencies when in its opinion such operation will provide
maximum efficiency and economy in the functions of any such agency
or agencies.

- (m) The authority shall assist political subdivisions and instrumentalities in their development of plans for the efficient acquisition and utilization of computer equipment and services. An appropriate fee shall be charged the political subdivision by the authority for such assistance.
- 245 246 The authority shall adopt rules and regulations 247 governing the protest procedures to be followed by any actual or prospective bidder, offerer or contractor who is aggrieved in 248 249 connection with the solicitation or award of a contract for the 250 acquisition of computer equipment or services. Such rules and 251 regulations shall prescribe the manner, time and procedure for 252 making protests and may provide that a protest not timely filed 253 shall be summarily denied. The authority may require the 254 protesting party, at the time of filing the protest, to post a bond, payable to the state, in an amount that the authority 255 256 determines sufficient to cover any expense or loss incurred by the 257 state, the authority or any state agency as a result of the 258 protest if the protest subsequently is determined by a court of 259 competent jurisdiction to have been filed without any substantial 260 basis or reasonable expectation to believe that the protest was 261 meritorious; however, in no event may the amount of the bond required exceed a reasonable estimate of the total project cost. 262 263 The authority, in its discretion, also may prohibit any prospective bidder, offerer or contractor who is a party to any 264 265 litigation involving any such contract with the state, the 266 authority or any agency of the state to participate in any other such bid, offer or contract, or to be awarded any such contract, 267 268 during the pendency of the litigation.
- 269 (o) The authority shall make a report in writing to the 270 Legislature each year in the month of January. Such report shall

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271 contain a full and detailed account of the work of the authority 272 for the preceding year as specified in Section 25-53-29(3).

All acquisitions of computer equipment and services involving the expenditure of funds in excess of the dollar amount established in Section 31-7-13(c), or rentals or leases in excess of the dollar amount established in Section 31-7-13(c) for the term of the contract, shall be based upon competitive and open specifications, and contracts therefor shall be entered into only after advertisements for bids are published in one or more daily newspapers having a general circulation in the state not less than fourteen (14) days prior to receiving sealed bids therefor. authority may reserve the right to reject any or all bids, and if all bids are rejected, the authority may negotiate a contract within the limitations of the specifications so long as the terms of any such negotiated contract are equal to or better than the comparable terms submitted by the lowest and best bidder, and so long as the total cost to the State of Mississippi does not exceed the lowest bid. If the authority accepts one (1) of such bids, it shall be that which is the lowest and best.

- equipment, systems and related services in accordance with the law or regulations, or both, which govern the Bureau of Purchasing of the Office of General Services or which govern the Mississippi Department of Information Technology Services procurement of telecommunications equipment, software and services.
- 296 (q) The authority is authorized to purchase, lease, or
  297 rent information technology and services for the purpose of
  298 establishing pilot projects to investigate emerging technologies.
  299 These acquisitions shall be limited to new technologies and shall
  300 be limited to an amount set by annual appropriation of the
  301 Legislature. These acquisitions shall be exempt from the
  302 advertising and bidding requirement.
- 303 (r) All fees collected by the Mississippi Department of

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304 Information Technology Services shall be deposited into the

305 Mississippi Department of Information Technology Services

- 306 Revolving Fund unless otherwise specified by the Legislature.
- 307 SECTION 3. Section 25-53-51, Mississippi Code of 1972, is
- 308 amended as follows:
- 309 25-53-51. To qualify for the position of information
- 310 confidentiality officer a person must:
- 311 (a) Be an employee of a state agency or institution in
- 312 a position such that his duties require him to handle or process
- 313 or supervise the handling or processing of data in conjunction
- 314 with the use of automated information technology equipment for an
- 315 agency or institution other than that for whom he is regularly
- 316 employed.
- 317 (b) Have been continuously employed for a period of at
- 318 least one hundred eighty (180) days by such agency or institution
- 319 or have successfully been cleared for employment through an
- 320 investigation that shall consist of a determination as to good
- 321 moral character and that the prospective employee has not been
- 322 convicted of a felony. <u>In order to determine the applicant's</u>
- 323 <u>suitability for employment at the Mississippi Department of</u>
- 324 <u>Information Technology Services, the applicant shall be</u>
- 325 <u>fingerprinted</u>. If no disqualifying record is identified at the
- 326 state level, the fingerprints shall be forwarded by the
- 327 <u>Mississippi Department of Public Safety to the Federal Bureau of</u>
- 328 Investigation for a national criminal history record check. A
- 329 prospective employee may be provisionally employed based on a
- 330 reference check by the employing agency pending final receipt of
- 331 the results of <u>a national criminal history record check</u> for a
- 332 period not to exceed one hundred eighty (180) days.
- 333 (c) Successfully complete a suitable instructional
- 334 course on the subjects of information security, privacy and
- 335 confidentiality and protection, to be developed and taught under
- 336 the supervision of the executive director. An employee may work

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337 in a provisional capacity under the direct supervision of an
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- 338 information confidentiality officer as part of an on-the-job
- 339 training program while completing instructional requirements, for
- 340 a period not to exceed ninety (90) days.
- 341 (d) Be duly sworn to the following oath: "I, \_\_\_\_\_,
- 342 do solemnly swear to protect and uphold the confidentiality of all
- 343 information that may come to my knowledge that is designated as
- 344 'confidential information' by another state agency or institution
- 345 for which I may handle or process in the normal course of my
- 346 duties. I swear to exercise reasonable care in the handling and
- 347 processing of all such designated data and further that I will not
- 348 reveal or otherwise divulge information from such data obtained.
- 349 I understand that proven violation of this oath will subject me to
- 350 forfeiture of my bond and dismissal from employment."
- 351 (e) Enter into bond in the minimum amount of Five
- 352 Thousand Dollars (\$5,000.00) with a surety company authorized to
- 353 do business in the state, and conditioned to pay the full amount
- 354 thereof as liquidated damages to any person about whom
- 355 confidential information is disclosed in violation of his oath.
- 356 (f) Be identified by a wallet-sized identification card
- 357 with a picture of the person to be carried at all times while on
- 358 duty.
- 359 SECTION 4. Section 25-53-123, Mississippi Code of 1972, is
- 360 amended as follows:
- 361 25-53-123. (1) The only method of procurement permitted for
- 362 the acquisition of nonregulated telecommunications systems,
- 363 including equipment and related services, shall be in conformity
- 364 with the following requirements: All acquisitions of
- 365 telecommunications equipment, systems and related services
- 366 involving the expenditures of funds in excess of the dollar amount
- 367 <u>established in Section 31-7-13(c)</u>, or rentals <u>or leases</u> in excess
- of the dollar amount established in Section 31-7-13(c), for the
- 369 term of the contract, shall be based upon competitive and open

370 specifications, and contracts therefor shall be entered into only after advertisements for bids are published in one or more daily 371 372 newspapers having a general circulation in the state not less than fourteen (14) days prior to receiving sealed bids therefor. The 373 374 authority may reserve the right to reject any or all bids, and if all bids are rejected, the authority may negotiate a contract 375 376 within the limitations of the specifications so long as the terms 377 of any such negotiated contract are equal to or better than the 378 comparable terms submitted by the lowest and best bidder, and so 379 long as the total cost to the State of Mississippi does not exceed the lowest bid. If the authority accepts one (1) of such bids, it 380 381 shall be that which is the lowest and best.

382 (2) When applicable, the bureau may procure equipment,
383 systems and related services in accordance with the law or
384 regulations, or both, which govern the Bureau of Purchasing of the
385 Governor's Office of General Services or which govern the
386 Mississippi Department of Information Technology Services
387 procurement of computer equipment, software and services.
388 SECTION 5. Section 25-53-103, Mississippi Code of 1972,

which prescribes definitions for certain terms used in the sections of law that place responsibility for acquisition, operation and maintenance of telecommunication systems in the Mississippi Department of Information Technology Services, is repealed.

394 SECTION 6. This act shall take effect and be in force from 395 and after its passage.