A bill to be entitled 1 2 An act relating to state information technology; 3 transferring records, property, funds, trust funds, 4 administrative authority and rules, pending issues, 5 and existing contracts of the Agency for Enterprise 6 Information Technology to the Agency for State 7 Technology; nullifying certain notices and proceedings 8 of the Agency for Enterprise Information Technology; 9 repealing s. 14.204, F.S., relating to the Agency for 10 Enterprise Information Technology, to abolish the 11 agency; creating s. 14.206, F.S.; creating the Agency for State Technology; providing for the head of the 12 agency; providing that the agency is a separate budget 13 14 entity; providing for the appointment of an executive director who shall be the state's Chief Information 15 16 Officer; providing for the appointment of a state Chief Information Security Officer; providing 17 responsibilities of the agency; providing for an 18 19 Information Technology Strategic Plan; authorizing the agency to adopt rules; amending s. 282.0041, F.S.; 20 21 revising definitions for purposes of provisions 22 relating to information technology services and 23 accessibility of information and technology; repealing ss. 282.0055 and 282.0056, F.S.; removing provisions 24 25 that assign certain responsibilities and duties to the 26 Agency for Enterprise Information Technology; amending s. 282.201, F.S., relating to the state data center 27 system; providing duties of the Agency for State

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Technology; directing the agency to develop rules for certain purposes; revising certain duties of state agencies; revising provisions for consolidation of computing facilities into primary data centers; revising provisions for transition plans; requiring resources required to remain in an agency center or computing facility be justified in writing and approved by the Legislature; removing a provision for rulemaking; repealing s. 282.33, F.S., relating to standards for data center energy efficiency; repealing s. 282.34, F.S., relating to a statewide e-mail service; amending ss. 17.0315, 110.205, 215.322, 282.203, 282.204, 282.205, 282.318, 287.057, 445.011, 445.045, and 668.50, F.S., relating to a task force established to develop a strategic business plan, career service exemptions, acceptance of electronic payments, primary data centers, the Northwood Shared Resource Center, the Southwood Shared Resource Center, enterprise security of data and information technology, procurement of commodities or contractual services, workforce information systems, information technology industry promotion and workforce recruitment, and acceptance and distribution of electronic records by governmental agencies; conforming provisions to changes made by the act; providing an appropriation; providing effective dates.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. All of the records and property; funds, trust funds, and unexpended balances of appropriations, allocations, and other funds; administrative authority; the administrative rules in effect as of November 15, 2010, comprised only of Chapters 71-1, 71A-1, and 71A-2, Florida Administrative Code; pending issues; and existing contracts of the Agency for Enterprise Information Technology are transferred by a type two transfer, pursuant to s. 20.06(2), Florida Statutes, to the Agency for State Technology.

Section 2. (1) All notices published after November 15, 2010, by the Agency for Enterprise Information Technology pursuant to s. 120.54, Florida Statutes, are nullified and of no further force or effect.

- (2) All proceedings pursuant to s. 120.54, Florida

 Statutes, of the Agency for Enterprise Information Technology
 that are pending on the effective date of this act or were
 initiated after November 15, 2010, are nullified and of no
 further force or effect.
- Section 3. Section 14.204, Florida Statutes, is repealed.

 Section 4. Section 14.206, Florida Statutes, is created to read:
- 14.206 Agency for State Technology.—The Agency for State

 Technology is created within the Executive Office of the

 Governor.
- (1) The head of the agency shall be the Governor and Cabinet.

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- (2) The agency is a separate budget entity and is not subject to control, supervision, or direction by the Executive Office of the Governor, including, but not limited to, purchasing, transactions involving real or personal property, personnel, or budgetary matters.
- (3) The agency shall have an executive director who is the state's Chief Information Officer and who must:
- (a) Have a degree in computer science or information technology from an accredited postsecondary institution.
- (b) Have executive-level experience in strategic information technology planning and project management in both the public and private sectors.
- (c) Be appointed by the Governor, subject to confirmation by the Cabinet and the Senate, and serve at the pleasure of the Governor and Cabinet.
- (d) Designate a state Chief Information Security Officer who shall report directly to the executive director.
- (4) The Agency for State Technology shall have the following duties and responsibilities:
- (a) Provide project management oversight of the agency data center consolidations authorized pursuant to s. 282.201.

 Such project management oversight shall include, but is not limited to:
- 1. Monitoring the activities of an agency in meeting the timetable and milestones included in the agency's consolidation transition plan required pursuant to s. 282.201(4).
- 2. Monitoring the activities of a primary data center in implementing the staffing plan and resolving any issues included

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112	in th	e primary	data	center's	consolidation	transition	plan
113	requi	red pursu	ant to	os. 282.2	201(4).		

- 3. Reporting to the President of the Senate and the Speaker of the House of Representatives any recommended corrective actions necessary to resolve policy or fiscal issues identified as a result of the agency's project monitoring.
- (b) Beginning October 1, 2012, and biennially thereafter, develop and submit to the President of the Senate and the Speaker of the House of Representatives an Information Technology Strategic Plan that includes, but is not limited to, the following:
- 1. An inventory of the information technology systems that are operated and maintained by executive branch agencies. At a minimum the inventory must include:
- a. The name of each system, the number of users who must use the system to perform their job functions, the associated business processes, and a description of the system functionality that supports the system.
- b. The total cost of operating and maintaining each system on a fiscal-year basis. The total cost must include staffing, hardware, software, contracted services, and external service provider costs.
- 2. Identification of strategies and opportunities to improve the delivery of each system identified in the inventory that would result in cost efficiencies or service level improvements.
- 3. Identification of strategies and techniques for consolidating the purchase of information technology commodities

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and services which result in savings for the state and for establishing a process to achieve savings through consolidated purchases.

- 4. Recommendations of other information technology services that should be designed, delivered, and managed as enterprise information technology services as defined in s.

 282.0041. For each information technology service recommended, the plan must include the specific business and functional requirements of the service, the projected costs and cost savings, and a proposed schedule for statewide implementation.
- 5. Recommendations for reducing energy consumption and improving the energy efficiency of the primary data centers.
- (c) Assist the Division of Purchasing in the Department of Management Services in establishing best practices for the procurement of information technology products that include the use of aggregate buying methodologies whenever possible, and negotiating the procurement of information technology products in order to achieve cost reductions.
- (d) Develop information technology standards for the efficient design, planning, acquisition, implementation, and delivery of information technology services and conduct periodic assessments of agencies for compliance with such standards.
- (e) Perform duties related to enterprise information technology services as required pursuant to part I of chapter 282.
- (5) The agency shall operate in a manner that ensures the participation and representation of state agencies.

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- (6) The agency may adopt rules necessary to implement provisions of law conferring duties upon it.
- Section 5. Section 282.0041, Florida Statutes, is amended to read:
 - 282.0041 Definitions.—As used in this chapter, the term:
- (1) "Agency" has the same meaning as in s. 216.011(1)(qq), except that for purposes of this chapter, "agency" does not include university boards of trustees or state universities.
- (2) "Agency for Enterprise Information Technology" means the agency created in s. 14.204.
- (3) "Agency information technology service" means a service that directly helps an agency fulfill its statutory or constitutional responsibilities and policy objectives and is usually associated with the agency's primary or core business functions.
- (2) (4) "Annual budget meeting" means a meeting of the board of trustees of a primary data center to review data center usage to determine the apportionment of board members for the following fiscal year, review rates for each service provided, and determine any other required changes.
 - (3) "Breach" has the same meaning as in s. 817.5681(4).
- $\underline{(4)}$ "Business continuity plan" means a plan for disaster recovery which provides for the continued functioning of a primary data center during and after a disaster.
- (5)(7) "Computing facility" means agency space containing fewer than a total of 10 physical or logical servers, any of which supports a strategic or nonstrategic information technology service, as described in budget instructions

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developed pursuant to s. 216.023, but excluding single, logical-server installations that exclusively perform a utility function such as file and print servers.

- $\underline{(6)}$ "Customer entity" means an entity that obtains services from a primary data center.
- (7)(9) "Data center" means agency space containing 10 or more physical or logical servers any of which supports a strategic or nonstrategic information technology service, as described in budget instructions developed pursuant to s. 216.023.
- $\underline{(8)}$ (10) "Department" means the Department of Management Services.
- (9) (11) "Enterprise information technology service" means an information technology service that is used in all agencies or a subset of agencies and is established in law to be designed, delivered, and managed at the enterprise level.
- (12) "E-mail, messaging, and calendaring service" means the enterprise information technology service that enables users to send, receive, file, store, manage, and retrieve electronic messages, attachments, appointments, and addresses. The e-mail, messaging, and calendaring service must include e-mail account management; help desk; technical support and user provisioning services; disaster recovery and backup and restore capabilities; antispam and antivirus capabilities; archiving and e-discovery; and remote access and mobile messaging capabilities.
- (10) (13) "Information-system utility" means a full-service information-processing facility offering hardware, software, operations, integration, networking, and consulting services.

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(11) (14) "Information technology" means equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to automatically, electronically, and wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind or form.

(15) "Information technology policy" means statements that describe clear choices for how information technology will deliver effective and efficient government services to residents and improve state agency operations. A policy may relate to investments, business applications, architecture, or infrastructure. A policy describes its rationale, implications of compliance or noncompliance, the timeline for implementation, metrics for determining compliance, and the accountable structure responsible for its implementation.

- $\underline{\text{(12)}}$ "Performance metrics" means the measures of an organization's activities and performance.
- $\underline{(13)}$ "Primary data center" means a data center that is a recipient entity for consolidation of nonprimary data centers and computing facilities and that is established by law.
- (14) (18) "Project" means an endeavor that has a defined start and end point; is undertaken to create or modify a unique product, service, or result; and has specific objectives that, when attained, signify completion.
- (15) (19) "Risk analysis" means the process of identifying security risks, determining their magnitude, and identifying

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areas needing safeguards.

- (16) (20) "Service level" means the key performance indicators (KPI) of an organization or service which must be regularly performed, monitored, and achieved.
- (17) (21) "Service-level agreement" means a written contract between a data center and a customer entity which specifies the scope of services provided, service level, the duration of the agreement, the responsible parties, and service costs. A service-level agreement is not a rule pursuant to chapter 120.
- $\underline{\text{(18)}}$ "Standards" means required practices, controls, components, or configurations established by an authority.
- (19)(23) "SUNCOM Network" means the state enterprise telecommunications system that provides all methods of electronic or optical telecommunications beyond a single building or contiguous building complex and used by entities authorized as network users under this part.
- (20) (24) "Telecommunications" means the science and technology of communication at a distance, including electronic systems used in the transmission or reception of information.
- (25) "Threat" means any circumstance or event that may cause harm to the integrity, availability, or confidentiality of information technology resources.
- (21) (26) "Total cost" means all costs associated with information technology projects or initiatives, including, but not limited to, value of hardware, software, service, maintenance, incremental personnel, and facilities. Total cost of a loan or gift of information technology resources to an

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agency includes the fair market value of the resources.

- $\underline{(22)}$ "Usage" means the billing amount charged by the primary data center, less any pass-through charges, to the customer entity.
- (23) (28) "Usage rate" means a customer entity's usage or billing amount as a percentage of total usage.
- Section 6. <u>Section 282.0055</u>, Florida Statutes, is repealed.
 - Section 7. <u>Section 282.0056, Florida Statutes, is</u> repealed.
 - Section 8. Subsections (2) and (3), paragraphs (g) through (o) of subsection (4), and subsections (5) and (6) of section 282.201, Florida Statutes, are amended to read:
 - 282.201 State data center system; agency duties and limitations.—A state data center system that includes all primary data centers, other nonprimary data centers, and computing facilities, and that provides an enterprise information technology service as defined in s. 282.0041, is established.
 - (2) AGENCY FOR STATE ENTERPRISE INFORMATION TECHNOLOGY

 DUTIES.— The Agency for State Enterprise Information Technology shall:
 - (a) Collect and maintain information necessary for developing policies relating to the data center system, including, but not limited to, an inventory of facilities.
 - <u>(a) (b)</u> Annually <u>review</u> approve cost-recovery mechanisms and rate structures for <u>the</u> primary data centers <u>and provide any</u> recommendations for changes in the mechanisms and structures to

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the board of trustees of the primary data centers which recover costs through charges to customer entities.

- (b)(c) By September 30 of each year, submit to the Legislature, the Executive Office of the Governor, and the primary data centers recommendations to improve the efficiency and cost-effectiveness of computing services provided by state data center system facilities. Such recommendations must include, but need not be limited to:
- 1. Policies for improving the cost-effectiveness and efficiency of the state data center system, which includes the primary data centers being transferred to a shared, virtualized server environment, and the associated cost savings resulting from the implementation of such policies.
- 2. Infrastructure improvements supporting the consolidation of facilities or preempting the need to create additional data centers or computing facilities.
 - 3. Uniform disaster recovery standards.
- 4. Standards for primary data centers which provide costeffective services and transparent financial data to user agencies.
- 5. Consolidation of contract practices or coordination of software, hardware, or other technology-related procurements and the associated cost savings.
 - 6. Improvements to data center governance structures.
- (d) By October 1 of each year beginning in 2011, provide recommendations to the Governor and Legislature relating to changes to the schedule for the consolidations of state agency data centers as provided in subsection (4).

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- 1. The recommendations must be based on the goal of maximizing current and future cost savings by:
 - a. Consolidating purchase decisions;
- b. Leveraging expertise and other resources to gain
 economies of scale;
- c. Implementing state information technology policies more effectively; and
- d. Maintaining or improving the level of service provision to customer entities.
- 2. The agency shall establish workgroups as necessary to ensure participation by affected agencies in the development of recommendations related to consolidations.
- (c) (e) Develop and establish rules relating to the operation of the state data center system which comply with applicable federal regulations, including 2 C.F.R. part 225 and 45 C.F.R. The agency shall publish notice of rule development in the Florida Administrative Weekly by October 1, 2011. The rules must address:
- 1. Ensuring that financial information is captured and reported consistently and accurately.
- 2. Identifying standards for hardware, including standards for a shared, virtualized server environment, and operations system software and other operational software, including security and network infrastructure, for the primary data centers; requiring compliance with such standards in order to enable the efficient consolidation of the agency data centers or computing facilities; and providing an exemption process from compliance with such standards, which must be consistent with

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paragraph (5)(b).

- 3. Requiring annual full cost recovery on an equitable rational basis. The cost-recovery methodology must ensure that no service is subsidizing another service and may include adjusting the subsequent year's rates as a means to recover deficits or refund surpluses from a prior year.
- 4. Requiring that any special assessment imposed to fund expansion is based on a methodology that apportions the assessment according to the proportional benefit to each customer entity.
- 5. Requiring that rebates be given when revenues have exceeded costs, that rebates be applied to offset charges to those customer entities that have subsidized the costs of other customer entities, and that such rebates may be in the form of credits against future billings.
- 6. Requiring that all service-level agreements have a contract term of up to 3 years, but may include an option to renew for up to 3 additional years contingent on approval by the board, and require at least a 180-day notice of termination.
 - (3) STATE AGENCY DUTIES.-
- (a) For the purpose of completing the its work activities as described in subsections subsection (1) and (2), each state agency shall provide to the Agency for State Enterprise

 Information Technology all requested information relating to its data centers and computing facilities and any other information relevant to the agency's ability to effectively transition its computer services into a primary data center. The agency shall also participate as required in workgroups relating to specific

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consolidation planning and implementation tasks as assigned by the Agency for $\underline{\text{State}}$ $\underline{\text{Enterprise Information}}$ Technology and determined necessary to accomplish consolidation goals.

- (b) Each state agency shall submit to the Agency for Enterprise Information Technology information relating to its data centers and computing facilities as required in instructions issued by July 1 of each year by the Agency for Enterprise Information Technology. The information required may include:
 - 1. Amount of floor space used and available.
 - 2. Numbers and capacities of mainframes and servers.
 - 3. Storage and network capacity.
 - 4. Amount of power used and the available capacity.
- 5. Estimated expenditures by service area, including hardware and software, numbers of full-time equivalent positions, personnel turnover, and position reclassifications.
- 6. A list of contracts in effect for the fiscal year, including, but not limited to, contracts for hardware, software and maintenance, including the expiration date, the contract parties, and the cost of the contract.
 - 7. Service-level agreements by customer entity.
- (b) (c) Each state agency customer of a primary data center shall notify the data center, by May 31 and November 30 of each year, of any significant changes in anticipated utilization of data center services pursuant to requirements established by the boards of trustees of each primary data center.
 - (4) SCHEDULE FOR CONSOLIDATIONS OF AGENCY DATA CENTERS.-
 - (g) During the 2013-2014 fiscal year, the following

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agencies shall work with the Agency for <u>State</u> Enterprise 420 Information Technology to begin preliminary planning for 421 consolidation into a primary data center:

- 1. The Department of the Lottery's headquarters location.
- 2. The Department of Legal Affairs.
- 3. The Fish and Wildlife Conservation Commission, except for the commission's Fish and Wildlife Research Institute in St. Petersburg.
 - 4. The Executive Office of the Governor.
 - 5. The Department of Veterans' Affairs.
 - 6. The Department of Elderly Affairs.
- 7. The Department of Financial Services' Hartman, Larson, and Fletcher Building Data Centers.
- 8. The Department of Agriculture and Consumer Services' Agriculture Management Information Center in the Mayo Building and Division of Licensing.
- (h) During the 2014-2015 fiscal year, the following agencies shall work with the Agency for <u>State</u> Enterprise <u>Information</u> Technology to begin preliminary planning for consolidation into a primary data center:
- 1. The Department of Health's Jacksonville Lab Data Center.
- 2. The Department of Transportation's district offices, toll offices, and the District Materials Office.
- 3. The Department of Military Affairs' Camp Blanding Joint Training Center in Starke.
- 4. The Department of Community Affairs' Camp Blanding
 446 Emergency Operations Center in Starke.

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- 5. The Department of Education's Division of Blind Services disaster recovery site in Daytona Beach.
- 6. The Department of Education's disaster recovery site at Santa Fe College.
- 7. The Department of the Lottery's Disaster Recovery Backup Data Center in Orlando.
- 8. The Fish and Wildlife Conservation Commission's Fish and Wildlife Research Institute in St. Petersburg.
- 9. The Department of Children and Family Services' Suncoast Data Center in Tampa.
- 10. The Department of Children and Family Services' Florida State Hospital in Chattahoochee.
- (i) During the 2015-2016 fiscal year, all computing resources remaining within an agency nonprimary data center or computing facility shall be transferred to a primary data center for consolidation unless otherwise required to remain in the agency for specified financial, technical, or business reasons that must be justified in writing and approved by the Legislature Agency for Enterprise Information Technology. Such data centers, computing facilities, and resources must be identified by the Agency for Enterprise Information Technology by October 1, 2014.
- (j) Any agency that is consolidating agency data centers into a primary data center must execute a new or update an existing service-level agreement within 60 days after the specified consolidation date, as required by s. 282.203, in order to specify the services and levels of service it is to receive from the primary data center as a result of the

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consolidation. If an agency is unable to execute a service-level agreement by that date, the agency shall submit a report to the Executive Office of the Governor and to the chairs of the legislative appropriations committees within 5 working days after that date which explains the specific issues preventing execution and describing its plan and schedule for resolving those issues.

- (k) Beginning September 1, 2011, and every 6 months thereafter until data center consolidations are complete, the Agency for State Enterprise Information Technology shall provide a status report on the implementation of the consolidations that must be completed during the fiscal year. The report shall be submitted to the Executive Office of the Governor and the chairs of the legislative appropriations committees. The report must, at a minimum, describe:
- 1. Whether the consolidation is on schedule, including progress on achieving the milestones necessary for successful and timely consolidation of scheduled agency data centers and computing facilities; and
- 2. The risks that may affect the progress or outcome of the consolidation and how these risks are being addressed, mitigated, or managed.
- (1) Each agency identified in this subsection for consolidation into a primary data center shall submit a transition plan to the appropriate primary data center Agency for Enterprise Information Technology by July September 1 of the fiscal year before the fiscal year in which the scheduled consolidation will occur. Transition plans shall be developed in

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consultation with the appropriate primary data <u>center</u> centers and the Agency for <u>State</u> <u>Enterprise Information</u> Technology, and must include:

- 1. An inventory of the agency data center's resources being consolidated, including all hardware, software, staff, and contracted services, and the facility resources performing data center management and operations, security, backup and recovery, disaster recovery, system administration, database administration, system programming, job control, production control, print, storage, technical support, help desk, and managed services, but excluding application development;
- 2. A description of the level of services needed to meet the technical and operational requirements of the platforms being consolidated and an estimate of the primary data center's cost for the provision of such services;
- 3. A description of resources for computing services proposed to remain in the department;
- 4. A timetable with significant milestones for the completion of the consolidation; and
- 5. The specific recurring and nonrecurring budget adjustments of budget resources by appropriation category into the appropriate data processing category pursuant to the legislative budget instructions in s. 216.023 necessary to support agency costs for the transfer.
- (m) Each primary data center shall develop a transition plan for absorbing the transfer of agency data center resources based upon the timetables for transition as provided in this subsection. The plan shall be submitted to the Agency for State

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Enterprise Information Technology, the Executive Office of the Governor, and the chairs of the legislative appropriations committees by September $\underline{1}$ 30 of the fiscal year before the fiscal year in which the scheduled consolidations will occur. Each plan must include:

- 1. An estimate of the cost to provide data center services for each agency scheduled for consolidation.
- 2. A staffing plan that identifies the projected staffing needs and requirements based on the estimated workload identified in the agency transition plan.
- 3. The fiscal year adjustments to budget categories in order to absorb the transfer of agency data center resources pursuant to the legislative budget request instructions provided in s. $216.023.\div$
- 4. An analysis of the cost effects resulting from the planned consolidations on existing agency customers.; and
- 5. A description of any issues that must be resolved in order to accomplish as efficiently and effectively as possible all consolidations required during the fiscal year.
- (n) The Agency for Enterprise Information Technology shall develop a comprehensive transition plan, which shall be submitted by October 15th of the fiscal year before the fiscal year in which the scheduled consolidations will occur to each primary data center, to the Executive Office of the Governor, and the chairs of the legislative appropriations committees. The transition plan shall be developed in consultation with agencies submitting agency transition plans and with the affected primary data centers. The comprehensive transition plan must include:

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- 1. Recommendations for accomplishing the proposed transitions as efficiently and effectively as possible with minimal disruption to customer agency business processes;
- 2. Strategies to minimize risks associated with any of the proposed consolidations;
- 3. A compilation of the agency transition plans submitted by agencies scheduled for consolidation for the following fiscal year; and
- 4. Revisions to any budget adjustments provided in the agency or primary data center transition plans.
- (o) Any agency data center scheduled for consolidation after the 2011-2012 fiscal year may consolidate into a primary data center before its scheduled date contingent upon the approval of the Agency for Enterprise Information Technology.
 - (5) AGENCY LIMITATIONS.-
- (a) Unless authorized by the Legislature or as provided in paragraphs (b) and (c), a state agency may not:
- 1. Create a new computing facility or data center, or expand the capability to support additional computer equipment in an existing computing facility or nonprimary data center;
- 2. Spend funds before the agency's scheduled consolidation into a primary data center to purchase or modify hardware or operations software that does not comply with hardware and software standards established by the Agency for State
 Enterprise Information Technology pursuant to paragraph (2)(b)
 (2) (e) for the efficient consolidation of the agency data centers or computing facilities;
 - 3. Transfer existing computer services to any data center

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other than a primary data center;

- 4. Terminate services with a primary data center or transfer services between primary data centers without giving written notice of intent to terminate or transfer services 180 days before such termination or transfer; or
- 5. Initiate a new computer service if it does not currently have an internal data center except with a primary data center.
- (b) Exceptions to the limitations in subparagraphs (a)1., 2., 3., and 5. may be granted by the Agency for State Enterprise Information Technology if there is insufficient capacity in a primary data center to absorb the workload associated with agency computing services, if expenditures are compatible with the scheduled consolidation and the standards established pursuant to paragraph (2)(c) (2)(e), or if the equipment or resources are needed to meet a critical agency business need that cannot be satisfied from surplus equipment or resources of the primary data center until the agency data center is consolidated.
- 1. A request for an exception must be submitted in writing to the Agency for <u>State</u> Enterprise Information Technology. The agency must accept, accept with conditions, or deny the request within 60 days after receipt of the written request. The agency's decision is not subject to chapter 120.
- 2. At a minimum, the agency may not approve a request unless it includes:
- a. Documentation approved by the primary data center's board of trustees which confirms that the center cannot meet the

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capacity requirements of the agency requesting the exception within the current fiscal year.

- b. A description of the capacity requirements of the agency requesting the exception.
- c. Documentation from the agency demonstrating why it is critical to the agency's mission that the expansion or transfer must be completed within the fiscal year rather than when capacity is established at a primary data center.
- (c) Exceptions to subparagraph (a)4. may be granted by the board of trustees of the primary data center if the termination or transfer of services can be absorbed within the current costallocation plan.
- (d) Upon the termination of or transfer of agency computing services from the primary data center, the primary data center shall require information sufficient to determine compliance with this section. If a primary data center determines that an agency is in violation of this section, it shall report the violation to the Agency for State Enterprise Information Technology.
- (6) RULES.—The Agency for Enterprise Information

 Technology may adopt rules to administer this part relating to the state data center system including the primary data centers.
- Section 9. Section 282.33, Florida Statutes, is repealed.

 Section 10. Effective upon this act becoming a law,
 section 282.34, Florida Statutes, is repealed.
- Section 11. Subsection (1) and paragraph (g) of subsection (2) of section 17.0315, Florida Statutes, are amended to read:
 - 17.0315 Financial and cash management system; task force.-

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- (1) The Chief Financial Officer, as the constitutional officer responsible for settling and approving accounts against the state and keeping all state funds pursuant to s. 4, Art. IV of the State Constitution, shall be the head of and appoint members to a task force established to develop a strategic business plan for a successor financial and cash management system. The task force shall include the executive director of the Agency for State Enterprise Information Technology and the director of the Office of Policy and Budget in the Executive Office of the Governor. Any member of the task force may appoint a designee.
- (2) The strategic business plan for a successor financial and cash management system must:
- (g) Be coordinated with the information technology strategy development efforts of the Agency for <u>State</u> <u>Enterprise</u> <u>Information</u> Technology;
- Section 12. Paragraph (e) of subsection (2) of section 110.205, Florida Statutes, is amended to read:
 - 110.205 Career service; exemptions.-
- (2) EXEMPT POSITIONS.—The exempt positions that are not covered by this part include the following:
- (e) The Chief Information Officer in the Agency for <u>State</u> <u>Enterprise Information</u> Technology. Unless otherwise fixed by law, the Agency for <u>State</u> <u>Enterprise Information</u> Technology shall set the salary and benefits of this position in accordance with the rules of the Senior Management Service.
- Section 13. Subsections (2) and (9) of section 215.322, Florida Statutes, are amended to read:

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215.322 Acceptance of credit cards, charge cards, debit cards, or electronic funds transfers by state agencies, units of local government, and the judicial branch.—

- (2) A state agency as defined in s. 216.011, or the judicial branch, may accept credit cards, charge cards, debit cards, or electronic funds transfers in payment for goods and services with the prior approval of the Chief Financial Officer. If the Internet or other related electronic methods are to be used as the collection medium, the Agency for State Enterprise Information Technology shall review and recommend to the Chief Financial Officer whether to approve the request with regard to the process or procedure to be used.
- (9) For payment programs in which credit cards, charge cards, or debit cards are accepted by state agencies, the judicial branch, or units of local government, the Chief Financial Officer, in consultation with the Agency for State Enterprise Information Technology, may adopt rules to establish uniform security safeguards for cardholder data and to ensure compliance with the Payment Card Industry Data Security Standards.

Section 14. Paragraphs (c), (d), (g), and (h) of subsection (1), paragraph (e) of subsection (2), and paragraphs (b), (e), (h), and (k) of subsection (3) of section 282.203, Florida Statutes, are amended to read:

282.203 Primary data centers.-

- (1) DATA CENTER DUTIES.—Each primary data center shall:
- (c) Comply with rules adopted by the Agency for <u>State</u>

 Enterprise Information Technology, pursuant to this section, and

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coordinate with the agency in the consolidation of data centers.

- (d) Provide transparent financial statements to customer entities, the center's board of trustees, and the Agency for State Enterprise Information Technology. The financial statements shall be provided as follows:
- 1. Annually, by July 30 for the current fiscal year and by December 1 for the subsequent fiscal year, the data center must provide the total annual budgeted costs by major expenditure category, including, but not limited to, salaries, expense, operating capital outlay, contracted services, or other personnel services, which directly relate to the provision of each service and which separately indicate the administrative overhead allocated to each service.
- 2. Annually, by July 30 for the current fiscal year and by December 1 for the subsequent fiscal year, the data center must provide total projected billings for each customer entity which are required to recover the costs of the data center.
- 3. Annually, by January 31, the data center must provide updates of the financial statements required under subparagraphs 1. and 2. for the current fiscal year.
- 4. By February 15, for proposed legislative budget increases, the data center must provide updates of the financial statements required under subparagraphs 1. and 2. for the subsequent fiscal year.

The financial information required under subparagraphs 1., 2., and 3. must be based on current law and current appropriations.

(g) Develop a business continuity plan and conduct a live

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exercise of the plan at least annually. The plan must be approved by the board and the Agency for <u>State</u> Enterprise <u>Information</u> Technology.

- (h) Enter into a service-level agreement with each customer entity to provide services as defined and approved by the board. A service-level agreement may not have a term exceeding 3 years but may include an option to renew for up to 3 years contingent on approval by the board.
 - 1. A service-level agreement, at a minimum, must:
- a. Identify the parties and their roles, duties, and responsibilities under the agreement;
- b. Identify the legal authority under which the servicelevel agreement was negotiated and entered into by the parties;
- c. State the duration of the contractual term and specify the conditions for contract renewal;
- d. Prohibit the transfer of computing services between primary data center facilities without at least 180 days' notice of service cancellation;
 - e. Identify the scope of work;
- f. Identify the products or services to be delivered with sufficient specificity to permit an external financial or performance audit;
- g. Establish the services to be provided, the business standards that must be met for each service, the cost of each service, and the process by which the business standards for each service are to be objectively measured and reported;
- h. Identify applicable funds and funding streams for the services or products under contract;

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- i. Provide a timely billing methodology for recovering the cost of services provided to the customer entity;
- j. Provide a procedure for modifying the service-level agreement to address changes in projected costs of service;
- k. Provide that a service-level agreement may be terminated by either party for cause only after giving the other party and the Agency for State Enterprise Information Technology notice in writing of the cause for termination and an opportunity for the other party to resolve the identified cause within a reasonable period; and
- 1. Provide for mediation of disputes by the Division of Administrative Hearings pursuant to s. 120.573.
 - 2. A service-level agreement may include:
- a. A dispute resolution mechanism, including alternatives to administrative or judicial proceedings;
- b. The setting of a surety or performance bond for service-level agreements entered into with agency primary data centers established by law; or
- c. Additional terms and conditions as determined advisable by the parties if such additional terms and conditions do not conflict with the requirements of this section or rules adopted by the Agency for State Enterprise Information Technology.
- 3. The failure to execute a service-level agreement within 60 days after service commencement shall, in the case of an existing customer entity, result in a continuation of the terms of the service-level agreement from the prior fiscal year, including any amendments that were formally proposed to the customer entity by the primary data center within the 3 months

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before service commencement, and a revised cost-of-service estimate. If a new customer entity fails to execute an agreement within 60 days after service commencement, the data center may cease services.

- (2) BOARD OF TRUSTEES.—Each primary data center shall be headed by a board of trustees as defined in s. 20.03.
- (e) The executive director of the Agency for <u>State</u>

 <u>Enterprise Information</u> Technology shall be the advisor to the board.
- (3) BOARD DUTIES.—Each board of trustees of a primary data center shall:
- (b) Establish procedures for the primary data center to ensure that budgeting and accounting procedures, cost-recovery methodologies, and operating procedures are in compliance with laws governing the state data center system, rules adopted by the Agency for State Enterprise Information Technology, and applicable federal regulations, including 2 C.F.R. part 225 and 45 C.F.R.
- (e) Ensure the sufficiency and transparency of the primary data center financial information by:
- 1. Establishing policies that ensure that cost-recovery methodologies, billings, receivables, expenditure, budgeting, and accounting data are captured and reported timely, consistently, accurately, and transparently and, upon adoption of rules by the Agency for State Enterprise Information
 Technology, are in compliance with such rules.
- 2. Requiring execution of service-level agreements by the data center and each customer entity for services provided by

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the data center to the customer entity.

- 3. Requiring cost recovery for the full cost of services, including direct and indirect costs. The cost-recovery methodology must ensure that no service is subsidizing another service without an affirmative vote of approval by the customer entity providing the subsidy.
- 4. Establishing special assessments to fund expansions based on a methodology that apportions the assessment according to the proportional benefit to each customer entity.
- 5. Providing rebates to customer entities when revenues exceed costs and offsetting charges to those who have subsidized other customer entity costs based on actual prior year final expenditures. Rebates may be credited against future billings.
- 6. Approving all expenditures committing over \$50,000 in a fiscal year.
- 7. Projecting costs and revenues at the beginning of the third quarter of each fiscal year through the end of the fiscal year. If in any given fiscal year the primary data center is projected to earn revenues that are below costs for that fiscal year after first reducing operating costs where possible, the board shall implement any combination of the following remedies to cover the shortfall:
- a. The board may direct the primary data center to adjust current year chargeback rates through the end of the fiscal year to cover the shortfall. The rate adjustments shall be implemented using actual usage rate and billing data from the first three quarters of the fiscal year and the same principles used to set rates for the fiscal year.

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- b. The board may direct the primary data center to levy one-time charges on all customer entities to cover the shortfall. The one-time charges shall be implemented using actual usage rate and billing data from the first three quarters of the fiscal year and the same principles used to set rates for the fiscal year.
- c. The customer entities represented by each board member may provide payments to cover the shortfall in proportion to the amounts each entity paid in the prior fiscal year.
- (h) By July 1 of each year, submit to the Agency for <u>State</u> <u>Enterprise Information</u> Technology proposed cost-recovery mechanisms and rate structures for all customer entities for the fiscal year including the cost-allocation methodology for administrative expenditures and the calculation of administrative expenditures as a percent of total costs.
- (k) Coordinate with other primary data centers and the Agency for <u>State</u> Enterprise Information Technology in order to consolidate purchases of goods and services and lower the cost of providing services to customer entities.
- Section 15. Subsection (2) of section 282.204, Florida Statutes, is amended to read:
- 282.204 Northwood Shared Resource Center.—The Northwood Shared Resource Center is an agency established within the Department of Management Services for administrative purposes only.
- (2) The center shall be headed by a board of trustees as provided in s. 282.203, who shall comply with all requirements of that section related to the operation of the center and with

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the rules of the Agency for <u>State</u> <u>Enterprise Information</u>
Technology related to the design and delivery of enterprise information technology services.

Section 16. Subsection (2) of section 282.205, Florida Statutes, is amended to read:

282.205 Southwood Shared Resource Center.—The Southwood Shared Resource Center is an agency established within the department for administrative purposes only.

(2) The center shall be headed by a board of trustees as provided in s. 282.203, who shall comply with all requirements of that section related to the operation of the center and with the rules of the Agency for State Enterprise Information Technology related to the design and delivery of enterprise information technology services.

Section 17. Subsections (3), (4), (5), and (6) of section 282.318, Florida Statutes, are amended to read:

282.318 Enterprise security of data and information technology.—

- (3) The Agency for <u>State</u> <u>Enterprise Information</u> Technology is responsible for establishing rules and publishing guidelines for ensuring an appropriate level of security for all data and information technology resources for executive branch agencies. The agency shall also perform the following duties and responsibilities:
- (a) Develop, and annually update by February 1, an enterprise information security strategic plan that includes security goals and objectives for the strategic issues of information security policy, risk management, training, incident

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management, and survivability planning.

- (b) Develop enterprise security rules and published
 quidelines for:
- 1. Comprehensive risk analyses and information security audits conducted by state agencies.
- 2. Responding to suspected or confirmed information security incidents, including suspected or confirmed breaches of personal information or exempt data.
- 3. Agency security plans, including strategic security plans and security program plans.
- 4. The recovery of information technology and data following a disaster.
- 5. The managerial, operational, and technical safeguards for protecting state government data and information technology resources.
- (c) Assist agencies in complying with the provisions of this section.
- (d) Pursue appropriate funding for the purpose of enhancing domestic security.
- (e) Provide training for agency information security managers.
- (f) Annually review the strategic and operational information security plans of executive branch agencies.
- (4) To assist the Agency for <u>State</u> <u>Enterprise Information</u> Technology in carrying out its responsibilities, each agency head shall, at a minimum:
- (a) Designate an information security manager to administer the security program of the agency for its data and

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information technology resources. This designation must be provided annually in writing to the Agency for <u>State</u> <u>Enterprise</u> <u>Information</u> Technology by January 1.

- (b) Submit to the Agency for <u>State</u> <u>Enterprise Information</u> Technology annually by July 31, the agency's strategic and operational information security plans developed pursuant to the rules and guidelines established by the Agency for <u>State</u> <u>Enterprise Information</u> Technology.
- 1. The agency strategic information security plan must cover a 3-year period and define security goals, intermediate objectives, and projected agency costs for the strategic issues of agency information security policy, risk management, security training, security incident response, and survivability. The plan must be based on the enterprise strategic information security plan created by the Agency for State Enterprise
 Information
 Technology. Additional issues may be included.
- 2. The agency operational information security plan must include a progress report for the prior operational information security plan and a project plan that includes activities, timelines, and deliverables for security objectives that, subject to current resources, the agency will implement during the current fiscal year. The cost of implementing the portions of the plan which cannot be funded from current resources must be identified in the plan.
- (c) Conduct, and update every 3 years, a comprehensive risk analysis to determine the security threats to the data, information, and information technology resources of the agency. The risk analysis information is confidential and exempt from

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the provisions of s. 119.07(1), except that such information shall be available to the Auditor General and the Agency for State Enterprise Information Technology for performing postauditing duties.

- Develop, and periodically update, written internal policies and procedures, which include procedures for notifying the Agency for State Enterprise Information Technology when a suspected or confirmed breach, or an information security incident, occurs. Such policies and procedures must be consistent with the rules and guidelines established by the Agency for State Enterprise Information Technology to ensure the security of the data, information, and information technology resources of the agency. The internal policies and procedures that, if disclosed, could facilitate the unauthorized modification, disclosure, or destruction of data or information technology resources are confidential information and exempt from s. 119.07(1), except that such information shall be available to the Auditor General and the Agency for State Enterprise Information Technology for performing postauditing duties.
- (e) Implement appropriate cost-effective safeguards to address identified risks to the data, information, and information technology resources of the agency.
- (f) Ensure that periodic internal audits and evaluations of the agency's security program for the data, information, and information technology resources of the agency are conducted. The results of such audits and evaluations are confidential information and exempt from s. 119.07(1), except that such

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information shall be available to the Auditor General and the Agency for <u>State</u> <u>Enterprise Information</u> Technology for performing postauditing duties.

- (g) Include appropriate security requirements in the written specifications for the solicitation of information technology and information technology resources and services, which are consistent with the rules and guidelines established by the Agency for State Enterprise Information Technology.
- (h) Provide security awareness training to employees and users of the agency's communication and information resources concerning information security risks and the responsibility of employees and users to comply with policies, standards, guidelines, and operating procedures adopted by the agency to reduce those risks.
- (i) Develop a process for detecting, reporting, and responding to suspected or confirmed security incidents, including suspected or confirmed breaches consistent with the security rules and guidelines established by the Agency for State Enterprise Information Technology.
- 1. Suspected or confirmed information security incidents and breaches must be immediately reported to the Agency for State Enterprise Information Technology.
- 2. For incidents involving breaches, agencies shall provide notice in accordance with s. 817.5681 and to the Agency for <u>State Enterprise Information</u> Technology in accordance with this subsection.
- (5) Each state agency shall include appropriate security requirements in the specifications for the solicitation of

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contracts for procuring information technology or information technology resources or services which are consistent with the rules and guidelines established by the Agency for State
Enterprise Information Technology.

- (6) The Agency for <u>State</u> <u>Enterprise Information</u> Technology may adopt rules relating to information security and to administer the provisions of this section.
- 1014 Section 18. Subsection (22) of section 287.057, Florida 1015 Statutes, is amended to read:
 - 287.057 Procurement of commodities or contractual services.—
 - State Enterprise Information Technology and the Chief Financial Officer Comptroller, shall develop a program for online procurement of commodities and contractual services. To enable the state to promote open competition and to leverage its buying power, agencies shall participate in the online procurement program, and eligible users may participate in the program. Only vendors prequalified as meeting mandatory requirements and qualifications criteria may participate in online procurement.
 - (a) The department, in consultation with the agency, may contract for equipment and services necessary to develop and implement online procurement.
 - (b) The department, in consultation with the agency, shall adopt rules, pursuant to ss. 120.536(1) and 120.54, to administer the program for online procurement. The rules shall include, but not be limited to:
 - 1. Determining the requirements and qualification criteria

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for prequalifying vendors.

- 2. Establishing the procedures for conducting online procurement.
- 3. Establishing the criteria for eligible commodities and contractual services.
- 4. Establishing the procedures for providing access to online procurement.
- 5. Determining the criteria warranting any exceptions to participation in the online procurement program.
- (c) The department may impose and shall collect all fees for the use of the online procurement systems.
- 1. The fees may be imposed on an individual transaction basis or as a fixed percentage of the cost savings generated. At a minimum, the fees must be set in an amount sufficient to cover the projected costs of the services, including administrative and project service costs in accordance with the policies of the department.
- 2. If the department contracts with a provider for online procurement, the department, pursuant to appropriation, shall compensate the provider from the fees after the department has satisfied all ongoing costs. The provider shall report transaction data to the department each month so that the department may determine the amount due and payable to the department from each vendor.
- 3. All fees that are due and payable to the state on a transactional basis or as a fixed percentage of the cost savings generated are subject to s. 215.31 and must be remitted within 40 days after receipt of payment for which the fees are due. For

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fees that are not remitted within 40 days, the vendor shall pay interest at the rate established under s. 55.03(1) on the unpaid balance from the expiration of the 40-day period until the fees are remitted.

4. All fees and surcharges collected under this paragraph shall be deposited in the Operating Trust Fund as provided by law.

Section 19. Subsection (4) of section 445.011, Florida Statutes, is amended to read:

445.011 Workforce information systems.—

(4) Workforce Florida, Inc., shall coordinate development and implementation of workforce information systems with the executive director of the Agency for <u>State Enterprise</u> <u>Information</u> Technology to ensure compatibility with the state's information system strategy and enterprise architecture.

Section 20. Subsections (2) and (4) of section 445.045, Florida Statutes, are amended to read:

445.045 Development of an Internet-based system for information technology industry promotion and workforce recruitment.—

- (2) Workforce Florida, Inc., shall coordinate with the Agency for State Enterprise Information Technology and the Department of Economic Opportunity to ensure links, where feasible and appropriate, to existing job information websites maintained by the state and state agencies and to ensure that information technology positions offered by the state and state agencies are posted on the information technology website.
 - (4)(a) Workforce Florida, Inc., shall coordinate

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development and maintenance of the website under this section with the executive director of the Agency for <u>State Enterprise</u> <u>Information</u> Technology to ensure compatibility with the state's information system strategy and enterprise architecture.

- (b) Workforce Florida, Inc., may enter into an agreement with the Agency for <u>State Enterprise Information</u> Technology, the Department of Economic Opportunity, or any other public agency with the requisite information technology expertise for the provision of design, operating, or other technological services necessary to develop and maintain the website.
- (c) Workforce Florida, Inc., may procure services necessary to implement the provisions of this section, if it employs competitive processes, including requests for proposals, competitive negotiation, and other competitive processes to ensure that the procurement results in the most cost-effective investment of state funds.
- Section 21. Subsection (18) of section 668.50, Florida Statutes, is amended to read:
 - 668.50 Uniform Electronic Transaction Act.-
- (18) ACCEPTANCE AND DISTRIBUTION OF ELECTRONIC RECORDS BY GOVERNMENTAL AGENCIES.—
- (a) Except as otherwise provided in paragraph (12)(f), each governmental agency shall determine whether, and the extent to which, such agency will send and accept electronic records and electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely upon electronic records and electronic signatures.
 - (b) To the extent that a governmental agency uses

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electronic records and electronic signatures under paragraph (a), the Agency for <u>State</u> <u>Enterprise Information</u> Technology, in consultation with the governmental agency, giving due consideration to security, may specify:

- 1. The manner and format in which the electronic records must be created, generated, sent, communicated, received, and stored and the systems established for those purposes.
- 2. If electronic records must be signed by electronic means, the type of electronic signature required, the manner and format in which the electronic signature must be affixed to the electronic record, and the identity of, or criteria that must be met by, any third party used by a person filing a document to facilitate the process.
- 3. Control processes and procedures as appropriate to ensure adequate preservation, disposition, integrity, security, confidentiality, and auditability of electronic records.
- 4. Any other required attributes for electronic records which are specified for corresponding nonelectronic records or reasonably necessary under the circumstances.
- (c) Except as otherwise provided in paragraph (12)(f), this section does not require a governmental agency of this state to use or permit the use of electronic records or electronic signatures.
- (d) Service charges and fees otherwise established by law applicable to the filing of nonelectronic records shall apply in kind to the filing of electronic records.
- Section 22. For the 2012-2013 fiscal year, there is appropriated to the Agency for State Technology the sum of

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\$1,597,866 in recurring general revenue funds, and 16 full-time equivalent positions and associated salary rate of 1,165,386 are authorized for the purpose of implementing this act.

Section 23. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2012.

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