2021

Report to the Colorado General Assembly

Joint Technology Committee

Joint Technology Committee

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January 2022

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January 2022

To Members of the General Assembly:

Submitted herewith is the 2021 Joint Technology Committee (JTC) final report. The purpose of the JTC final report is to provide annual and historical information on the information technology (IT) capital budget request process. The 2021 final report provides a complete summary of all IT capital construction appropriations during the 2021 session. The report concludes with a description of other actions taken by the JTC in 2021.

The JTC final report serves as a permanent record of IT capital funding. The report also serves as an informational document for any other entity or individual interested in the progress of IT capital development in the state of Colorado.

Respectfully submitted,

Natalie Mullis, Director

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This report is also available online at:

https://leg.colorado.gov/committees/joint-technology-committee/2021-regular-session

Committee Charge

Establishment and Procedural Matters

Membership. Pursuant to Section 2-3-1702, C.R.S., the Joint Technology Committee (JTC) is established consisting of the following, who shall have experience in the areas of information technology (IT), business analysis, or business process:

- three members of the House of Representatives, two of whom are appointed by the Speaker of the House and one of whom is appointed by the House Minority Leader; and
- three members of the Senate, two of whom are appointed by the Senate President and one of whom is appointed by the Senate Minority Leader.

"Information technology" is defined as technology, infrastructure, equipment, systems, software, controlling, displaying, switching, interchanging, transmitting, and receiving data or information, including audio, video, graphics, and text. "Information Technology" shall be construed broadly to incorporate future technologies that change or supplant those in effect as of September 7, 2021.

Appointees to the JTC may be designated after the general election, but prior to the convening of the General Assembly. The appointees may be current members or members-elect. Prior to being sworn in, members-elect have the same powers and duties and are entitled to the same compensation and expense allowance as current members.

Chair and vice-chair. The committee is required to elect a chair and vice-chair, one from the House and one from the Senate. The chair and vice-chair serve in those roles for the first regular session of the General Assembly after they are elected and switch roles for the second session.

Organization, procedures, and meetings. The committee may develop its own procedural rules. While it may meet as often as necessary to perform its functions, the committee must meet at least once a year to review the Governor's budget submissions related to IT.

Powers and Duties

Oversight duties. The committee has oversight responsibility for the Governor's Office of Information Technology (OIT). "Oversee" is defined as reviews of major IT projects, reviews of the OIT's budget requests for IT projects, and ensuring that IT projects follow best practice standards as established by the OIT. Such oversight includes, but is not limited to:

- a review of the state of IT;
- any general IT needs;
- any anticipated short or long-term IT changes for OIT;
- OIT's responsibilities for statewide geographic information system coordination.

Oversight does not include interference with the general responsibilities of OIT. State law directs OIT to assist the JTC as necessary to facilitate the committee's oversight of OIT. This includes a number of advisory duties and reporting requirements.

Other JTC oversight responsibilities include:

- the state's Chief Information Security Officer and his or her duties;
- any telecommunications coordination in the state performed by the state's Chief Information Officer; and
- state agencies regarding any authority that has been delegated to the state agency pursuant to Section 24-37.5-105.4, C.R.S.

IT capital construction budget request. An IT capital budget request is a budget request from a state agency or state institution of higher education for the installation, development, maintenance, or upgrade of IT, including the purchase of products or services from OIT. It does not include budget requests that are primarily operational in nature or where the majority of funding will be used to support or modify state staffing levels. Each fiscal year, the JTC is required to study and prioritize all IT budget requests made by state agencies and all state-funded IT budget requests made by state institutions of higher education. After hearing from state agencies, institutions of higher education, OIT, and other sources about the amount of revenue available, the committee must submit written reports to the Joint Budget Committee (JBC) setting forth its recommendations, prioritization, findings, and comments regarding each IT budget request submitted to the JTC.

Reports regarding supplemental IT budget requests are due no later than January 15 of each year, and new or amended requests for the upcoming fiscal year are due no later than February 15 of each year. The JBC may also choose to seek the JTC's review of any operating budget request for IT.

Joint Technology Committee review. The committee reviews any legislative measure that is determined by the Speaker or the President to deal with IT. The committee is authorized to make advisory recommendations about such measures to the full House and Senate, the JBC, the Capital Development Committee, and any committees of reference, as appropriate.

The committee may also request information and presentations regarding data privacy and cybersecurity within state agencies and coordinate with the Colorado Cybersecurity Council within the Department of Public Safety.

Upon request of the JTC, executive branch agencies, the Judicial Department, and the Departments of Law, State, and Treasury are required to make available to the committee any data, reports, or information necessary for the performance of the committee's duties. The information is to be provided by November 1 of the calendar year the request was made. Upon request of the General Assembly, the JTC, or the JBC, agencies are required to provide satisfactory evidence of compliance.

The Government Data Advisory Board must submit an annual report to the JTC on or before March 1 concerning the board's actions.

Additionally, the committee is authorized to review the actions of the Statewide Internet Portal Authority (SIPA). SIPA is required to submit a report to the JTC on or before November 1 of each year that sets forth a complete and detailed operating and financial statement of SIPA during the relevant fiscal year. The report must also include any recommendations for legislation or other action that may be necessary to carry out the functions of SIPA.

The Judicial Department and the Departments of Law, State, and Treasury must submit a report that details all IT purchased or implemented to the committee on or before November 1 of each year.

Reporting requirements. The JTC is required to submit an annual report on the committee's findings and recommendations to the JBC. The report may include:

- legislation recommended by the committee, which is exempt from the five-bill limit specified in Joint Rule 24;
- any recommendations based on the committee's statutory oversight; and
- the status of IT budget requests that were previously approved for phasing in or for incremental implementation over a period exceeding one year.

Advisory board membership. At the invitation of the Chief Information Officer, additional members may be selected to participate on the Government Data Advisory Board, including a member of the JTC.

Information security plan. Legislative service agency directors are required to maintain an information security plan and keep the JTC advised of the plan.

Staff assistance. Legislative Council Staff and the Office of Legislative Legal Services are required to assist the JTC in performance of its duties. This includes:

- acting as a liaison between state agencies and the committee;
- receiving and analyzing information and requests from state agencies for the committee's review;
- managing the committee's schedule for meetings and travel;
- providing background material and legal analysis about the matters before the committee;
- drafting bills recommended by the committee; and
- tracking and reporting on legislation and projects related to the committee's charge.

Legislative Council Staff is required to assist and advise the committee by reviewing and summarizing IT budget requests made by all state agencies and state institutions of higher education. Staff also arranges such hearings as necessary for the JTC to consider all IT budget requests.

Committee Activities

The committee met 13 times in 2021. This report highlights the committee's work on the state FY 2021-22 IT budget requests, a broad range of IT-related topics, and related briefings from the executive branch and other organizations. Discussion and briefing topics included:

- FY 2021-22 IT capital budget requests;
- FY 2020-21 supplemental IT capital budget requests;
- FY 2021-22 IT operating budget requests;
- OIT presentations and bill draft consideration;
- presentation from the Office of the State Auditor;
- SIPA presentation and bill draft consideration;
- state of IT in the Legislative Branch;
- the Colorado Quantum Ecosystem;
- the Department of State Campaign Finance and Lobbyist Reporting Systems;
- various project updates; and
- IT-related legislation.

The committee recommended two bills for consideration by the General Assembly. Senate Bill 21-141, Statewide Internet Portal Authority Competitive Solicitation Method, passed the General Assembly and became effective on April 15, 2021. House Bill 21-1236, State Information Technology, passed the General Assembly and became effective on September 8, 2021.

FY 2021-22 IT Capital Budget Requests

The JTC's charge gives the committee oversight responsibility for approving IT capital budget requests. The committee discussed and prioritized the IT capital budget requests for FY 2021-22 after being briefed by representatives from:

- the Department of Health Care Policy and Financing;
- the Department of Human Services;
- the Department of Labor and Employment;
- Adams State University, Fort Lewis College;
- Western Colorado University;
- the Community College of Denver;
- Colorado Mesa University;
- Colorado Northwestern Community College;
- the Colorado School of Mines;
- Colorado State University;
- Lamar Community College;
- Metropolitan State University of Denver;
- Otero Junior College; and
- the University of Northern Colorado.

For FY 2021-22, a total of 14 state-funded IT capital budget requests and one cash-funded IT capital budget requests were funded, for a total of $28,711,790 Capital Construction Fund (CCF) and $29,977,393 in cash funds (CF), with two IT budget requests including $7,246,200 in federal funds (FF). The FY 2021-22 Long Bill included funding as listed in Table 1 on the following page.

Table 1
FY 2021-22 Funded IT Capital Budget Appropriations
Senate Bill 21-205

Department/Institution	Project Name	FY 2021-22 Appropriation
Department of Health Care Policy and Financing	Rural Connectivity	$1,081,800 CCF $5,416,200 FF
Department of Human Services	Behavioral Health Infrastructure Investments	$6,616,918 CCF $1,830,000 FF
Department of Labor and Employment	Modernize Colorado Automated Tax System	$28,422,240 CF
Adams State University, Fort Lewis College, and Western Colorado University	Digital Transformation Initiative for Rural Higher Education	$9,199,055 CCF $92,920 CF
Community College of Denver	Classroom and Conference Room Technology	$1,595,878 CCF $101,865 CF
Colorado Mesa University	Network Security and Resiliency	$2,249,898 CCF $222,519 CF
Colorado Northwestern Community College	Network and Security Upgrade	$1,746,412 CCF $174,641 CF
Colorado School of Mines	Re-envisioning Mines ERP and SIS	$789,000 CCF $122,000 CF
Colorado State University	Upgrade Network Hardware	$541,000 CCF $219,000 CF
Lamar Community College	Technology Equipment Upgrades	$553,002 CCF $35,298 CF
Metropolitan State University of Denver	Reimagining the Campus Digital Experience	$1,300,000 CCF $200,000 CF
Metropolitan State University of Denver	Network Infrastructure Modernization	$1,250,000 CCF $250,000 CF
Otero Junior College	Technology and Equipment Upgrades	$597,750 CCF $125,000 CF
University of Northern Colorado	Next Generation Cyber Secure Network	$1,191,077 CCF $11,910 CF
Total CCF		**$28,711,790**
Total CF/FF		**$37,223,593**
Grand Total		**$65,935,383**

Source: Legislative Council Staff.

FY 2020-21 Supplemental IT Capital Budget Requests

The JTC has oversight responsibility for approving supplemental IT capital budget requests. The committee recommended that the JBC approve two supplemental requests for FY 2020-21. The first was for a technical adjustment to move funding for the Office of eHealth Innovation Colorado Rural Connectivity Program to the Department of Health Care Policy and Financing for federal funding purposes. The second was for a two year time extension for the Colorado Department of Public Health and Environment's Electronic Registration System Replacement Project, which was originally appropriated funding for FY 2018-19.

FY 2021-22 IT Operating Budget Requests

Pursuant to Joint Rule 45 (a)(3)(B), the JBC requested that the committee review two FY 2021-22 IT operating budget requests. The JTC reviewed and recommended approving the Department of Revenue FY 2021-22 operating budget request for $2.2 million General Fund and 5.0 FTE for the Sales and Use Tax Simplification system. The JTC also reviewed and recommended approving the Department of Health Care Policy and Financing operating budget request of $7.5 million General Fund for FY 2021-22 and $2.1 million General Fund for FY 2022-23 for the Behavioral Health Eligibility and Claims System Consolidation.

Office of Information Technology

Representatives from OIT presented to the committee several times during 2021. Topics discussed with the committee included: maturing vendor management; managing vendor risk; the IT Transformation project ("Reimagine IT"); procurement transformation; IT program management; change management capabilities within OIT; addressing the state's technology debt; increasing the state's use of shared and common tools amongst agencies; increasing the state's cybersecurity; and, the potential use of ARPA funds for resolving technology debt within the state.

OIT also asked the JTC to sponsor legislation, House Bill 21-1236, to modify OIT's governing statute (Title 24 Article 37.5) and other related statute sections to reflect the current IT environment and direction of the office.

Office of the State Auditor

On February 2, 2021, representatives from the Office of State Auditor presented the Annual Report of Audit Recommendations: Status of Audit Recommendations Not Fully Implemented which covered several outstanding audit recommendations for OIT. The report may be found here: https://leg.colorado.gov/audits/annual-report-status-audit-recommendations-not-fully-implemented-june-30-2020.

Statewide Internet Portal Authority

On February 12, 2021, representatives from the Statewide Internet Portal Authority (SIPA) presented the SIPA Annual Report and asked the JTC to sponsor legislation, Senate Bill 21-141, that would allow SIPA to use other competitive procurement methods to contract with a statewide portal integrator.

IT in the Legislative Branch

On September 9, 2021, representatives from Legislative Council Staff (LCS) presented information on the state of IT in the Legislative Branch. The primary topics of discussion focused on support and infrastructure, applications, and information security.

Representatives from LCS discussed the various IT technologies and capabilities that the office offers to both the General Assembly and the public, including: audio-video technology; cloud technology; accessibility options; online audio streaming; and operational support (presentations, remote participation, off-site meeting capability). They also discussed products and applications used by legislators and legislative staff, such as: iLegislate; CLICS; Box; WordPerfect; the Colorado General Assembly website; CLIMBS; XDOME; and the CLUVS system.

Additionally, LCS representatives discussed the function of information security within IT, including collaboration efforts with other agencies to improve information security.

Colorado Quantum Ecosystem

On September 9, 2021, representatives from several quantum companies presented information to the JTC. Additionally, representatives from the University of Colorado (CU) discussed their CUBit quantum initiative, which is a collaborative effort between multiple organizations and departments from the university with a focus on quantum technology. Specifically, the representatives highlighted three main areas of focus related to quantum technology: the quantum engineering initiative; the quantum innovation hub; and, quantum horizons.

Department of State

On September 9, 2021, representatives from the Department of State presented information to the JTC regarding a proposal concerning the campaign finance and lobbyist reporting systems. This proposal was formally submitted as an operating budget request to the JBC as R-03 for FY 2022-23.

Project Updates

Throughout the year, the committee received the following updates on active major IT projects:

Sales and Use Tax Simplification System (SUTS). The Department of Revenue provided updates to the committee on February 18, 2021, April 22, 2021, and September 9, 2021 on the status of the SUTS system.

Trails Modernization. The Department of Human Services provided an update on the Trails Modernization project to the JTC on September 9, 2021.

Unemployment Insurance Modernization. The Department of Labor and Employment provided an update on the Unemployment Insurance Modernization project to the JTC on September 9, 2021.

Legislation

Senate Bill 21-141. SB 21-141 allows SIPA to use other competitive procurement methods to contract with a statewide portal integrator.

House Bill 21-1236 modifies statutes pertaining to OIT, the Colorado Cybersecurity Council, and the Joint Technology Committee. Modifications include:

Office of Information Technology. HB 21-1236 consolidates and updates statutes regarding practices and duties of the office and its chief information officer. It also updates interagency data protocol and the functions of the Government Data Advisory Board. The bill defines the responsibilities of state agencies when engaging in major information technology projects and permits OIT to delegate functions to state agencies. The Interdepartmental Data Protocol Cash Fund is repealed and its balance transferred to the Information Technology Revolving Fund.

Colorado Cybersecurity Council. HB 21-1236 modifies council membership, assigns additional functions to the council, and increases the breadth of cybersecurity threat information sharing with other entities.

Joint Technology Committee. HB 21-1236 updates the statutory definition of "information technology" and updates the committee's functions to reflect changes made in the OIT statute.

Other IT-related legislation. The JTC also discussed several other pieces of legislation related to IT that were introduced during the 2021 legislative session including House Bill 21-1105, House Bill 21-1100, and Senate Bill 21-132.

House Bill 21-1100 requires state, city, and county government entities to work with OIT and share information about their electronic document filing capacity. OIT was required to file this information in a report to the Joint Technology Committee by October 15, 2021. Copies of these reports can be found on the JTC webpage here: https://leg.colorado.gov/content/jjtcjjtc2022acommdocscurrent

For each entity, the report must include information about:

- the proportion of required and allowable documents that are currently capable of electronic delivery;
- the actions and costs that would be required to allow at least 80 percent of these documents to be filed electronically;
- any obstacles that might prevent 80 percent of documents from being filed electronically; and,
- additional information or considerations that would affect an increase in electronic filing capacity.

The bill applies to each principal department of the state and each county, including any agency, board or division therein.

House Bill 21-1105 mandates that if, by January 1, 2022, the Colorado Department of Human Resources does not receive sufficient funds to develop a database connection between the Low-income Energy Assistance Program (LEAP) eligibility system and the Colorado Benefits Management System (CBMS), the department must notify the JTC.

Senate Bill 21-132 would have required the JTC to study whether and how the General Assembly could address, through legislation, consumer protection concerns related to digital communications platforms during the 2021 legislative interim. However, the bill was postponed indefinitely.

Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

> *https://leg.colorado.gov/committees/joint-technology-committee/2021-regular-session*

Meeting Date and Topics Discussed

January 14, 2021
- FY 2020-21 IT Capital Supplemental Budget Request for Technical Adjustment to OeHI Project

February 2, 2021
- Presentation from the Office of the State Auditor
- Presentation from the Governor's Office of Information Technology
- Overview of the FY 2021-22 IT Capital Budget Requests and Budget Process
- FY 2021-22 IT Capital Budget Requests: Colorado Community College System

February 11, 2021
- FY 2021-22 IT Capital Budget Requests: Metropolitan State University
- FY 2021-22 IT Capital Budget Requests: Colorado Department of Public Health and Environment
- FY 2021-22 IT Capital Budget Requests: University of Northern Colorado
- FY 2021-22 IT Capital Budget Requests: Colorado Department of Labor and Employment
- FY 2021-22 IT Capital Budget Requests: Colorado State University – Fort Collins
- FY 2021-22 IT Capital Budget Requests: Colorado Mesa University
- FY 2021-22 IT Capital Budget Requests: Adams State University, Fort Lewis College, & Western Colorado University Rural Collaboration
- FY 2021-22 IT Capital Budget Requests: Colorado Department of Human Services

February 12, 2021
- FY 2021-22 IT Capital Budget Requests: Colorado Office of eHealth Innovation
- FY 2021-22 IT Capital Budget Requests: Colorado School of Mines
- Committee Prioritization of FY 2021-22 IT Capital Budget Requests
- Annual Report Presentation from the Statewide Internet Portal Authority (SIPA)

February 18, 2021
- Presentation from the Department of Revenue on the Sales and Use Tax Simplification System FY 2021-22 Operating Budget Request
- Consideration of potential draft legislation from SIPA

February 25, 2021
- Presentation from OIT
- Consideration of SIPA bill draft

March 18, 2021
- Consideration of OIT Statute Revision bill draft
- Consideration of HCPF R-023 Operating Budget Request

March 23, 2021
- Consideration of HCPF R-023 Operating Budget Request

April 22, 2021
- Update on the Sales and Use Tax Simplification System
- Discussion with CDHS about CBMS and LEAP
- Discussion of JTC-related bills

June 4, 2021
- Consideration of 1331 Supplemental Request for CDPHE

September 9, 2021
- Update from OIT
- Update from CDHS on the Trails Modernization Project
- Update from CDLE on the Unemployment Insurance Modernization Project
- Update from CDOR on the Sales and Use Tax Simplification System
- Update from Legislative Council Staff on the state of IT in the Legislative Branch
- Presentation on the Colorado Quantum Ecosystem
- Presentation from the Department of State regarding the Campaign Finance and Lobbyist Reporting Systems

December 14, 2021
- Presentation from Office of the State Auditor
- Presentation from OIT
- Overview of FY 2022-23 IT Capital Budget Requests
- FY 2022-23 IT Capital Budget Requests: Department of Corrections
- FY 2022-23 IT Capital Budget Requests: Colorado State University
- FY 2022-23 IT Capital Budget Requests: Colorado Community College System
- Committee discussion of December budget amendments

December 15, 2021
- Committee discussion of JBC-referred Operating Budget Requests
- FY 2022-23 IT Capital Budget Requests: University of Northern Colorado
- FY 2022-23 IT Capital Budget Requests: Colorado Mesa University
- FY 2022-23 IT Capital Budget Requests: Adams State University, Fort Lewis College, Western Colorado University Rural Collaboration
- FY 2022-23 IT Capital Budget Requests: Metropolitan State University of Denver
- FY 2022-23 IT Capital Budget Requests: Colorado School of Mines
- FY 2022-23 IT Capital Budget Requests: Governor's Office of eHealth Innovation