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Chapter No. 498

12/HR40/R1880SG

J.P. EW

# ***HOUSE BILL NO. 1450***

Originated in House



Clerk

HOUSE BILL NO. 1450

AN ACT RELATING TO THE PLANNING AND IMPLEMENTATION OF THE STATE'S INFORMATION TECHNOLOGY RESOURCES BY THE MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; TO AMEND SECTION 25-53-1, MISSISSIPPI CODE OF 1972, TO DECLARE LEGISLATIVE INTENT; TO AMEND SECTION 25-53-3, MISSISSIPPI CODE OF 1972, TO DEFINE CERTAIN TERMS; TO AMEND SECTION 25-53-5, MISSISSIPPI CODE OF 1972, TO DIRECT THE DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES TO MANAGE ONE OR MORE STATE DATA CENTERS TO PROVIDE INFORMATION TECHNOLOGY SERVICES ON A COST-SHARING BASIS; TO PROVIDE THAT THE SHARING OF TECHNOLOGY SERVICES, THE USE OF BUSINESS APPLICATIONS THAT ARE HOSTED AT THE STATE DATA CENTER, AND THE CREATION OF PARTNERSHIPS TO CAPITALIZE ON ADVANCED TECHNOLOGY RESOURCES, BETWEEN THE AUTHORITY AND STATE INSTITUTIONS OF HIGHER LEARNING OR COMMUNITY COLLEGES SHALL ONLY OCCUR WHEN BOTH THE AUTHORITY AND THE BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING OR THE MISSISSIPPI COMMUNITY COLLEGE BOARD AGREE THAT SUCH ACTIONS ARE MUTUALLY BENEFICIAL, FOLLOWING A FORMAL DETERMINATION BY THE AUTHORITY AND THE APPLICABLE BOARD; TO DIRECT THE DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES TO INCREASE FEDERAL PARTICIPATION IN THE STATE DATA CENTER AND ITS SHARED TECHNOLOGY INFRASTRUCTURE; TO AMEND SECTION 25-53-25, MISSISSIPPI CODE OF 1972, IN CONFORMITY; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** Section 25-53-1, Mississippi Code of 1972, is amended as follows:

25-53-1. The Legislature hereby recognizes that in order for the State of Mississippi to receive the maximum use and benefit from information technology and services now in operation or which will in the future be placed in operation, there should be full cooperation and cohesive planning and effort by and between the several state agencies and that it is the responsibility of the said Legislature to provide statutory authority therefor. The Legislature, therefore, declares and determines that for these and other related purposes there is hereby established an agency of state government to be known as the Mississippi Department of

Information Technology Services (MDITS). The Legislature further declares that the Mississippi Department of Information Technology Services (MDITS) shall provide statewide services that facilitate cost-effective information processing and telecommunication solutions. State agencies shall work in full cooperation with the board of MDITS to identify opportunities to minimize duplication, reduce costs and improve the efficiency of providing common technology services across agency boundaries.

**SECTION 2.** Section 25-53-3, Mississippi Code of 1972, is amended as follows:

25-53-3. (1) Whenever the term "Central Data Processing Authority" or the term "authority," when referring to the Central Data Processing Authority, is used in any law, rule, regulation, document or elsewhere, it shall be construed to mean the Mississippi Department of Information Technology Services.

(2) For the purposes of this chapter the following terms shall have the meanings ascribed in this section unless the context otherwise requires:

(a) "Central Data Processing Authority" and "CDPA" mean "Mississippi Department of Information Technology Services (MDITS)" and the term "authority" means "board of the MDITS."

(b) "Bureau of Systems Policy and Planning," "Bureau of Telecommunications," "Bureau of Central Data Processing" and "bureau" mean "Mississippi Department of Information Technology Services."

(c) "Computer equipment or services" means any information technology, computer or computer related telecommunications equipment, electronic word processing and office systems, or services utilized in connection therewith, including, but not limited to, all phases of computer software and consulting services, and insurance on all state-owned computer equipment.

(d) "Acquisition" of computer or telecommunications equipment or services means the purchase, lease, rental, or acquisition in any other manner of any such computer or telecommunications equipment or services.

(e) "Agency" means and includes all the various state agencies, officers, departments, boards, commissions, offices and institutions of the state \* \* \*.

(f) "Governing authority" means boards of supervisors, governing boards of all school districts, all boards of directors of public water supply districts, boards of directors of master public water supply districts, municipal public utility commissions, governing authorities of all municipalities, port authorities, commissioners and boards of trustees of any public hospitals and any political subdivision of the state supported wholly or in part by public funds of the state or political subdivisions thereof.

(g) "Bid" means any of the valid source selection techniques and competitive procurement methods appropriate to information technology procurement in the public sector, including, but not limited to, competitive sealed bidding, competitive sealed proposals, simplified small purchase procedures, sole source procurements, and emergency procurements.

(h) "Telecommunications transmission facility" means any transmission medium, switch, instrument, inside wiring system or other facility which is used, in whole or part, to provide any transmission.

(i) "Equipment support contract" means a contract which covers a single, specific class or classes of telecommunications equipment or service and all features associated with that class, through which state agencies may purchase or lease the item of equipment or service specified by issuing a purchase order under the terms of the contract without the necessity of further competitive bidding.

(j) "Inside wiring system" means any wiring which:

(i) Directly or indirectly, interconnects any terminal equipment with any other terminal equipment or with any regulated facility or common carrier services; and

(ii) Is located at the premises of the customer and is not inside any terminal equipment.

(k) "Procurement" means the selling, buying, purchasing, renting, leasing or otherwise obtaining telecommunications equipment, system or related services, as well as activities engaged in, resulting in or expected to result in selling, buying, purchasing, renting, leasing or otherwise obtaining telecommunications equipment.

(l) "Telecommunications equipment, systems, related services" are limited to the equipment and means to provide:

(i) Telecommunications transmission facilities.

(ii) Telephone systems, including voice processing systems.

(iii) Facsimile systems.

(iv) Radio paging services.

(v) Mobile telephone services, including cellular mobile telephone service.

(vi) Intercom and paging systems.

(vii) Video teleconferencing systems.

(viii) Personal communications networks and services.

(ix) Any and all systems based on emerging and future telecommunications technologies relative to (i) through (viii) above.

(m) "Telecommunications system lease contract" means a contract between a supplier of telecommunications systems, including equipment and related services, and the Mississippi Department of Information Technology Services through which telecommunications systems, including equipment and related

services, may be leased for a term which shall not exceed sixty (60) months for a system lease valued less than One Million Dollars (\$1,000,000.00) and shall not exceed one hundred twenty (120) months for a system lease valued One Million Dollars (\$1,000,000.00) or more.

(n) "Tariffed or regulated service" means telecommunications service offered by common carriers and subject to control by the Mississippi Public Service Commission or the Federal Communications Commission.

(o) "State Data Center" means one or more facilities operated by the Mississippi Department of Information Technology Services to provide information technology resources requiring enterprise computing resources or any other centrally managed information resources.

**SECTION 3.** Section 25-53-5, Mississippi Code of 1972, is amended as follows:

25-53-5. The authority shall have the following powers, duties, and responsibilities:

(a) The authority shall provide for the development of plans for the efficient acquisition and utilization of computer equipment and services by all agencies of state government, and provide for their implementation. In so doing, the authority may use the MDITS' staff, at the discretion of the executive director of the authority, or the authority may contract for the services of qualified consulting firms in the field of information technology and utilize the service of such consultants as may be necessary for such purposes.

(b) The authority shall immediately institute procedures for carrying out the purposes of this chapter and supervise the efficient execution of the powers and duties of the office of executive director of the authority. In the execution of its functions under this chapter, the authority shall maintain as a paramount consideration the successful internal organization

and operation of the several agencies so that efficiency existing therein shall not be adversely affected or impaired. In executing its functions in relation to the institutions of higher learning and junior colleges in the state, the authority shall take into consideration the special needs of such institutions in relation 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.

(d) The authority shall adopt rules, regulations, and procedures governing the acquisition of computer and telecommunications equipment and services which shall, to the fullest extent practicable, insure the maximum of competition between all manufacturers of supplies or equipment or services. In the writing of specifications, in the making of contracts relating to the acquisition of such equipment and services, and in the performance of its other duties the authority shall provide for the maximum compatibility of all information systems hereafter installed or utilized by all state agencies and may require the use of common computer languages where necessary to accomplish the purposes of this chapter. The authority may establish by regulation and charge reasonable fees on a nondiscriminatory basis for the furnishing to bidders of copies of bid specifications and other documents issued by the authority.

(e) The authority shall adopt rules and regulations governing the sharing with, or the sale or lease of information 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 special technical advisory committee or committees to study and make recommendations on technology matters within the competence of the authority as the authority may see fit. Persons serving on the Information Resource Council, its task forces, or any such technical advisory committees shall be entitled to receive their actual and necessary expenses actually incurred in the performance of such duties, together with mileage as provided by law for state employees, provided the same has been authorized by a resolution duly adopted by the authority and entered on its minutes prior to the performance of such duties.

(g) The authority may provide for the development and require the adoption of standardized computer programs and may provide for the dissemination of information to and the establishment of training programs for the personnel of the various information technology centers of state agencies and 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.

(i) The authority shall require such adequate documentation of information technology procedures utilized by the various state agencies and may require the establishment of such organizational structures within state agencies relating to

information technology operations as may be necessary to effectuate the purposes of this chapter.

(j) The authority may adopt such further reasonable rules and regulations as may be necessary to fully implement the purposes of this chapter. All rules and regulations adopted by the authority shall be published and disseminated in readily accessible form to all affected state agencies, and to all current suppliers of computer equipment and services to the state, and to all prospective suppliers requesting the same. Such rules and regulations shall be kept current, be periodically revised, and copies thereof shall be available at all times for inspection by the public at reasonable hours in the offices of the authority. Whenever possible no rule, regulation or any proposed amendment to such rules and regulations shall be finally adopted or enforced until copies of said proposed rules and regulations have been furnished to all interested parties for their comment and 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.

(l) The authority is authorized to purchase, lease, or rent computer equipment or services and to operate said equipment and utilize said services in providing services to one or more state agencies when in its opinion such operation will provide maximum efficiency and economy in the functions of any such agency or agencies.

(m) Upon the request of the governing body of a political subdivision or instrumentality, the authority shall assist the political subdivision or instrumentality in its 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.

(n) The authority shall adopt rules and regulations governing the protest procedures to be followed by any actual or prospective bidder, offerer or contractor who is aggrieved in connection with the solicitation or award of a contract for the acquisition of computer equipment or services. Such rules and regulations shall prescribe the manner, time and procedure for making protests and may provide that a protest not timely filed shall be summarily denied. The authority may require the protesting party, at the time of filing the protest, to post a bond, payable to the state, in an amount that the authority determines sufficient to cover any expense or loss incurred by the state, the authority or any state agency as a result of the protest if the protest subsequently is determined by a court of competent jurisdiction to have been filed without any substantial basis or reasonable expectation to believe that the protest was meritorious; however, in no event may the amount of the bond required exceed a reasonable estimate of the total project cost. The authority, in its discretion, also may prohibit any prospective bidder, offerer or contractor who is a party to any litigation involving any such contract with the state, the authority or any agency of the state to participate in any other such bid, offer or contract, or to be awarded any such contract, during the pendency of the litigation.

(o) The authority shall make a report in writing to the Legislature each year in the month of January. Such report shall

contain a full and detailed account of the work of the authority 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. The 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.

(p) When applicable, the authority may procure 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.

(q) The authority is authorized to purchase, lease, or rent information technology and services for the purpose of establishing pilot projects to investigate emerging technologies. These acquisitions shall be limited to new technologies and shall be limited to an amount set by annual appropriation of the Legislature. These acquisitions shall be exempt from the advertising and bidding requirement.

(r) All fees collected by the Mississippi Department of Information Technology Services shall be deposited into the Mississippi Department of Information Technology Services Revolving Fund unless otherwise specified by the Legislature.

(s) The authority shall work closely with the council to bring about effective coordination of policies, standards and procedures relating to procurement of remote sensing and geographic information systems (GIS) resources. In addition, the authority is responsible for development, operation and maintenance of a delivery system infrastructure for geographic information systems data. The authority shall provide a warehouse for Mississippi's geographic information systems data.

(t) The authority shall manage one or more State Data Centers, to provide information technology services on a cost-sharing basis. In determining the appropriate services to be provided through the State Data Center, the authority should consider those services that:

- (i) Result in savings to the state as a whole;
- (ii) Improve and enhance the security and reliability of the state's information and business systems; and
- (iii) Optimize the efficient use of the state's information technology assets, including, but not limited to, promoting partnerships with the state institutions of higher learning and community colleges to capitalize on advanced information technology resources.

(u) The authority shall increase federal participation in the cost of the State Data Center to the extent provided by law and its shared technology infrastructure through providing such shared services to agencies that receive federal funds. With regard to state institutions of higher learning and community colleges, the authority may provide shared services when mutually agreeable, following a determination by both the authority and the Board of Trustees of State Institutions of Higher Learning or the

Mississippi Community College Board, as the case may be, that the sharing of services is mutually beneficial.

(v) The authority, in its discretion, may require new or replacement agency business applications to be hosted at the State Data Center. With regard to state institutions of higher learning and community colleges, the authority and the Board of Trustees of State Institutions of Higher Learning or the Mississippi Community College Board, as the case may be, may agree that institutions of higher learning or community colleges may utilize business applications that are hosted at the State Data Center, following a determination by both the authority and the applicable board that the hosting of those applications is mutually beneficial. In addition, the authority may establish partnerships to capitalize on the advanced technology resources of the Board of Trustees of State Institutions of Higher Learning or the Mississippi Community College Board, following a determination by both the authority and the applicable board that such a partnership is mutually beneficial.

(w) The authority shall provide a periodic update regarding reform-based information technology initiatives to the Chairmen of the House and Senate Accountability, Efficiency and Transparency Committees.

**SECTION 4.** Section 25-53-25, Mississippi Code of 1972, is amended as follows:

25-53-25. (1) Nothing in this chapter shall be construed to \* \* \* imply exemption from the public purchases law, being Section 31-7-1 et seq.

(2) The authority may establish policies and procedures for the purpose of delegating the bidding and contracting responsibilities related to the procurement of computer equipment or services to the purchasing agency. Such policies and procedures must address the following issues:

- (a) Establish categories of equipment or services affected;
- (b) Establish maximum unit and/or ceiling prices of such procurements;
- (c) Establish reporting, monitoring and control of such procurements; and
- (d) Establish other such rules and regulations as necessary to fully implement the purposes of this section.

Nothing in this subsection shall be construed to imply exemption from the public purchases law, being Section 31-7-1 et seq.

(3) Acquisitions of computer equipment and services by institutions of higher learning or junior colleges wholly with federal funds and not with state general funds shall be exempt from the provisions of this chapter; however, nothing in this subsection shall be construed to imply an exemption of such acquisitions from the public purchases law, being Section 31-7-1 et seq.

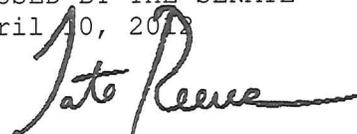
(4) [Repealed]

**SECTION 5.** This act shall take effect and be in force from and after July 1, 2012.

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 15, 2012

  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
April 10, 2012

  
PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

  
GOVERNOR

4/30/12

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