

HB207 ENGROSSED



1 HB207
2 EJJ5D99-2
3 By Representative Shaw
4 RFD: State Government
5 First Read: 06-Feb-25



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A BILL

TO BE ENTITLED

AN ACT

Relating to the Office of Information Technology; to amend Sections 41-28-1, 41-28-2, 41-28-4, and 41-28-5, Code of Alabama 1975, to provide further for definitions; to expand the services provided by the office to include cybersecurity and tasks performed by the Division of Data Systems Management and the Telecommunications Division of the Department of Finance; to authorize the office, in consultation with the Governor, to create a technology quality assurance board; to create a Telecommunications Revolving Fund in the State Treasury and provide for the deposit of certain fees and appropriations into the fund and the use of those funds; to add Sections 41-28-11, 41-28-12, 41-28-13, 41-28-14, 41-28-15, 41-28-16, 41-28-17, and 41-28-18 to the Code of Alabama 1975, to provide further for the powers of the office, for criminal history background checks, and exemptions; and to repeal Article 8 of Chapter 4 of Title 41, Code of Alabama 1975, consisting of Sections 41-4-220 through 41-4-224, Code of Alabama 1975, providing for the Division of Data Systems Management of the Department of Finance; and to repeal Article 9 of Chapter 4 of Title 41, Code of Alabama 1975, consisting

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of Sections 41-4-240 through 41-4-243, Code of Alabama 1975, providing for the manager of printing and publications for the Department of Finance; and to repeal Article 11 of Chapter 4 of Title 41, consisting of Sections 41-4-280 through 41-4-293, Code of Alabama 1975, providing for the Telecommunications Division of the Department of Finance.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 41-28-1, 41-28-2, 41-28-4, and 41-28-5 of the Code of Alabama 1975, are amended to read as follows:

"§41-28-1

There is in state government the Office of Information Technology, which shall be headed by the Secretary of Information Technology who shall also be known as the Chief Information Officer of the state."

"§41-28-2

As used in this chapter, the following terms shall have the following meanings:

(1) COMMITTEE. The Permanent Legislative Oversight Committee on Information Technology.

(2) CYBERSECURITY. The protection of critical infrastructure, data, and digital networks through the implementation of security measures, risk management processes, disaster recovery, business continuity, and incident response protocols to safeguard against cyber threats.

(3) ELECTROMAGNETIC TRANSMISSION EQUIPMENT. Any transmission medium, switch, instrument, network node, inside



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wiring system, wireless system, fiber-optic system, or other facility which is used, in whole or in part, to provide any transmission, communication, or processing of information.

~~(2)~~ (4) INFORMATION TECHNOLOGY. ~~Automated~~ All forms of automated data processing, communications systems, subsystems, or interconnected systems and services, wide area and local area networks, the Internet, computer networks, electronic information systems and related information, databases, equipment, goods, and services used for gathering, storing, transmitting, retrieving, manipulating, moving, controlling, managing, displaying, interchanging, receiving, processing, or protecting of information.

~~(3)~~ (5) OFFICE. The Office of Information Technology.

~~(4)~~ (6) SECRETARY OF INFORMATION TECHNOLOGY. The chief administrative and executive officer of the Office of Information Technology who is also known as the Chief Information Officer of the state.

~~(5)~~ (7) STATE AGENCIES. All departments, agencies, offices, boards, commissions, bureaus, and authorities of state government. The term shall not include counties, municipalities and their instrumentalities, the Alabama State Port Authority, the State Department of Education, the Retirement Systems of Alabama, or institutions of higher education governed by a separate board of trustees, although these entities and institutions may enter into cooperative agreements and contracts related to information technology efforts with the state information technology system.

(8) TECHNOLOGY CONTRACT. A contract entered into by any



state agency concerning information technology, cybersecurity,
electromagnetic transmission equipment, or telecommunications
equipment, systems, or related services.

(9) TELECOMMUNICATIONS EQUIPMENT, SYSTEMS, OR RELATED
SERVICES. Includes all of the following:

a. Devices including, but not limited to, telephone
instruments, modulators, headsets, and coders, used to convert
voices, voice information, or digital data into a form
suitable for transmission by electronic, electric current,
electromagnetic wave, or any technological means from one
point to another point.

b. Devices including, but not limited to, telephone
receivers, demodulators, and decoders, used to receive voices,
voice information, or digital data in a form suitable for
converting this information into usable form by an electronic,
electric current, electromagnetic wave, or any technological
means.

c. Wiring, waveguides, optical fibers, wireless, or
other physical means used to convey electric currents or
electromagnetic waves containing voice information or digital
data.

d. Switches, wireless access points, routers, virtual
private networks, network concentrators, firewalls, nodes,
branch exchanges, software, and other devices used to
selectively interconnect devices which use electric current or
electromagnetic waves for the purpose of communicating voice
signals or digital data from one point to another point.

e. Maintenance of the types of devices and means listed

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113 in paragraphs a. through d. and all consulting, designs,
114 implementation, customization, or management services related
115 to those devices, their interconnection, and their use."

116 "§41-28-4

117 The secretary shall have all of the following powers
118 and duties:

119 (1) Develop a comprehensive four-year strategic plan
120 for the state's information technology to include acquisition,
121 management, and use of information technology by state
122 agencies. The plan shall be developed in conjunction with the
123 planning and budgeting processes for state agencies and may
124 include review of state agencies' information technology
125 plans, capital budgets, and operating budgets as appropriate
126 to accomplish the goals of reducing redundant expenditures and
127 maximizing the return on information technology investments.
128 The plan shall be updated annually and submitted to the
129 Governor and shall be presented during a public meeting to the
130 Permanent Legislative Oversight Committee on Information
131 Technology. The plan shall further be coordinated with the
132 Boards of Directors of the Alabama Supercomputer Authority.

133 (2) Collaborate and coordinate with ~~the Division of~~
134 ~~Data Systems Management of the Department of Finance as set~~
135 ~~forth in Article 8 of Chapter 4 of this title,~~ the Alabama
136 Supercomputer Authority, or any state authority, board, or
137 agency of like kind, and promote standards and coordinate
138 services and infrastructure to ensure that information
139 technology ~~is~~ and cybersecurity are used to support designated
140 needs areas, including identifying applications, equipment,



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and services that may be statewide in scope and assisting state agencies in avoiding duplication of applications, equipment, and services.

(3) Serve as a member of the board, or boards, for the Alabama Supercomputer Authority.

(4) Solicit, receive, and administer funds, goods, services, and equipment from public and private entities to be used for the purchase of computers, satellites, hardware, software, and other information technology and cybersecurity equipment and services and for staff training in the use of information technology and cybersecurity development programs.

(5) Establish an inventory of information technology resources to allow identification of underutilized or idle resources and all data and data systems in state agencies to promote improved asset management, information security, and cybersecurity utilization, intelligence, and data sharing, with information technology resources to include personnel, ~~software, hardware~~ goods, and services. The inventory is not subject to public disclosure.

(6) Manage, plan, and coordinate all telecommunications and cybersecurity systems under the jurisdiction of the state through coordination of existing system activities, vendors, service orders, billing, and recordkeeping functions in accordance with records retention requirements established by the State Records Commission and other applicable law; planning and implementing new systems or services; designing replacement systems; project management during specification writing, bid letting, proposal evaluation, and contract



negotiations; implementation and supervision of new systems and ongoing support; implementation of long-term state plans; and management of telecommunications networks.

(7) Establish and coordinate through either state ownership or commercial leasing, all telecommunications and cybersecurity equipment, systems, and related services affecting the management and operations of the state or any county office of a state agency.

(8) Act as the centralized approving authority for the acquisition of all telecommunications, information technology, and cybersecurity systems or services provided to state agencies via state procurement means, including pay telephones, computer services, Internet delivery systems, radio communications, or any combination thereof, located on or off premises owned or operated by the state or any of its agencies.

(9) Charge respective user agencies for their proportionate cost of the installation, maintenance, and operation of the telecommunications, information technology, and cybersecurity equipment, systems, and services, including the operation of the office.

(10) Develop coordinated telecommunications, information technology, and cybersecurity equipment, systems, and related services including, but not limited to, data, voice, and Internet systems or services within and among all state agencies both on and off premises and require, where appropriate, cooperative utilization of telecommunications equipment, facilities, and services by aggregating users.



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197 (11) Review, coordinate, approve, or disapprove all
198 requests by state agencies for the procurement, through
199 purchase or lease, of radio communications and
200 telecommunications, information technology, and cybersecurity
201 equipment, systems, and related services, including
202 telecommunications, data, Internet protocol, maintenance,
203 implementation, and consultation contracts.

204 (12) Establish and define telecommunications and
205 cybersecurity system and service specifications and designs so
206 as to assure compatibility of telecommunications, information
207 technology, and cybersecurity equipment, systems, and related
208 services within state government and any county office of a
209 state agency.

210 (13) Provide a continuous, comprehensive analysis and
211 inventory of telecommunications, information technology, and
212 cybersecurity costs, facilities, and systems within state
213 government and any county offices of state agencies.

214 (14) Advise and provide consultation services to state
215 agencies with respect to telecommunications, information
216 technology, and cybersecurity management planning and related
217 matters, including training within state agencies.

218 (15) Establish and supervise the administration of data
219 processing centers deemed necessary to best serve the data
220 processing needs of all state agencies.

221 (16) Provide for the centralization, consolidation, and
222 shared use of equipment and services deemed necessary to
223 obtain maximum utilization and efficiency in data processing
224 operations.



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225 (17) Transfer to any data processing center the data
226 processing activities of any state agency.

227 (18) Provide systems design and programming services to
228 all state agencies.

229 (19) Select and procure, by purchase or lease, any data
230 processing systems and associated software deemed necessary to
231 best serve the data processing needs of the office.

232 (20) Conduct data processing studies as deemed
233 necessary and enter into contracts with other state agencies,
234 organizations, corporations, or individuals to complete those
235 studies.

236 (21) Prepare contract specifications for data systems
237 equipment and services.

238 ~~+6+~~ (22) Establish and administer a structured system
239 for review and approval of new information technology and
240 cybersecurity initiatives and projects, including business
241 case, cost benefit analysis, and compatibility analysis.

242 ~~+7+~~ (23) Administer any funds appropriated to the
243 secretary by the Legislature for the establishment, operation,
244 and coordination of the office.

245 ~~+8+~~ (24) Represent state information technology,
246 cybersecurity, and related areas with both the private and
247 public sectors, including the federal government.

248 ~~+9+~~ (25) Issue annual reports to the Governor, the
249 Legislature, and the general public concerning the
250 coordination and operation of the office.

251 ~~+10+~~ Promulgate (26) Adopt rules, ~~regulations,~~ and
252 policies and establish procedures and standards for the



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management and operation of information technology by state agencies to carry out this chapter, including coordinating state information technology; providing technical assistance to state agency administrators on design and management of state information technology systems; evaluating and approving the cost, system design, and suitability of information technology equipment and related services; establishing and enforcing cybersecurity governance for state agencies, including supporting operations and technology controls; establishing standards and policies for program and project management and project methodologies; and developing a unified and integrated structure and enterprise architecture for information technology systems for all state agencies.

(27) In consultation with the Governor, adopt rules to provide for the creation, operation, and oversight of a technology quality assurance board that will promote the responsible and transparent procurement, development, and use of novel technologies within state agencies through establishing and enforcing the following measures for these technologies:

a. Ethical guidelines and frameworks.

b. Security and privacy controls.

c. Ongoing compliance mechanisms.

~~(11)~~ (28) Plan and coordinate information technology and cybersecurity activities for state agencies in such a manner as to promote the most economical and effective use of state resources."

"§41-28-5



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(a) No public monies shall be expended by the secretary for any purpose unless the monies have been appropriated by the Legislature to the entity from which the funds are received or to the office. Any monies appropriated shall be budgeted and allotted pursuant to the Budget Management Act in accordance with Article 4, commencing with Section 41-4-80, of Chapter 4 of this title, and only in the amounts provided by the Legislature in the general appropriations act or other appropriation acts.

(b) All user fees collected, direct appropriations, and other funds received relating to the provision of telecommunications services under this chapter shall be deposited into a revolving fund in the State Treasury designated as the Telecommunications Revolving Fund, and the secretary may make deposits and expenditures from time to time from the fund to implement this chapter. All balances of revenue, income, and receipts remaining in the fund at the end of each fiscal year shall carry over to the next fiscal year and shall not revert to the State General Fund or any other fund."

Section 2. Sections 41-28-11, 41-28-12, 41-28-13, 41-28-14, 41-28-15, 41-28-16, 41-28-17, and 41-28-18 are added to the Code of Alabama 1975, to read as follows:

§41-28-11

No state agency shall rent, lease, lease to purchase, or in any way own or pay for the operation of any telecommunications, information technology, or cybersecurity equipment, system, or related services or computer networks



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out of any funds available for that purpose without the written approval of the office.

§41-28-12

The office, on behalf of any state agency, may enter into an equipment support contract with a vendor of telecommunications, information technology, or cybersecurity equipment for the purchase, lease, or lease to purchase of the equipment in accordance with state competitive bid laws. Each contract shall be valid for not more than five fiscal years and shall include the following annual appropriation dependence clause: "The continuation of the contract is contingent upon the appropriation by the Legislature of funds to fulfill the requirements of the contract. If the Legislature fails to appropriate sufficient monies to provide for the continuance of the contract, or if funds from other sources are not available, the contract shall terminate on the date of the beginning of the fiscal year for which funds are not appropriated or available."

§41-28-13

Subject to the approval of the state purchasing agent, the office may allow the trade-in of telecommunications, information technology, or cybersecurity equipment, the value of which may be credited against the cost of replacement equipment purchased in accordance with state competitive bid laws.

§41-28-14

The office may enter into contracts for the lease of telecommunications, information technology, or cybersecurity



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equipment, systems, or related services. The contract shall be valid for not more than five fiscal years and the office may directly contract for or approve contracts for regulated or tariffed telecommunications, information technology, or cybersecurity services upon a determination that the application of the service is in the best interests of the state.

§41-28-15

(a) Pursuant to the requirements of Public Law 92-544, the office may conduct a state and national criminal history background check on current or prospective state employees and contractors for the purpose of determining whether those individuals who have or may have access to the state's telecommunications, information technology, or cybersecurity infrastructure or otherwise perform functions that impact the technical operations of state government have been convicted of a crime that would warrant denying the employee or contractor access to information technology services to state government agencies.

(b) State and national criminal history records checks shall be requested by the office from the Alabama State Law Enforcement Agency (ALEA) and shall be applicable to the individual identified in the request. The office shall arrange for the fingerprinting of the individual or for conducting any other method of positive identification required by ALEA. The request shall also specify whether a national criminal history records check is requested by the Federal Bureau of Investigation on the specified individual in addition to a



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state criminal history records check. ALEA shall submit the verified fingerprints or other positive identifying information to the Federal Bureau of Investigation for a national criminal history records check when requested by the office. The results of the state and national criminal history records checks shall be returned to the office by ALEA.

(c) Any criminal history reports received by the office from ALEA shall be marked confidential and shall not be disclosed or made available for public inspection. All criminal history reports received pursuant to this section are specifically excluded from any requirement of public disclosure as a public record. The Secretary of ALEA shall limit access to these reports and may only use the information contained in the reports for the purposes set out in this section.

(d) The Secretary of ALEA may charge fees to the office subject to a fee schedule adopted by the Alabama Justice Information Commission for conducting state and national criminal history records checks.

(e) In conjunction with making criminal history records checks, the Secretary of ALEA shall establish a policy for determining which criminal elements would result in preventing or removing an employee's or contractor's access to sensitive or protected information handled by the office.

§41-28-16

This chapter shall not apply to two-way radio communications equipment, systems, or networks operated by state agencies for purposes related to public safety, the

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administration of criminal justice, or highway maintenance and construction operations.

§41-28-17

The provisions of this chapter concerning telecommunications, information technology, or cybersecurity equipment, services, and solutioning shall not apply to any county or city board of education, the education television commission, entities that originated within the State Department of Education, the Alabama Community College System, or any public four-year institution of higher education. Upon request, the office may provide technical consultation and procurement services for telecommunications, information technology, or cybersecurity to any county or city board of education, the education television commission, the Alabama Community College System, and any public four-year institution of higher education. The county and city boards of education, the education television commission, the Alabama Community College System, and public four-year institutions of higher education shall continue to be provided instate and out-of-state long distance voice service by the office, so long as funding is provided to the Telephone Revolving Fund from the Education Trust Fund, and shall not be required to pay any additional charge for that service; however, any county or city board of education shall have the option of utilizing the office for instate and out-of-state long distance voice service only if reimbursement for actual costs are remitted to the office.

§41-28-18



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421 The legislative and judicial branches of government are
422 exempt from the requirements of this chapter, except under
423 terms and conditions mutually agreed to in writing between the
424 office and the branch of government.

425 Section 3. Article 8 of Chapter 4 of Title 41,
426 consisting of Sections 41-4-220 through 41-4-224, Code of
427 Alabama 1975, providing for the Division of Data Systems
428 Management of the Department of Finance, Article 9 of Chapter
429 4 of Title 41, Consisting of Sections 41-4-240 through
430 41-4-243, Code of Alabama 1975, providing for the manager of
431 printing and publications of the Department of Finance, and
432 Article 11 of Chapter 4 of Title 41, consisting of Sections
433 41-4-280 through 41-4-293, Code of Alabama 1975, providing for
434 the Telecommunications Division of the Department of Finance,
435 are repealed.

436 Section 4. This act shall become effective on October
437 1, 2025.



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House of Representatives

441 Read for the first time and referred06-Feb-25
442 to the House of Representatives
443 committee on State Government
444
445 Read for the second time and placed27-Feb-25
446 on the calendar:
447 1 amendment
448
449 Read for the third time and passed18-Mar-25
450 as amended
451 Yeas 103
452 Nays 0
453 Abstains 0
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John Treadwell
Clerk