

BILL ANALYSIS

C.S.H.B. 4018
By: Capriglione
Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Pervasive underinvestment and neglected information resources infrastructure are keeping Texas from functioning at its best capacity. State agencies are working with antiquated computer systems that are unable to interact with each other, leaving agencies more vulnerable to cybersecurity threats. In 2020, roughly two dozen state agencies submitted funding requests totaling almost \$1 billion to implement dozens of projects. However, compared to other state responsibilities, these proposed projects to modernize these legacy systems often are not a top priority. Subsequently, many of these projects are anticipated to go unfunded, resulting in the continued reliance on these antiquated computer systems. C.S.H.B. 4018 seeks to address these issues by creating a special fund in the state treasury to be used for improving and modernizing state agency information resources.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4018 amends the Government Code to create the technology improvement and modernization fund as a special fund in the state treasury outside the general revenue fund. The bill sets out the composition of the fund and restricts the use of money in the fund to improving and modernizing state agency information resources, including legacy system projects and cybersecurity projects. The bill prohibits money in the fund from being used to replace money appropriated to a state agency for the purposes of operating and maintaining state agency information resources or reducing the amount of money appropriated to a state agency for those purposes. The bill excepts the fund from provisions governing the disposition of interest from investments of money in funds and accounts in the charge of the comptroller of public accounts.

C.S.H.B. 4018 creates the six-member Joint Oversight Committee on Investment in Information Technology Improvement and Modernization Projects to review investment and funding strategies for projects to improve or modernize state agency information resources technologies. The bill sets out the composition of the committee with members to be appointed by the lieutenant governor and speaker of the house of representatives and requires appointments to be made not later than the 30th day after the bill's effective date. The bill provides for the committee's administration and operation. The bill requires the committee biennially to provide a written report to the legislature that identifies existing and planned projects to improve or modernize state agency information resources technologies and the method of funding for each

project identified by the committee. The report must also include a determination by the committee of the amount necessary to fully fund each identified project to completion and strategies developed by the committee to ensure a long-term investment solution for these projects is in place. The committee is abolished and these provisions expire September 1, 2026.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4018 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the original established a technology improvement and modernization account in the general revenue fund, the substitute establishes the technology improvement and modernization fund as a special fund in the state treasury outside the general revenue fund. While the fund and the account have the same authorized use, the substitute makes several changes to provisions included in the original, as follows:

- omits a provision making the Department of Information Resources responsible for administering the money;
- establishes additional sources of money for the fund, whereas the original provided that the account would consist only of money received from the federal government;
- prohibits money in the fund from being used to replace money appropriated to a state agency for the purposes of operating and maintaining state agency information resources or reduce the amount of money appropriated to a state agency for those purposes, whereas the original did not; and
- excepts the fund from certain provisions governing the disposition of interest.

The substitute includes provisions not in the original establishing the Joint Oversight Committee on Investment in Information Technology Improvement and Modernization Projects.