

**SUBJECT:** Creating fund to improve, modernize state agency information technology

**COMMITTEE:** Appropriations — committee substitute recommended

**VOTE:** 23 ayes — Bonnen, M. González, Ashby, C. Bell, Capriglione, Dean, Dominguez, Gates, Holland, Howard, A. Johnson, Jarvis Johnson, Morrison, Raney, Rose, Schaefer, Stucky, E. Thompson, Toth, VanDeaver, Walle, Wilson, Wu

0 nays

4 absent — Julie Johnson, Minjarez, Sherman, Zwiener

**WITNESSES:** For — Luis Acuna, Texas 2036; (*Registered, but did not testify*: Servando Esparza, TechNet; Nora Belcher, Texas e-Health Alliance; Dana Harris, The Greater Austin Chamber of Commerce; Calvin Tillman; Al Zito)

Against — None

On — (*Registered, but did not testify*: Amanda Crawford, Texas Department of Information Resources)

**BACKGROUND:** It has been noted that due to underinvestment and neglected information resources infrastructure, state agencies are working with antiquated computer systems, leaving them more vulnerable to cybersecurity threats. Although many state agencies submit funding requests to implement modernization projects, they go unfunded due to other state priorities. Some have suggested creating a special state fund for improving and modernizing state agency information resources to address this issue.

**DIGEST:** CSHB 4018 would create the technology improvement and modernization fund to be used to improve and modernize state agency information resources, including legacy system and cybersecurity projects.

The fund could not be used to replace money appropriated to a state agency for operating and maintaining state agency information resources

or to reduce the amount of money appropriated to a state agency for those purposes.

The fund would be a special fund in the state treasury outside the general revenue fund and would consist of:

- money transferred or deposited at the direction of the Legislature;
- money received from the federal government for the purposes of improving and modernizing state agency information resources;
- gifts, donations, and grants; and
- interest earned on the investment of money in the fund.

Statute governing the disposition of interest on investments would not apply to the fund.

The bill would create the Joint Oversight Committee on Investment in Information Technology Improvement and Modernization Projects to review investment and funding strategies for related projects.

The six-member committee would be composed of three members of the Senate appointed by the lieutenant governor and three members of the House appointed by the speaker. The presiding officer would alternate annually between a member of the Senate and a member of the House.

The committee biennially would have to provide a written report to the Legislature that identified existing and planned projects to improve or modernize state agency information resources technology and the method of funding for each project. The report also would have to include a determination of the amount necessary to fully fund each project to completion and strategies to ensure a long-term investment solution was in place, including strategies to access the full amount of available federal money and use information gathered by the Department of Information Resources to improve the management, oversight, and transparency of future projects.

The committee would have the powers of a joint committee and could

obtain funding in the same manner. Rules adopted by the 87th Legislature for the administration of joint committees would apply to the extent they were consistent with the bill.

The oversight committee would be abolished September 1, 2026.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2021.

**NOTES:**

According to the Legislative Budget Board, the fiscal implications of the bill could not be determined as the amount of federal funds could not be estimated.