

State of Arizona  
Senate  
Forty-eighth Legislature  
Second Regular Session  
2008

# SENATE BILL 1097

AN ACT

AMENDING SECTIONS 41-3501, 41-3504 AND 41-3507, ARIZONA REVISED STATUTES;  
RELATING TO THE GOVERNMENT INFORMATION TECHNOLOGY AGENCY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-3501, Arizona Revised Statutes, is amended to  
3 read:

4 41-3501. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Agency" means the government information technology agency.

7 2. "Budget unit" means a department, commission, board, institution or  
8 other agency of the state receiving, expending or disbursing state funds or  
9 incurring obligations of the state including the Arizona board of regents but  
10 excluding the universities under the jurisdiction of the Arizona board of  
11 regents, the community college districts, THE STATE TREASURER'S OFFICE  
12 PURSUANT TO SECTION 41-3507, SUBSECTION D and the legislative or judicial  
13 branches.

14 3. "Committee" means the information technology authorization  
15 committee.

16 4. "Director" means the director of the agency.

17 5. "Disaster recovery" means the measures required to mitigate the  
18 loss of information technology capability.

19 6. "Information technology" means all computerized and auxiliary  
20 automated information processing, telecommunications and related technology,  
21 including hardware, software, vendor support and related services, equipment  
22 and projects.

23 Sec. 2. Section 41-3504, Arizona Revised Statutes, is amended to read:

24 41-3504. Powers and duties of the agency; violation;  
25 classification

26 A. ~~For budget units,~~ The agency shall:

27 1. Develop, implement and maintain a coordinated statewide plan for  
28 information technology. This includes:

29 (a) Adopting statewide technical, coordination and security standards  
30 for information technology.

31 (b) Serving as statewide coordinator for information technology  
32 resources.

33 (c) Developing a statewide disaster recovery plan.

34 (d) Developing a list of approved agency projects by priority  
35 category.

36 (e) Developing a detailed list of information technology assets owned,  
37 leased or employed by this state.

38 (f) Evaluating and either approving or disapproving budget unit  
39 information technology plans. Budget units shall submit information  
40 technology plans that include quality assurance plans and disaster recovery  
41 plans to the agency each year on or before September 1. The legislative and  
42 judicial departments of state government shall submit information technology  
43 plans for information purposes.

44 (g) Evaluating specific information technology projects relating to  
45 the approved budget unit and statewide information technology plans. The

1 agency shall approve or reject projects with total costs of at least  
2 twenty-five thousand dollars but not more than one million dollars and may  
3 establish conditional approval criteria including procurement purchase  
4 authority. If the total project costs exceed one million dollars the agency  
5 shall evaluate the project and make recommendations to the committee.  
6 Beginning on June 1, 1998, as part of a budget request for an information  
7 technology project that has total costs of at least twenty-five thousand  
8 dollars, a budget unit shall indicate the status of review by the agency.  
9 Projects shall not be artificially divided to avoid review by the agency.

10 2. Require that budget units incorporate life cycle analysis  
11 prescribed by section 41-2553 into the information technology planning,  
12 budgeting and procurement processes.

13 3. Require that budget units demonstrate expertise to carry out  
14 information technology plans, either by employing staff or contracting for  
15 outside services.

16 4. Monitor information technology projects that the agency considers  
17 to be major or critical, including expenditure and activity reports and  
18 periodic review.

19 5. Temporarily suspend the expenditure of monies if the agency  
20 determines that the information technology project is at risk of failing to  
21 achieve its intended results or does not comply with the requirements of this  
22 section.

23 6. Continuously study emergent technology and evaluate its impact on  
24 this state's system.

25 7. Advise each budget unit as necessary and report to the committee on  
26 an annual basis.

27 8. Provide to budget units, information technology consulting services  
28 it deems necessary, either directly or by procuring outside consulting  
29 services.

30 9. Maintain all otherwise confidential information received from a  
31 budget unit pursuant to this section as confidential.

32 10. Provide staff support to the committee.

33 11. Subject to section 35-149, accept, spend and account for grants,  
34 monies and direct payments from public or private sources and other grants of  
35 monies or property for the conduct of programs that it deems consistent with  
36 the overall purposes and objectives of the agency.

37 12. Adopt rules it deems necessary or desirable to further the  
38 objectives and programs of the agency.

39 13. Formulate policies, plans and programs to effectuate the purposes  
40 of the agency.

41 14. Advise and make recommendations to the governor and the legislature  
42 on all matters concerning its objectives.

43 15. Contract and enter into interagency and intergovernmental  
44 agreements pursuant to title 11, chapter 7, article 3 with any public or  
45 private party.

1           16. Have an official seal that shall be judicially noticed.  
2           B. The agency shall advise the judicial and legislative branches of  
3 state government concerning information technology.  
4           C. The agency may examine all books, papers, records and documents in  
5 the office of any budget unit and may require any state officer of the budget  
6 unit to furnish information or statements necessary to carry out the  
7 provisions of this chapter.  
8           D. The director, any member of the director's staff or any employee  
9 who knowingly divulges or makes known in any manner not permitted by law any  
10 particulars of any confidential record, document or information is guilty of  
11 a class 5 felony.  
12           E. THIS SECTION DOES NOT ALLOW ANY EMPLOYEE OF THE AGENCY TO HAVE  
13 DIRECT ACCESS TO ANY OF THE BANKING OR INVESTMENT SYSTEMS OF THE STATE  
14 TREASURER'S OFFICE.  
15           Sec. 3. Section 41-3507, Arizona Revised Statutes, is amended to read:  
16           41-3507. Statewide information security and privacy office;  
17   duties; suspension of budget unit's information  
18   infrastructure  
19           A. The statewide information security and privacy office is  
20 established in the government information technology agency. The statewide  
21 information security and privacy office shall serve as the strategic  
22 planning, facilitation and coordination office for information technology  
23 security in this state. Individual budget units shall continue to maintain  
24 operational responsibility for information technology security.  
25           B. The director shall appoint a statewide chief information security  
26 officer to manage the statewide information security and privacy office. The  
27 statewide chief information security officer shall report to the director  
28 pursuant to section 41-3503.  
29           C. The statewide information security and privacy office shall  
30 develop, implement, maintain and ensure compliance by each budget unit with a  
31 coordinated statewide assurance plan for information security and privacy.  
32 The statewide information security and privacy office shall:  
33           1. Direct information security and privacy protection compliance  
34 reviews with each budget unit to ensure compliance with standards and  
35 effectiveness of security assurance plans as necessary.  
36           2. Identify information security and privacy protection risks in each  
37 budget unit and direct agencies to adopt risk mitigation strategies, methods  
38 and procedures to lessen these risks.  
39           3. Monitor and report compliance of each budget unit with state  
40 information security and privacy protection policies, standards and  
41 procedures.  
42           4. Coordinate statewide information security and privacy protection  
43 awareness and training programs.

1           5. Develop other strategies as necessary to protect this state's  
2 information technology infrastructure and the data that is stored on or  
3 transmitted by such infrastructure.

4           D. The statewide information security and privacy office may  
5 temporarily suspend operation of information infrastructure that is owned,  
6 leased, outsourced or shared in order to isolate the source of, or stop the  
7 spread of, an information security breach or other similar incident. A  
8 budget unit shall comply with directives to temporarily discontinue or  
9 suspend operations of information infrastructure.

10           E. THIS SECTION DOES NOT ALLOW ANY EMPLOYEE OF THE STATEWIDE  
11 INFORMATION SECURITY AND PRIVACY OFFICE TO HAVE DIRECT ACCESS TO ANY OF THE  
12 BANKING OR INVESTMENT SYSTEMS OF THE STATE TREASURER'S OFFICE.

13           ~~E.~~ F. Each budget unit and its contractors shall identify and report  
14 security incidents to the statewide information security and privacy office  
15 immediately on discovery and deploy mitigation strategies as directed.