

# DEPARTMENT OF INFORMATION RESOURCES

House Bill 1500 by Bell (Parker) – DIR Sunset Bill

House Bill 150 by Capriglione (Parker) – Texas Cyber Command

**Issue 1** — DIR's Customer Input Mechanisms and Board Structure Could Be Improved to Better Represent Its Customers and Help Ensure Their Needs Are Met.

**Recommendation 1.1, Adopted** — Restructure DIR's governing board to make all customer representatives nonvoting, ex officio members and expand the board to 11 members.

**Recommendation 1.2, Adopted** — Abolish two of DIR's expired statutory advisory committees and require DIR to establish certain advisory committees in rule.

**Recommendation 1.3, Adopted** — Continue the Data Management Advisory Committee.

**Recommendation 1.4, Adopted** — Update the standard across-the-board requirement related to board member training.

**Recommendation 1.5, Adopted** — Update the standard across-the-board requirement related to developing and maintaining a complaints system and making information on complaint procedures available to the public.

**Recommendation 1.6, Adopted** — Direct DIR to improve communication to customers regarding eligibility and cost of services. This includes specifically providing information to school districts across the state about how to access DIR's services and the potential savings associated with those services. To implement this management action, DIR could consider working with relevant organizations to direct school district staff to information on DIR's website and to distribute information in other formats, such as informational videos or printed pamphlets. (Management action – nonstatutory)

**Recommendation 1.7, Adopted** — Direct DIR to create and communicate a formal process for a potential customer to request customer eligibility from DIR's executive director. (Management action – nonstatutory)

**Recommendation 1.8, Adopted** — Direct DIR to formalize annual telecommunications customer service surveys for the CCTS and TEX-AN programs. (Management action – nonstatutory)

## **Issue 2** — DIR Could Improve Statewide IT Planning by Strengthening Its Reports to the Legislature and Expanding State Agency Procurement Support.

**Recommendation 2.1, Adopted** — Require DIR to review a sample of IRDR responses for accuracy.

**Recommendation 2.2, Adopted** — Require DIR to develop an IT procurement certification.

**Recommendation 2.3, Adopted** — Require DIR to develop an IT procurement training for state agency executive leadership.

**Recommendation 2.4, Adopted** — Require DIR to develop a procurement-as-a-service pilot program.

**Recommendation 2.5, Adopted** — Direct DIR to clearly describe the risk associated with each quadrant in the *PCLS Report*. (Management action – nonstatutory)

## **Issue 3** — Adjustments to Two of DIR’s Main Contracting Programs Could Better Ensure the State Gets the Best Deal on IT.

**Recommendation 3.1, Adopted** — Authorize the use of Data Center Services funds for IT staff augmentation services through ITSAC. (Passed in SB 1, the General Appropriations Act)

**Recommendation 3.2, Adopted** — Direct DIR to review COOP vendor compliance at least twice per fiscal year to ensure pricing information is correct and posted timely. (Management action – nonstatutory)

## **Issue 4** — DIR Needs More Tools to Protect the State’s Cybersecurity.

As discussed in the *Provisions Added by the Legislature* section below, most cybersecurity functions will transfer from DIR to the newly created Texas Cyber Command in accordance with HB 150.

**Recommendation 4.1, Adopted** — Require DIR to require state agencies under its jurisdiction to obtain a DIR-selected information security assessment and a penetration test at least once every two years. (Also included in HB 150)

**Recommendation 4.2, Adopted** — Modify the existing *Information Security Assessment* reporting requirements to reduce redundancy.

**Recommendation 4.3, Adopted** — Amend statute to change the deadline for submitting the *Information Security Assessment*.

**Recommendation 4.4, Adopted** — Direct DIR to create a mechanism for state agencies and institutions of higher education to report use of third-party assessments other than the TCF Assessment. (Management action – nonstatutory)

**Recommendation 4.5, Adopted** — Direct DIR to change certain processes related to entities reporting low cybersecurity maturity. This includes directing DIR to notify the state representatives and senators who represent an institution of higher education, under legislative privilege, when the agency sends a letter to the institution’s leadership regarding a low maturity score. (Management action – nonstatutory)

## **Issue 5 — The State Has a Continuing Need for the Department of Information Resources.**

**Recommendation 5.1, Adopted** — Continue the Department of Information Resources for 12 years and remove the Sunset date of the agency’s enabling statute.

**Recommendation 5.2, Adopted** — Abolish one, modify two, and continue 13 of DIR’s reporting requirements.

**Recommendation 5.3, Adopted** — Update DIR’s statute to reflect the requirements of the person-first respectful language initiative.

**Recommendation 5.4, Adopted** — Direct DIR to document its ranking of risks identified in the audit plan and interview the board to inform the audit plan. (Management action – nonstatutory)

## **New Recommendations Added by the Sunset Commission**

All of the Sunset Commission’s new recommendations related to cybersecurity. As discussed in the *Provisions Added by the Legislature* section below, most cybersecurity and network security functions will transfer from DIR to the newly created Texas Cyber Command in accordance with HB 150.

**State Agency Cybersecurity Fund, Adopted as Modified** — Establish a budgetary set-aside that DIR can access, with notice to the Legislative Budget Board, to provide additional cybersecurity services to state agencies and institutions of higher education. (Passed in SB 1, the General Appropriations Act)

**Local Government Cybersecurity Fund, Alternative Provision Adopted** — In lieu of providing specific funding for local governmental entities that manage critical infrastructure to receive a third-party information security assessment, increase DIR’s appropriation for cybersecurity generally, which DIR can use for this purpose. (Passed in SB 1, the General Appropriations Act)

**Cybersecurity Training, Adopted** — Amend Section 2054.5191, Texas Government Code, to eliminate the current exemptions for certain state and local employees and officials that do not “use a computer to complete at least 25 percent of the employee’s recorded duties” from taking a state-certified cybersecurity training. (Also included in HB 150)

## **Provisions Added by the Legislature**

**E-grants Authority** — Transfer statutory authority for the e-grants program from DIR to the Office of the Comptroller of Public Accounts (CPA).

**Modernizing Statute** — Remove obsolete statutory references to pay telephones, unlisted telephone numbers, and yellow pages.

**Telephone Services** — Authorize instead of require state agencies to use the Capitol Complex Telephone System (CCTS) and remove the reference to state agencies purchasing their own terminal equipment for CCTS.

**Shared Technology Services Authorization** — Authorize the Texas Department of Agriculture and CPA to use Shared Technology Services.

**Technology Services Definition** — Add a definition of “technology services” as it relates to DIR’s procurement of commodities.

**Texas Cyber Command** — In addition to the above provisions, establish the Texas Cyber Command as a standalone state agency through HB 150. Transfer most of the functions and activities DIR performs and the funding it manages related to cybersecurity or network security to the Texas Cyber Command by December 31, 2026. DIR will continue performing its existing cybersecurity functions, including those added or changed by HB 1500, until that time. (HB 150)