

MINUTES

JOINT COMMITTEE ON INFORMATION TECHNOLOGY

September 22, 2017
Room 159-S—Statehouse

Members Present

Representative Blake Carpenter, Chairperson
Senator Mike Petersen, Vice-chairperson
Senator Marci Francisco
Senator Dinah Sykes
Senator Caryn Tyson
Representative Pam Curtis
Representative Keith Esau
Representative Kyle Hoffman
Representative Brandon Whipple

Members Absent

Senator Tom Holland - Excused

Staff Present

Natalie Nelson, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Kyle Hamilton, Office of the Revisor of Statutes
Gary Deeter, Kansas Legislative Committee Assistant

Conferees

Glen Yancey, Chief Information Officer (CIO), Kansas Department of Health and Environment (KDHE)
Jordan Blair, Deputy Attorney, Kansas Department of Commerce (KDC)
Christine Bohannon, Director, America's Job-Link Alliance (AJLA)
Joe Acosta, Chief Information Security Officer (CISO), Office of Information Technology Services (OITS)
Phil Wittmer, Executive Chief Information Technology Officer (CITO), OITS
Sam Williams, Secretary, Kansas Department of Revenue (KDOR)

Others Attending

See [Attached List](#).

Friday, September 22
Morning Session
Room 159-S--Statehouse

KEES Project Update

The Chair called the meeting to order at 9:04 a.m. and welcomed staff, conferees, and guests; he then invited Glen Yancey, CIO, KDHE, to update the Committee on the Kansas Eligibility and Enforcement System (KEES) project. Mr. Yancey reviewed the the project's history, a three-phase project that was begun in 2010 to enable Medicaid recipients to apply for services and for the agency to track their use of benefits. He commented briefly on Phase I (contract with vendor Accenture) and Phase II (implementing the eligibility process) and outlined the accomplishments of Phase III, which integrated the multiple functions of the system with appropriate state agencies and the federal government. The entire system was then thoroughly tested and went live state-wide on August 28, 2017. He noted the challenges of implementing such a complex system and expressed gratitude to everyone involved for the nearly trouble-free launch. He highlighted the business drivers that provide a one-stop portal and single-entry data for relevant state and federal agencies as well as the benefits to clients and staff ([Attachment 1](#)) and ([Attachment 2](#)).

Mr. Yancey stated that ongoing support and maintenance will regularly update the system; a new Operations Manager will work in tandem with Accenture to enhance the system. He also recognized the persevering contributions of staff throughout the project.

Responding to a question, he noted three lessons learned:

- Dividing such a large project into three phases enabled the team to maintain control of the project;
- Unwavering executive support kept the project stable; and
- Maintaining good relationships with the vendor while holding the vendor accountable for the specific terms of the contract was a challenging balancing act.

Mr. Yancey responded to other members' questions:

- He will provide information at a later date on how an applicant is notified that the application has been received;
- Documents are shredded after they are converted to electronic copies;
- A federal regulation requires a system security audit every three years;
- There are two help desks, one managed by Accenture and another internal help desk. He will provide additional information later regarding the number of calls since the system launch; and
- Accenture will host the system until 2024, at which time the contract can be renewed or another contractor could be selected.

Department of Commerce Data Breach Update

Jordan Blair, Deputy Attorney, KDC, and Christine Bohannon, Director, AJLA, updated the Committee on an extensive data breach that occurred in March 2017.

Responding to a question, Ms. Blair replied that 50% of clients whose data had been comprised were notified by e-mail. Nobody was notified by mail, and all notifications were done electronically. The breach occurred on March 12, 2017; clients were notified on March 24, 2017. In addition, a phone number was posted on the website inviting callers to determine if their data was affected.

Senator Petersen made the following motion, which was seconded by Representative Esau and unanimously passed by the Committee:

I move that the open meeting of the Joint Committee on Information Technology be recessed for a closed, executive meeting pursuant to K.S.A. 2016 Supp. 75-4319(a), as amended by Section 4 of Chapter 73 of the 2017 Session Laws of Kansas, to discuss matters relating to security measures that protect the information systems of the Kansas Department of Commerce under the justification listed in K.S.A. 2016 Supp. 75-4319(b)(12)(C), as amended by Section 4 of Chapter 73 of the 2017 Session Laws of Kansas, because discussion of such matters in an open meeting would jeopardize such security measures; that the following individuals be included in the closed meeting: Robert North, Chief Attorney, Kansas Department of Commerce, Jordan Blair, Deputy Attorney, Kansas Department of Commerce, Christine Bohannon, Director, America's Job-Link Alliance, Clyde-Emmanuel Meador, Legislative Post Audit, Phil Wittmer, Executive Chief Information Technology Officer, Office of Information Technology Services, Joe Acosta, Chief Information Security Officer, Office of Information Technology Services, and Jeff Maxon, Chief Security Officer, Kansas Department of Revenue; and that the committee resume the open meeting in Room 159-S of the Statehouse at 10:15 a.m.; and that this motion, if adopted, be recorded in the minutes and be maintained as a part of the permanent records of the committee.

The motion was adopted at 9:50 a.m. on September 22, 2017.

Project Portfolio Management and IT Security

Joe Acosta, CISO, OITS, responding to questions presented at the Committee's previous meeting, replied that the Jim Morrison Cybersecurity Act would assist in providing authority and clarity to enable the CISO to make progress toward a more secure and stable IT enterprise ([Attachment 3](#)). He listed a number of obstacles that would need to be overcome to make state agencies secure from cyberattacks:

- There is no centralized authority to assist in bringing agencies into compliance;
- There is no log aggregation;
- There is no common process among agencies;
- There is a dearth of cybersecurity professionals in the midwest;

- There is no budget for the Act in the 2019 state budget; and
- Training for agency IT staff is not consistent.

As a beginning solution for the above deficiencies, Mr. Acosta recommended using 2017 SB 204 as a template for a unified cybersecurity plan.

In response to another question from the previous meeting, he stated that OITS is beginning to provide the same services to both large and small agencies and has prepared an implementation plan based on full funding and centralized authority, all of which await legislative approval.

Mr. Acosta responded to members' queries:

- The Fusion Center does not provide operational cybersecurity, but rather provides access to data for analytics for the agencies utilizing the Fusion Center systems, but does not provide security;
- The proposed new system would provide security for the Fusion Center agencies;
- OITS provides fee-based security services for all agencies that request them, but OITS has no authority to monitor agency security;
- Currently, IT security is the responsibility of each agency;
- OITS has been working with the Kansas Bureau of Investigation to resolve their objections to 2017 HB 2331 and 2017 SB 204; and
- Some agencies have failed to keep their systems updated, making them especially vulnerable to cyberattacks.

Phil Wittmer, Executive CITO, added that 75% of agency servers are outdated; bringing them into compliance will require costly purchases. His recommended solution is to consolidate the state's IT resources ([Attachment 4](#)).

Mr. Wittmer then presented a summary of Portfolio Project Management (PPM), an approach that provides better project execution, fewer project failures, and adds value through better outcomes ([Attachment 5](#)). Using a pyramid structure, he outlined PPM starting with the foundation of a central strategy--a vision defining how to measure success and establishing key priorities that are communicated to all agencies. The project framework offers key stages in a project in order to evaluate benefits related to costs. He noted that under his current position as CITO, he is authorized only to begin a project or cancel it; he has no oversight authority. He also commented that the current project success is based on budget and schedule, neither of which is a governing factor under PPM.

Based on PPM, Mr. Wittmer made the following recommendations:

- Create a governance group or re-purpose an existing group;

- Revise the Kansas Information Technology Office (KITO) project threshold of \$250,000 to recognize both cost and risk;
- Transform KITO into an Enterprise Project Management Office;
- Select and implement a PPM tool; and
- Implement time tracking and reporting for all resources on all KITO projects.

The result will produce better outcomes for state agencies and for Kansas citizens and will reduce project failures.

Responding to a question regarding the dearth of IT talent, he replied that he is contacting the state's university students to set up something like a farm system, is contacting IT veterans, and is seeking to set up a pipeline for businesses.

The Committee recessed for lunch at 11:30 a.m.

Lunch

Friday, September 22
Afternoon Session
Room 159-S--Statehouse

KanLicense Update

Sam Williams, Secretary, KDOR, provided an update on the KanLicense project. He noted that earlier attempts to modernize the license and title system were unsuccessful. In December 2016, the steering committee stopped the project and began a different approach that established clear milestones, set a completion date and a fixed cost, and developed partners that offered new hardware and software. Currently, the new system is being tested and field training has begun. He noted that the abandoned system, had it been implemented, would have cost \$40 million. KanLicense costs will be under \$10 million.

Mr. Williams answered members' questions:

- Training includes not only driver's license examiners, but county clerks and county treasurers as well;
- Real ID and the motor-voter statute both require a birth certificate and a Social Security card or U.S. passport; when the system is completed, it will offer seamless information to county clerks and county treasurers; and
- The Division of Motor Vehicles plans to begin a public-announcement campaign to inform Kansas citizens regarding requirements and deadlines for Real ID and the motor-voter law.

Committee Comments and Recommendations

A motion was made by Representative Hoffman and seconded by Representative Esau to approve the JCIT minutes for September 8, 2017.

During discussion, Senator Francisco moved to amend the minutes: on page 5, bullet point #2, following the phrase ". . . agencies should be required to consent to a cybersecurity responsibility statement, which would specify actions necessary to improve cybersecurity within each respective agency. . .", add the words, "and identify the agency or individual responsible for these actions."

Seconded by Senator Petersen, the amendment passed.

The amended motion to approve the minutes, as amended, passed.

The Chair referenced a document by Terri Clark, Director of Technical Services, Kansas Legislative Office of Information Services, providing follow-up responses to members' questions at the September 8 meeting ([Attachment 6](#)).

The Chair invited members to offer further recommendations to be included in the Interim Committee Report to the 2018 Legislature:

- OITS needs more authority to provide oversight beyond the initial stages of a project. (A member, noting previous consolidation initiatives and then return to distributed authority, cautioned members not to be precipitous regarding consolidation of authority);
- OITS should be encouraged to develop more tools that will provide better project portfolio management, such as automated reporting tools and software, and work toward better collaboration and integration of systems to obviate duplicative projects; and
- JCIT should schedule a meeting early in the 2018 Session to consider OITS' proposed roadmap for IT security and make recommendations for legislative action in the 2018 Session, including discussion on 2017 HB 2331 and 2017 SB 204.

Adjourn

The meeting was adjourned at 1:19 p.m. A further meeting has yet to be scheduled.

Prepared by Gary Deeter

Edited by Natalie Nelson

Approved by the Committee on:

December 29, 2017

(Date)