

SENATE No. 2230

Senate, June 26, 2014– Text of the Senate amendment to the House Bill financing information technology equipment and related projects (House, No. 3770) (being the text of Senate, No. 2218, printed as amended)

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

1 SECTION 1. To provide for a program of capital information technology improvements
2 to various state institutions and properties and to fund the Massachusetts Broadband Institute, the
3 sums set forth in this act, for the several purposes and subject to the conditions specified in this
4 act, are hereby made available, subject to the laws regulating the disbursement of public funds,
5 which sums shall be in addition to any other amounts previously appropriated for these purposes.

6 SECTION 2.

7 EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

8 Information Technology Division

9 0640-0035 For costs associated with upgrades and replacements to agent and terminal
10 hardware, a host system, terminal applications and related components at the state lottery
11 commission\$60,000,000

12 1790-2018 For the continued implementation of a second, active data center capable of
13 maintaining mission critical applications and a supporting network infrastructure, including
14 salaries and other personnel costs of staff assigned to that project; provided, that the center shall
15 be connected to the Massachusetts information technology center and shall be used on a daily
16 basis to support applications providing the commonwealth with the capacity for business
17 continuity and quick recovery in the event of unplanned outages.....\$9,000,000

18 1790-3001 For costs associated with planning and studies, the preparation of plans and
19 specifications, purchase, procurement and implementation of information technology-related
20 equipment and related projects; provided, that funds shall be expended for the executive office of
21 health and human services, in consultation with the executive office for administration and
22 finance and the information technology division, to begin to implement modern, digital, and
23 integrated eligibility determination processes as required by the last paragraph of section 16 of
24 chapter 6A of the General Laws; provided further, that the executive office of health and human

services shall report its progress in carrying out the integrated eligibility determination process to the house and senate committees on ways and means not later than December 1, 2014; and provided further, that the division shall endeavor to undertake smaller, shorter information technology projects in order to provide improved programmatic flexibility and increased competition amongst information technology vendors.....\$300,000,000

1790-3002 For costs associated with planning and studies, the preparation of plans and specifications, purchase, procurement and implementation of information technology-related equipment and related projects which are eligible for federal reimbursement including, but not limited to, projects related to the provision of health care, unemployment insurance and human services; provided, that any federal reimbursement received by a state agency in connection with projects funded from this item may be retained by the state agency and expended for the purposes of the project, without further appropriation, in addition to the amounts appropriated in this item; and provided further, that any state agency receiving federal reimbursements for a project funded from this item shall file a quarterly report with the executive office for administration and finance, the house and senate committees on ways and means, and the house and senate committees on bonding, capital expenditures, and state assets that details, by project, an annual estimate of anticipated federal reimbursement to be received on behalf of and expended for the project and year-to-date actual federal reimbursement received and year-to-date actual expenditures of the reimbursement, by project.....\$140,000,000

EXECUTIVE OFFICE OF PUBLIC SAFETY AND SECURITY

Department of State Police

8000-2030 For the executive office of public safety and security for the completion of the upgrade to the existing statewide communications network for the department of state police, as authorized by chapter 142 of the acts of 2002, including the primary voice radio communications network for the department and other state and local public safety agencies; provided, that the department of state police shall submit to the house and senate committees on ways and means a report detailing specific contract payment milestones.....\$68,200,000

SECTION 2A.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Information Technology Division

1790-3003 For costs associated with planning and studies, the preparation of plans and specifications, purchase, procurement and implementation of information technology-related equipment and related projects; provided, that the division shall endeavor to undertake smaller, shorter information technology projects in order to provide improved programmatic flexibility and increased competition among information technology vendors; provided further, that

\$5,000,000 shall be expended to improve wireless internet accessibility at the state house; provided further, that for projects the secretary of administration and finance certifies to the comptroller directly or indirectly generate new state revenue or budgetary savings, the comptroller shall transfer such revenue or budgetary savings to the state treasurer for payment of debt service related to those projects; provided further, that any federal reimbursement received by a state agency in connection with projects funded from this item may be retained by the state agency and expended for the purposes of the project, without further appropriation, in addition to the amounts appropriated in this item; provided further, that any state agency receiving federal reimbursements for a project funded from this item shall file a quarterly report with the executive office for administration and finance, the house and senate committees on ways and means and the house and senate committees on bonding, capital expenditures and state assets that details, by project, an annual estimate of anticipated federal reimbursement to be received on behalf of and expended for the project and year-to-date actual federal reimbursement received and year-to-date actual expenditures of the reimbursement, by project; and provided further, that any contract for the procurement of supplies, services or real property paid for in whole or in part using funds authorized in this item shall comply with the competitive bidding requirements established in section 22 of chapter 7 of the General Laws and accompanying regulations, notwithstanding any general or special law to the contrary including, but not limited to, any law or regulation permitting the award of contracts without competition in cases of emergency.....\$220,000,000

SECTION 2B.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Office of the Secretary

1599-7061 For a reserve to provide funds to the Massachusetts Broadband Incentive Fund established in section 6C of chapter 40J of the General Laws..... \$50,000,000

1599-7062 For a competitive, matching grant program to be administered by the executive office of education and the department of elementary and secondary education, in consultation with the information technology division, to assist public school districts in improving student instruction and assessment through the use of information technology; provided that such assistance shall include, but shall not be limited to, enhanced information technology infrastructure, networking, devices and increasing broadband access as defined in section 6B of chapter 40J of the General Laws; provided further, that entities eligible to receive such grants shall include public school districts, charter schools, consortia of such districts, educational collaboratives and regional councils of governments; provided further, that the office, in consultation with the department, may consider applications submitted by special education schools approved under chapter 71B of the General Laws; provided further, that no grants shall be awarded until the executive office of education and the department, in consultation with the information technology division, develops a detailed strategic plan to

97 ensure that the program maximizes taxpayer value, student access to information technology and
98 information technology preparedness; provided further, that the strategic plan shall ensure cost-
99 effective purchasing and regional solutions, if applicable, and the means by which the
100 department shall ensure equity between districts of different wealth and income in different areas
101 of the commonwealth; provided further, that the department shall submit the plan to the
102 governor, the secretary of administration and finance and the clerks of the house of
103 representatives and the senate on or before March 1, 2015; provided further, that grants for
104 information technology infrastructure, networking, devices and increasing broadband access
105 shall not be awarded to school buildings scheduled for decommissioning or razing within 10
106 years from the completion of the installation, retrofit or capital improvement; provided further,
107 that grants may be issued for networking and devices if the useful life of the device shall be
108 accomplished prior to the decommission or razing; provided further, that such installations,
109 retrofits and capital improvements may occur only on and within publicly-owned real property
110 maintained for the benefit of the school district; provided further, that the school district may
111 contribute matching funds from either a public or private source; provided further, that the
112 executive office of education and the department of elementary and secondary education, in
113 consultation with the information technology division, shall determine the criteria used to
114 evaluate applications for the matching grant program; provided further, that the criteria seeks to
115 maximize access of broadband to public school districts; and provided further, that such criteria
116 shall include, but not be limited to, the commitment of the school district to improve the
117 efficiency and productivity of education through the use of technology, to deliver statewide
118 online assessments, to provide student access to individualized and rigorous digital learning
119 experiences and to ensure that educators and administrators have the knowledge and skills to
120 develop and implement digital learning curricula..... \$38,000,000

121 1599-7063 For costs associated with the planning, preparation of plans and
122 specifications, purchase, procurement and implementation of information technology-related
123 equipment and related projects for the executive office of health and human services to establish
124 an integrated confidential data system among all state agencies that interact with individuals with
125 autism to track diagnosis, treatment, services and outcomes of individuals with
126 autism..... \$12,000,000

127 SECTION 2C.

128 EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

129 Information Technology Division

130 1790-3004 For costs associated with planning and studies, the preparation of plans and
131 specifications, purchase, procurement and implementation of information technology-related
132 equipment and related projects for the Massachusetts Department of Transportation
133\$100,000,000

134 SECTION 2D.

135 EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

136 Office of the Secretary

137 1100-9201 For costs associated with the procurement and purchase of capital equipment
138 necessary for general government operations; provided, that the secretary of administration and
139 finance, in consultation with the state treasurer, shall adopt regulations establishing a program by
140 which state agencies shall be assessed from their annual appropriations for the costs of debt
141 service and administrative expense and the comptroller shall transfer agency assessments to the
142 state treasurer for the repayment of debt without further appropriation; and provided further, that
143 the comptroller may create such accounts on the books of the commonwealth as the comptroller
144 deems necessary for the administration of this section..... \$2,000,000

145 SECTION 3. Section 4A of chapter 7 of the General Laws, as appearing in the 2012
146 Official Edition, is hereby amended by striking subparagraph (d) and inserting in place thereof
147 the following subparagraph:-

148 (d) The information technology division shall be headed by the commonwealth chief
149 information officer, or CCIO, who shall also serve as undersecretary for information technology.
150 The CCIO shall carry out such functions as the secretary may from time to time deem necessary
151 for the efficient and economical administration of information technology systems within the
152 executive departments including, but not limited to, the functions set forth in sections 4S and
153 22P. The CCIO may establish such bureaus, offices and other functional units within the division
154 as the CCIO deems appropriate.

155 The division may (i) coordinate with and provide assistance, advice and expertise in
156 connection with business relationships between state agencies and private sector providers of
157 information technology; (ii) eliminate, where appropriate, duplication of duties and functions
158 among information technology personnel within state agencies; (iii) monitor trends and advances
159 in information technology resources; (iv) oversee and supervise the maintenance of information
160 technology and the initiation of information technology updates or projects for state agencies; (v)
161 initiate procurements of information technology resources for state agencies and enter into an
162 agreement or contract in connection with such procurement on behalf of a state agency or other
163 political subdivision of the commonwealth, if so authorized; (vi) review and approve the
164 information technology budget requests of a state agency and, in consultation with the secretariat
165 chief information officers, review and approve each state agency's information technology
166 spending priorities; (vii) implement information technology standards including, without
167 limitation, those for product or service specifications, characteristics or performance
168 requirements of information technology resources that increase efficiency and improve security,
169 and identify opportunities for cost savings within state agencies based on such standardization;

and (viii) establish special requirements for vendors of information technology services to state agencies.

The division may offer information technology services to municipalities, authorities, constitutional offices, other political subdivisions of the commonwealth and other states of the United States where the provision of these services to other states will decrease the costs or improve the efficiency of the services provided by the information technology division to the commonwealth. The information technology division shall consult with the division of local services to identify ways to better assist municipalities and regional entities in procuring and developing information technology services.

The division shall include an office of geographic information through which the CCIO shall develop, maintain, update and distribute geographic information, technology, data and services for use by state agencies, municipalities and the public. The office shall coordinate all geographic information activities in state and local government and shall collect, manage and distribute geographic information maintained by state agencies and local government agencies. It shall also provide technical services related to geographic information to state agencies and municipalities. The CCIO shall set standards for the acquisition, management and reporting of geographical information and the acquisition, creation or use of applications employing such information, by any agency within the executive department and the reporting of such information by municipalities.

SECTION 4. Said chapter 7 is further hereby amended by inserting after section 4F 1/2 the following section:-

Section 4F ¾. There shall be established and set up a separate account to be known as the Commonwealth Federal Grants Management Trust. The secretary of administration and finance shall expend funds in the trust, without further appropriation, to support the purposes of the federal grants management unit within the office of commonwealth performance, accountability and transparency established in subparagraph (e) of section 4A. The secretary shall charge all federal grants, an amount determined by the secretary for these purposes, not exceeding 0.5 per cent per grant.

SECTION 5. Said chapter 7 is hereby further amended by inserting after section 4R the following section:-

Section 4S. (a) As used in this section and section 22P, the following words shall have the following meanings:

“CCIO”, the commonwealth’s chief information officer.

“Information technology”, hardware, software and telecommunications equipment including, but not limited to, personal computers, mainframes, wide and local area networks,

servers, mobile or portable computers, peripheral equipment, telephones, wireless communications, handheld devices, cloud-based application and platform services, public safety radio services, facsimile machines, technology facilities including, but not limited to, data centers, dedicated training facilities, switching facilities, and other relevant hardware and software items and any personnel tasked with the planning, implementation and support of technology.

“Infrastructure services”, data and telecommunications networks, premise or hosted data center services and shared enterprise services, such as email and directory services; provided, however, that “infrastructure services” shall not include the provision of website information architecture and content.

“Secretariat”, an executive office in the executive department.

“State agencies” or “agencies”, executive offices, boards, commissions, agencies, departments, divisions, councils, bureaus and offices now existing or hereafter established.

“Telecommunications”, an origination, transmission, emission or reception of signs, signals, writings, images and sounds or intelligence of any nature by wire, radio, television, optical or other electromagnetic system.

(b) The secretary of administration and finance shall appoint the CCIO who shall head the information technology division and who shall also serve as the undersecretary for information technology. The CCIO shall appoint a chief operating officer who shall have immediate charge of service delivery and operational issues and who shall have the same rank as the secretariat chief information officers, or SCIOs, appointed under this section.

(c) In consultation with and upon the approval of the CCIO, the secretary of each secretariat shall appoint an SCIO. Each SCIO shall report both to the secretary of the SCIO’s respective secretariat and to the CCIO. If operationally warranted and following consultation with agency heads, each SCIO shall have the authority to appoint agency chief information officers, or agency CIOs, for agencies within the SCIO’s secretariat. Each agency CIO shall report to the SCIO of the respective secretariat. All agency information technology personnel shall report to the agency CIO or to the CIO’s designee or, if no agency CIO is appointed, to the SCIO for the agency’s secretariat.

(d) Agency budgets for information technology shall be aggregated at the secretariat level. Each SCIO shall manage the information technology budget for the SCIO’s secretariat. The SCIO shall approve all secretariat and agency information technology expenditures for the respective secretariat, regardless of funding source.

(e) The CCIO shall establish an infrastructure services board which shall advise the CCIO regarding the infrastructure services provided by the information technology division. The

CCIO shall determine the size and membership of the board which the chief operating officer of the information services division shall chair. The board shall provide information and advice, as requested by the CCIO, but shall not have decision-making authority.

(f) The CCIO shall develop a detailed information technology strategic plan for the commonwealth in collaboration with the SCIOs and shall manage technology investments and initiatives in accordance with the plan. The CCIO shall annually submit the plan to the governor, the secretary of administration and finance and the clerks of the house of representatives and senate on or before June 15. The plan shall detail, at a minimum:

(i) the CCIO's plan to further progress toward the migration of infrastructure services for all executive department agencies to the division except those services, if any, that the CCIO determines cannot be centralized due to technical viability or restrictions imposed by state or federal law;

(ii) a strategic plan for the acquisition, management and use of information technology, including the specific projects contemplated for the next 3 fiscal years needed to implement that plan, regardless of funding source; and

(iii) any opportunities for cost savings based on standardization, cross-agency collaboration, use of shared services and centralization of resources and a plan to realize such cost savings.

(g) In consultation with and upon the approval of the CCIO, each SCIO shall maintain an approved secretariat consolidation plan and shall manage information technology for the SCIO's secretariat in accordance with the plan. Subject to the approval of the CCIO, the plans may provide for the acquisition and maintenance of agency-specific applications to remain at the agency level. Each SCIO shall annually submit its plan to the CCIO, the governor, the secretary of administration and finance and the clerks of the house of representatives and senate on or before June 15. Each approved secretariat consolidation plan shall, at a minimum:

(i) demonstrate how the secretariat shall maintain or transition to the most efficient model for the delivery of information technology services; and

(ii) address how the SCIO shall manage and consolidate or, if appropriate, retain at the agency level or regionalize information technology.

(h) Pursuant to the reporting requirements established by the CCIO, each SCIO shall prepare and submit periodic information technology plans to the CCIO for review and approval. Each plan shall, at a minimum, detail:

(i) information technology operational and project priorities consistent with the strategic business goals of the secretariat;

(ii) information technology budgets;

(iii) all information technology procurements planned for the current and the next fiscal year, regardless of funding source;

(iv) strategies to enhance the efficiency, effectiveness and security of information technology services at the secretariat level;

(v) information technology staffing plans; and

(vi) alignment with the commonwealth's balanced portfolio strategy set forth in subsection (d) of section 22P.

(i) In consultation with the CCIO, the cabinet secretary for each secretariat shall annually develop and publish a business innovation plan on or before June 15. The plan shall include, but not be limited to, the following:

(i) strategies that the secretariat shall implement in order to use information technology to transform the business of government consistent with the secretariat's strategic plan;

(ii) specific business cost savings and efficiencies that the strategic use of information technology by the secretariat shall generate; and

(iii) any necessary 1-time or ongoing information technology investment needed to realize such business cost savings or efficiencies.

(j) The CCIO shall conduct annual compliance reviews across the executive departments to ensure full compliance with statutes, regulations, policies, standards and contractual obligations related to information security and information technology. With the approval of the secretary of administration and finance, the CCIO may enforce compliance with those requirements. The CCIO shall annually report the results of its reviews to the governor, the cabinet secretaries and the clerks of the house of representatives and senate on or before January 1. All reports shall be made available on the division's website.

SECTION 6. Said chapter 7 is hereby further amended by inserting after section 22O the following section:-

Section 22P. (a) The CCIO shall supervise all executive department information technology project selection, development and maintenance. The CCIO shall use a rigorous methodology that incorporates return on investment and risk calculation to evaluate all potential projects and all ongoing projects. The CCIO shall obtain return on investment and benefits verification for any project for which the CCIO determines that such an analysis would be of value and for any project which the CCIO determines may apply for self-financing, is uniquely

complex or is projected to exceed \$20,000,000, including the costs of all hardware, software and services.

(b) In consultation with the assistant secretary for operational services, the CCIO shall supervise all executive department information technology procurement. The CCIO shall adopt policies, standards and guidelines governing information technology procurement, development and maintenance, specifically including provisions for:

(i) identifying which information technology procurements shall require express approval of the CCIO;

(ii) ensuring effective project management and oversight configurations;

(iii) establishing strategic incentive and requirement structures;

(iv) increasing competition among information technology vendors;

(v) disqualifying underperforming vendors;

(vi) undertaking smaller, shorter information technology projects in order to provide improved programmatic flexibility and increased competition among information technology vendors;

(vii) preferring off-the-shelf information technology products except where such products would not result in the best value for the commonwealth;

(viii) increasing technology procurement innovation using pilot programming;

(ix) identifying varying contracting approaches based on the risk levels for varying types of project categories; and

(x) implementing other best practices, including those identified in legislative reports and legislatively-required reports.

(c) In consultation with the assistant secretary for operational services, the CCIO shall develop a strategic information technology procurement team to provide planning, drafting and negotiating assistance to agencies procuring information technology projects, using the policies, standards and guidelines set forth in subsection (b). The team shall assist agencies in preparing requests for responses, quotations and information, selecting vendors and drafting and reviewing contract terms and any necessary amendments. The team shall also develop standard contract terms to serve as the default language for all agreements with private sector vendors for information technology services, except where the CCIO determines that the use of such terms would not result in the best value to the commonwealth. The team shall update and improve such language as the needs of the commonwealth change in the information technology industry and trends in information technology contracting so require. In developing the standard contract

terms, the information technology procurement team may consider, as part of managing contracting risk, incorporating language addressing protection of the commonwealth's intellectual property rights, deliverable acceptance criteria, acceptable time periods for review of deliverables with the possibility of extensions as needed, testing procedures to ascertain a new system's functionality in handling all foreseeable scenarios, payment methods dependent upon achievement of business functionality milestones, training for agency staff, acceptable warranty periods, financial penalties to the vendor for delays and provisions allowing for termination of the contract by the commonwealth if deemed necessary or beneficial.

(d) There shall be an information technology oversight committee which shall be advisory and shall not be a public body under section 18 of chapter 30A. Membership of the committee shall include: the CCIO, who shall serve as chair; the information technology capital planning officer; 2 persons to be appointed by the secretary of administration and finance who shall be employed by the executive department and who shall have experience in business and information technology; 2 persons to be appointed by the CCIO who shall be employed by the executive department and who shall have experience in business and information technology; and 2 persons to be appointed by the governor who shall be residents of the commonwealth and not employed by state government, either as a state employee or as an independent contractor and who, as individuals and the private sector entities with which they are affiliated either through contract, employment or ownership interest shall not be eligible to bid on the projects considered by or related to the projects considered by the committee and who shall not have or be employed by, under contract with or have an ownership interest in any matters before the committee. The committee shall:

(i) recommend a strategic, balanced information technology portfolio strategy for the purpose of keeping the commonwealth at the forefront of innovation;

(ii) identifying which information technology projects and procurements shall require the services of an independent verification and validation consultant;

(iii) provide input to the CCIO on projects to be funded, regardless of funding source, based on the division's project evaluation methodology;

(iv) identify any missing or key resource necessary for project successes;

(v) review ongoing projects on a quarterly basis to ensure business value; and

(vi) provide to the CCIO a list of information technology projects that have significantly failed to deliver the anticipated business benefits, of which the CCIO, in consultation with the assistant secretary for operational services, shall conduct, through the use of an external resource, an analysis of the causes of such failure; and

(vii) gather and maintain relevant records, documents and information relating to vendor performance on ongoing and completed projects to assist agencies in learning about prospective vendors' past performance

(e) The CCIO shall establish an enterprise project management office to assign project managers to oversee and manage large information technology projects or other types of capital projects. Project managers, in consultation with the SCIO, shall provide reports, not less than quarterly, on project management status, progress, performance and expenditures for all ongoing information technology projects. Based on the reports, the CCIO, in consultation with the SCIO, may make decisions regarding the funding or continued funding of information technology projects.

SECTION 7. (a) To meet the expenditures necessary to carry out item 0640-0035 of section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$60,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Lottery Financing Act of 2014, and shall be issued for a maximum term of years, not exceeding 10 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2029.

(b) All interest and payments on account of principal of these obligations shall be payable solely from the State Lottery and Gaming Fund. Bonds issued under the authority of this section shall be special obligations of the commonwealth and shall be excluded from the debt limit established in section 60A of chapter 29 of the General Laws.

(c) Bonds of the commonwealth may be issued under authority of this section in such manner and on such terms and conditions as the state treasurer, with the concurrence of the secretary of administration and finance, may determine in accordance with this subsection and, to the extent not inconsistent with this subsection, the General Laws for the issuance of bonds of the commonwealth. Bonds may be secured by a trust agreement or other security agreement entered into by the state treasurer, with the concurrence of the secretary of administration and finance, on behalf of the commonwealth, which trust agreement or other security agreement may pledge or assign all or any part of the State Lottery and Gaming Fund and rights to receive the same, whether existing or coming into existence and whether held or thereafter acquired, and the proceeds thereof. The state treasurer may also, with the concurrence of the secretary of administration and finance, enter into additional security, insurance or other forms of credit enhancement which may be secured on a parity or subordinate basis with the bonds. A pledge in any trust or other security agreement or credit enhancement agreement shall be valid and binding from the time such pledge shall be made without any physical delivery or further act and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice thereof. Any such pledge

shall be perfected by filing of the trust or other security agreement or credit enhancement agreement in the records of the state treasurer and no filing shall be required under chapter 106 of the General Laws. Any trust agreement, security agreement or credit enhancement agreement may establish provisions defining defaults and establishing remedies and other matters relating to the rights and security of the holders of the bonds or other secured parties as determined by the state treasurer, including provisions relating to the establishment of reserves, the issuance of additional or refunding bonds, whether or not secured on a parity basis, the application of the agency assessments and other moneys and funds pledged pursuant to such agreement and other matters deemed necessary or desirable by the state treasurer for the security of such bonds and may also regulate the custody, investment and application of moneys. Any such bonds, the transfer thereof and the income therefrom, including profit on the sale thereof, shall be exempt from taxation by and within the commonwealth. The provisions hereof relating to bonds shall also be applicable to the issuance of notes insofar as such provisions may be appropriate therefor.

In order to increase the marketability of any such bonds or notes issued by the commonwealth and in consideration of the acceptance of payment for any such bonds or notes, the commonwealth shall covenant with the purchasers and all subsequent holders and transferees of any such bonds or notes that while any such bonds or notes shall remain outstanding and so long as the principal of or interest on any such bonds or notes shall remain unpaid: (i) no pledged funds shall be diverted from the State Lottery and Gaming Fund; (ii) in any fiscal year of the commonwealth and until an appropriation has been made which is sufficient to pay the principal, including sinking fund payments, of and interest on all such bonds and notes of the commonwealth and to provide for or maintain any reserves, additional security, insurance or other forms of credit enhancement required or provided for in any trust agreement securing any such bonds or notes, no pledged funds shall be applied to any other use.

(d) In lieu of issuing all or a portion of the bonds authorized by this section, the state treasurer, with the concurrence of the secretary of administration and finance, may instead enter into lease agreements or other alternate financing arrangements, which agreements or arrangements shall be payable from the State Lottery and Gaming Fund and the amount of which, together with any bonds issued or to be issued, shall not exceed the amount specified in subsection (a). The General Laws applicable to bonds of the commonwealth shall also apply to any such agreements or arrangements.

SECTION 8. To meet the expenditures necessary in carrying out items 1790-2018, 1790-3001, 1790-3002 and 8000-2030 of section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth, in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, the sum of \$517,200,000. All bonds issued by the commonwealth under this section shall be designated on their face, Information Technology and Innovation Act of 2014, and shall be issued for such maximum terms of years not exceeding 10 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be

payable not later than June 30, 2029. All interest and payments on account of principal of these obligations shall be payable from the General Fund unless otherwise specified. Notwithstanding any other provision of this act, bonds and interest thereon issued under the authority of this section shall be general obligations of the commonwealth.

SECTION 9. To meet the expenditures necessary in carrying out section 2A, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth, in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, the sum of \$220,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Information Technology and Innovation Act of 2014, and shall be issued for such maximum terms of years not exceeding 10 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2029. All interest and payments on account of principal of these obligations shall be payable from the General Fund unless otherwise specified. Bonds and interest thereon issued under the authority of this section shall be general obligations of the commonwealth.

SECTION 10. To meet the expenditures necessary to carry out items 1599-7061 and 1599-7062 of section 2B, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, \$88,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Information Technology and Innovation Act of 2014, and shall be issued for a maximum term of years, not exceeding 20 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2039. All interest and payments on account of principal of these obligations shall be payable from the General Fund. Bonds and interest thereon issued under the authority of this section shall be general obligations of the commonwealth.

SECTION 11. To meet the expenditures necessary to carry out item 1599-7063 in section 2B, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, \$12,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Information Technology and Innovation Act of 2014, and shall be issued for a maximum term of years, not exceeding 10 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2029. All interest and payments on account of principal of these obligations shall be payable from the General Fund. Bonds and interest thereon issued under the authority of this section shall be general obligations of the commonwealth.

SECTION 12. To meet the expenditures necessary to carry out section 2C, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, \$100,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Information Technology and Innovation Act of 2014, and shall be issued for a maximum term of years, not exceeding 10 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2029. All interest and payments on account of principal of these obligations shall be payable from the Commonwealth Transportation Fund. Bonds and interest thereon issued under the authority of this section shall be general obligations of the commonwealth.

SECTION 13. (a) To meet the expenditures necessary to carry out section 2D, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time, but not exceeding, in the aggregate, \$2,000,000. All bonds issued by the commonwealth under this section shall be designated on their face, Capital Equipment Financing Act of 2014, and shall be issued for a maximum term of years, not exceeding 5 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2024.

(b) All interest and payments on account of principal of these obligations shall be payable from agency assessments charged under regulations established pursuant to section 2D.

(c) In lieu of issuing all or any portion of the bonds authorized by this section, the state treasurer, with the concurrence of the secretary of administration and finance, may enter into lease agreements or other alternate financing arrangements, which agreements or arrangements shall be payable from agency assessments and the amount of which, together with any bonds issued or to be issued, shall not exceed the amount specified in subsection (a). The General Laws applicable to bonds of the commonwealth shall also apply to any such agreements or arrangements.

SECTION 14. The secretary of administration and finance shall submit semiannual reports on the progress of any projects funded by this act and included in the governor's 5- year capital investment plan to the clerks of the senate and house of representatives, the chairs of the senate and house committees on ways and means and the senate and house chairs of the committees on bonding, capital expenditures and state assets. The reports shall include, but not be limited to, the previous year planned spending, previous year spending, current year planned spending, current year spending to date, original estimated total project cost, project description, purpose, location of the project, type of spending, type of asset and useful life of the project once completed. The semiannual reports shall be submitted on June 30 and December 31 of each year

for a period of 8 years after the effective date of this act. All reports shall be made available on the executive office for administration and finance's website.

SECTION 15. The executive office for administration and finance shall study and report on the cost and feasibility of making available on the searchable website under section 14C of chapter 7 of the General Laws all agreements or any combination or series of agreements by which a nongovernmental person or entity agrees with any public agency to provide goods or services valued at more than \$1,000,000, the total amount that the public agency has committed to expend under any such agreement or combination or series of agreements and the total amount actually expended by the public agency under such agreement or combination or series of agreements to date. The executive office shall submit its report, along with a plan to implement the report's findings, on or before April 15, 2015.

SECTION 16. Each executive office established in section 2 of chapter 6A of the General Laws shall, in consultation with the chief information officer, prepare and submit a report detailing the level of services offered by the office available over the internet. The reports shall include, but not be limited to, services and transactions currently offered by the office over the internet, services and transactions currently offered by the office and not available over the internet, current and future plans to expand the level of services offered over the internet and a comparison of the level of services offered by the office and available over the internet to the level of services offered and available over the internet in other similar offices in other states. The reports shall be submitted to the house and senate committees on ways and means and the clerks of the senate and house of representatives not later than November 15, 2014. All reports shall be made available on the general court's website.

SECTION 17. To provide for the continued availability of certain bond-funded spending authorizations which otherwise would expire, the balances of the following appropriation items and any allocations thereof are hereby extended through June 30, 2017 for the purposes of and subject to the conditions stated for these items in the original authorizations and any amendments to such authorizations: 1599-7060, 1790-2013, 1790-2016, 1790-2017 and 1790-2500.

SECTION 18. Appropriations made pursuant to sections 2 to 2C, inclusive, shall be available for expenditure in the 3 fiscal years following June 30 of the calendar year in which the appropriation is made and any portion of such appropriation representing encumbrances outstanding on the records of the state comptroller's office at the close of the third fiscal year may be applied to the payment thereof any time thereafter. The unencumbered balance shall revert to the commonwealth at the close of the third fiscal year.

SECTION 19. The town of Montague may utilize chapter 40Q of the General Laws to develop telecommunications and broadband infrastructure in partnership with the town of Leverett.

561 SECTION 20. The executive office for administration and finance shall promulgate
562 regulations relative to the hiring of former employees of information technology vendors for
563 executive branch management positions in which such former employees may be required to
564 directly oversee the work of that same vendor and shall submit such regulations to the house and
565 senate committees on bonding, capital expenditures and state assets and the house and senate
566 committees on ways and means by December 31, 2014.

567 SECTION 21. Notwithstanding any general or special law to the contrary, the bonds that
568 the state treasurer may issue pursuant to this act shall be issued for a term not to exceed 30 years.
569 All such bonds shall be payable not later than June 30, 2049, as recommended by the governor in
570 a message to the general court dated June 26, 2014 under section 3 of Article LXII of the
571 Amendments to the Constitution.