

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0199.01 Nicole Myers x4326

HOUSE BILL 17-1341

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HOUSE SPONSORSHIP

Singer and Pabon,

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Tate and Williams A., Martinez Humenik

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House Committees  
Finance

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE PROCUREMENT TIMELINE FOR A STATE AGENCY  
102 THAT INTENDS TO SUBMIT A BUDGET REQUEST TO THE JOINT  
103 TECHNOLOGY COMMITTEE FOR A MAJOR INFORMATION  
104 TECHNOLOGY PROJECT.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Joint Technology Committee.** The bill creates a new source selection and contract negotiation timeline that a state agency is required to follow when it plans to submit a budget request to the joint technology

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

committee (committee) for a major information technology project (project).

The office of state planning and budgeting is required to ensure that state agencies adhere to the new timeline prior to submitting a budget request to the committee as follows:

- ! On or before November 1 of the fiscal year prior to the fiscal year in which a state agency intends to submit a budget request to the committee for a project, the state agency is required to notify the committee of its intent to begin the source selection and contract negotiation process.
- ! On or before January 1 of the fiscal year prior to the fiscal year in which a state agency intends to submit a budget request to the committee for a project, the state agency is required to issue a competitive solicitation in accordance with the "Procurement Code". The competitive solicitation is required to specify that the terms of a contract resulting from the solicitation require the vendor to honor its contract price through the date that work on the contract commences and that vendors are directed to estimate costs accordingly for the purpose of responding to the solicitation.
- ! A state agency that has issued a competitive solicitation is required to receive and review the responses from vendors and determine whether to pursue the project and the budget request on or before April 15 of the fiscal year prior to the fiscal year in which the state agency intends to submit the budget request to the committee.
- ! If the state agency intends to pursue a budget request for the project, the state agency must award a contract to the selected vendor on or before June 30 of the fiscal year prior to the fiscal year in which the state agency intends to submit the budget request to the committee.

The terms of a contract awarded for a project must specify that:

- ! The state agency will pursue a budget request for the project in the fiscal year immediately following the fiscal year in which the contract is awarded;
- ! The contract is contingent upon the state agency receiving an appropriation from the general assembly for the project;
- ! Work on the contract will not commence until the bill enacted by the general assembly that appropriates the money for the project becomes law;
- ! The vendor is required to honor its contract price through the date that work on the contract commences;
- ! The state agency may amend terms of the contract, as necessary, following the date on which the bill that

- appropriates the money for the project becomes law;
- ! The state agency will authorize the vendor to begin work on the contract within 30 days of the date that the bill that appropriates the money for the project becomes law; and
  - ! The contract is null and void if the general assembly does not appropriate money to the state agency for the project.

A state agency may include in a contract awarded any other terms or conditions related to the appropriation of money to the state agency by the general assembly as deemed necessary by the state agency.

A state agency that has awarded a contract for a project is required to submit a budget request for the project to the committee in the fiscal year immediately following the fiscal year in which the contract was awarded.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-37-304, **add**  
3 (1)(c.5)(VI) as follows:

4 **24-37-304. Additional budgeting responsibilities.** (1) In addition  
5 to the responsibilities enumerated in section 24-37-302, the office of state  
6 planning and budgeting shall:

7 (c.5) (VI) ENSURE THAT BUDGET REQUESTS FOR MAJOR  
8 INFORMATION TECHNOLOGY PROJECTS AS DEFINED IN SECTION 24-37-305  
9 (1) ADHERE TO THE PROCESS SPECIFIED IN SECTION 24-37-305 AND ARE  
10 SUBMITTED TO THE JOINT TECHNOLOGY COMMITTEE AS SPECIFIED IN THIS  
11 SUBSECTION (1)(c.5).

12 **SECTION 2.** In Colorado Revised Statutes, **add** 24-37-305 as  
13 follows:

14 **24-37-305. Major information technology projects - source**  
15 **selection - contract negotiation - definition.** (1) AS USED IN THIS  
16 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "MAJOR  
17 INFORMATION TECHNOLOGY PROJECT" HAS THE SAME MEANING AS DEFINED  
18 IN SECTION 24-37.5-102 (2.6); EXCEPT THAT, AS USED IN THIS SECTION,

1 "MAJOR INFORMATION TECHNOLOGY PROJECT" DOES NOT INCLUDE  
2 EQUIPMENT AND OTHER ITEMS LISTED IN SECTION 24-37.5-102 (2)(a).

3 (2) THE OFFICE OF STATE PLANNING AND BUDGETING SHALL  
4 ENSURE THAT ANY STATE AGENCY THAT PLANS TO SUBMIT A BUDGET  
5 REQUEST TO THE JOINT TECHNOLOGY COMMITTEE FOR A MAJOR  
6 INFORMATION TECHNOLOGY PROJECT FOLLOWS THE SOURCE SELECTION  
7 AND CONTRACT NEGOTIATION PROCESS SPECIFIED IN THIS SECTION BEFORE  
8 SUBMITTING THE BUDGET REQUEST TO THE JOINT TECHNOLOGY COMMITTEE  
9 PURSUANT TO SECTION 24-37-304 (1)(c.5).

10 (3) (a) ON OR BEFORE NOVEMBER 1 OF THE FISCAL YEAR PRIOR TO  
11 THE FISCAL YEAR IN WHICH A STATE AGENCY INTENDS TO SUBMIT A  
12 BUDGET REQUEST TO THE JOINT TECHNOLOGY COMMITTEE FOR A MAJOR  
13 INFORMATION TECHNOLOGY PROJECT PURSUANT TO SECTION 24-37-304  
14 (1)(c.5), THE STATE AGENCY SHALL NOTIFY THE JOINT TECHNOLOGY  
15 COMMITTEE OF ITS INTENT TO BEGIN THE SOURCE SELECTION AND  
16 CONTRACT NEGOTIATION PROCESS PURSUANT TO THIS SECTION FOR THE  
17 PROJECT. THE NOTICE MUST INCLUDE A SUMMARY OF THE STATE AGENCY'S  
18 NEED FOR THE PROJECT.

19 (b) ON OR BEFORE JANUARY 1 OF THE FISCAL YEAR PRIOR TO THE  
20 FISCAL YEAR IN WHICH A STATE AGENCY INTENDS TO SUBMIT A BUDGET  
21 REQUEST TO THE JOINT TECHNOLOGY COMMITTEE FOR A MAJOR  
22 INFORMATION TECHNOLOGY PROJECT PURSUANT TO SECTION 24-37-304  
23 (1)(c.5), THE STATE AGENCY SHALL ISSUE A COMPETITIVE SOLICITATION IN  
24 ACCORDANCE WITH THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF  
25 THIS TITLE 24.

26 (c) ANY COMPETITIVE SOLICITATION ISSUED PURSUANT TO  
27 SUBSECTION (3)(b) OF THIS SECTION SHALL SPECIFY THAT THE TERMS OF A

1 CONTRACT RESULTING FROM THE SOLICITATION REQUIRE THE VENDOR TO  
2 HONOR ITS CONTRACT PRICE THROUGH THE DATE THAT WORK ON THE  
3 CONTRACT COMMENCES AND THAT WORK ON THE CONTRACT WILL NOT  
4 COMMENCE UNTIL THE ANNUAL GENERAL APPROPRIATION ACT OR ANY  
5 OTHER BILL ENACTED BY THE GENERAL ASSEMBLY THAT APPROPRIATES  
6 THE MONEY FOR THE PROJECT BECOMES LAW. THE COMPETITIVE  
7 SOLICITATION SHALL DIRECT VENDORS TO ESTIMATE COSTS ACCORDINGLY  
8 FOR THE PURPOSE OF RESPONDING TO THE SOLICITATION.

9 (d) A STATE AGENCY THAT HAS ISSUED A COMPETITIVE  
10 SOLICITATION FOR A MAJOR INFORMATION TECHNOLOGY PROJECT SHALL  
11 RECEIVE AND REVIEW THE RESPONSES FROM VENDORS AND DETERMINE  
12 WHETHER TO PURSUE THE PROJECT AND THE BUDGET REQUEST ON OR  
13 BEFORE APRIL 15 OF THE FISCAL YEAR PRIOR TO THE FISCAL YEAR IN WHICH  
14 THE STATE AGENCY INTENDS TO SUBMIT THE BUDGET REQUEST TO THE  
15 JOINT TECHNOLOGY COMMITTEE.

16 (4) (a) IF THE STATE AGENCY INTENDS TO PURSUE A BUDGET  
17 REQUEST FOR THE MAJOR INFORMATION TECHNOLOGY PROJECT, THE STATE  
18 AGENCY SHALL AWARD A CONTRACT TO THE SELECTED VENDOR ON OR  
19 BEFORE JUNE 30 OF THE FISCAL YEAR PRIOR TO THE FISCAL YEAR IN WHICH  
20 THE STATE AGENCY INTENDS TO SUBMIT THE BUDGET REQUEST TO THE  
21 JOINT TECHNOLOGY COMMITTEE.

22 (b) THE TERMS OF A CONTRACT AWARDED PURSUANT TO THIS  
23 SECTION MUST SPECIFY THAT:

24 (I) THE STATE AGENCY WILL PURSUE A BUDGET REQUEST FOR THE  
25 MAJOR INFORMATION TECHNOLOGY PROJECT IN THE FISCAL YEAR  
26 IMMEDIATELY FOLLOWING THE FISCAL YEAR IN WHICH THE CONTRACT IS  
27 AWARDED;

1           (II) THE CONTRACT IS CONTINGENT UPON THE STATE AGENCY  
2 RECEIVING AN APPROPRIATION FROM THE GENERAL ASSEMBLY FOR THE  
3 MAJOR INFORMATION TECHNOLOGY PROJECT;

4           (III) WORK ON THE CONTRACT WILL NOT COMMENCE UNTIL THE  
5 GENERAL APPROPRIATIONS ACT OR ANY OTHER BILL ENACTED BY THE  
6 GENERAL ASSEMBLY THAT APPROPRIATES THE MONEY FOR THE MAJOR  
7 INFORMATION TECHNOLOGY PROJECT IS SIGNED BY THE GOVERNOR AND  
8 BECOMES LAW;

9           (IV) THE VENDOR IS REQUIRED TO HONOR ITS CONTRACT PRICE  
10 THROUGH THE DATE THAT WORK ON THE CONTRACT COMMENCES;

11           (V) THE STATE AGENCY MAY AMEND TERMS OF THE CONTRACT, AS  
12 NECESSARY, FOLLOWING THE DATE ON WHICH THE BILL THAT  
13 APPROPRIATES THE MONEY FOR THE MAJOR INFORMATION TECHNOLOGY  
14 PROJECT IS SIGNED BY THE GOVERNOR AND BECOMES LAW;

15           (VI) THE STATE AGENCY WILL AUTHORIZE THE VENDOR TO BEGIN  
16 WORK ON THE CONTRACT WITHIN THIRTY DAYS OF THE DATE THAT THE BILL  
17 THAT APPROPRIATES THE MONEY FOR THE MAJOR INFORMATION  
18 TECHNOLOGY PROJECT IS SIGNED BY THE GOVERNOR AND BECOMES LAW;  
19 AND

20           (VII) THE CONTRACT IS NULL AND VOID IF THE GENERAL ASSEMBLY  
21 DOES NOT MAKE AN APPROPRIATION TO THE STATE AGENCY FOR THE MAJOR  
22 INFORMATION TECHNOLOGY PROJECT FOR THE FISCAL YEAR IMMEDIATELY  
23 FOLLOWING THE FISCAL YEAR IN WHICH THE STATE AGENCY SUBMITTED  
24 THE BUDGET REQUEST FOR THE PROJECT.

25           (c) A STATE AGENCY MAY INCLUDE IN A CONTRACT AWARDED  
26 PURSUANT TO THIS SECTION ANY OTHER TERMS OR CONDITIONS RELATED  
27 TO THE APPROPRIATION OF MONEY TO THE STATE AGENCY BY THE GENERAL

1 ASSEMBLY AS DEEMED NECESSARY BY THE STATE AGENCY.

2 (5) A STATE AGENCY THAT HAS AWARDED A CONTRACT TO A  
3 VENDOR PURSUANT TO THIS SECTION SHALL, IN THE FISCAL YEAR  
4 IMMEDIATELY FOLLOWING THE FISCAL YEAR IN WHICH THE CONTRACT WAS  
5 AWARDED, SUBMIT A BUDGET REQUEST FOR THE MAJOR INFORMATION  
6 TECHNOLOGY PROJECT TO THE JOINT TECHNOLOGY COMMITTEE PURSUANT  
7 TO SECTION 24-37-304 (1)(c.5). THE STATE AGENCY SHALL SUBMIT THE  
8 REQUEST IN ACCORDANCE WITH THE RULES AND POLICIES OF THE OFFICE OF  
9 STATE PLANNING AND BUDGETING.

10 (6) A STATE AGENCY SHALL CONDUCT ALL PROCUREMENT  
11 ACTIVITIES PURSUANT TO THIS SECTION IN ACCORDANCE WITH THE  
12 "PROCUREMENT CODE", ARTICLES 101 THROUGH 112 OF THIS TITLE 24,  
13 UNLESS OTHERWISE SPECIFIED IN THIS SECTION.

14 **SECTION 3. Safety clause.** The general assembly hereby finds,  
15 determines, and declares that this act is necessary for the immediate  
16 preservation of the public peace, health, and safety.