

INVESTMENTS IN INFORMATION TECHNOLOGY IMPROVEMENT & MODERNIZATION PROJECTS OVERSIGHT BOARD

Minutes of the 1st Meeting of the 2023 Interim

September 12, 2023

Call to Order and Roll Call

The 1st meeting of the Investments in Information Technology Improvement & Modernization Projects Oversight Board was held on Tuesday, September 12, 2023, at 11:00 AM, in Room 154 of the Capitol Annex. Senator Gex Williams, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Gex Williams, Co-Chair; Representative Phillip Pratt, Co-Chair; Senator Cassie Chambers Armstrong; Representatives Chad Aull and John Hodgson.

Guests: Ruth Day, Chief Information Officer, Commonwealth Office of Technology (COT); Jim Barnhart, Deputy CIO, COT; David Carter, Chief Information Security Officer, COT; Kari Welch, Executive Director, COT; Trey Grayson, Partner, Frost Brown Todd, LLP., and Managing Director, Civic Point; Tabatha Clemons, Grant County Clerk, Incoming Kentucky County Clerks Association President; Heather Stout, Executive Director, Office of Information Technology, Transportation Cabinet; Jennifer Scutchfield, Assistant Secretary of State; Rodney Barnes, System Architect, Kentucky Secretary of State's Office; David Couch, Associate Commissioner, Office of Education Technology, Kentucky Department of Education (KDE).

LRC Staff: Jennifer Hays, Sarah Watts, and Jennifer Smith.

Representative Pratt said many state agencies are still wrestling with getting new computer systems, even though discussions began as early as 2019. He compared the process in Kentucky with the process undertaken by Texas who bought a pre-built IT system rather than building from the ground up, as Kentucky has attempted to do. The Texas process took less time, was less expensive, and Rep. Pratt pointed out that Texas has a greater population than Kentucky. House Bill 395 of the 2023 Regular Session was an attempt to get Kentucky on a different path toward a new IT infrastructure.

Senator Williams informed members that a timeline for implementation of House Bill 395 could be found in their folders. Technology projects would be determined in the

2026-2027 budget cycle, not the upcoming 2024-2025 budget session. Senator Williams added that there are immediate responsibilities to address such as legacy system projects, cyber security projects, current and ongoing operations, and maintenance of state agency information resources. The goal of the oversight board will be to determine the appropriate organizational structure for deployment of technology across the Commonwealth, as well as to review the latest information technology developments trending across the nation. He asked for the committee to consider if they will want to meet during session.

Informative Discussion from State Agencies on how Technology Procedures, Difficulties with the Current System, Upgrade Status, and the Current Computer System Impacts Department Business & Citizens of the Commonwealth.

Ms. Ruth Day, Chief Information Officer, Commonwealth Office of Technology (COT) stated that the current modern IT infrastructure used by the state is possible because of the foresight, over 10 years ago, to put together a consolidated system. The current infrastructure has served the Commonwealth well. Going forward the state will need to keep in mind the four priorities every state may face: cyber security, cloud development, digitalization, and legacy modernization. Ms. Day added that pay raises for employees were appreciated and well received, but there is still room for improvement.

Mr. David Carter, Chief Information Security Officer, COT, explained that there is no lack of desire to move forward with legacy modernization. However, that will cause service interruptions that will affect the agency. COT has in place the same technology as other large institutes and is ready to support the agency to modernize systems but there is always risk in transitioning large, flagship systems. Mr. Jim Barnhart, Deputy Chief Information Officer, COT, said the agency is ready to move things to cloud storage as they already have the equipment necessary to act.

Ms. Kari Welch, Executive Director, COT, said they continuously evaluate things from financial, operational, and security standpoints. It would cost a little under \$1 million to modernize. The agency has received \$20 million in bond funds for the legacy modernization update, and modernization has begun, starting with reduction of paper forms for the Personnel Cabinet. COT has created pilot programs for agencies to modernize and help maintain the new systems. Typically, these programs cost just under \$1 million each and have been very successful. The state still utilizes the approximately 70 mainframes initially purchased from IBM, some of which are off-campus, including the primary mainframe in Boulder, Colorado. All encryptions to the systems are up to date, but several contractors working on the system are retirees who have returned to work part-time, as there are not many capable applicants to maintain the older technologies.

Responding to a question from Representative Aull, Mr. Barnhart said COT utilizes a four- to five-year refresh cycle. However, if a special need arises, there may be an update

ahead of schedule. State employees get a new computer every four to five years. Currently, there are no state employees using equipment that is twenty years old.

Ms. Tabatha Clemmons, Kentucky County Clerk's Association, spoke regarding the agency's involvement with other state agencies. Clerks certify candidates and amendments for the Secretary of State's Office. The new process allows for online, versus mail-in certification, but there is room for improvement. Regarding public notaries, there have been many online improvements to register online and their office can retrieve applications online as well. Upon approval, the office presents certificates and administers the oath in person. With election night reporting, Ms. Clemmons said it would be helpful to have even more electronic systems for recording and certifying election results. Most voter registrations are all online or done with a QR code to register, and all voter registrations come to the office electronically. The clerks' office would benefit from being able to enter data and research on an electronic database, especially in the event a deceased person needs to be removed from the voter registration rolls, rather than waiting for the state board of elections. A state wide GIS mapping system would greatly improve voter registration accuracy. The current system results in delays which cause customers to have to wait longer to update their voter registration.

In response to a question from Chair Williams, Ms. Clemmons said constituents are demanding more online options when registering vehicles, paying taxes, and obtaining titles.

Ms. Heather Stout, Executive Director, Office of Information Technology, Transportation Cabinet, said the office supports all the IT applications for the Department of Highways, Vehicle Regulations, and Motor Vehicle Licensing, including driver licensing. If someone is already registered to vote or a non-US citizen, then the system will not ask them to register to vote online. Kentucky has one of the most robust GIS systems in the nation. However, there are flaws, primarily regarding parcel data. A pilot program is being developed to do electronic liens, and the agency is hoping that project will eventually also encompass e-titling to replace paper titles for vehicles. Beginning in January 2024, the agency will transition away from the AVIS program to KAVIS.

Responding to a question from Chair Williams, Ms. Stout said the agency has a mixture of information stored in the cloud. KAVIS is hosted through COT, driver's license data is hosted in Colorado, and other data are stored in Google Cloud storage.

Ms. Jennifer Scutchfield, Assistant Secretary of State, and Mr. Rodney Barnes, System Architect, Kentucky Secretary of State's Office spoke regarding the integrated desktop enterprise that was created within the Kentucky Secretary of State's Office and is utilized by several agencies, including public notaries and county clerks' offices. At one point in time, everything in their profession was handwritten, so it is notable how far technology has come to replace so many paper records. Annual reports, certifications,

business filings, usage fees, and business records are all now built using the integrated IT system. The Secretary of State's Office also works with the Department of Revenue to ensure business taxes are paid, and they work with courts to issue summons.

Responding to a question from Chair Williams, Ms. Scutchfield said she would love to see the state move to a nearly entirely electronic system, however, they still accept checks and cash from constituents for certain transactions, so there will always need to be some form of paper recording for some interactions.

Mr. David Couch, Associate Commissioner, Office of Education Technology, Kentucky Department of Education (KDE), said Kentucky is a national leader for cloud-based computing, in both the governmental and private sectors. KDE is the first organization to use cloud-based email and other agencies soon followed their lead. The department has had great success with their email services and prior to the pandemic, were successfully utilizing other telecommunication technologies. Staff has proven they can do their work remotely and be just as efficient. Most of the department's work is done in the districts, and if it can be done using a cloud computing option that is the department's preference.

In response to a question from Chair Williams, Mr. Couch said there is some standardization of the big data systems, because if one teacher travels between districts then the system for the two districts needs to be compatible enough to support their transfer. The districts look to KDE to set technology standards for district-level systems.

Representative Pratt closed the meeting, stating that this was just the tip of the iceberg for these discussions on information technology. The meetings will serve as a road map for where the state is going.

Adjournment

With no further business to come before the board, the meeting was adjourned at 12:32 PM.