

1 HB430
2 197639-4
3 By Representative Clouse
4 RFD: Technology and Research
5 First Read: 16-APR-19

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8 SYNOPSIS: Under current law, an information technology
9 contract with a state agency is generally treated
10 the same as a general state contract.

11 This bill would require state technology
12 contracts to include terms relating to the
13 verification of hours billed for work performed,
14 including the use of third-party software to
15 independently verify the hours billed for work
16 performed.

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18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 Relating to state contracts; to require contractors
23 to verify hours worked on computers and billed to the state
24 government for certain state information technology contracts.
25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. The Legislature recognizes that an
27 increasing amount of state information technology contracts

1 require the use of computers, a virtual office, or online
2 activity. The Legislature further recognizes the difficulty in
3 verifying hours worked on computers for state contracts.
4 Therefore, the Legislature intends to establish a secure and
5 transparent process to verify hours worked on computers and
6 billed to the state for certain contracts to prevent abuse and
7 overbilling.

8 Section 2. (a) (1) An information technology contract
9 with a state agency for more than five hundred thousand
10 dollars (\$500,000) that includes professional or technical
11 services to be performed using a computer and billed to the
12 state by the hour shall include terms that require a
13 contractor to use software to verify that hours billed for
14 work under the contract that are performed on a computer
15 pursuant to that contract are legitimate.

16 (2) The contract shall specify that the agency will
17 not pay for hours worked on a computer unless those hours are
18 verifiable by the software or by data collected by the
19 software.

20 (b) The verification software shall do all of the
21 following:

22 (1) Permit the agency or an auditor of the agency to
23 have access to data collected or provided by the software.

24 (2) Automatically gather verification data of
25 state-funded activity by counting the total keystroke and
26 mouse event frequency, but shall not record actual keystrokes

1 or mouse events, and shall take a screenshot at least once
2 every three minutes.

3 (3) Protect all privacy or confidential data
4 consistent with federal and state law and administrative
5 rules, regulations, or policies with regard to information
6 security, including rules adopted under the authority of the
7 Alabama Secretary of Information Technology.

8 (c) The data collected by the software shall be
9 considered financial records belonging to the contractor. The
10 contractor must provide access to the data to the contracting
11 agency or state auditors on their request. The contractor may
12 not sell or use the data generated by the software for any
13 purposes other than to manage and verify hours worked on a
14 computer and billed to the state.

15 (d) The contractor shall not charge the agency or an
16 auditor of the agency for access to or use of the work
17 verification software or for access to or retrievals of data
18 collected by the software.

19 (e) Software used under this section must be
20 procured by the contractor from an independent entity. The
21 independent entity shall not have access to any screenshots
22 generated by the software used to comply with this section.

23 (f) This section shall not apply to any hours billed
24 that are not performed on the computer.

25 (g) This section shall also not apply to any of the
26 following:

27 (1) A state employee.

1 (2) A state agency contracting with any state
2 agency.

3 (3) A law enforcement agency, or a contract with any
4 agency which is the custodian of Criminal Justice Information
5 as defined from time to time by Federal Bureau of
6 Investigation Criminal Justice Information Services Security
7 Policy.

8 (4) An individual who works for a contractor that
9 works on a state-owned device.

10 (5) Information technology contracts with a state
11 agency that is the custodian of Federal Tax Information as
12 defined from time to time in Internal Revenue Publication 1075
13 and which is subject to the confidentiality provisions of the
14 Internal Revenue Code and safeguarding requirements of Section
15 6103 of the Internal Revenue Code; return information subject
16 to the confidentiality provisions of Section 40-2A-10, Code of
17 Alabama 1975; or personal information subject to the
18 confidentiality provisions of the federal Driver's Privacy
19 Protection Act (Public Law 103-322).

20 Section 3. Any agency subject to this article shall
21 adopt rules to implement the terms of this act no later than
22 six months after the effective date of this act.

23 Section 4. This act shall become effective on the
24 first day of the third month following its passage and
25 approval by the Governor, or its otherwise becoming law.