

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2038

2007 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2038

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2038

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 1/18/07

Recorder Job Number: 1369, 1370

Committee Clerk Signature

Veronica Spurling

Minutes:

Roll was taken and all members were present.

Sen. Dever, Chairman, opened the hearing on SB 2038 and mentioned it has a fiscal note.

Roxanne Woeste said this law is for the Legislative Council. She is a Fiscal Analyst for the

Legislative Council. She spoke on behalf of the IT Committee to introduce the bill. She said this bill is a clean up bill to reflect the current practices of IT Committee and IT Department.

Senator Horne asked for the background on this. What is the reason for these changes?

Roxanne mentioned that the Interim IT Committee had studied and had come up with this clean up language to reflect what is currently being done by the IT Committee and IT Department.

Support: - Nancy Walz, Director of Policy and Planning for IT Department, spoke in support of SB 2038. See attachment # 1.

Senator Marcellais asked what is considered a major project.

Nancy replied anything over \$250,000.00

Opposition: Illona Jeffcoat-Sacco, Executive Director of the Public Service Commission and the Public Utilities Director, spoke on behalf of the Public Service Commission in opposition to SB 2038. See attachment # 2. After paragraph 4 she interjected that it scares her to take

enabling language out. She mentioned that the new language she referred to in paragraph 5 dilutes the influence of agencies substantially. "Involving advice" is much less substantial than "based on information." "Based on information" is more factual and carries more weight.

Senator Judy Lee mentioned she had heard of these concerns in the past legislative session.

She asked what level of concern there was with the input from agencies being lessened.

Illona expressed concern with the language.

Senator Oehlke asked whether she feels the changes would match current practices.

Illona was not sure. She feels Enterprise Architecture is being substituted for the agency committee as far as input. Even though they are active in Enterprise Architecture she has reservations about it.

Illona said, "If ITD thinks that SITAC substitutes for the agency

committee, I don't think they are following the law." She also said, "If ITD doesn't think that SITAC is the substitute, then maybe they are just ignoring the law."

Senator Dever asked if there are other places in the code that reference the exemption.

Illona said there is another place in the code that references exemption from consolidation.

She doesn't believe there is any other place that references exemption from standards, rules and guidelines.

Senator Horne asked for clarification of her concern with this proposed law. Is her concern that it would it not allow agencies like the PSC flexibility to do things because they would be governed by policies that don't fit their agency. He also asked for an example.

Illona said that was a good statement of their general concern. She deferred the rest of the question to Steve Kahl, IT Director for Public Service Commission. Steve said he sits on the Architecture Review Board which is part of Enterprise Architecture. He has been involved from the inception of Enterprise Architecture. He is concerned that the input from Enterprise

Architecture would not have to be used to develop the guidelines and policies. He then cited an example. He stated that many agencies have needs unique to them.

Jim Lindholm, Information Technology Administrator with the Department of Mineral Resources, shared the same concerns as the Public Service Commission. He doesn't want to be required to follow standards and guidelines that are developed by an agency that is not familiar with their business policies and needs.

Senator Oehlke asked if they have had problems in the past.

Jim said they didn't have problems because they went through the EA process and worked it out. They are concerned that this process may be taken away and then there would be problems. They don't want to lose the current process that they have.

Opposition: -

Neutral: -

Chairman Dever closed the hearing on SB 2038.

Chairman Dever opened discussion on SB 2038.

Senator Lee asked if the intern could print out the present statutes referenced in this bill for the committee for future discussions so they could compare them side by side with the proposed language.

Senator Horne expressed a need for further information.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2038

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 1/25/07

Recorder Job Number: 1949

Committee Clerk Signature

Monica Spurling

Minutes:

All members of the committee were present.

Sen. Dever, Chairman, opened discussion on SB 2038.

Senator Dever said the portion of the bill being considered was page 2, line 7-9. There was some discussion about the benefits of exempting some agencies or leaving them in and not allowing them to be exempted.

Senator Oehlke said some agencies need some very specialized programs for the information they deal with.

Senator Marcellais felt it was best to have a standard policy for all state agencies and make them an appendix, not an exemption.

Senator Dever said the ITD chief information officer feels that there needs to be exceptions to the policies for different situations.

Senator Nelson expressed that "one size does not fit all." She said this bill would gut the mechanism that assures state agencies input. That seems to be a major concern of state agencies. They want some input into the system. They didn't have that under Curt.

Senator Dever expressed that there is more comfort under the new leadership.

Senator Nelson asked whether that was due to Curt being gone, or due to it being more established.

Senator Dever said it was due to both.

Senator Lee remarked that Curt Wolf was a remarkably skilled person and his reputation was different in many ways than the way he actually worked. He brought a lot of expertise to this and change is difficult for everyone. Some time has passed and people are more comfortable now. She expressed that she would like to leave some flexibility. She knows some uniformity is good, but she does feel it is important to get input early in the issue and not just at the end.

Senator Dever said the first part of the amendment in Section 4 is to restore the language the way it was. The changes are to make it flow better.

Senator Oehlke asked if there are any changes being made.

The discussion was that there was only change in Section 1.

Senator Horne referred to page 3, line 16. He feels it gives the Chief Information Officer flexibility to exempt an agency from the policies, standards and guidelines and the rest of the situations unique to that agency.

Senator Dever said that is what the other agencies involved want also.

Senator Horne asked who was backing this bill.

Senator Nelson replied that the IT Committee is backing it.

Senator Horne asked if this would make all the agencies happy because they could be exempted from it if they so chose.

Senator Dever said it seems everyone would be happy with it except for Senator Marcellais.

Senator Oehlke explained that his impression was that there had been a communication breakdown and that it has been resolved at this point.

Senator Horne mentioned that some agencies did not even attend the meetings,

The senators after discussion felt comfortable with it.

Senator Judy Lee made a motion to amend SB 2038.

Senator Nelson seconded the motion.

Roll Call Vote: Yes 5 No 1 Absent 0

Senator Lee made a motion to pass SB 2038 as amended.

Senator Horne seconded the motion.

Roll Call Vote: Yes 5 No 1 Absent 0

Carrier: Oehlke

FISCAL NOTE
Requested by Legislative Council
12/26/2006

Bill/Resolution No.: SB 2038

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill is clean-up language for ITD and will not have any fiscal impact.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No fiscal impact.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

N/A

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

N/A

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

N/A

Name:	Mike J. Ressler	Agency:	Information Technology Department
Phone Number:	328-1001	Date Prepared:	12/27/2006

January 23, 2007

JB
1-25-07

PROPOSED AMENDMENTS TO SENATE BILL NO. 2038

Page 3, line 6, remove the overstrike over "~~Based on information from state~~"

Page 3, line 7, remove the overstrike over "~~agencies and institutions, the~~" and remove "The"

Page 3, line 8, remove "using a process"

Page 3, line 9, remove "involving advice from state agencies and institutions"

Page 3, line 12, overstrike "Unless an"

Page 3, line 13, overstrike "exemption is granted by the chief information officer, each" and
insert immediately thereafter "Each"

Page 3, line 16, after "budget" insert "unless the chief information officer exempts an agency
from the policies, standards, and guidelines to address situations unique to that agency"

Renumber accordingly

Date : 1-25-07
Roll Call Vote # : 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. amendment to 2B8

Senate Government and Veteran Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken _____

Motion Made By Lee Seconded By Nelson

Senators	Yes	No	Senators	Yes	No
Senator Dick Dever - Chairman	✓		Senator Robert Horne	✓	
Senator Dave Oehlke - VC	✓		Senator Richard Marcellais		✓
Senator Judy Lee	✓		Senator Carolyn Nelson	✓	

Total (Yes) 5 No 1

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date : 1-25-07
Roll Call Vote # : 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2038 as amended

Senate Government and Veteran Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 70016.0201 0300

Action Taken pass as amended

Motion Made By Lee Seconded By Horne

Senators	Yes	No	Senators	Yes	No
Senator Dick Dever - Chairman	✓		Senator Robert Horne	✓	
Senator Dave Oehlke - VC	✓		Senator Richard Marcellais		✓
Senator Judy Lee	✓		Senator Carolyn Nelson	✓	

Total (Yes) 5 No 1

Absent 0

Floor Assignment Oehlke

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2038: Government and Veterans Affairs Committee (Sen. Dever, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2038 was placed on the Sixth order on the calendar.

Page 3, line 6, remove the overstrike over "~~Based on information from state~~"

Page 3, line 7, remove the overstrike over "~~agencies and institutions, the~~" and remove "The"

Page 3, line 8, remove "using a process"

Page 3, line 9, remove "involving advice from state agencies and institutions"

Page 3, line 12, overstrike "Unless an"

Page 3, line 13, overstrike "exemption is granted by the chief information officer, each" and insert immediately thereafter "Each"

Page 3, line 16, after "budget" insert "unless the chief information officer exempts an agency from the policies, standards, and guidelines to address situations unique to that agency"

Renumber accordingly

2007 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2038

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2038

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: March 1, 2007

Recorder Job Number: 4163

Committee Clerk Signature

Morgan Penick

Minutes:

Roxanne Woeste: *I am here this morning to provide you a brief overview of the bill. Section 1 of the bill creates a new subsection to the powers and duties of the legislative IT committee. That would just provide that the IT committee receives the report from the chief officer regarding recommendations of the state Information Technology Advisory committee, relating to the prioritization of the major IT projects and other information. You might be asking what prioritization is. That leads us to section 2 of the bill which really explains the prioritization. We are making several changes to this section of code. I just want to explain that a lot of the changes are clean up things which to reflect how the process is currently being done. This is really what the prioritization really is. The IT department should permit information regarding to major IT projects for the executive branch, agencies, departments, and institutions excluding higher education and the Judicial and Legislative branches to the state Information Technology Committee. This committee reviews and ranks those projects that receive an affirmative recommendation. Then the chief information officer looks at the recommendations of this committee and the prioritization to them. The IT committee and the Office of Management and Budget, and the Appropriations Committee of the Legislative session. The last part of that section just goes on to say that the two other branches of government, the judicial and*

legislative, shall notify this committee of their IT projects that they had. Section 3 of the bill relates to statutory creation of the IT Information Technology Advisory committee. The only changes that we are making there, you can see on page 3 on lines 1-3. We are saying that the committee shall review the policies, standards, and guidelines developed by the IT Department. The chief information officer shall look at any recommendations of the committee if they have any regarding IT issues to the legislative IT committee. Just to clarify there in lines 12-17 that each state executive branch agency excluding higher education will comply with policy, standards, and guidelines developed by the IT department and OMB.

Rep. Haas: Do you know what the Senate did to amend the bill originally?

Roxanne Woeste: Basically the Senate amendments clarify the language in section 4 of the bill. As introduced we had changes in the slightest matter. They thought it was clearer as it was amended.

Rep. Karls: Would it be possible to get a list of who is on that committee? I know there are certain people in statute but there are a lot of members that are appointed on the private sector.

Roxanne Woeste: I will surely get that to you.

Nancy Walz: Testimony attached.

Rep. Haas: Is there any other testimony for SB 2038? If not we will close the hearing on SB 2038.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2038

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: March 1, 2007

Recorder Job Number: 4230

Committee Clerk Signature

Morgan Reinke

Minutes:

Rep. Haas: This is the first one we did this morning on Information Technology. It was kind of an updating for the committee. Someone had asked who was on that committee and we have a handout for that. Is there any pre motion discussion on this particular bill? It seems like it was pretty clean. The Senate had made a couple of changes but they were just technical corrections.

Rep. Grande: I move a do pass.

Rep. Schneider: I Second that.

Rep. Haas: Is there any discussion? If not we will take a roll call vote on a do pass motion for SB 2038. The do pass motion for SB 2038 passes with a vote of 11-0-2. Is there a volunteer to carry this bill?

Rep. Amerman: I will.

Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number. SB 2038

Action Taken DO PASS

Motion Made By Rep Glendale Seconded By Rep Schneider

Representatives		Yes	No	Representatives		Yes	No
Rep. C. B Haas Chairman	X			Rep. Bill Amerman	X		
Rep. Bette Grande VC	X			Rep. Louise Potter	X		
Rep. Randy Boehning	X			Rep. Jasper Schneider	X		
Rep. Stacey Dahl	X			Rep. Lisa Wolf	X		
Rep. Glen Froseth	X						
Rep. Karen Karls	X						
Rep. Jim Kasper	/						
Rep. Lisa Meier	X						
Rep. Dave Weiler	/						
Total	(X=)	11	0				

Total (Yes) 11 No 0
Absent 2

Absent 2

Floor Assignment Rep Amelman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 2, 2007 7:34 a.m.

Module No: HR-40-4257
Carrier: Amerman
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2038, as engrossed: Government and Veterans Affairs Committee (Rep. Haas, Chairman) recommends DO PASS (11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2038 was placed on the Fourteenth order on the calendar.

2007 TESTIMONY

SB 2038

***SB 2038 TESTIMONY
SENATE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
BY: NANCY WALZ, DIRECTOR, POLICY AND PLANNING
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
JANUARY 18, 2007***

Mr. Chairman and members of the committee, my name is Nancy Walz. I am the Director of Policy and Planning at the Information Technology Department. I am here to indicate ITD's support for Senate Bill 2038.

This bill simply updates North Dakota Century Code to match the current practices of the department and clarify some of the code that was confusing. Section 54-59-02.1 refers to an advisory committee named by the department while 54.59.07 refers to the State IT Advisory Committee (SITAC) named by the governor. In practice, ITD uses the SITAC to fulfill both roles and the bill reflects this practice.

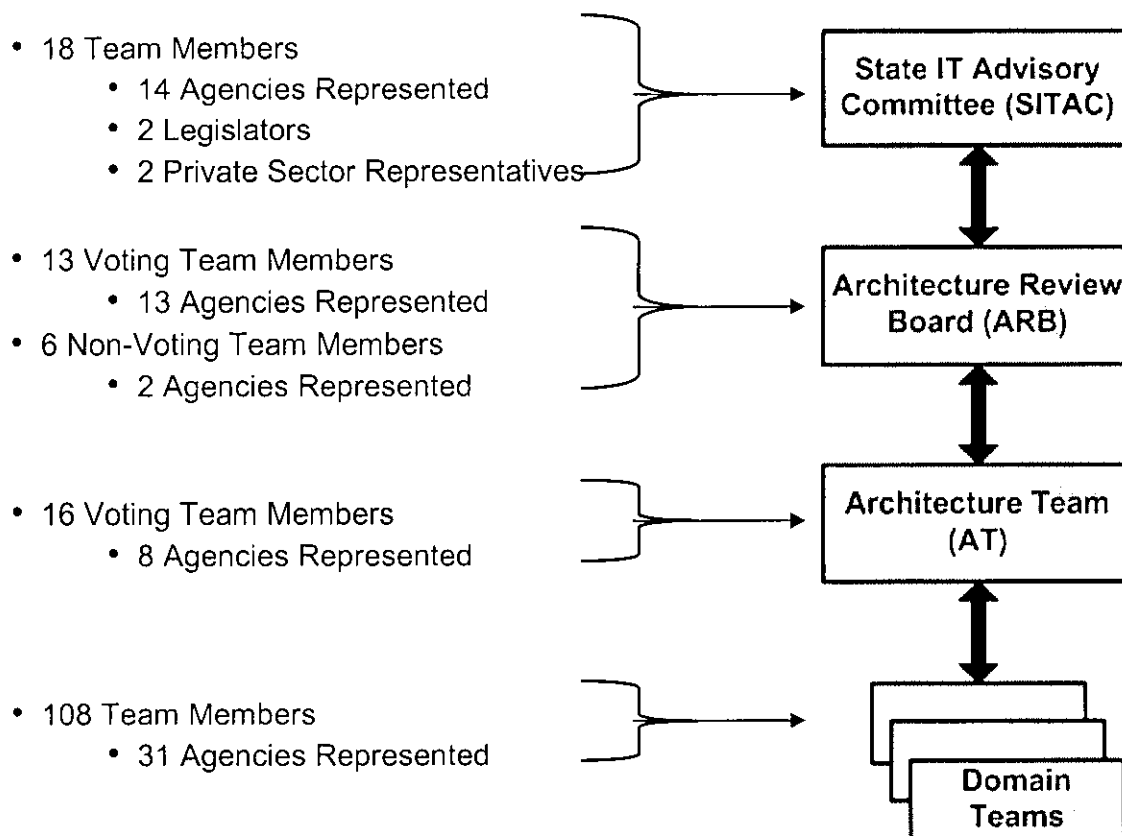
Sections 54-59-02.1 and 54-59-09 were created in separate legislation and some duplication exists between the two sections. The chart on the next page shows the governance structure used by our Enterprise Architecture process to create standards as required in 54-59-09. This bill modifies 54-59-02.1 to drop this responsibility because it is duplicated in 54-59-09. The ability of the CIO to exempt agencies from standards is also removed from 54-59-02.1 because it is already covered in 54-59-09. The bill also clarifies in 54-59-07 the involvement of the SITAC in the standard setting process.

The final page of my handout shows the process for prioritizing IT projects. The bill reflects that the process applies to all technology not just software projects and indicates that OMB, the legislative IT committee and the appropriations committees will receive the prioritized list once completed. This reflects current practice as do the other changes.

That concludes my remarks. I would be happy to entertain any questions.

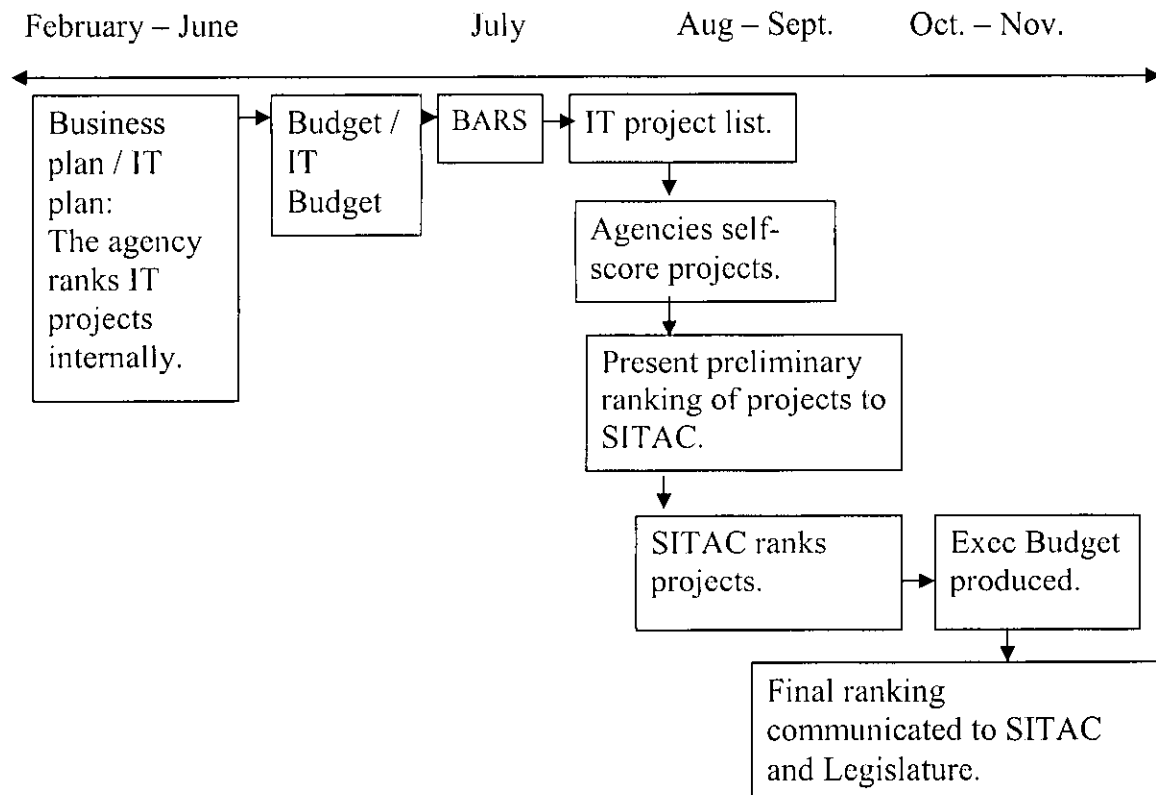
Nancy Walz
Director, Policy and Planning
Information Technology Department
(701) 328-1991
nwalz@nd.gov

Enterprise Architecture Governance & Participation



119 Total Participants
32 Agencies Represented

SITAC IT Project Ranking Process



S. B. 2038

Presented by: Illona Jeffcoat-Sacco
Public Service Commission

Before: Government & Veterans Affairs Committee
Honorable Dick Dever, Chairman

Date: January 18, 2007

TESTIMONY

Chairman Dever and committee members, my name is Illona Jeffcoat-Sacco. I am the Executive Director of the Public Service Commission. The Commission asked me to appear here today to testify against Senate Bill 2038. The Public Service Commission is opposed to SB 2038 for several reasons.

Current law provides a mechanism intended to provide state agencies with meaningful input on software project prioritization by the Information Technology Department (ITD), as well as on ITD's development of the policies, standards and guidelines to which agencies must adhere. This input by state agencies is an important safeguard for those agencies, and should be invaluable to ITD.

In section 2, SB 2038 completely guts the mechanism that ensures state agency input. This change leaves state agencies with no guarantee that ITD will avail itself of this important input and consequently, no safeguard that specific agency needs will be considered by ITD in its decision-making.

12:42 The Commission is even more concerned with the proposed change in section 2 which removes the ability of the Chief Information Officer to exempt agencies from ITD policies, standards, and guidelines. The ability to exempt agencies when appropriate is essential for agencies who are involved in engineering, science and other non traditional roles. The one size fits all model often makes it very difficult or impossible for scientific or technical agencies to perform their constitutional or statutory responsibilities. We believe it is extremely important that the Chief Information Officer continue to have the discretion to exempt agencies from policies, standards and guidelines.

We also have concerns with section 4 of the bill. In section 4 of the bill, the existing provision mandating that the policies, standards and guidelines issued by ITD will be "based on information from agencies and institutions" is removed and replaced with a process where standards, guidelines and policies are developed by ITD "involving advice from state agencies and institutions." This change may seem minor, but in reality changes the standard imposed on ITD when developing these policies, standards and guidelines. The policies, standards and guidelines have a huge impact on how agencies accomplish their work. It is only appropriate that when ITD issues a policy, standard or guideline the action be supported by the actual circumstances existing in the agencies affected by the decision.

The Public Service Commission is a constitutional agency headed by three statewide elected officials. The revisions proposed by SB 2038 impact the integrity of the PSC and other agencies. It is both necessary and appropriate that ITD use input from agencies to develop standards, policies and guidelines, that the Chief Information Officer have the discretion to exempt agencies from policies, standards and guidelines, and further, that any standards, policies and guidelines developed by ITD be based on information provided by the agencies.

This completes my testimony. I will be happy to answer any questions you may have.

SB 2038 TESTIMONY
HOUSE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
BY: NANCY WALZ, DIRECTOR, POLICY AND PLANNING
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
MARCH 1, 2007

Mr. Chairman and members of the committee, my name is Nancy Walz. I am the Director of Policy and Planning at the Information Technology Department. I am here to indicate ITD's support for Senate Bill 2038.

This bill simply updates North Dakota Century Code to match the current practices of the department and clarify some of the code that was confusing. Section 54-59-02.1 refers to an advisory committee named by the department while 54.59.07 refers to the State IT Advisory Committee (SITAC) named by the governor. In practice, ITD uses the SITAC to fulfill both roles and the bill reflects this practice.

Sections 54-59-02.1 and 54-59-09 were created in separate legislation and some duplication exists between the two sections. This bill modifies 54-59-02.1 (section 2) to drop this responsibility because it is duplicated in 54-59-09 (section 4). The bill also clarifies in 54-59-07 (section 3) the involvement of the SITAC in the standard setting process. The chart on the next page shows the governance structure used by our Enterprise Architecture process to create standards as required in 54-59-09. The SITAC is the highest level in the process and the only committee in legislation. We feel that the SITAC and the CIO have the needed flexibility under the current legislation to create the other committees as needed. The current structure seems to be working fairly well and we have no intention of changing it at this point. More information about our standard setting process can be found at our website – www.nd.gov/ea.

The ability of the CIO to exempt agencies from standards is also removed from 54-59-02.1 (section 2) because it is already covered in 54-59-09 (section 4). There was some discussion on the Senate side about whether the changes in section 4 were as explicit as lines 7 to 9 deleted on page 2. Our assumption is that the CIO will continue to have the ability to grant waivers and I will leave it to you whether this language is sufficient.

The final page of my handout shows the process for prioritizing IT projects. The bill reflects that the process applies to all technology not just software projects and indicates that OMB, the legislative IT committee and the appropriations committees will receive the prioritized list once completed. This reflects current practice as do the other changes.

That concludes my remarks. I would be happy to entertain any questions.

Nancy Walz
Director, Policy and Planning
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Policy and Planning

State Information Technology Advisory Committee

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Member	Agency
Lisa Feldner	Information Technology Department
Eric Hardmeyer	Bank of North Dakota
Laura Glatt	University Systems
Carol K. Olson	Department of Human Services
Francis Ziegler	Department of Transportation
Maren Daley	Job Service North Dakota
Pam Sharp	Office of Management and Budget
Sandy Blunt	Workforce Safety and Insurance
Arvy Smith	North Dakota Department of Health
Sparb Collins	North Dakota Public Employees Retirement System
Thomas Trenbeath	Office of Attorney General
Alvin A. Jaeger	Secretary of State
Cory Fong	Office of State Tax Commissioner
Sally Holewa	North Dakota Supreme Court
Representative Bob Skarphol	Legislative Assembly
Senator Rich Wardner	Legislative Assembly
Tom Evans	MDU Resource Group, Inc..
Craig Hewitt	MeritCare Health System

List of Sitac Members' Addresses & Emails



Public Service Commission

State of North Dakota

COMMISSIONERS

Susan E. Wefald, President
Kevin Cramer
Tony Clark

Executive Director
Illona A. Jeffcoat-Sacco

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Phone 701-328-2400

8 March 2007

Honorable C. B. Haas, Chairman
Government and Veterans Affairs Committee
North Dakota House
600 East Boulevard Avenue
Bismarck, ND 58505

Re: Senate Bill 2038

Dear Chairman Haas:

The Public Service Commission was heavily involved in discussions with the Information Technology Department (ITD) when the captioned bill was being considered by the Senate and some of our concerns are addressed by the engrossed bill. Given our earlier efforts to reach an agreement with ITD, the Commission elected not to testify at the hearing last week.

However, based on testimony at the hearing last week, it is our understanding that ITD is giving further consideration to some of the issues we raised before. Consequently, we wanted to provide the committee and ITD with some input for that process.

One main concern that we have with the engrossed bill is that the existing affirmative grant of authority to the Chief Information Officer (CIO) to exempt an agency from policies, standards and guidelines to address situations unique to that agency is deleted by the changes in section two of the engrossed bill. Later, in section four of the engrossed bill, a reference to exemptions by the CIO is added in a dependent clause, but this is unlikely to constitute an affirmative grant of authority. We would hope that the affirmative grant of this authority can be reinstated, by adding sufficient language to section four of the engrossed bill.

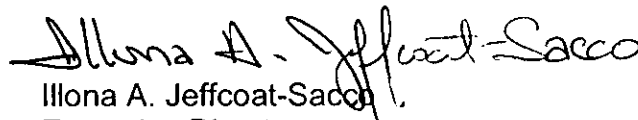
Another concern we continue to have is that the revisions in section two of the engrossed bill change the entire focus of that section from one in which ITD works with an advisory committee of state agencies to prioritize and develop

Honorable C. B. Haas, Chairman
Government and Veterans Affairs Committee
8 March 2007
Page 2

standards and guidelines to one in which ITD simply flows prioritization information up to the State Information Technology Advisory Committee (SITAC) and then flows SITAC's conclusions up to the Information Technology Committee.

I have attached to this letter a copy of our testimony from the Senate committee hearing for background as you consider this letter. Thank you for your consideration.

Best regards,


Illona A. Jeffcoat-Sacco
Executive Director

c: Rep. Bette B. Grande, Vice Chairman	Rep. Randy Boehning
Rep. Stacy Dahl	Rep. Glen Froseth
Rep. Karen Karls	Rep. Jim Kasper
Rep. Lisa Meier	Rep. Dave Weiler
Rep. Bill Amerman	Rep. Louise Potter
Rep. Jasper Schneider	Rep. Lisa Wolf
Lisa Feldner, CIO, ITD	Nancy Walz, ITD

Attachment