

**FIRST ENGROSSMENT
with Conference Committee Amendments****ENGROSSED HOUSE BILL NO. 1043**

Introduced by

Legislative Council

(Information Technology Committee)

1 A BILL for an Act to create and enact two new subsections to section 54-59-05 of the North
2 Dakota Century Code, relating to powers and duties of the information technology department;
3 and to amend and reenact sections 54-35-15.1 and 54-59-02, subsection 4 of section 54-59-05,
4 and sections 54-59-07, 54-59-11, and 54-59-14 of the North Dakota Century Code, relating to
5 the information technology committee, information technology department responsibility, forms
6 management, the state information technology advisory committee, the powers and duties of
7 the information technology department, information technology plans, and the information
8 technology operating account.

9 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

10 **SECTION 1. AMENDMENT.** Section 54-35-15.1 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **54-35-15.1. Information technology committee - Appointment.** The legislative
13 council, during each biennium, shall appoint an information technology committee in the same
14 manner as the council appoints other interim committees. The council shall appoint ~~four~~ six
15 members of the house of representatives and ~~three~~ five members of the senate to the
16 committee. The chief information officer of the state is an ex officio, nonvoting member of the
17 committee. The council shall designate the chairman of the committee. The committee shall
18 operate according to the statutes and procedure governing the operation of other legislative
19 council interim committees.

20 **SECTION 2. AMENDMENT.** Section 54-59-02 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-59-02. Information technology department - Responsibility.** The information
23 technology department is established with the responsibility for all wide area network services
24 planning, selection, and implementation for all state agencies, including institutions under the

1 control of the board of higher education, counties, cities, and school districts in this state. With
2 respect to a county, city, or school district, wide area network services are those services
3 necessary to transmit voice, data, or video outside the county, city, or school district. In
4 exercising its powers and duties, the department is responsible for computer support services,
5 host software development, statewide communications services, standards for providing
6 information to other state agencies and the public through the internet, technology planning,
7 process redesign, and quality assurance. The department may not exercise its powers and
8 duties in a manner that competes or otherwise interferes with the provision of
9 telecommunications service to a private, charitable, or nonprofit entity by a privately or
10 cooperatively owned telecommunications company.

11 **SECTION 3. AMENDMENT.** Subsection 4 of section 54-59-05 of the North Dakota
12 Century Code is amended and reenacted as follows:

13 4. May purchase, finance the purchase, or lease equipment ~~or~~, software, or
14 implementation services or replace, including by trade or resale, equipment or
15 software as may be necessary to carry out this chapter. An agreement to finance
16 the purchase of software, equipment, or implementation services may not exceed
17 a period of three years. The department shall submit any intended financing
18 proposal for the purchase of software, equipment, or implementation services
19 under this subsection, which is in excess of one million dollars, to the budget
20 section of the legislative council before executing a financing agreement. If the
21 budget section does not approve the execution of a financing agreement, the
22 department may not proceed with the proposed financing arrangement. The
23 department may finance the purchase of software, equipment, or implementation
24 services only to the extent the purchase amount does not exceed seven and
25 one-half percent of the amount appropriated to the department during that
26 biennium ~~for equipment~~. Each executive branch agency or institution, except the
27 institutions under the control of the board of higher education, shall submit to the
28 department, in accordance with guidelines established by the department, a written
29 request for the lease, purchase, or other contractual acquisition of information
30 technology. The department shall review requests for conformance with the
31 requesting entity's information technology plan and compliance with statewide

1 policies and standards. If the request is not in conformance or compliance, the
2 department may disapprove the request or require justification for the departure
3 from the plan or statewide policy or standard.

4 **SECTION 4.** Two new subsections to section 54-59-05 of the North Dakota Century
5 Code are created and enacted as follows:

6 May provide wide area network services to a state agency, city, county, school
7 district, or other political subdivision of this state. The information technology
8 department may not provide wide area network service to any private, charitable,
9 or nonprofit entity except the information technology department may continue to
10 provide the wide area network service the department provided to the private,
11 charitable, and nonprofit entities receiving services from the department on
12 January 1, 2003. The department shall file with the state auditor before
13 September 1, 2003, a description of the wide area network service the department
14 provided to each private, charitable, and nonprofit entity receiving services from
15 the department on January 1, 2003.

16 Shall assure proper measures for security, firewalls, and internet protocol
17 addressing at the state's interface with other facilities.

18 **SECTION 5. AMENDMENT.** Section 54-59-07 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **54-59-07. State information technology advisory committee.** The state information
21 technology advisory committee consists of the chief information officer ~~or the officer's designee,~~
22 ~~who is a nonvoting member; the director of the department of commerce division of economic~~
23 ~~development and finance or the director's designee; the commissioner of higher education or~~
24 ~~the commissioner's designee; the chairman of the information technology council of North~~
25 ~~Dakota or a designee; the director of the North Dakota workforce development council or a~~
26 ~~designee; the chairman of the educational technology council or a designee; and eight~~ the
27 attorney general or the attorney general's designee; the secretary of state or the secretary of
28 state's designee; the tax commissioner or the commissioner's designee; the chief justice of the
29 supreme court or the chief justice's designee; two members of the legislative assembly
30 appointed by the legislative council; a minimum of eight members representing state agencies,
31 appointed by the governor; and two members with technology management expertise

1 representing private industry, appointed by the governor. The appointees of the governor serve
2 at the pleasure of the governor. The governor shall designate the chairman of the committee.
3 Additional members may be asked to participate at the request of the chairman. The
4 department shall provide staff services to the committee. ~~Except for the commissioner of~~
5 ~~higher education and the representatives of state agencies who receive compensation for their~~
6 ~~duties as state officers or employees, members~~ The members of the committee are
7 representing private industry are entitled to be compensated for time spent in attendance at
8 meetings of the committee and for other travel as approved by the chairman of the committee
9 at the rate of sixty-two dollars and fifty cents per day and are entitled to reimbursement for ~~their~~
10 actual and necessary expenses incurred in the same manner as other state officials. The
11 compensation and expenses are to be paid from appropriations for the department. The
12 committee shall advise the department regarding statewide information technology planning,
13 ~~including providing electronic government services for citizens and businesses, developing~~
14 ~~technology infrastructure to support economic development and workforce training, and~~
15 ~~developing other~~ budgeting, services of the information technology department, and statewide
16 information technology initiatives and policy.

17 **SECTION 6. AMENDMENT.** Section 54-59-11 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **54-59-11. Information technology plans.** Each executive branch state agency or
20 institution, including the institutions under the control of the board of higher education, shall
21 prepare an information technology plan, subject to approval by the department. The plan must
22 be submitted to the department by ~~March~~ July fifteenth of each even-numbered year. The plan
23 must be prepared based on guidelines developed by the department; must provide the
24 information technology goals, objectives, and activities of the entity for the current biennium
25 and the next two bienniums; and must include information regarding the information technology
26 assets owned, leased, or employed by the entity. Each entity required to file a plan shall
27 provide interim updates to its plan if major information technology changes occur which affect
28 its plan. The department shall review each entity's plan for compliance with statewide
29 information technology policies and standards and may require an entity to change its plan to
30 comply with statewide policies or standards or to resolve conflicting directions among plans.
31 Agencies of the judicial and legislative branches shall file their information technology plans

1 with the department by ~~March~~ July fifteenth of each even-numbered year. Each state entity
2 shall prepare its budget request for the next biennium based on its information technology plan.
3 The agency's budget request and the governor's budget recommendation must include
4 supporting information describing in detail how the information technology plan relates to the
5 budget request and recommendation. Any budget adjustment by the budget office must
6 include the corresponding change to the plan. Based on the plans, the department shall
7 prepare a statewide information technology plan and distribute copies of that plan to members
8 of the legislative assembly as requested by the legislative council or its designee. The
9 statewide information technology plan must be developed with emphasis on long-term strategic
10 goals and objectives.

11 **SECTION 7. AMENDMENT.** Section 54-59-14 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **54-59-14. Information technology operating account.** The department shall
14 establish a state information technology operating account in the state treasury to be used, in
15 accordance with legislative appropriation, for procuring and maintaining information technology;
16 and network services; ~~and central microfilm unit equipment and supplies~~; and for providing
17 information technology, network services, and central microfilm unit services to state entities
18 and network services to users of the state network. Unless exempted by law, each agency or
19 institution provided with information technology or network services shall pay to the department
20 the charges as determined by the department. The department shall deposit the amounts
21 received in the information technology operating account or the information technology
22 development account, as appropriate.