

Introduced by

Senator Wardner

Representative Pollert

1 A BILL for an Act to create and enact a new section to chapter 54-35 of the North Dakota  
2 Century Code, relating to the establishment of the budget section; to amend and reenact  
3 sections 15-03-04, 15-10-12.1, 20.1-02-05.1, 20.1-02-16.1, 25-04-02.2, 37-17.1-27, 40-23-22.1,  
4 47-30.1-24.1, 48-01.2-25, subsection 16 of section 50-06-05.1, subsection 18 of section  
5 50-06-05.1, and sections 54-06-37, 54-27-22, 54-27-23, 54-44.1-13.1, 54-59-05, and  
6 65-08.1-02 of the North Dakota Century Code, relating to agency requests for budget section  
7 approval; and to repeal section 1 of chapter 67 of the 2013 Session Laws and section 10 of  
8 chapter 19 of the 2017 Session Laws, relating to the authority of the state board of agricultural  
9 research and education to sell certain real property and the authority of the state water  
10 commission to provide payment for western area water supply loans.

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

12 **SECTION 1. AMENDMENT.** Section 15-03-04 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **15-03-04. Legal investments.**

15 Subject to the provisions of section 15-03-05, the board of university and school lands shall  
16 apply the prudent investor rule in investing the permanent funds under its control. The "prudent  
17 investor rule" means that in making investments the board shall exercise the same judgment  
18 and care, under the circumstances then prevailing and limitations of North Dakota and federal  
19 law, that an institutional investor of ordinary prudence, discretion, and intelligence exercises in  
20 the management of large investments entrusted to it, not in regard to speculation but in regard  
21 to the permanent disposition of funds, considering probable safety of capital as well as probable  
22 investment returns. Notwithstanding any investments made before July 1, 1997, the board may  
23 not use any funds entrusted to it to purchase, as sole owner, commercial or residential real  
24 property in North Dakota without prior approval of the legislative assembly or the budget section

1 ~~of the legislative management if the legislative assembly is not in session. Any request~~  
2 ~~considered by the budget section must comply with section 15 of this Act.~~ The board may also  
3 lend securities held by the permanent funds, including the authority to pledge a security interest  
4 in the securities in the possession of a custodian agent. These securities must be collateralized  
5 as directed by the board.

6 **SECTION 2. AMENDMENT.** Section 15-10-12.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **15-10-12.1. Acceptance of buildings and campus improvements - Legislative**  
9 **approval.**

10 The state board of higher education may authorize campus improvements and building  
11 maintenance on land under the control of the board which are financed by donations, gifts,  
12 grants, and bequests if the cost of the improvement or building maintenance is not more than  
13 seven hundred thousand dollars. The consent of the legislative assembly is required for  
14 construction of any building or any addition to a building on land under the control of the board  
15 which is financed by donations, gifts, grants, and bequests. The consent of the legislative  
16 assembly is required for campus improvements or building maintenance financed by donations,  
17 gifts, grants, and bequests if the cost of the improvements or maintenance is more than seven  
18 hundred thousand dollars. During the time the legislative assembly is not in session, except for  
19 the six months preceding the convening of a regular session and the three months following the  
20 close of a regular session, and unless otherwise restricted by previous legislative action or other  
21 law, ~~the state board of higher education, with the approval of the budget section of the~~  
22 ~~legislative management,~~ may authorize campus improvements and building maintenance  
23 financed by donations, gifts, grants, and bequests if the cost of the improvement or  
24 maintenance is more than seven hundred thousand dollars. The budget section approval must  
25 comply section 15 of this Act and must include a specific dollar limit for each campus  
26 improvement project or maintenance project. The state board of higher education may authorize  
27 the sale of any real property or buildings which an institution of higher learning has received by  
28 gift or bequest. The board shall prescribe such conditions for the sale of the property as it  
29 determines necessary. The conditions must include requiring an appraisal and public auction or  
30 advertisement for bids, unless the gift instrument requires a different process. If the state board  
31 of higher education submits a request for campus improvements or building maintenance under

1 this section to the budget section for approval, the legislative council shall notify each member  
2 of the legislative assembly of the date of the budget section meeting at which the request will be  
3 considered and provide a copy of the meeting agenda to each member of the legislative  
4 assembly. The chairman of the budget section shall allow any member of the legislative  
5 assembly an opportunity to present testimony to the budget section regarding any such request.

6 **SECTION 3. AMENDMENT.** Section 20.1-02-05.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **20.1-02-05.1. Land acquisitions - Statewide land acquisition plan.**

- 9 1. The director shall establish a comprehensive statewide land acquisition plan ~~that must~~  
10 ~~be approved, subject to approval~~ by the legislative assembly or the budget section of  
11 ~~the legislative management if the legislative assembly is not in session.~~ Every land  
12 acquisition made by the department exceeding ten acres [4.05 hectares] or ten  
13 thousand dollars must be approved by the legislative assembly or the budget section if  
14 the legislative assembly is not in session. Any request considered by the budget  
15 section must comply with section 15 of this Act.
- 16 2. Before a land acquisition, the department shall have the land in question appraised by  
17 a certified appraiser. The department may not acquire any land for an amount that  
18 exceeds the appraised value except for parcels or tracts of land less than forty acres  
19 [16.19 hectares] which may be acquired for up to two hundred percent of the  
20 appraised value.
- 21 3. Before the appraisal, the director shall give notice of the intent to purchase to every  
22 landowner within one mile [1.16 kilometers] of the boundary of the land to be  
23 appraised unless the landowner is within the boundary of a city, then the director shall  
24 send notice to the governing body of the city or unless the landowner is within the  
25 geographical boundary of a rural subdivision where the lots are ten acres [4.04  
26 hectares] or less, then the director shall send notice to the governing body of the  
27 township or other governing authority for the rural subdivision. The director shall send  
28 notice to the board of county commissioners in the county of the land to be appraised,  
29 the board of township supervisors if the land to be appraised is in an organized  
30 township, and the governing body of a city within twelve miles [19.32 kilometers] of the  
31 boundary of the land to be appraised. The director shall publish notice in the official

1 newspaper of the county of the land to be appraised, once a week for two consecutive  
2 weeks. The notice must contain the amount of acreage, the legal description, and the  
3 fact that the department intends to purchase the land.

4 **SECTION 4. AMENDMENT.** Section 20.1-02-16.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.**

7 All income of the state game and fish department deposited by the director with the state  
8 treasurer must be credited to the state game and fish fund and the fund may be used only by  
9 the department. All money derived from the investment of the fund, special accounts, or  
10 portions of the fund must be credited to the game and fish department private land habitat and  
11 access improvement fund. The department shall spend moneys in the game and fish fund within  
12 the limits of legislative appropriations, only to the extent the balance of the fund is not reduced  
13 below fifteen million dollars, unless otherwise authorized by the legislative assembly or the  
14 budget section if the legislative assembly is not in session. Any request considered by the  
15 budget section must comply with section 15 of this Act.

16 **SECTION 5. AMENDMENT.** Section 25-04-02.2 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **25-04-02.2. Institutional sale of services - Budget section approval.**

19 Subject to approval of the legislative assembly or the budget section of the legislative-  
20 management if the legislative assembly is not in session, the life skills and transition center may  
21 provide any service not otherwise authorized by law under contract with a governmental or  
22 nongovernmental person. The life skills and transition center shall determine the rates for  
23 services provided. The legislative assembly or the budget section may approve the provision of  
24 a service under this section only after determining ~~that~~ the service is not otherwise being  
25 provided by either the private or public sector. Any request considered by the budget section  
26 must comply with section 15 of this Act.

27 **SECTION 6. AMENDMENT.** Section 37-17.1-27 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29 **37-17.1-27. State disaster relief fund - Creation - Uses.**

30 There is created in the state treasury a state disaster relief fund. Moneys in the fund are to  
31 be used subject to legislative appropriations ~~and emergency commission and budget section~~

1 approval for providing the required state share of funding for expenses associated with  
2 presidential-declared disasters in the state and for the purposes of reimbursing costs under  
3 section 37-17.1-28. Any interest or other fund earnings must be deposited in the fund. Before  
4 any expenditure is made from the fund, the agency authorized to make the expenditure shall  
5 provide information on the purpose and payee of the expenditure to the appropriation  
6 committees of the house of representatives and senate or to the budget section if the legislative  
7 assembly is not in session.

8 **SECTION 7. AMENDMENT.** Section 40-23-22.1 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **40-23-22.1. City flood control special assessment exemption for state property -**  
11 **Limitations.**

- 12 1. Notwithstanding any other provision of law, property of the state in a city subject to this  
13 section is exempt from special assessments levied for flood control purposes. Upon  
14 request by the governing body of the city, the exemption under this section may be  
15 completely or partially waived by ~~majority vote of the~~ legislative assembly or the  
16 budget section of the legislative management if the legislative assembly is not in  
17 session. Any request considered by the budget section must comply with section 15 of  
18 this Act. A city is subject to the exemption under this section in recognition of state  
19 financial assistance for flood control provided to the city pursuant to section  
20 61-02.1-01 or other appropriation or commitment of state funds.
- 21 2. The exemption under this section does not apply to any privately owned structure,  
22 fixture, or improvement located on state-owned land if the structure, fixture, or  
23 improvement is used for commercial purposes unless the structure, fixture, or  
24 improvement is primarily used for athletic or educational purposes at a state institution  
25 of higher education. An assessment allowed under this subsection must be based on  
26 the square footage or front footage of the land occupied by the structure, fixture, or  
27 improvement and made against the structure, fixture, or improvement and not against  
28 the land on which it is located.

29 **SECTION 8. AMENDMENT.** Section 47-30.1-24.1 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1           **47-30.1-24.1. Claims by state agencies - Budget section approval and report.**

2           Within one year of receipt of state agency property, the administrator shall notify the agency  
3 by certified mail. The commissioner of university and school lands shall present a report to the  
4 budget section ~~of the legislative management~~ identifying every state agency that has not  
5 submitted a claim for property belonging to that agency within one year of the receipt of the date  
6 of the certified mail receipt. Upon approval of the budget section ~~of the legislative management~~,  
7 the agency relinquishes its right to recover its property. Any request considered by the budget  
8 section must comply with section 15 of this Act.

9           **SECTION 9. AMENDMENT.** Section 48-01.2-25 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11           **48-01.2-25. Authorization of expansion of public improvements by legislative**  
12 **assembly or budget section.**

13           Notwithstanding any other provision of law, a state agency or institution may not  
14 significantly change or expand a public improvement beyond what has been approved by the  
15 legislative assembly unless the legislative assembly approves the change or expansion of the  
16 project or any additional expenditure for the project. During the time the legislative assembly is  
17 not in session, and unless otherwise restricted by previous legislative action or other law, the  
18 budget section ~~of the legislative management~~ may approve a change or expansion or any  
19 additional expenditure for the project. However, the budget section ~~of the legislative~~  
20 ~~management~~ may not approve a change, expansion, or additional expenditure for the project  
21 during the six months preceding the convening of a regular session or during the three months  
22 following the close of a regular session except for changes in project scope and related  
23 additional expenditures resulting from an unforeseen emergency event. Any request considered  
24 by the budget section must comply with section 15 of this Act. For the purposes of this section,  
25 a significant change or expansion includes the construction of an addition to a building,  
26 including skywalks or other type of enclosed walkway, or any other substantial increase in the  
27 area of the building, but does not include the construction of building entrances and stairwells.

28           **SECTION 10. AMENDMENT.** Subsection 16 of section 50-06-05.1 of the North Dakota  
29 Century Code is amended and reenacted as follows:

30           16. To act as the official agency of the state in the administration of the supplemental  
31 nutrition assistance program and to direct and supervise county administration of that

1 program. ~~Provided, however, that the~~The department with the consent of the  
2 legislative assembly or the budget section of the legislative managementif the  
3 legislative assembly is not in session may terminate the program if the rate of federal  
4 financial participation in administrative costs provided under Public Law 93-347 is  
5 decreased or limited, or if the state or counties become financially responsible for all or  
6 a portion of the coupon bonus payments under the Food Stamp Act. Any request  
7 considered by the budget section must comply with section 15 of this Act. The  
8 department may not deny assistance under the supplemental nutrition assistance  
9 program to any individual who has been convicted of a felony offense that has as an  
10 element the possession, use, or distribution of a controlled substance as defined in  
11 section 102(6) of the Controlled Substances Act [21 U.S.C. 802(6)].

12 **SECTION 11. AMENDMENT.** Subsection 18 of section 50-06-05.1 of the North Dakota  
13 Century Code is amended and reenacted as follows:

14 18. To act as the official agency of the state in the administration of the home energy  
15 assistance program; to direct and supervise county administration of that program;  
16 and to take such actions, give such directions, and adopt such rules, subject to review  
17 in the courts of this state, as may be necessary or desirable to carry out this  
18 subsection. For purposes of the administration of the energy assistance program,  
19 funds are obligated at the earlier of the time a written commitment is made to pay a  
20 vendor or contractor for services or supplies delivered or to be delivered, or at the time  
21 payment is made to a vendor or contractor for services or supplies delivered or to be  
22 delivered. The provisions of this subsection concerning obligation of funds apply to  
23 payments and commitments made on or after July 1, 1991. The department with the  
24 consent of the legislative assembly or the budget section of the legislative-  
25 managementif the legislative assembly is not in session may terminate the program if  
26 the rate of federal financial participation in administrative costs is decreased or limited  
27 to less than fifty percent of total administrative costs, or if the state or counties become  
28 financially responsible for all or a portion of the cost of energy assistance program  
29 benefits. Any request considered by the budget section must comply with section 15 of  
30 this Act.

1       **SECTION 12. AMENDMENT.** Section 54-06-37 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget**  
4 **section approval.**

5       A state agency or other entity of state government may not purchase or lease an aircraft  
6 without specific authorization from the legislative assembly or the budget section ~~of the~~  
7 ~~legislative management~~ if the legislative assembly is not in session. Any request considered by  
8 the budget section must comply with section 15 of this Act. This section does not apply to  
9 aircraft purchased or leased by the office of the adjutant general or the university of North  
10 Dakota school of aviation.

11       **SECTION 13. AMENDMENT.** Section 54-27-22 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13       **54-27-22. Revolving fund for prepayment of consulting and planning fees for capital**  
14 **improvements.**

15       Funds must be made available to all state agencies, institutions, and departments from a  
16 preliminary planning revolving fund in the state treasury under the control of the director of the  
17 office of management and budget for studies, planning, architectural programming, schematic  
18 designs, and cost estimates relating to proposed new capital improvements and major  
19 remodeling of existing facilities. State agencies, institutions, and departments interested in  
20 obtaining planning moneys shall submit a written request detailing the scope and purpose of  
21 such project to the director of the office of management and budget. The director shall file such  
22 request with, and shall present the director's recommendations regarding the proposed project  
23 and necessary planning moneys to the ~~legislative assembly or the~~ budget section ~~of the~~  
24 ~~legislative management~~ if the legislative assembly is not in session. Funds may be advanced  
25 ~~only in the event that~~ if an authorization has first been received from the legislative assembly or  
26 the budget section. Any request considered by the budget section must comply with section 15  
27 of this Act. Such funds advanced must be repaid to the preliminary planning revolving fund as  
28 moneys become available through legislative appropriation or other sources for the  
29 commencement of the project.

30       **SECTION 14. AMENDMENT.** Section 54-27-23 of the North Dakota Century Code is  
31 amended and reenacted as follows:



1           **54-27-23. Cash flow financing.**

2           In order to effectively meet the cyclical cash flow needs of state government, the office of  
3 management and budget upon approval of the emergency commission is hereby authorized to  
4 issue certificates in anticipation of revenue, notes, or bonds, to special funds on deposit in the  
5 state treasury. Any issue of such certificates, notes, or bonds must be approved by the  
6 emergency commission and are to be used for cash flow financing only, and not to offset  
7 projected deficits in state finances unless first approved by the legislative assembly or the  
8 budget section of the legislative management if the legislative assembly is not in session. The  
9 budget section may approve additional cash flow financing not to exceed eighty percent of  
10 estimated general fund revenues relating to sales or production occurring prior to June thirtieth,  
11 to be collected in July and August after the end of the biennium. Such additional cash flow  
12 financing is only effective for sixty days unless an extension or reapproval is received from the  
13 legislative assembly or the budget section if the legislative assembly is not in session. Any  
14 request considered by the budget section must comply with section 15 of this Act. If a revenue  
15 shortfall of greater than five percent occurs, the office of management and budget shall order  
16 budget allotments under section 54-44.1-12 prior to approval by the legislative assembly or the  
17 budget section of such additional cash flow financing. It is the intent of the legislative assembly  
18 that all borrowing must be repaid by the end of the biennium. The terms of any specific issue of  
19 such certificates, notes, or bonds may not exceed one hundred eighty days from the date of  
20 issuance whereupon the principal and interest on the certificates, notes, or bonds must be paid  
21 in full from the state general fund or from another issue of a similar nature. All principal and  
22 interest on such issues made during a biennial period must be repaid in full at the close of the  
23 biennial period from the state general fund. When certificates, notes, or bonds are issued for  
24 cash flow purposes to funds which otherwise would be invested, with the investment income  
25 accruing to the special fund, the certificate must bear an investment rate of return which must  
26 be agreed upon by the state investment board, and must be at a level commensurate with the  
27 yield to be reasonably expected by such fund if invested in alternate securities.

28           **SECTION 15.** A new section to chapter 54-35 of the North Dakota Century Code is created  
29 and enacted as follows:

1        **Budget section - Appointment - Powers and duties.**

2        1. To provide for flexibility in the management of state funds between regular sessions of  
3        the legislative assembly and to minimize the need for and the expense of a special  
4        session, the legislative management, during each biennium, shall appoint a budget  
5        section.

6        2. The membership of the budget section must include:

7        a. The majority leader and the assistant majority leader of the house of  
8        representatives;

9        b. The majority leader and the assistant majority leader of the senate;

10       c. The minority leader and the assistant minority leader of the house of  
11       representatives;

12       d. The minority leader and the assistant minority leader of the senate;

13       e. The speaker of the house of representatives; and

14       f. Each member of the legislative assembly who served during the most recently  
15       completed regular session of the legislative assembly on the appropriations  
16       committees of the house of representatives and the senate.

17       3. The legislative management shall designate the chairman of the budget section. The  
18       budget section shall operate according to the statutes and procedures governing the  
19       operation of other legislative management interim committees. The budget section  
20       shall meet at least quarterly upon the call of the chairman.

21       4. The legislative assembly, by law, may provide the authority for the budget section to  
22       approve specific actions, projects, and transfers.

23       5. a. When evaluating state agency requests, the budget section shall consider criteria  
24       applicable to the request, including whether:

25       (1) The request is for a specific purpose;

26       (2) The request is for a specific amount of funds and for a specific time frame,  
27       not to continue beyond the end of the current biennium;

28       (3) The request conforms with legislative intent;

29       (4) The request is consistent with related statutory provisions;

30       (5) The request supports state priorities;



- 1        2.    Shall provide network services in a way that ensures the network requirements of a  
2            single entity do not adversely affect the functionality of the whole network, facilitates  
3            open communications with the citizens of the state, minimizes the state's investment in  
4            human resources, accommodates an ever-increasing amount of traffic, supports rapid  
5            detection and resolution of problems, protects the network infrastructure from damage  
6            and security breaches, provides for the aggregation of data, voice, video, and  
7            multimedia into a statewide transport mechanism or backbone, and provides for the  
8            network support for the entity to carry out its mission.
- 9        3.    May review and approve additional network services that are not provided by the  
10           department.
- 11       4.    May purchase, finance the purchase, or lease equipment, software, or implementation  
12           services or replace, including by trade or resale, equipment or software as may be  
13           necessary to carry out this chapter. With the exception of agreements entered related  
14           to the statewide interoperable radio network, an agreement to finance the purchase of  
15           software, equipment, or implementation services may not exceed a period of five  
16           years. The department shall submit any intended financing proposal for the purchase  
17           of software, equipment, or implementation services under this subsection, which is in  
18           excess of one million dollars, to the legislative assembly or the budget section of the  
19           ~~legislative management or~~ if the legislative assembly is not in session before executing  
20           a financing agreement. Any request considered by the budget section must comply  
21           with section 15 of this Act. If the legislative assembly or the budget section or the  
22           ~~legislative assembly~~ does not approve the execution of a financing agreement, the  
23           department may not proceed with the proposed financing arrangement. With the  
24           exception of financing for the statewide interoperable radio network, the department  
25           may finance the purchase of software, equipment, or implementation services only to  
26           the extent the purchase amount does not exceed seven and one-half percent of the  
27           amount appropriated to the department during that biennium.
- 28       5.    Shall review requests for lease, purchase, or other contractual acquisition of  
29           information technology as required by this subsection. Each executive branch agency  
30           or institution, excluding the institutions under the control of the board of higher  
31           education, shall submit to the department, in accordance with guidelines established

1 by the department, a written request for the lease, purchase, or other contractual  
2 acquisition of information technology. The department shall review requests for  
3 conformance with the requesting entity's information technology plan and compliance  
4 with statewide policies and standards. If the request is not in conformance or  
5 compliance, the department may disapprove the request or require justification for the  
6 departure from the plan or statewide policy or standard.

7 6. Shall provide information technology, including assistance and advisory service, to the  
8 executive, legislative, and judicial branches. If the department is unable to fulfill a  
9 request for service from the legislative or judicial branch, the information technology  
10 may be procured by the legislative or judicial branch within the limits of legislative  
11 appropriations.

12 7. Shall request and review information, including project startup information  
13 summarizing the project description, project objectives, business need or problem,  
14 cost-benefit analysis, and project risks and a project closeout information summarizing  
15 the project objectives achieved, project budget and schedule variances, and lessons  
16 learned, regarding any major information technology project of an executive branch  
17 agency. The department shall present the information to the information technology  
18 committee on request of the committee.

19 8. May request and review information regarding any information technology project of  
20 an executive branch agency with a total cost of between one hundred thousand and  
21 five hundred thousand dollars as determined necessary by the department. The  
22 department shall present the information to the information technology committee on  
23 request of the committee.

24 9. Shall study emerging technology and evaluate its impact on the state's system of  
25 information technology.

26 10. Shall develop guidelines for reports to be provided by each agency of the executive,  
27 legislative, and judicial branches, excluding the institutions under the control of the  
28 board of higher education, on information technology in those entities.

29 11. Shall collaborate with the state board of higher education on guidelines for reports to  
30 be provided by institutions under control of the state board of higher education on  
31 information technology in those entities.

- 1       12. Shall perform all other duties necessary to carry out this chapter.
- 2       13. May provide wide area network services to a state agency, city, county, school district,  
3       or other political subdivision of this state. The information technology department may  
4       not provide wide area network service to any private, charitable, or nonprofit entity  
5       except the information technology department may continue to provide the wide area  
6       network service the department provided to the private, charitable, and nonprofit  
7       entities receiving services from the department on January 1, 2003.
- 8       14. Shall assure proper measures for security, firewalls, and internet protocol addressing  
9       at the state's interface with other facilities.
- 10      15. Notwithstanding subsection 13, may provide wide area network services for a period  
11      not to exceed four years to an occupant of a technology park associated with an  
12      institution of higher education or to a business located in a business incubator  
13      associated with an institution of higher education.

14      **Powers and duties of department. (Effective after July 31, 2023)**

15      The department:

- 16      1. Shall provide, supervise, and regulate information technology of all executive branch  
17      state entities, excluding the institutions under the control of the board of higher  
18      education.
- 19      2. Shall provide network services in a way that ensures the network requirements of a  
20      single entity do not adversely affect the functionality of the whole network, facilitates  
21      open communications with the citizens of the state, minimizes the state's investment in  
22      human resources, accommodates an ever-increasing amount of traffic, supports rapid  
23      detection and resolution of problems, protects the network infrastructure from damage  
24      and security breaches, provides for the aggregation of data, voice, video, and  
25      multimedia into a statewide transport mechanism or backbone, and provides for the  
26      network support for the entity to carry out its mission.
- 27      3. May review and approve additional network services that are not provided by the  
28      department.
- 29      4. May purchase, finance the purchase, or lease equipment, software, or implementation  
30      services or replace, including by trade or resale, equipment or software as may be  
31      necessary to carry out this chapter. An agreement to finance the purchase of software,

1 equipment, or implementation services may not exceed a period of five years. The  
2 department shall submit any intended financing proposal for the purchase of software,  
3 equipment, or implementation services under this subsection, which is in excess of  
4 one million dollars, to the legislative assembly or the budget section of the legislative-  
5 management or if the legislative assembly is not in session before executing a  
6 financing agreement. Any request considered by the budget section must comply with  
7 section 15 of this Act. If the legislative assembly or the budget section or the legislative-  
8 assembly does not approve the execution of a financing agreement, the department  
9 may not proceed with the proposed financing arrangement. The department may  
10 finance the purchase of software, equipment, or implementation services only to the  
11 extent the purchase amount does not exceed seven and one-half percent of the  
12 amount appropriated to the department during that biennium.

- 13 5. Shall review requests for lease, purchase, or other contractual acquisition of  
14 information technology as required by this subsection. Each executive branch agency  
15 or institution, excluding the institutions under the control of the board of higher  
16 education, shall submit to the department, in accordance with guidelines established  
17 by the department, a written request for the lease, purchase, or other contractual  
18 acquisition of information technology. The department shall review requests for  
19 conformance with the requesting entity's information technology plan and compliance  
20 with statewide policies and standards. If the request is not in conformance or  
21 compliance, the department may disapprove the request or require justification for the  
22 departure from the plan or statewide policy or standard.
- 23 6. Shall provide information technology, including assistance and advisory service, to the  
24 executive, legislative, and judicial branches. If the department is unable to fulfill a  
25 request for service from the legislative or judicial branch, the information technology  
26 may be procured by the legislative or judicial branch within the limits of legislative  
27 appropriations.
- 28 7. Shall request and review information, including project startup information  
29 summarizing the project description, project objectives, business need or problem,  
30 cost-benefit analysis, and project risks and a project closeout information summarizing  
31 the project objectives achieved, project budget and schedule variances, and lessons

1 learned, regarding any major information technology project of an executive branch  
2 agency. The department shall present the information to the information technology  
3 committee on request of the committee.

4 8. May request and review information regarding any information technology project of  
5 an executive branch agency with a total cost of between one hundred thousand and  
6 five hundred thousand dollars as determined necessary by the department. The  
7 department shall present the information to the information technology committee on  
8 request of the committee.

9 9. Shall study emerging technology and evaluate its impact on the state's system of  
10 information technology.

11 10. Shall develop guidelines for reports to be provided by each agency of the executive,  
12 legislative, and judicial branches, excluding the institutions under the control of the  
13 board of higher education, on information technology in those entities.

14 11. Shall collaborate with the state board of higher education on guidelines for reports to  
15 be provided by institutions under control of the state board of higher education on  
16 information technology in those entities.

17 12. Shall perform all other duties necessary to carry out this chapter.

18 13. May provide wide area network services to a state agency, city, county, school district,  
19 or other political subdivision of this state. The information technology department may  
20 not provide wide area network service to any private, charitable, or nonprofit entity  
21 except the information technology department may continue to provide the wide area  
22 network service the department provided to the private, charitable, and nonprofit  
23 entities receiving services from the department on January 1, 2003.

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

26 15. Notwithstanding subsection 13, may provide wide area network services for a period  
27 not to exceed four years to an occupant of a technology park associated with an  
28 institution of higher education or to a business located in a business incubator  
29 associated with an institution of higher education.

30 **SECTION 18. AMENDMENT.** Section 65-08.1-02 of the North Dakota Century Code is  
31 amended and reenacted as follows:



1           **65-08.1-02. Workforce safety and insurance additional coverages.**

2           The organization may establish a casualty insurance organization, organized as a stock or  
3 mutual company, a risk pool, a reciprocal exchange, a risk retention or purchasing group, or a  
4 reinsurer with the limited purpose of offering extraterritorial workforce safety and insurance  
5 coverage or other states insurance. The casualty insurance organization may be established  
6 only upon the director's determination that the organization is needed to provide sufficient  
7 workforce safety and insurance coverage for the employees and employers of this state and  
8 upon the approval of the legislative assembly or the budget section of the legislative-  
9 management if the legislative assembly is not in session. Any request considered by the budget  
10 section must comply with section 15 of this Act. If a stock insurance company is established, the  
11 company shall meet the stock requirements of section 65-08.1-03.

12           **SECTION 19. REPEAL.** Section 1 of chapter 67 of the 2013 Session Laws and section 10  
13 of chapter 19 of the 2017 Session Laws are repealed.