

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

INFORMATION TECHNOLOGY COMMITTEE

Tuesday, August 20, 2013
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Robin Weisz, Chairman, called the meeting to order at 10:00 a.m.

Members present: Representatives Robin Weisz, Corey Mock, Mark S. Owens, Blair Thoreson, Nathan Toman; Senators Randall A. Burckhard, Larry J. Robinson, Donald Schaible; Citizen Member Mike Ressler

Members absent: Representative Roscoe Strey; Senators Richard Marcellais, Joe Miller

Others present: Representative Jim Schmidt, member of the Legislative Management, was also in attendance.

See [Appendix A](#) for additional persons present.

The Legislative Budget Analyst and Auditor reviewed the [Supplementary Rules of Operation and Procedure of the North Dakota Legislative Management](#).

BACKGROUND INFORMATION

At the request of Chairman Weisz, the Legislative Council staff presented a memorandum entitled [Information Technology Committee - Background Memorandum](#). The Legislative Council staff reviewed committee statutory and assigned responsibilities, previous committee recommendations, related legislation from the 2013 Legislative Assembly, statewide information technology funding, and the Information Technology Department's (ITD's) legislative appropriation for the 2013-15 biennium. The Legislative Council staff said the 2013-15 total legislative appropriation for ITD was approximately \$171 million. The Legislative Council staff said the 2013 Legislative Assembly appropriated approximately \$43 million for statewide information technology projects. The Legislative Council staff said the committee has been assigned to study:

- Voice over Internet Protocol (VoIP) service and the effect of this service and other technologies on the telecommunications industry, including any recommended changes in regulation and taxation (2013 Senate Bill No. 2234).
- Issues related to the development of the current radio communication plan, its costs and components, and evolving technologies that will better serve the public (2013 Senate Bill No. 2353).

The Legislative Council staff presented the following proposed study plan for the committee's consideration:

1. Review the activities of ITD, the business plan of the department, statewide information technology standards, the statewide information technology plan, and major information technology projects (Section 54-35-15.2).
2. Determine information technology compliance reviews to be conducted by the State Auditor and receive the results of those reviews (Section 54-35-15.4).
3. Receive a report from the Chief Information Officer regarding the recommendations of the State Information Technology Advisory Committee relating to the prioritization of proposed major information technology projects and other information technology issues (Section 54-35-15.2).
4. Receive reports from the Chief Information Officer of the state regarding the coordination of services with political subdivisions and the Chief Information Officer and the Commissioner of the State Board of Higher Education regarding coordination of information technology between ITD and higher education (Section 54-59-12).
5. Receive the following from ITD:

- a. An annual report regarding information technology projects, services, plans, and benefits (Section 54-59-19).
 - b. Information regarding the statewide information technology budget for the 2013-15 and 2015-17 bienniums.
6. Review current information technology-related statutory provisions.
 7. Receive reports from the State Board of Higher Education regarding higher education information technology planning, services, and major projects (Sections 15-10-44 and 54-35-15.2).
 8. Receive a report from the Statewide Longitudinal Data System Committee on the status of the statewide longitudinal data system, including recommendations for further development, cost proposals, proposals for legislation, and data sharing governance (Section 15.1-02-18).
 9. Receive periodic reports from the Health Information Technology Office and the Health Information Technology Advisory Committee on the status of the health information technology activities.
 10. Study VoIP service and the effect of this service and other technologies on the telecommunications industry, including any desired changes in regulation and taxation (2013 Senate Bill No. 2234).
 11. Study issues relating to the development of the current radio communication plan, its costs and components, and evolving technologies that will better serve the public (2013 Senate Bill No. 2353).
 12. Develop recommendations and any necessary legislation to implement the committee's recommendations.
 13. Prepare a final report for submission to the Legislative Management.

At the request of Chairman Weisz, the Legislative Council staff reviewed a memorandum entitled [Information Technology - Related Statutory Provisions](#) regarding statutory provisions of the Information Technology Committee and ITD.

Information From the Information Technology Department

Mr. Mike Ressler, Interim Chief Information Officer, Information Technology Department, presented information ([Appendix B](#)) regarding the department's divisions, services, and funding and the impact of legislation approved by the 2013 Legislative Assembly. He said Section 9 of 2013 Senate Bill No. 2021 provides for ITD to study desktop support services. He said Section 15 of 2013 House Bill No. 1013 provides for the Superintendent of Public Instruction to contract with ITD to conduct an information technology staffing analysis. He said Section 8 of 2013 Senate Bill No. 2021 provides \$200,000 to the Office of Management and Budget to contract with a consultant to study the consolidation of information technology equipment operated by exempted agencies.

In response to a question from Senator Burckhard, Mr. Ressler said the department has not experienced any recent cases of agencies segmenting a major information technology project to reduce the cost of the project below the \$100,000 threshold.

In response to a question from Representative Owens, Mr. Ressler said the Public Service Commission, the Department of Mineral Resources, the State Water Commission, and the Attorney General are exempt from the requirement of procuring hosting services from ITD.

In response to a question from Representative Owens, Mr. Ressler said some agencies hire software developers as an employee of the agency to maintain the agencies' industry-specific software.

Mr. Ressler said a new building is currently under construction in north Bismarck to house ITD. He said the department is planning to move into its new building in June 2014 at a lease rate of \$17 per square foot.

Mr. Ressler said determining an accurate cost estimate for a proposed information technology project is difficult. He said in the future, the department may provide information on the level of confidence associated with the estimated cost of a project.

Mr. Jeff Quast, Program Administrator, Enterprise Services Division, Information Technology Department, presented information ([Appendix B](#)) regarding enterprise architecture. He said enterprise architecture consists of the policies and standards for information technology procedures in state agencies. He said ITD is reviewing and updating the current policies.

Dr. Lisa Feldner, Vice Chancellor for Information Technology and Institutional Research, North Dakota University System, presented information ([Appendix B](#)) regarding the Statewide Longitudinal Data System. She said the project is currently under budget and on schedule.

HIGHER EDUCATION INFORMATION TECHNOLOGY INITIATIVES

Dr. Feldner presented information ([Appendix C](#)) regarding the status of the new information technology building located on the University of North Dakota campus. She said the building is substantially complete, and staff will begin to move into the building in late September or early October 2013.

The committee recessed for lunch at 12:00 noon and reconvened at 1:00 p.m.

EDUCATIONAL TECHNOLOGY COUNCIL

Mr. Darin King, Director, Educational Technology Council, presented information ([Appendix B](#)) regarding Education Technology Council programs and initiatives. He said the council is continuing to support the development of the statewide longitudinal data system both technologically and professionally.

Mr. King said enrollment in distance education has increased 300 percent since 2010, and the amount of courses completed has increased from 50 percent in 2010 to 94 percent in 2013.

In response to a question from Senator Robinson, Mr. King said individual schools make decisions about technology upgrades. He said most schools are keeping their technology up to date, but some are lagging behind.

HEALTH INFORMATION TECHNOLOGY

Mr. Sheldon Wolf, Director, Health Information Technology Office, Information Technology Department, presented information ([Appendix B](#)) regarding the status the health information technology activities. He said Orion Health replaced Axolotl as the new vendor to complete the project. He said Minnesota also selected Orion Health, which will make record sharing easier between the two states.

In response to a question from Representative Weisz, Mr. Wolf said the exchange has many levels of security. He said information requests are directed to the medical providers, which reduces the security risks of the Health Information Technology Office.

STUDY OF VOICE OVER INTERNET PROTOCOL SERVICES

At the request of Chairman Weisz, the Legislative Council staff presented a memorandum entitled [Study of Voice over Internet Protocol Service - Background Memorandum](#). The Legislative Council staff reviewed VoIP service and issues related to VoIP.

The Legislative Council staff presented the following proposed study plan for the committee's consideration:

1. Receive and review information regarding telecommunications services and regulations within the state.
2. Receive and review information regarding VoIP services and regulation within the state.
3. Receive and review information regarding VoIP services, regulation, and best practices in other states.
4. Receive and review information regarding regulations to provide emergency services to VoIP service users.
5. Receive testimony from interested persons regarding the committee's study of VoIP service.
6. Develop recommendations and any bill drafts necessary to implement the recommendations.
7. Prepare a final report for submission to the Legislative Management.

Mr. Duane Schell, Director of Network Services, Information Technology Department, presented information ([Appendix B](#)) regarding the use of VoIP services in state government. He said VoIP service has been used extensively within North Dakota state government for nearly 10 years.

In response to a question from Representative Weisz, Mr. Schell said VoIP is beneficial because it can be used on existing networks, has a lower cost, and can provide more applications for users.

Ms. Cheryl Riley, Director of External Affairs for Wyoming, North Dakota, and South Dakota, AT&T, presented testimony ([Appendix D](#)) regarding AT&T's investment in the state of North Dakota. She said 32 states have passed legislation to exempt VoIP and Internet Protocol-enabled services from state and local regulations.

Mr. John Stineman, Executive Director, Heartland Technology Alliance, Des Moines, Iowa, said technology developers are looking for certainty in the regulatory process. He said the demand for Internet Protocol services is expected to overwhelm the existing infrastructure within 4 years.

In response to a question from Representative Owens, Mr. Stineman said legislation regulating 911 services provided by VoIP providers is a regulation that technology developers are willing to accept.

Mr. Jim Blundell, Senior Legislative Affairs Manager, T-Mobile, Bellevue, Washington, submitted testimony ([Appendix E](#)) regarding concerns related to the deregulation of VoIP service.

STUDY OF ISSUES RELATED TO THE DEVELOPMENT OF THE STATE RADIO COMMUNICATIONS PLAN

At the request of Chairman Weisz, the Legislative Council staff presented a memorandum entitled [Study of Issues Related to the State Radio Plan - Background Memorandum](#). The Legislative Council staff reviewed information regarding State Radio, the statewide communications interoperability plan, 2013 legislative action, and previous studies.

The Legislative Council staff presented the following proposed study plan for the committee's consideration:

1. Receive and review information from representatives of the Statewide Interoperability Executive Committee, the Department of Emergency Services, the Division of Homeland Security, and the Division of State Radio regarding the allocation of homeland security funding, the operation of State Radio, the interoperability plan, and the impact of future emergency services communications technology.
2. Receive and review information from representatives of the Department of Emergency Services Advisory Committee, representatives of the Statewide Interoperability Executive Committee, and representatives of political subdivisions regarding the Department of Emergency Services' collaboration with political subdivisions.
3. Receive testimony from interested persons regarding the committee's study of issues related to the State Radio plan.
4. Develop recommendations and any bill drafts necessary to implement the recommendations.
5. Prepare a final report for submission to the Legislative Management.

Mr. Mike Lynk, Director, Division of State Radio, Department of Emergency Services, presented information ([Appendix F](#)) regarding State Radio operations, the statewide communications interoperability plan, and State Radio infrastructure. He suggested the Information Technology Committee consider, as a part of its study, an examination of all current land mobile radio infrastructure and an analysis of future infrastructure needs.

Mr. Robert Harms, Motorola Solutions, Bismarck, said when the study was introduced, the intent of the study was to assess the State Radio broadcast system and not the operations of State Radio.

Mr. Paul Pereira, Director, Government Affairs, Motorola Solutions, Providence, Rhode Island, presented information ([Appendix G](#)) regarding public safety two-way radio technologies and the need for mission critical communications networks. He said public safety communications need to have networks separate from existing networks operated by commercial carriers in order to provide reliable mission critical voice communications to public safety personnel.

Mr. Dave Eischens, Regional Director, Motorola Solutions, Minneapolis, Minnesota, said 32 of the 50 states have implemented a P25 trunking network, but North Dakota uses a bifurcated network. He said, in other states, the larger local agencies have built their own networks which has resulted in some duplication of funding. He said a good communications system can accommodate the complexity of integrating the local agencies own networks into a statewide system.

INFORMATION TECHNOLOGY LARGE PROJECT REPORTING

At the request of Chairman Weisz, the Legislative Council staff presented a memorandum entitled [Major Information Technology Project Life Cycle](#). The memorandum provides a summary of the project management

life cycle processes, executive and legislative branch activities, and statutory provisions relating to planning and executing major information technology projects.

At the request of Chairman Weisz, the Legislative Council staff presented a memorandum entitled [Summary of Project Startup and Project Closeout Reports](#). The memorandum summarizes the project startup and project closeout reports completed between October 2012 and June 2013.

Mr. Mark Molesworth, Project Manager, Information Technology Department, provided information ([Appendix H](#)) regarding the implementation of the provisions of 2013 Senate Bill No. 2034 relating to executive steering committee oversight of major information technology projects. He provided information ([Appendix I](#)) regarding all the large information technology projects completed since 2005. He provided a copy ([Appendix J](#)) of the most recent quarterly summary status report on large information technology projects.

In response to a question from Representative Thoreson, Mr. Molesworth said only the first part of the Department of Commerce's website rewrite project is complete.

In response to a question from Representative Weisz, Mr. Molesworth said the Workforce Safety and Insurance project is not listed as a canceled project, because the project was not officially canceled during the reporting period.

In response to a question from Senator Robinson, Mr. Molesworth said there have been some discussions of pursuing legal action against the vendor involved in the Workforce Safety and Insurance computer system project.

Medicaid Management Information System Replacement Project

Ms. Jennifer Witham, Director, Information Technology Services Division, Department of Human Services, provided information ([Appendix K](#)) regarding the status of the department's Medicaid management information system replacement project. She said the department launched the provider enrollment function in April 2013. She said the project completion date has been changed from October 2013 to the second quarter of 2014.

OTHER BUSINESS

Mr. Ressler requested time on a future meeting agenda for ITD to present information regarding network security.

Senator Robinson suggested the Information Technology Committee hold a future meeting in Grand Forks to tour the new information technology building on the University of North Dakota campus.

No further business appearing, Chairman Weisz adjourned the meeting at 3:45 p.m.

Adam Mathiak
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:11