

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1022

Page 1, line 2, after "department" insert ", the state auditor, and the legislative council"

Page 1, line 3, after the semicolon insert "to provide for a general fund transfer; to provide legislative intent; to create and enact a new section to chapter 54-10 and a new subsection to section 54-59-05 of the North Dakota Century Code, relating to information technology responsibilities of the state auditor and information technology department wide area network service; to amend and reenact section 54-59-02 of the North Dakota Century Code, relating to responsibilities of the information technology department; to repeal section 54-59-13 of the North Dakota Century Code, relating to information technology reviews;"

Page 1, line 11, replace "26,012,849" with "25,736,848"

Page 1, line 14, replace "5,667,842" with "5,598,014"

Page 1, line 15, replace "796,655" with "764,028"

Page 1, line 17, replace "7,799,623" with "7,536,689"

Page 1, line 19, replace "716,097" with "687,314"

Page 1, line 20, replace "1,337,138" with "1,286,738"

Page 1, line 22, replace "108,189,267" with "107,468,694"

Page 1, line 23, replace "97,581,730" with "93,679,908"

Page 1, line 24, replace "10,607,537" with "13,788,786"

Page 2, line 3, replace "\$20,000,000" with "\$16,400,000"

Page 2, line 6, after the period insert "The amount of the evidences of indebtedness may be reduced by any moneys made available from the higher education institutions."

Page 2, line 19, replace "charges made and collected" with "funds made available" and replace "information technology" with "higher education institutions."

Page 2, replace line 20 with:

"SECTION 4. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$197,000, or so much of the sum as may be necessary, to the state auditor for the purpose of defraying costs associated with employing two information technology auditors, for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 5. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$98,000, or so much of the sum as may be necessary, to the legislative council for the purpose of employing an information technology analyst and contracting for information technology analysis services, for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 6. GENERAL FUND TRANSFER. The industrial commission shall transfer to the general fund the sum of \$3,000,000 from the North Dakota student loan trust. The moneys must be transferred as requested by the director of the office of management and budget during the biennium beginning July 1, 2003, and ending June 30, 2005, and upon certification by the student loan trust trustee that sufficient moneys remain available to pay all debt service on student loan trust bonds, all required rebate payments to the United States treasury, and all program operating expenses.

SECTION 7. LEGISLATIVE INTENT - INFORMATION TECHNOLOGY COSTS - REDUCTIONS TO GENERAL FUND APPROPRIATIONS. It is the intent of the fifty-eighth legislative assembly that the 2003-05 biennium general fund appropriations for information technology expenditures included in agency and institution appropriation bills are to be reduced by a total of \$12,760,136, representing savings to be realized from information technology efficiencies and the elimination of duplicative programs, including personnel savings and savings relating to the purchase of software, information technology equipment, and contractual services for information technology development projects. The specific amounts will be reduced from each agency or institution appropriation prior to the conclusion of the fifty-eighth legislative assembly.

SECTION 8. A new section to chapter 54-10 of the North Dakota Century Code is created and enacted as follows:

Information technology responsibilities. The state auditor shall:

1. Conduct information technology compliance reviews by conducting individual agency audits of information technology management, information technology planning, compliance with information technology plans, and compliance with information technology standards and policies and conducting statewide agency audits of compliance with specific information technology standards and policies.
2. Consult with the information technology department on audits of compliance with information technology plans and compliance with information technology standards and policies.
3. Participate in the information technology department's enterprise architecture process for developing information technology standards and policies.
4. Monitor major information technology projects for compliance with project management and information technology standards and policies.
5. Present results of information technology compliance reviews to the information technology committee and the information technology department's enterprise architecture committee.

SECTION 9. AMENDMENT. Section 54-59-02 of the North Dakota Century Code is amended and reenacted as follows:

54-59-02. Information technology department - Responsibility - Public policy. The information technology department is established with the responsibility for all wide area network services planning, selection, and implementation for all state agencies, including institutions under the control of the board of higher education, counties, cities, and school districts in this state. With respect to a county, city, or school district, wide area network services are those services necessary to transmit voice, data, or video outside the county, city, or school district. In exercising its powers and duties, the department is responsible for computer support services, host software development, statewide communications services, standards for providing information to other state agencies and the public through the internet, technology planning, process redesign, and quality assurance. The department may not exercise its powers

and duties in a manner that competes or otherwise interferes with the provision of telecommunications services to private, charitable, or nonprofit entities by privately or cooperatively owned telecommunications companies.

SECTION 10. A new subsection to section 54-59-05 of the North Dakota Century Code is created and enacted as follows:

May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network services to any private, charitable, or nonprofit entity.

SECTION 11. REPEAL. Section 54-59-13 of the North Dakota Century Code is repealed."

Page 2, line 21, remove "of"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1022 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Information Technology Department			
Total all funds	\$108,189,267	(\$720,573)	\$107,468,694
Less estimated income	<u>97,581,730</u>	<u>(3,901,822)</u>	<u>93,679,908</u>
General fund	\$10,607,537	\$3,181,249	\$13,788,786
State Auditor			
Total all funds	\$0	\$197,000	\$197,000
Less estimated income			
General fund	<u>\$0</u>	<u>\$197,000</u>	<u>\$197,000</u>
Legislative Council			
Total all funds	\$0	\$98,000	\$98,000
Less estimated income			
General fund	<u>\$0</u>	<u>\$98,000</u>	<u>\$98,000</u>
Bill Total			
Total all funds	\$108,189,267	(\$425,573)	\$107,763,694
Less estimated income	<u>97,581,730</u>	<u>(3,901,822)</u>	<u>93,679,908</u>
General fund	\$10,607,537	\$3,476,249	\$14,083,786

House Bill No. 1022 - Information Technology Department - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$26,012,849	(\$276,001)	\$25,736,848
Operating expenses	33,120,860		33,120,860
Capital assets	5,323,000		5,323,000
Division of Independent Study	5,667,842	(69,828)	5,598,014
Educational Technology Council	796,655	(32,627)	764,028
EduTech	2,674,003		2,674,003
Wide area network	7,799,623	(262,934)	7,536,689
Enterprise resource planning system	20,000,000		20,000,000
Geographic information system	716,097	(28,783)	687,314
Prairie Public Broadcasting	1,337,138	(50,400)	1,286,738
Criminal justice information sharing	4,741,200		4,741,200
Total all funds	\$108,189,267	(\$720,573)	\$107,468,694
Less estimated income	<u>97,581,730</u>	<u>(3,901,822)</u>	<u>93,679,908</u>
General fund	\$10,607,537	\$3,181,249	\$13,788,786
FTE	248.20	0.00	248.20

Dept. 112 - Information Technology Department - Detail of House Changes

	REMOVES RECOMMENDED SALARY INCREASE 1	DECREASES FUNDING FROM THE GENERAL FUND 2	CHANGES FUNDING SOURCE 3	TOTAL HOUSE CHANGES
Salaries and wages	(\$276,001)			(\$276,001)
Operating expenses				
Capital assets				
Division of Independent Study	(37,828)	(\$32,000)		(69,828)
Educational Technology Council	(2,627)	(30,000)		(32,627)
EduTech				
Wide area network	(2,534)	(260,400)		(262,934)
Enterprise resource planning system				
Geographic information system	(1,583)	(27,200)		(28,783)
Prairie Public Broadcasting		(50,400)		(50,400)
Criminal justice information sharing				
Total all funds	(\$320,573)	(\$400,000)	\$0	(\$720,573)
Less estimated income	<u>(301,822)</u>		<u>(3,600,000)</u>	<u>(3,901,822)</u>
General fund	(\$18,751)	(\$400,000)	\$3,600,000	\$3,181,249
FTE	0.00	0.00	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

² This amendment reduces funding from the general fund for the following line items: Educational Technology Council (\$30,000), wide area network (\$260,400), geographic information system (\$27,200), Prairie Public Broadcasting (\$50,400), and the Division of Independent Study (\$32,000).

³ This amendment changes the funding source for the enterprise resource planning system initiative from \$20,000,000 of special funds (revenue bond proceeds) to \$3,600,000 from the general fund and \$16,400,000 from special funds (revenue bond proceeds or other available sources).

This amendment also:

- Amends Section 2 of the bill as introduced to change the bonding authority amount relating to the enterprise resource planning system initiative from \$20 million to \$16.4 million, and to provide that the amount of bonds may be reduced by any moneys made available from higher education institutions.
- Amends Section 3 of the bill as introduced to provide that the bond repayment is the responsibility of the higher education institutions.
- Adds a section providing for a transfer from the student loan trust fund to the general fund in the amount of \$3 million.
- Adds a section of legislative intent relating to information technology costs reductions to general fund appropriations.
- Adds a section creating a new section to Chapter 54-10 of the North Dakota Century Code (NDCC) relating to information technology responsibilities of the State Auditor.
- Adds a section amending NDCC Section 54-59-02 relating to Information Technology Department responsibilities.
- Adds a section creating a new subsection to NDCC Section 54-59-05 relating to Information Technology Department wide area network services.
- Repeals NDCC Section 54-59-13 relating to information technology reviews to be conducted by the Information Technology Department.

House Bill No. 1022 - State Auditor - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Information technology audits	_____	<u>\$197,000</u>	<u>\$197,000</u>
Total all funds	\$0	\$197,000	\$197,000
Less estimated income	_____	_____	_____
General fund	\$0	\$197,000	\$197,000
FTE	0.00	2.00	2.00

Dept. 117 - State Auditor - Detail of House Changes

	PROVIDES FUNDING FOR INFORMATION TECHNOLOGY AUDITORS 1	TOTAL HOUSE CHANGES
Information technology audits	<u>\$197,000</u>	<u>\$197,000</u>
Total all funds	\$197,000	\$197,000
Less estimated income	_____	_____
General fund	\$197,000	\$197,000
FTE	2.00	2.00

¹ This amendment adds a new section to the bill appropriating \$197,000 from the general fund to the State Auditor for the purpose of defraying costs associated with employing two information technology auditors.

House Bill No. 1022 - Legislative Council - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Information technology analysis	_____	<u>\$98,000</u>	<u>\$98,000</u>
Total all funds	\$0	\$98,000	\$98,000
Less estimated income	_____	_____	_____
General fund	\$0	\$98,000	\$98,000
FTE	0.00	1.00	1.00

Dept. 160 - Legislative Council - Detail of House Changes

	PROVIDES FUNDING FOR INFORMATION TECHNOLOGY ANALYSIS 1	TOTAL HOUSE CHANGES
Information technology analysis	<u>\$98,000</u>	<u>\$98,000</u>
Total all funds	\$98,000	\$98,000
Less estimated income	_____	_____
General fund	\$98,000	\$98,000
FTE	1.00	1.00

¹ This amendment adds a new section to the bill appropriating \$98,000 from the general fund to the Legislative Council for the purpose of employing an information technology analyst and contracting for information technology analysis services.