

**FIRST ENGROSSMENT
with House Amendments**

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2021

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the information
2 technology department; to provide a contingent appropriation; to provide for transfers; to
3 provide for a legislative council study; to provide statements of legislative intent; to provide for a
4 report to the legislative council; to provide a continuing appropriation; to create and enact a new
5 subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the
6 information technology department; to amend and reenact section 15.1-02-18 of the North
7 Dakota Century Code, relating to membership of the statewide longitudinal data system
8 committee; and to declare an emergency.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
11 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
12 treasury, not otherwise appropriated, and from special funds derived from federal funds and
13 other income, to the information technology department for the purpose of defraying the
14 expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011,
15 as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$37,682,129	\$4,882,814	\$42,564,943
19 Operating expenses	57,062,912	(1,854,362)	55,208,550
20 Capital assets	12,145,250	(174,504)	11,970,746
21 Center for distance education	6,302,457	(14,540)	6,287,917
22 Deferred maintenance	0	60,000	60,000
23 Statewide longitudinal data system	227,954	(25,512)	202,442
24 Educational technology council	946,267	28,719	974,986

10 **ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the
11 funds as may be necessary, are appropriated from federal funds made available to the state
12 under the federal American Recovery and Reinvestment Act of 2009, not otherwise
13 appropriated, to the information technology department, for the period beginning with the
14 effective date of this Act and ending June 30, 2011, as follows:

16 The information technology department may seek emergency commission and budget
17 section approval under chapter 54-16 for authority to spend any additional federal funds
18 received under the federal American Recovery and Reinvestment Act of 2009 in excess of the
19 amounts appropriated in this section, for the period beginning with the effective date of this Act
20 and ending June 30, 2011.

25 **SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET**

98040.0300

general fund moneys to the extent that federal funds are not available to provide the \$2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section.

SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Criminal justice information sharing initiative	\$1,151,490	\$0
Geographic information system data acquisition	100,000	0
Kindergarten through grade 12 video grants	190,000	0
Online North Dakota studies resources and curriculum	170,000	0
Criminal justice information sharing projects	0	269,748
K-12 increased bandwidth	0	600,000
Center for distance education software update	<u>0</u>	<u>100,000</u>
Total general fund	\$1,611,490	\$969,748

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The information technology department shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. DEFERRED MAINTENANCE - TRANSFERS. The information technology department is authorized to transfer from the deferred maintenance line to the centers for distance education special line, contained in section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 6. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between the salaries and wages, operating expenses, and capital assets line items in section 1 of this Act for the information technology department as may be requested by the chief information officer as determined necessary for the development and implementation of information technology projects.

SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE

LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL. The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION

SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT - REVENUES FOR THE

2009-11 BIENNIUM. The information technology department shall monitor its revenue collections by funding source for the 2009-11 biennium and provide a report on revenue collections for the biennium to date by funding source to the appropriations committees of the sixty-second legislative assembly.

SECTION 10. LEGISLATIVE INTENT - OUTSOURCING. It is the intent of the sixty-first legislative assembly that the information technology department outsource 10 percent of its information technology services during the 2009-11 biennium and 20 percent of its information technology services during the 2011-13 biennium.

SECTION 11. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING -

REPORT TO LEGISLATIVE COUNCIL. The information technology department shall report to the legislative council at its November 2010 meeting on:

1. The department's current level of outsourcing of its information technology services.
2. Nonessential information technology services that could be considered for outsourcing.
3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the private sector and the number of which have been rehired by the department.

- 1 4. The department's efforts to assist in the creation of North Dakota
2 technology-related companies.

3 **SECTION 12. AMENDMENT.** Section 15.1-02-18 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15.1-02-18. Statewide longitudinal data system committee - Membership - Powers**
6 **and duties - Report to interim committee - Continuing appropriation.**

- 7 1. The statewide longitudinal data system committee consists of ~~the~~:
- 8 a. The chancellor of the board of higher education or chancellor's designee, ~~the~~.
- 9 b. The superintendent of public instruction or superintendent of public
10 instruction's designee, ~~the~~.
- 11 c. The chief information officer or chief information officer's designee, ~~the~~.
- 12 d. The director of the department of career and technical education or the
13 director's designee, ~~the~~.
- 14 e. The director of job service North Dakota or the director's designee, ~~the~~
15 director.
- 16 f. The commissioner of ~~the department of~~ commerce or the ~~director's~~
17 commissioner's designee, ~~the~~.
- 18 g. The director of the department of human services or the director's designee,
19 ~~and one person appointed by the governor.~~
- 20 h. The director of the North Dakota educational technology council.
- 21 i. The director of the North Dakota council of educational leaders or the
22 director's designee.
- 23 j. The director of the North Dakota workforce development council or the
24 director's designee.
- 25 2. The governor shall appoint the chair of the committee. The committee may
26 appoint advisory committees that would serve in an advisory capacity to the
27 committee.
- 28 ~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:
29 a. Provides for dissemination of management information to stakeholders and
30 partners of state education, training, and employment systems; and

b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee, subject to federal and state privacy laws, may enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform with applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development prior to the sixty-first legislative assembly on the status of the statewide longitudinal data system plan. The report shall must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance, including recommendations concerning the long term role and administration of the followup information in North Dakota for education and training program.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

1 8. The information technology department shall provide staff and other necessary
2 support to the committee.

3 **SECTION 13.** A new subsection to section 54-59-05 of the North Dakota Century Code
4 is created and enacted as follows:

5 Notwithstanding any other provision of law, may enter a contract with an
6 information technology vendor to provide professional services to the department
7 for a term of up to five years. However, the department may not renew any such
8 contract with a vendor under this subsection beyond a total of five years.

9 **SECTION 14. EMERGENCY.** Section 2 of this Act is declared to be an emergency
10 measure.