

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the information
 2 technology department; to amend and reenact section 54-59-07 of the North Dakota Century
 3 Code, relating to the state information technology advisory committee; to provide a transfer; to
 4 provide for a report; to provide an exemption; ~~and~~ to provide for a statement of legislative intent;
 5 to provide for a legislative management study; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 8 as may be necessary, are appropriated out of any moneys in the general fund in the state
 9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 10 other income, to the information technology department for the purpose of defraying the
 11 expenses of the information technology department, for the biennium beginning July 1, 2021,
 12 and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$81,374,501	\$22,303,093	\$103,677,594
16 Operating expenses	89,957,364	31,290,748	121,248,112
17 Capital assets	4,253,117	(809,208)	3,443,909
18 Statewide longitudinal data system	4,387,145	106,287	4,493,432
19 Edutech	9,645,773	55,493	9,701,266
20 K-12 wide area network	5,167,970	(485,481)	4,682,489
21 Geographic information system	1,052,629	50,425	1,103,054
22 Health information technology office	4,879,146	9,850,377	14,729,523
23 Statewide interoperable radio network	12,330,000	1,864,902	14,194,902
24 Total all funds	\$213,047,645	\$64,226,636	\$277,274,281

Sixty-seventh
Legislative Assembly

1	Less estimated income	195,882,334	46,980,361	242,862,695
2	Total general fund	\$17,165,311	\$17,246,275	\$34,411,586
3	Full-time equivalent positions	402.00	86.00	488.00
4	Salaries and wages	\$81,374,501	\$19,406,617	\$100,781,118
5	Operating expenses	89,957,364	30,850,748	120,808,112
6	Capital assets	4,253,117	(830,242)	3,422,875
7	Statewide longitudinal data system	4,387,145	99,133	4,486,278
8	Edutech	9,645,773	46,166	9,691,939
9	K-12 wide area network	5,167,970	(488,252)	4,679,718
10	Geographic information system	1,052,629	49,177	1,101,806
11	Health information technology office	4,879,146	9,846,725	14,725,871
12	Statewide interoperable radio network	12,330,000	1,863,796	14,193,796
13	Total all funds	\$213,047,645	\$60,843,868	\$273,891,513
14	Less estimated income	195,882,334	50,843,690	246,726,024
15	Total general fund	\$17,165,311	\$10,000,178	\$27,165,489
16	Full-time equivalent positions	402.00	75.00	477.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

21	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
22	Cybersecurity	\$15,400,000	\$0
23	Cybersecurity	\$15,400,000	\$6,500,000
24	Statewide land parcel project	1,150,000	0
25	Statewide interoperable radio network	120,000,000	0
26	Health information technology office	0	6,000,000
27	Total all funds	\$136,550,000	\$6,000,000
28	Less estimated income	125,150,000	6,000,000
29	Total general fund	\$11,400,000	\$0
30	Total all funds	\$136,550,000	\$12,500,000

1	<u>Less estimated income</u>	<u>125,150,000</u>	<u>12,500,000</u>
2	<u>Total general fund</u>	<u>\$11,400,000</u>	<u>\$0</u>

3 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
4 for the 2023-25 biennium. The information technology department shall report to the
5 appropriations committees of the sixty-eighth legislative assembly on the use of this one-time
6 funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

7 **SECTION 3. ESTIMATED INCOME - TRANSFER - HEALTH INFORMATION**
8 **TECHNOLOGY PLANNING LOAN FUND TO ~~INFORMATION TECHNOLOGY DEPARTMENT -~~**
9 **~~OPERATING SERVICE~~ ELECTRONIC HEALTH INFORMATION EXCHANGE FUND -**

10 **LEGISLATIVE INTENT - ONE-TIME FUNDING.** Notwithstanding section 6-09-43, the estimated
11 income line item in section 1 of this Act includes the sum of \$6,000,000, or so much of the sum
12 as may be necessary, which the Bank of North Dakota shall transfer, as requested by the chief
13 information officer, from the health information technology planning loan fund to the ~~information-~~
14 ~~technology department operating service~~ electronic health information exchange fund for the
15 purpose of defraying the expenses of the health information technology office and the health
16 information network during the biennium beginning July 1, 2021, and ending June 30, 2023. It is
17 the intent of the sixty-seventh legislative assembly that funding be transferred only to the extent
18 federal funding is not available to defray the expenses of the health information technology
19 office and the health information network during the 2021-23 biennium. This funding is
20 considered a one-time funding item.

21 **SECTION 4. EXEMPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04,
22 the director of the office of management and budget shall make transfers of funds between line
23 items in section 1 of this Act for the information technology department as may be requested by
24 the chief information officer as determined necessary for the development and implementation
25 of information technology projects. The department shall notify the legislative council of any
26 transfers made pursuant to this section.

27 **SECTION 5. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND.** The
28 estimated income line item in section 1 of this Act includes the sum of \$6,500,000, or so much
29 of the sum as may be necessary, from the federal coronavirus relief fund for cybersecurity
30 operating expenses.

1 **SECTION 6. AMENDMENT.** Section 54-59-07 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-59-07. State information technology advisory committee.**

4 The state information technology advisory committee consists of the chief information
5 officer; the commissioner of higher education or the commissioner's designee; the attorney
6 general or the attorney general's designee; the secretary of state or the secretary of state's
7 designee; the tax commissioner or the commissioner's designee; the chief justice of the
8 supreme court or the chief justice's designee; two members of the legislative assembly
9 appointed by the legislative management, of which one member must be the chairman of the
10 information technology committee; a minimum of eight members representing state agencies,
11 appointed by the governor; and two members with technology management expertise
12 representing private industry, appointed by the governor. The appointees of the governor serve
13 at the pleasure of the governor. The ~~governor shall designate the chairman~~ chief information
14 officer and chairman of the information technology committee shall serve as co-chairmen of the
15 state information technology advisory committee. Additional members may be asked to
16 participate at the request of the ~~chairman~~ chairmen. The department shall provide staff services
17 to the committee. The members of the committee representing private industry are entitled to be
18 compensated for time spent in attendance at meetings of the committee and for other travel as
19 approved by the ~~chairman~~ chairmen of the committee at the rate of sixty-two dollars and fifty
20 cents per day and are entitled to reimbursement for actual and necessary expenses incurred in
21 the same manner as other state officials. The compensation and expenses are to be paid from
22 appropriations for the department. The committee shall advise the department regarding
23 statewide information technology planning and budgeting, services of the information
24 technology department, and statewide information technology initiatives and policy and shall
25 review reports on major information technology projects as required by this chapter and
26 policies, standards, and guidelines developed by the department. The chief information officer
27 shall submit recommendations of the committee regarding information technology issues to the
28 information technology committee for its consideration.

29 **SECTION 7. EXEMPTION - STATEWIDE INTEROPERABLE RADIO NETWORK.** The
30 \$20,000,000 appropriated from the strategic investment and improvements fund for the
31 statewide interoperable radio network in section 8 of chapter 293 of the 2019 Session Laws is

1 not subject to section 54-44.1-11 and is available for the statewide interoperable radio network
2 project during the biennium beginning July 1, 2021, and ending June 30, 2023.

3 ~~SECTION 7. LEGISLATIVE INTENT - 2019-21 BIENNIUM LEGACY FUND EARNINGS -~~
4 ~~CYBERSECURITY. It is the intent of the sixty-seventh legislative assembly that the~~
5 ~~\$16,547,033 appropriated from the general fund for cybersecurity initiatives in section 1 of this~~
6 ~~Act be derived from 2019-21 biennium legacy fund earnings, of which \$4,824,465 is in the~~
7 ~~salaries and wages line item, \$11,591,534 is in the operating expenses line item, and \$131,034~~
8 ~~is in the capital assets line item.~~

9 **SECTION 8. LEGISLATIVE INTENT - PHONE EQUIPMENT.** It is the intent of the
10 sixty-seventh legislative assembly that the information technology department:

- 11 1. Supply at least one physical phone in each state agency;
- 12 2. Give state agencies the option of having a physical phone for each employee in the
13 agency; and
- 14 3. Allow the head of each agency to determine the number of phones provided to the
15 agency.

16 **SECTION 9. LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT STUDY -**
17 **INFORMATION TECHNOLOGY DIRECTION.** It is the intent of the sixty-seventh legislative
18 assembly that the information technology department provide direction to executive branch
19 agencies regarding information technology strategic planning and operations during the
20 biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-22 interim, the
21 legislative management shall consider studying the feasibility and desirability of the legislative
22 branch and judicial branch receiving strategic planning and operational information technology
23 direction from the information technology department beginning in the 2023-25 biennium. The
24 legislative management shall report its findings and recommendations, together with any
25 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

26 **SECTION 10. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT**
27 **INFORMATION TECHNOLOGY BUDGETING AND APPROPRIATION PROCESS.** During the
28 2021-22 interim, the legislative management shall consider studying the state government
29 information technology budgeting and appropriations process. The study must include a review
30 of the current process and the feasibility and desirability of providing a general fund
31 appropriation to the information technology department rather than providing general fund

1 appropriations to state agencies to pay the information technology department for information
2 technology services. The study must include consideration of any cost or cost-savings that may
3 result and any transparency benefits of the potential budgeting and appropriation changes. The
4 legislative management shall report its findings and recommendations, together with any
5 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

6 **SECTION 11. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY**

7 **UNIFICATION.** During the 2021-22 interim, the legislative management shall consider studying
8 the effectiveness, efficiency, cost, and any cost-savings of the 2019-21 biennium and 2021-23
9 biennium information technology unification initiatives and the feasibility and desirability of
10 continuing these initiatives. The study must include a review of changes in fees, services,
11 operations, processes, and systems. The legislative management shall report its findings and
12 recommendations, together with any legislation required to implement the recommendations, to
13 the sixty-eighth legislative assembly.

14 **SECTION 12. LEGISLATIVE MANAGEMENT STUDY - CYBERSECURITY.** During the

15 2021-22 interim, the legislative management shall consider studying costs incurred by the
16 information technology department to deliver core technology services and cybersecurity
17 services to state agencies and political subdivisions. The study must consider the feasibility and
18 desirability of political subdivisions paying their share of the cost of these services. The
19 legislative management shall report its findings and recommendations, together with any
20 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

21 **SECTION 13. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF LARGE**

22 **TECHNOLOGY COMPANIES.** During the 2021-22 interim, the legislative management shall
23 consider studying competitive fairness, economic development implications, and other
24 economic and societal impacts of large technology companies conducting business in North
25 Dakota. The legislative management shall report its findings and recommendations, together
26 with any legislation required to implement the recommendations, to the sixty-eighth legislative
27 assembly.

28 **SECTION 14. LEGISLATIVE MANAGEMENT STUDY - VIRTUAL CURRENCY BUSINESS**

29 **ACTIVITY.** During the 2021-22 interim, the legislative management shall consider studying the
30 feasibility and desirability of regulating special purpose depository institutions and regulating
31 other entities engaged in virtual currency business activities. The legislative management shall

1 report its findings and recommendations, together with any legislation required to implement the
2 recommendations, to the sixty-eighth legislative assembly.

3 **SECTION 15. EMERGENCY.** House Bill No. 1417, as approved by the sixty-seventh
4 legislative assembly, is declared to be an emergency measure.