

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$112,233,364	\$128,372,391	\$608,927	\$128,981,318
New and vacant FTE pool		8,403,424		8,403,424
Operating expenses	119,115,018	22,734,594	(2,594,601)	20,139,993
Capital assets	3,443,909	131,035		131,035
Statewide longitudinal data system	4,625,661	4,120,757		4,120,757
EduTech	10,348,826	10,044,167	(2,527,781)	7,516,386
K-12 wide area network	5,915,668	6,828,333	(126,309)	6,702,024
Geographic information system	1,109,786	1,157,943		1,157,943
Health Information Technology Office	5,822,725	10,751,242	(3,000,000)	7,751,242
Statewide interoperable radio network	18,449,852	16,213,537	(608,927)	15,604,610
Total all funds	\$281,064,809	\$208,757,423	(\$8,248,691)	\$200,508,732
Less estimated income	239,646,504	156,882,446	(4,414,850)	152,467,596
General fund	\$41,418,305	\$51,874,977	(\$3,833,841)	\$48,041,136
FTE	507.00	509.00	0.00	509.00

Department 112 - Information Technology Department - Detail of House Changes

	Reduces Funding for Salary and Benefit Increases¹	Adjusts Funding for Cybersecurity Contractual Services²	Removes Funding for Vulnerability Software³	Reduces Funding for the Student Information System⁴	Adjusts Ongoing Funding for the Health Information Network⁵	Adjusts Funding for FTE SIRN Positions⁶
Salaries and wages						\$608,927
New and vacant FTE pool						
Operating expenses		(\$3,064,311)	(\$3,042,960)			
Capital assets						
Statewide longitudinal data system						
EduTech	(\$61,990)			(\$2,465,791)		
K-12 wide area network		(126,309)				
Geographic information system						
Health Information Technology Office						
Statewide interoperable radio network						(608,927)
Total all funds	(\$61,990)	(\$3,190,620)	(\$3,042,960)	(\$2,465,791)	\$0	\$0
Less estimated income	(61,990)	0	(3,042,960)	(2,465,791)	643,221	0
General fund	\$0	(\$3,190,620)	\$0	\$0	(\$643,221)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for a State Data Center Migration Project ⁷	Adds One-Time Funding for IT Services Automation and Software Licenses ⁸	Removes One-Time Funding for the Health Information Network ⁹	Total House Changes
Salaries and wages				\$608,927
New and vacant FTE pool				
Operating expenses	\$1,719,061	\$1,793,609		(2,594,601)
Capital assets				
Statewide longitudinal data system				
EduTech				(2,527,781)
K-12 wide area network				(126,309)
Geographic information system				
Health Information Technology Office			(\$3,000,000)	(3,000,000)
Statewide interoperable radio network				(608,927)
Total all funds	\$1,719,061	\$1,793,609	(\$3,000,000)	(\$8,248,691)
Less estimated income	1,719,061	1,793,609	(3,000,000)	(4,414,850)
General fund	\$0	\$0	\$0	(\$3,833,841)
FTE	0.00	0.00	0.00	0.00

¹ Ongoing funding of \$61,990 is removed from the PowerSchool fund for a portion of salary increases (\$24,020) and health insurance increases (\$37,970) related to the underfunding of 8 FTE EduTech positions.

² Funding of (\$3,190,620) for cybersecurity contractual services is reduced from the general fund to provide an increase of \$942,554 from the general fund. The Senate approved \$4,133,174 from the general fund, of which \$942,554 related to increased cybersecurity contractual service costs for the Information Technology Department (ITD) and \$3,190,620 related to increased cybersecurity contractual service costs for higher education institutions.

³ Ongoing funding of \$2,892,960 and one-time funding of \$150,000 added by the Senate from the information technology operating fund for vulnerability management software licensing costs is removed. The department anticipates using continuing appropriation authority to receive funding related to these costs.

⁴ Ongoing funding from the PowerSchool fund is removed for license costs (\$1,472,653) and for salaries and wages of 8 FTE EduTech positions (\$993,138) for the second year of the biennium related to the student information system transition from PowerSchool Holdings, Inc., to Infinite Campus, Inc. This results in 8 FTE EduTech positions being underfunded for the 2025-27 biennium as the Department of Public Instruction will require less support from ITD under the new system.

⁵ Ongoing funding of \$643,221 is removed from the general fund in the base budget and \$643,221 is added from the health information exchange fund for the North Dakota Health Information Network (NDHIN). The base budget for NDHIN included \$2,000,000 from the general fund. The Senate removed \$1,356,779, resulting in \$643,221 remaining in the base budget. The removal of \$643,221 results in an elimination of funding from the general fund for NDHIN.

⁶ Ongoing funding of \$608,927 for salaries and wages and related operating expenses of 2 FTE statewide interoperable radio network (SIRN) positions is transferred from the SIRN line item to the salaries and wages line item. The Senate approved the funding in the SIRN line item from the SIRN fund. The House amendment includes the funding in the salaries and wages line item from the information technology operating fund.

⁷ One-time funding of \$1,719,061 is added from the strategic investment and improvements fund (SIIF) for a state data center migration project. The Senate did not add funding for this item.

⁸ One-time funding of \$1,793,609 is added from SIIF for the cost of automating information technology services for application support and the cost of purchasing software licenses for a low-code, no-code platform for use by state agencies. The department anticipates using the funding from SIIF, \$2,000,000 appropriated from the general fund for NDHIN for the 2023-25 biennium transferred to the operating expenses line item pursuant to Section 4 of House Bill No. 1021 (2023), and carryover funding from the business gateway enterprise customer relationship management program authorized in Section 9 of Senate Bill No. 2021 (2025), for the project.

⁹ One-time funding of \$3 million added by the Senate derived from a transfer from the health information technology

planning loan fund to the electronic health information exchange fund for NDHIN is removed. The department transferred the funding in March 2025 pursuant to Section 3 of House Bill No. 2021 (2023). A section authorizing the 2025-27 biennium transfer added by the Senate is removed.

Senate Bill No. 2021 - Other Changes - House Action

This amendment also:

- Adds a section to identify \$3,512,670 of one-time funding appropriated from SIIF in Section 1 for a state data center migration project (\$1,719,061) and the cost of automating information technology services and the purchase of software licenses (\$1,793,609).
- Adds a section to amend North Dakota Century Code Section 54-35-15.1 to expand membership of the Information Technology Committee to include an individual with information technology experience from the Department of Health and Human Services as a nonvoting member of the committee.
- Amends Section 54-59-14, which was also amended by the Senate, to provide ITD may not use continuing appropriation authority from the information technology operating fund to pay for salaries and wages expenses.
- Adds a section to provide for a Legislative Management study of SIRN funding and emergency communications fees.
- Adds a section to provide for a Legislative Management study of state of the enterprise resource planning system for the state, including use by state agencies and higher education.
- Adds a section to require ITD and the Department of Public Instruction to report to the Budget Section quarterly regarding the student information system transition from PowerSchool to Infinite Campus.