



Information Technology Department
Department No. 112
2025 Senate Bill No. 2021

REVISED EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Burgum budget recommendation	528.00	\$123,294,308	\$148,093,230	\$271,387,538
Revisions - Increase (decrease)	(15.00)	(69,897,085)	16,836,203	(53,060,882)
Armstrong budget recommendation	513.00	\$53,397,223	\$164,929,433	\$218,326,656
Base level	507.00	41,418,305	239,646,504	281,064,809
Increase (decrease)	6.00	\$11,978,918	(\$74,717,071)	(\$62,738,153)
Percentage increase (decrease)	1.2%	28.9%	(31.2%)	(22.3%)

NOTE:

More detailed information on the revised executive budget recommendation is attached as an appendix.

Selected Highlights

- Adds \$3,204,581 for base payroll changes related to salary equity increases, positions reclassifications, and other staffing changes, including a \$25,257 reduction from the general fund and a \$3,229,838 increase from special funds
- Adds \$2,465,716 for the cost to continue prior biennium salary increases, of which \$418,501 is from the general fund and \$2,047,215 is from special funds
- Adds **\$5,552,192**, of which **\$845,089** is from the general fund and **\$4,707,103** is from special funds, for salary increases of up to **3 percent** effective July 1, 2025, and 3 percent effective July 1, 2026
- Adds **\$3,074,703**, of which **\$498,438** is from the general fund and **\$2,576,265** is from special funds, for a health insurance premium increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893, per employee
- Adds \$13,886,120, of which \$3,467,729 is from the general fund and \$10,418,391 is from special funds, to replace the 2023-25 biennium new FTE pool (\$4,966,686) and 2023-25 biennium vacant FTE pool (\$8,919,434)
- Adds \$3,042,960 from the ITD operating fund, of which \$2,892,960 is ongoing funding and \$150,000 is one-time funding, for vulnerability management software
- Transfers \$99,168,477 of special fund authority from the ITD operating fund to continuing appropriation authority, of which \$95,855,602 is for operating expenses and \$3,312,875 is one-time funding for capital assets. This funding would continue to be spent by ITD without specific legislative approval.
- Adds \$411,793 from the PowerSchool fund (\$344,793) and EduTech fund (\$67,000) for an EduTech training application replacement project, of which \$20,000 is one-time funding from the EduTech fund
- Adds \$6,678,775 for the North Dakota Health Information Network (NDHIN), including a \$1,356,779 reduction of ongoing funding from the general fund, an increase of \$1,793,609 of one-time funding from the **strategic investment and improvements fund (SIIF)**, an increase of \$3,241,945 from the electronic health information exchange fund, and a transfer of \$3,000,000 from the health information technology planning loan fund to the electronic health information exchange fund
- Reduces \$2,854,082 for the statewide interoperable radio network (SIRN) for SIRN equipment
- Adds \$2,078,640 for SIRN, including \$1,869,120 from the ITD operating fund for 6 FTE positions and \$209,520 from the general fund for SIRN circuits
- Adds \$1,719,061 of one-time funding from SIIF to upgrade the state datacenter cooling system

Deficiency Appropriations

There are no deficiency appropriations recommended in the revised executive budget for this agency.

Significant Audit Findings

The operational audit of ITD conducted by the State Auditor's office for the period ending June 30, 2022, did not identify any significant audit findings.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 113 fees. The agency recommended the following changes to its fees:

- Decrease the amount charged for 8 fees, including technology fees, multi-factor authentication fees, active directory user fees, disk storage, and application broker fees.
- Increase the amount charged for 49 fees, including fees for IT analysts, developers, project management, desktop support services, service management services, network services, application hosting, and storage fees.

Major Related Legislation

House Bill No. 1265 - This bill creates a state information technology research center, an advanced technology review committee, a compute credits grant program, and an advanced technology grant fund, transfers \$5 million from SIIF to the advanced technology grant fund, and appropriates \$5 million from the advanced technology grant fund to the ITD for the purpose of the compute credits grant program. The Chief Information Officer is included as a member of the advanced technology review committee.

House Bill No. 1448 - This bill creates an advanced technology review committee, an advanced technology grant program, an advanced technology grant fund, transfers \$5 million from SIIF to the advanced technology grant fund, appropriates \$5 million from the advanced technology grant fund to the Department of Commerce for the purpose of the advanced technology grant program. The Chief Information Officer is included as a member of the advanced technology review committee.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



Information Technology Department - Budget No. 112
Agency Worksheet - Senate Bill No. 2021

	Armstrong Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	507.00	\$41,418,305	\$239,646,504	\$281,064,809
2025-27 Ongoing Funding Changes				
Base payroll changes		(\$25,257)	\$3,229,838	\$3,204,581
Adds funding for the cost to continue salaries		418,501	2,047,215	2,465,716
Salary increase		845,089	4,707,103	5,552,192
Health insurance increase		498,438	2,576,265	3,074,703
Adds funding to replace the 2023-25 new FTE pool		1,998,699	2,967,987	4,966,686
Adds funding to replace the 2023-25 vacant FTE pool		1,469,030	7,450,404	8,919,434
Reduces funding for operating expenses, primarily professional services		(599,999)	(10,339,358)	(10,939,357)
Adds funding for IT inflationary costs		3,181,664	531,647	3,713,311
Adds funding for cybersecurity contractual services increases		5,133,174	265,447	5,398,621
Adds funding for vulnerability management software license costs			2,892,960	2,892,960
Transfers special fund authority to continuing appropriation authority for operating expenses			(95,855,602)	(95,855,602)
Reduces funding for the statewide longitudinal data system		(394,839)	(500,000)	(894,839)
Reduces funding for EduTech			(553,869)	(553,869)
Adds funding for an EduTech training application replacement project			391,793	391,793
Adjusts funding for the K-12 wide area network		512,501	(90,000)	422,501
Adjusts funding for the geographic information system		89,176	(65,679)	23,497
Adjusts funding for NDHIN		(1,356,779)	6,241,945	4,885,166
Reduces funding for SIRN equipment			(2,854,082)	(2,854,082)
Adds funding for FTE SIRN positions	6.00		1,869,120	1,869,120
Adds funding for SIRN circuits		209,520		209,520
Total ongoing funding changes	6.00	\$11,978,918	(\$75,086,866)	(\$63,107,948)
One-Time Funding Items				
Adds one-time funding for vulnerability management software license costs			\$150,000	\$150,000
Adds funding to upgrade the state datacenter cooling system			1,719,061	1,719,061
Transfers special fund authority to continuing appropriation authority for capital assets			(3,312,875)	(3,312,875)
Adds one-time funding for an Edutech training application replacement project			20,000	20,000
Adds one-time funding for phase 1 of the NDHIN health data utility project			1,793,609	1,793,609
Total one-time funding changes	0.00	\$0	\$369,795	\$369,795
Total Changes to Base Level Funding	6.00	\$11,978,918	(\$74,717,071)	(\$62,738,153)
2025-27 Total Funding	513.00	\$53,397,223	\$164,929,433	\$218,326,656

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

1.2%

28.9%

(31.3%)

(22.5%)

Total changes - Percentage of base level

1.2%

28.9%

(31.2%)

(22.3%)