

**SECOND ENGROSSMENT
with Conference Committee Amendments
REENGROSSED 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 create and enact a new section to chapter 54-59; to amend and
3 reenact sections 54-59-15 and 54-59-22 of the North Dakota Century Code, relating to
4 acceptance of funds and to agencies exempted from certain services of the information
5 technology department; to provide for studies; to provide for a report to the budget section; to
6 provide an appropriation for the office of management and budget; and to provide for various
7 transfers.

8 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
10 as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income, to the information technology department for the purpose of defraying the
13 expenses of that agency, for the biennium beginning July 1, 2013, and ending June 30, 2015,
14 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
15				
16				
17	Salaries and wages	\$47,383,177	\$4,170,074	\$51,553,251
18	Accrued leave payments	0	2,626,084	2,626,084
19	Operating expenses	69,218,477	(4,383,834)	64,834,643
20	Capital assets	15,035,666	(2,535,066)	12,500,600
21	Center for distance education	6,649,238	(780,847)	5,868,391
22	Statewide longitudinal data system	1,869,243	1,511	1,870,754
23	Educational technology council	1,075,403	739,206	1,814,609
24	EduTech	7,926,447	125,647	8,052,094

Sixty-third
Legislative Assembly

1	K-12 wide area network	5,206,992	(278,815)	4,928,177
2	Geographic information system	1,112,065	348,229	1,460,294
3	Health information technology office	13,959,238	(9,208,515)	4,750,723
4	Criminal justice information sharing	2,781,394	1,087,967	3,869,361
5	Federal stimulus funds	<u>0</u>	<u>6,800,000</u>	<u>6,800,000</u>
6	Total all funds	\$172,217,340	(\$1,288,359)	\$170,928,981
7	Less estimated income	<u>153,165,136</u>	<u>(3,490,583)</u>	<u>149,674,553</u>
8	Total general fund	\$19,052,204	\$2,202,224	\$21,254,428
9	Full-time equivalent positions	336.30	4.00	340.30

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

SIXTY-FOURTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

14	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
15	Criminal justice information sharing projects	\$200,000	\$800,000
16	Statewide longitudinal data system	1,757,624	0
17	Eligibility system	1,500,000	0
18	Federal fiscal stimulus	8,000,000	0
19	Educational technology council grants	0	200,000
20	Archiving study	0	100,000
21	Geographic information system projects	<u>0</u>	<u>215,000</u>
22	Total all funds	\$11,457,624	\$1,315,000
23	Less estimated income	<u>11,257,624</u>	<u>0</u>
24	Total general fund	\$200,000	\$1,315,000

The 2013-15 one-time funding amounts are not a part of the entity's base budget for the 2015-17 biennium. The information technology department shall report to the appropriations committees of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 3. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between line items in section 1 of this Act for the information technology department as may be requested by the chief information

1 officer as determined necessary for the development and implementation of information
2 technology projects.

3 **SECTION 4. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL**
4 **DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may
5 spend only the federal funds for costs associated with the statewide longitudinal data system
6 upon approval of the expenditures by the information technology department, for the biennium
7 beginning July 1, 2013, and ending June 30, 2015.

8 **SECTION 5.** A new section to chapter 54-59 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Information technology project planning.**

11 Each executive branch state agency, excluding entities under the control of the state board
12 of higher education, considering the development of an information technology project with an
13 estimated cost of one hundred thousand dollars or more shall involve the information
14 technology department in the planning and study of the project. A state agency must receive a
15 recommendation from the information technology department prior to proceeding with any study
16 relating to the project.

17 **SECTION 6. AMENDMENT.** Section 54-59-15 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **54-59-15. Acceptance of funds.**

20 The department may accept federal or other funds, which must be deposited in the
21 information technology operating account or other accounts specified by the office of
22 management and budget and which may be spent subject to legislative appropriation. The
23 department may apply for any public or private grants available for the improvement of
24 information technology.

25 **SECTION 7. AMENDMENT.** Section 54-59-22 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **54-59-22. Required use of electronic mail, file and print server administration,**
28 **database administration, application server, and hosting services.**

29 Each state agency and institution, excluding the legislative and judicial branches, the
30 institutions under the control of the state board of higher education, ~~the public employees-~~
31 ~~retirement system, the retirement and investment office,~~ the attorney general, and any entity

1 exempted by the office of management and budget after advisement by the information
2 technology department, shall obtain electronic mail, file and print server administration,
3 database administration, storage, application server, and hosting services through a delivery
4 system established by the information technology department in conjunction with the office of
5 management and budget. The office of management and budget, after receiving advice from
6 the information technology department, shall establish policies and guidelines for the delivery of
7 services, including the transition from existing systems to functional consolidation, with
8 consideration given to the creation of efficiencies, cost-savings, and improved quality of service.

9 **SECTION 8. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET -**
10 **INFORMATION TECHNOLOGY HARDWARE RELOCATION AND CONSOLIDATION STUDY.**

11 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
12 appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to the office of
13 management and budget for the purpose of contracting with a private consultant to conduct an
14 information technology relocation and consolidation study of information technology equipment
15 operated by the attorney general and by agencies that have been exempted by the office of
16 management and budget under section 54-59-22, for the biennium beginning July 1, 2013, and
17 ending in June 30, 2015.

18 1. The study:

- 19 a. Must include input from the attorney general and representatives from the
20 exempted agencies and a review of the feasibility and the desirability of
21 relocating and consolidating information technology hardware of the attorney
22 general and the agencies exempted by the office of management and budget to
23 the information technology department's secure data center.
- 24 b. Must address the issues of cost, physical security, cybersecurity, redundancy,
25 staffing, impact on service to stakeholders, and impact on contractual
26 relationships for software and hardware with federal partnerships.
- 27 c. Must be completed before December 31, 2013.

- 28 2. The office of management and budget shall report its findings and recommendations
29 to the budget section and the legislative management's information technology
30 committee by March 31, 2014, and submit any proposed legislation necessary to
31 implement the consolidation or relocation to the legislative management's information

1 technology committee by July 1, 2014. If the findings of the study indicate that a partial
2 or full consolidation of information technology services or relocation of information
3 technology hardware, are feasible and desirable, the office of management and
4 budget and the information technology department shall assist any affected agency in
5 developing an implementation plan as a part of the agency's 2015-17 budget request.

6 **SECTION 9. INFORMATION TECHNOLOGY DESKTOP SUPPORT STUDY - REPORT**

7 **TO BUDGET SECTION.** Prior to January 1, 2014, the information technology department shall
8 conduct a study of all state agencies' information technology desktop support to determine the
9 feasibility and desirability of centralization of desktop support services through the information
10 technology department for all state agencies. The study must include a review of the support
11 staff, associated costs to the respective agency, use of third-party information technology
12 contractors, and a cost-benefit comparison of current state agencies' desktop support self
13 services and desktop support services provided by the information technology department. The
14 information technology department shall report its findings and recommendations to the office of
15 management and budget, the budget section, and the interim information technology committee
16 prior to January 1, 2014. The office of management and budget shall provide a report to the
17 budget section regarding the findings, recommendations, and any legislation required to
18 implement the recommendations of the study.