

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2110**

Introduced by

Political Subdivisions Committee

(At the request of the Information Technology Department)

1 A BILL for an Act to amend and reenact sections 54-59-01 and 54-59-05 of the North Dakota  
2 Century Code, relating to cybersecurity.

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

4 **SECTION 1. AMENDMENT.** Section 54-59-01 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **54-59-01. Definitions.**

7 As used in this chapter:

8 1. "Agency" or "entity" does not include any agricultural commodity promotion group or  
9 any occupational or professional board.

10 2. "Cybersecurity" means processes or capabilities, wherein, systems, communications,  
11 and information are protected and defended against damage, unauthorized use or  
12 modification, and exploitation.

13 3. "Cybersecurity strategy" means a vision, plan of action, or guiding principles. Unless  
14 otherwise defined in this chapter, the term does not mean an associated operational  
15 plan.

16 4. "Department" means the information technology department.

17 ~~3-5.~~ "Information technology" means the use of hardware, software, services, and  
18 supporting infrastructure to manage and deliver information using voice, data, and  
19 video.

20 ~~4-6.~~ "Network services" means the equipment, software, and services necessary to  
21 transmit voice, data, or video.

22 **SECTION 2. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code is  
23 amended and reenacted as follows:

1           **54-59-05. Powers and duties of department. (Effective through July 31, 2023)**

2           The department:

- 3           1.    Shall provide, supervise, and regulate information technology of all executive branch  
4                   state entities, excluding the institutions under the control of the board of higher  
5                   education.
- 6           2.    Shall provide network services in a way that ensures the network requirements of a  
7                   single entity do not adversely affect the functionality of the whole network, facilitates  
8                   open communications with the citizens of the state, minimizes the state's investment in  
9                   human resources, accommodates an ever-increasing amount of traffic, supports rapid  
10                  detection and resolution of problems, protects the network infrastructure from damage  
11                  and security breaches, provides for the aggregation of data, voice, video, and  
12                  multimedia into a statewide transport mechanism or backbone, and provides for the  
13                  network support for the entity to carry out its mission.
- 14          3.    May review and approve additional network services that are not provided by the  
15                  department.
- 16          4.    May purchase, finance the purchase, or lease equipment, software, or implementation  
17                  services or replace, including by trade or resale, equipment or software as may be  
18                  necessary to carry out this chapter. With the exception of agreements entered related  
19                  to the statewide interoperable radio network, an agreement to finance the purchase of  
20                  software, equipment, or implementation services may not exceed a period of five  
21                  years. The department shall submit any intended financing proposal for the purchase  
22                  of software, equipment, or implementation services under this subsection, which is in  
23                  excess of one million dollars, to the budget section of the legislative management or  
24                  the legislative assembly before executing a financing agreement. If the budget section  
25                  or the legislative assembly does not approve the execution of a financing agreement,  
26                  the department may not proceed with the proposed financing arrangement. With the  
27                  exception of financing for the statewide interoperable radio network, the department  
28                  may finance the purchase of software, equipment, or implementation services only to  
29                  the extent the purchase amount does not exceed seven and one-half percent of the  
30                  amount appropriated to the department during that biennium.

- 1       5.   Shall review requests for lease, purchase, or other contractual acquisition of  
2       information technology as required by this subsection. Each executive branch agency  
3       or institution, excluding the institutions under the control of the board of higher  
4       education, shall submit to the department, in accordance with guidelines established  
5       by the department, a written request for the lease, purchase, or other contractual  
6       acquisition of information technology. The department shall review requests for  
7       conformance with the requesting entity's information technology plan and compliance  
8       with statewide policies and standards. If the request is not in conformance or  
9       compliance, the department may disapprove the request or require justification for the  
10      departure from the plan or statewide policy or standard.
- 11     6.   Shall provide information technology, including assistance and advisory service, to the  
12      executive, legislative, and judicial branches. If the department is unable to fulfill a  
13      request for service from the legislative or judicial branch, the information technology  
14      may be procured by the legislative or judicial branch within the limits of legislative  
15      appropriations.
- 16     7.   Shall request and review information, including project startup information  
17      summarizing the project description, project objectives, business need or problem,  
18      cost-benefit analysis, and project risks and a project closeout information summarizing  
19      the project objectives achieved, project budget and schedule variances, and lessons  
20      learned, regarding any major information technology project of an executive branch  
21      agency. The department shall present the information to the information technology  
22      committee on request of the committee.
- 23     8.   May request and review information regarding any information technology project of  
24      an executive branch agency with a total cost of between one hundred thousand and  
25      five hundred thousand dollars as determined necessary by the department. The  
26      department shall present the information to the information technology committee on  
27      request of the committee.
- 28     9.   Shall study emerging technology and evaluate its impact on the state's system of  
29      information technology.

- 1        10. Shall develop guidelines for reports to be provided by each agency of the executive,  
2            legislative, and judicial branches, excluding the institutions under the control of the  
3            board of higher education, on information technology in those entities.
- 4        11. Shall collaborate with the state board of higher education on guidelines for reports to  
5            be provided by institutions under control of the state board of higher education on  
6            information technology in those entities.
- 7        12. Shall perform all other duties necessary to carry out this chapter.
- 8        13. May provide wide area network services to a state agency, city, county, school district,  
9            or other political subdivision of this state. The information technology department may  
10           not provide wide area network service to any private, charitable, or nonprofit entity  
11           except the information technology department may continue to provide the wide area  
12           network service the department provided to the private, charitable, and nonprofit  
13           entities receiving services from the department on January 1, 2003.
- 14       14. Shall assure proper measures for security, firewalls, and internet protocol addressing  
15           at the state's interface with other facilities.
- 16       15. Notwithstanding subsection 13, may provide wide area network services for a period  
17           not to exceed four years to an occupant of a technology park associated with an  
18           institution of higher education or to a business located in a business incubator  
19           associated with an institution of higher education.
- 20       16. Shall advise and oversee cybersecurity strategy for all executive branch state  
21           agencies, including institutions under the control of the state board of higher  
22           education, counties, cities, school districts, or other political subdivisions. For  
23           purposes of this subsection, the department shall consult with the attorney general on  
24           cybersecurity strategy.
- 25       17. Shall advise and consult with the legislative and judicial branches regarding  
26           cybersecurity strategy.

27        **Powers and duties of department. (Effective after July 31, 2023)**

28        The department:

- 29        1. Shall provide, supervise, and regulate information technology of all executive branch  
30           state entities, excluding the institutions under the control of the board of higher  
31           education.

- 1        2.    Shall provide network services in a way that ensures the network requirements of a  
2            single entity do not adversely affect the functionality of the whole network, facilitates  
3            open communications with the citizens of the state, minimizes the state's investment in  
4            human resources, accommodates an ever-increasing amount of traffic, supports rapid  
5            detection and resolution of problems, protects the network infrastructure from damage  
6            and security breaches, provides for the aggregation of data, voice, video, and  
7            multimedia into a statewide transport mechanism or backbone, and provides for the  
8            network support for the entity to carry out its mission.
- 9        3.    May review and approve additional network services that are not provided by the  
10           department.
- 11       4.    May purchase, finance the purchase, or lease equipment, software, or implementation  
12           services or replace, including by trade or resale, equipment or software as may be  
13           necessary to carry out this chapter. An agreement to finance the purchase of software,  
14           equipment, or implementation services may not exceed a period of five years. The  
15           department shall submit any intended financing proposal for the purchase of software,  
16           equipment, or implementation services under this subsection, which is in excess of  
17           one million dollars, to the budget section of the legislative management or the  
18           legislative assembly before executing a financing agreement. If the budget section or  
19           the legislative assembly does not approve the execution of a financing agreement, the  
20           department may not proceed with the proposed financing arrangement. The  
21           department may finance the purchase of software, equipment, or implementation  
22           services only to the extent the purchase amount does not exceed seven and one-half  
23           percent of the amount appropriated to the department during that biennium.
- 24       5.    Shall review requests for lease, purchase, or other contractual acquisition of  
25           information technology as required by this subsection. Each executive branch agency  
26           or institution, excluding the institutions under the control of the board of higher  
27           education, shall submit to the department, in accordance with guidelines established  
28           by the department, a written request for the lease, purchase, or other contractual  
29           acquisition of information technology. The department shall review requests for  
30           conformance with the requesting entity's information technology plan and compliance  
31           with statewide policies and standards. If the request is not in conformance or

- 1 compliance, the department may disapprove the request or require justification for the  
2 departure from the plan or statewide policy or standard.
- 3 6. Shall provide information technology, including assistance and advisory service, to the  
4 executive, legislative, and judicial branches. If the department is unable to fulfill a  
5 request for service from the legislative or judicial branch, the information technology  
6 may be procured by the legislative or judicial branch within the limits of legislative  
7 appropriations.
- 8 7. Shall request and review information, including project startup information  
9 summarizing the project description, project objectives, business need or problem,  
10 cost-benefit analysis, and project risks and a project closeout information summarizing  
11 the project objectives achieved, project budget and schedule variances, and lessons  
12 learned, regarding any major information technology project of an executive branch  
13 agency. The department shall present the information to the information technology  
14 committee on request of the committee.
- 15 8. May request and review information regarding any information technology project of  
16 an executive branch agency with a total cost of between one hundred thousand and  
17 five hundred thousand dollars as determined necessary by the department. The  
18 department shall present the information to the information technology committee on  
19 request of the committee.
- 20 9. Shall study emerging technology and evaluate its impact on the state's system of  
21 information technology.
- 22 10. Shall develop guidelines for reports to be provided by each agency of the executive,  
23 legislative, and judicial branches, excluding the institutions under the control of the  
24 board of higher education, on information technology in those entities.
- 25 11. Shall collaborate with the state board of higher education on guidelines for reports to  
26 be provided by institutions under control of the state board of higher education on  
27 information technology in those entities.
- 28 12. Shall perform all other duties necessary to carry out this chapter.
- 29 13. May provide wide area network services to a state agency, city, county, school district,  
30 or other political subdivision of this state. The information technology department may  
31 not provide wide area network service to any private, charitable, or nonprofit entity

- 1           except the information technology department may continue to provide the wide area  
2           network service the department provided to the private, charitable, and nonprofit  
3           entities receiving services from the department on January 1, 2003.
- 4       14.    Shall assure proper measures for security, firewalls, and internet protocol addressing  
5           at the state's interface with other facilities.
- 6       15.    Notwithstanding subsection 13, may provide wide area network services for a period  
7           not to exceed four years to an occupant of a technology park associated with an  
8           institution of higher education or to a business located in a business incubator  
9           associated with an institution of higher education.
- 10     16.    Shall advise and oversee cybersecurity strategy for all executive branch state  
11           agencies, including institutions under the control of the state board of higher  
12           education, counties, cities, school districts, or other political subdivision. For purposes  
13           of this subsection, the department shall consult with the attorney general on  
14           cybersecurity strategy.
- 15     17.    Shall advise and consult with the legislative and judicial branches regarding  
16           cybersecurity strategy.