

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2007

Page 1, line 1, after the semicolon insert "to amend and reenact sections 54-59-05 and 54-59-22 of the North Dakota Century Code, relating to state agency information technology service requirements;"

Page 1, line 2, after the semicolon insert "to provide a statement of legislative intent;"

Page 1, replace lines 11 through 17 with:

"Salaries and wages	\$18,916,632	\$293,247	\$19,209,879
Operating expenses	5,083,731	480,602	5,564,333
Capital assets	<u>405,733</u>	<u>349,738</u>	<u>755,471</u>
Total all funds	\$24,406,096	\$1,123,587	\$25,529,683
Less estimated income	<u>18,751,772</u>	<u>972,268</u>	<u>19,724,040</u>
Total general fund	\$5,654,324	\$151,319	\$5,805,643
Full-time equivalent positions	120.72	(5.93)	114.79"

Page 2, replace line 2 with:

"Thermostat replacements	0	131,500
Resident absences	0	25,000"

Page 2, replace lines 6 through 8 with:

"Total all funds	\$549,050	\$373,200
Less estimated income	<u>524,050</u>	<u>348,200</u>
Total general fund	\$25,000	\$25,000"

Page 2, after line 16, insert:

"SECTION 4. RESIDENT LEAVE OF ABSENCE - LEGISLATIVE INTENT - ONE-TIME FUNDING. The operating expenses line item in section 1 of this Act includes the sum of \$25,000 from the general fund for defraying veterans' home resident costs while residents are absent from the veterans' home. This funding is considered a one-time funding item. It is the intent of the sixty-seventh legislative assembly that the veterans' home governing board increase the number of days a resident is authorized to be absent from the veterans' home without incurring a per diem cost from seven consecutive days to fourteen consecutive days. It is further the intent of the sixty-seventh legislative assembly that any future funding requests from the veterans' home for this purpose be requested from the Melvin Norgard memorial fund.

SECTION 5. AMENDMENT. Section 54-59-05 of the North Dakota Century Code is amended and reenacted as follows:

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

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state, minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.
3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. With the exception of agreements entered related to the statewide interoperable radio network, an agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the legislative assembly or the budget section if the legislative assembly is not in session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. With the exception of financing for the statewide interoperable radio network, the department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.
5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or

judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.

7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.
8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.
12. Shall perform all other duties necessary to carry out this chapter.
13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.
16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.

17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

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

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state, minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.
3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. An agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the legislative assembly or the budget section if the legislative assembly is not in session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. The department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.
5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request

or require justification for the departure from the plan or statewide policy or standard.

6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.
8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.
12. Shall perform all other duties necessary to carry out this chapter.
13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.

16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.
17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

SECTION 6. AMENDMENT. Section 54-59-22 of the North Dakota Century Code is amended and reenacted as follows:

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

Each state agency and institution, excluding the legislative and judicial branches, the institutions under the control of the state board of higher education, the attorney general, the veterans' home, and any entity exempted by the office of management and budget after advisement by the information technology department, shall obtain electronic mail, file and print server administration, database administration, storage, application server, and hosting services through a delivery system established by the information technology department in conjunction with the office of management and budget. The office of management and budget, after receiving advice from the information technology department, shall establish policies and guidelines for the delivery of services, including the transition from existing systems to functional consolidation, with consideration given to the creation of efficiencies, cost-savings, and improved quality of service."

Page 2, after line 21, insert:

"SECTION 8. EXEMPTION - EQUIPMENT. The amount of \$20,700 appropriated from the soldiers' home fund in the capital assets line item for a dryer in section 1 of chapter 7 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the purchase of a dryer for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. EXEMPTION - ADMINISTRATOR'S RESIDENCE - CAPITAL ASSETS. Of the \$233,450 appropriated from the soldiers' home fund in the administrator's residence line item for the demolition of the administrator's residence in section 1 of chapter 7 of the 2019 Session Laws, \$54,925 is not subject to section 54-44.1-11 and is available for the purpose of defraying capital assets costs of the veterans' home for the biennium beginning July 1, 2021, and ending June 30, 2023."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2007 - Veterans' Home - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$18,916,632	\$19,191,930	\$17,949	\$19,209,879
Operating expenses	5,083,731	5,539,333	25,000	5,564,333
Capital assets	405,733	755,471		755,471
Total all funds	\$24,406,096	\$25,486,734	\$42,949	\$25,529,683
Less estimated income	18,751,772	19,716,491	7,549	19,724,040

General fund	\$5,654,324	\$5,770,243	\$35,400	\$5,805,643
FTE	120.72	114.79	0.00	114.79

Department 313 - Veterans' Home - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Adds One-Time Funding for the Cost of Resident Absences ²	Adjusts One-Time Funding ³	Total House Changes
Salaries and wages	\$17,949			\$17,949
Operating expenses		\$25,000		25,000
Capital assets				
Total all funds	\$17,949	\$25,000	\$0	\$42,949
Less estimated income	7,549	0	0	7,549
General fund	\$10,400	\$25,000	\$0	\$35,400
FTE	0.00	0.00	0.00	0.00

¹ Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² One-time funding of \$25,000 from the general fund is added for the cost of resident absences when a resident is away from the Veterans' Home for an extended period of time. If a resident is absent from the Veterans' Home for 4 consecutive days, the United States Department of Veterans Affairs (VA) will not pay the Veterans' Home per diem for that resident for the days in excess of the first 4 days, resulting in the Veterans' Home charging residents for the cost of per diem not received by the VA. The Veterans' Home Governing Board recently extended the policy to allow residents to be absent for up to 7 consecutive days. This amendment provides funding to allow residents to be absent for 7 additional consecutive days, resulting in a total of 14 consecutive days allowed at no cost to the resident. The Senate did not provide funding for this purpose.

³ One-time funding of \$131,500 from the soldiers' home fund is provided to allow the Veterans' Home to replace thermostats in the facility. The Senate authorized this funding for a basic care flooring project.

This amendment also:

- Adds a section to identify one-time funding of \$25,000 from the general fund to defray Veterans' Home resident costs while residents are absent from the Veterans' Home. The section provides legislative intent that the Veterans' Home Governing Board increase the number of days a resident is authorized to be absent from the Veterans' Home without incurring a per diem cost for the absence from 7 to 14 days. Further intent is provided that any future funding requests from the Veteran's Home for this purpose be requested from the Melvin Norgard memorial fund.
- Amends North Dakota Century Code Section 54-59-05 to exclude information technology of the Veterans' Home from being required to be provided by, supervised by, and regulated by the Information Technology Department. The Information Technology Department is required to consult with the Veterans' Home regarding cybersecurity strategy.
- Amends Section 54-59-22 to exclude email, file and print administration, database administration, application server, and hosting services of the Veterans' Home from being required to be provided by the Information Technology Department.
- Provides an exemption to allow the Veterans' Home to continue \$20,700 appropriated from the soldiers' home fund for the purchase of a dryer during the 2019-21 biennium into the 2021-23 biennium.
- Provides an exemption to allow the Veterans' Home to continue \$54,925 appropriated from the soldiers' home fund for the 2019-21 biennium for the demolition of the administrator's residence into the 2021-23 biennium for purchasing security cameras, humidifiers, and a building automation system.