

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2021**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the information
2 technology department; to amend and reenact section 54-59-07 of the North Dakota Century
3 Code, relating to the state information technology advisory committee; to provide a transfer; to
4 provide for a report; to provide an exemption; to provide for a statement of legislative intent; to
5 provide for a legislative management study; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the information technology department for the purpose of defraying the
11 expenses of the information technology department, for the biennium beginning July 1, 2021,
12 and ending June 30, 2023.

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$81,374,501	\$19,406,617	\$100,781,118
16 Operating expenses	89,957,364	30,850,748	120,808,112
17 Capital assets	4,253,117	(830,242)	3,422,875
18 Statewide longitudinal data system	4,387,145	99,133	4,486,278
19 Edutech	9,645,773	46,166	9,691,939
20 K-12 wide area network	5,167,970	(488,252)	4,679,718
21 Geographic information system	1,052,629	49,177	1,101,806
22 Health information technology office	4,879,146	9,846,725	14,725,871
23 Statewide interoperable radio network	<u>12,330,000</u>	<u>1,863,796</u>	<u>14,193,796</u>
24 Total all funds	\$213,047,645	\$60,843,868	\$273,891,513

1	Less estimated income	<u>195,882,334</u>	<u>50,843,690</u>	<u>246,726,024</u>
2	Total general fund	\$17,165,311	\$10,000,178	\$27,165,489
3	Full-time equivalent positions	402.00	75.00	477.00

4 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
5 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
6 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the
7 one-time funding items included in the appropriation in section 1 of this Act:

8	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
9	Cybersecurity	\$15,400,000	\$6,500,000
10	Statewide land parcel project	1,150,000	0
11	Statewide interoperable radio network	120,000,000	0
12	Health information technology office	<u>0</u>	<u>6,000,000</u>
13	Total all funds	\$136,550,000	\$12,500,000
14	Less estimated income	<u>125,150,000</u>	<u>12,500,000</u>
15	Total general fund	\$11,400,000	\$0

16 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
17 for the 2023-25 biennium. The information technology department shall report to the
18 appropriations committees of the sixty-eighth legislative assembly on the use of this one-time
19 funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

20 **SECTION 3. ESTIMATED INCOME - TRANSFER - HEALTH INFORMATION**
21 **TECHNOLOGY PLANNING LOAN FUND TO ELECTRONIC HEALTH INFORMATION**
22 **EXCHANGE FUND - LEGISLATIVE INTENT - ONE-TIME FUNDING.** Notwithstanding section
23 6-09-43, the estimated income line item in section 1 of this Act includes the sum of \$6,000,000,
24 or so much of the sum as may be necessary, which the Bank of North Dakota shall transfer, as
25 requested by the chief information officer, from the health information technology planning loan
26 fund to the electronic health information exchange fund for the purpose of defraying the
27 expenses of the health information technology office and the health information network during
28 the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the
29 sixty-seventh legislative assembly that funding be transferred only to the extent federal funding
30 is not available to defray the expenses of the health information technology office and the health

1 information network during the 2021-23 biennium. This funding is considered a one-time funding
2 item.

3 **SECTION 4. EXEMPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04,
4 the director of the office of management and budget shall make transfers of funds between line
5 items in section 1 of this Act for the information technology department as may be requested by
6 the chief information officer as determined necessary for the development and implementation
7 of information technology projects. The department shall notify the legislative council of any
8 transfers made pursuant to this section.

9 **SECTION 5. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND.** The
10 estimated income line item in section 1 of this Act includes the sum of \$6,500,000, or so much
11 of the sum as may be necessary, from the federal coronavirus relief fund for cybersecurity
12 operating expenses.

13 **SECTION 6. AMENDMENT.** Section 54-59-07 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **54-59-07. State information technology advisory committee.**

16 The state information technology advisory committee consists of the chief information
17 officer; the commissioner of higher education or the commissioner's designee; the attorney
18 general or the attorney general's designee; the secretary of state or the secretary of state's
19 designee; the tax commissioner or the commissioner's designee; the chief justice of the
20 supreme court or the chief justice's designee; two members of the legislative assembly
21 appointed by the legislative management, of which one member must be the chairman of the
22 information technology committee; a minimum of eight members representing state agencies,
23 appointed by the governor; and two members with technology management expertise
24 representing private industry, appointed by the governor. The appointees of the governor serve
25 at the pleasure of the governor. ~~The governor shall designate the chairman~~ chief information
26 officer and chairman of the information technology committee shall serve as co-chairmen of the
27 state information technology advisory committee. Additional members may be asked to
28 participate at the request of the ~~chairman~~ chairmen. The department shall provide staff services
29 to the committee. The members of the committee representing private industry are entitled to be
30 compensated for time spent in attendance at meetings of the committee and for other travel as
31 approved by the ~~chairman~~ chairmen of the committee at the rate of sixty-two dollars and fifty

1 cents per day and are entitled to reimbursement for actual and necessary expenses incurred in
2 the same manner as other state officials. The compensation and expenses are to be paid from
3 appropriations for the department. The committee shall advise the department regarding
4 statewide information technology planning and budgeting, services of the information
5 technology department, and statewide information technology initiatives and policy and shall
6 review reports on major information technology projects as required by this chapter and
7 policies, standards, and guidelines developed by the department. The chief information officer
8 shall submit recommendations of the committee regarding information technology issues to the
9 information technology committee for its consideration.

10 **SECTION 7. EXEMPTION - STATEWIDE INTEROPERABLE RADIO NETWORK.** The
11 \$20,000,000 appropriated from the strategic investment and improvements fund for the
12 statewide interoperable radio network in section 8 of chapter 293 of the 2019 Session Laws is
13 not subject to section 54-44.1-11 and is available for the statewide interoperable radio network
14 project during the biennium beginning July 1, 2021, and ending June 30, 2023.

15 **SECTION 8. LEGISLATIVE INTENT - PHONE EQUIPMENT.** It is the intent of the
16 sixty-seventh legislative assembly that the information technology department:

- 17 1. Supply at least one physical phone in each state agency;
- 18 2. Give state agencies the option of having a physical phone for each employee in the
19 agency; and
- 20 3. Allow the head of each agency to determine the number of phones provided to the
21 agency.

22 **SECTION 9. LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT STUDY -**
23 **INFORMATION TECHNOLOGY DIRECTION.** It is the intent of the sixty-seventh legislative
24 assembly that the information technology department provide direction to executive branch
25 agencies regarding information technology strategic planning and operations during the
26 biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-22 interim, the
27 legislative management shall consider studying the feasibility and desirability of the legislative
28 branch and judicial branch receiving strategic planning and operational information technology
29 direction from the information technology department beginning in the 2023-25 biennium. The
30 legislative management shall report its findings and recommendations, together with any
31 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

1 **SECTION 10. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT**

2 **INFORMATION TECHNOLOGY BUDGETING AND APPROPRIATION PROCESS.** During the
3 2021-22 interim, the legislative management shall consider studying the state government
4 information technology budgeting and appropriations process. The study must include a review
5 of the current process and the feasibility and desirability of providing a general fund
6 appropriation to the information technology department rather than providing general fund
7 appropriations to state agencies to pay the information technology department for information
8 technology services. The study must include consideration of any cost or cost-savings that may
9 result and any transparency benefits of the potential budgeting and appropriation changes. The
10 legislative management shall report its findings and recommendations, together with any
11 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

12 **SECTION 11. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY**

13 **UNIFICATION.** During the 2021-22 interim, the legislative management shall consider studying
14 the effectiveness, efficiency, cost, and any cost-savings of the 2019-21 biennium and 2021-23
15 biennium information technology unification initiatives and the feasibility and desirability of
16 continuing these initiatives. The study must include a review of changes in fees, services,
17 operations, processes, and systems. The legislative management shall report its findings and
18 recommendations, together with any legislation required to implement the recommendations, to
19 the sixty-eighth legislative assembly.

20 **SECTION 12. LEGISLATIVE MANAGEMENT STUDY - CYBERSECURITY.** During the

21 2021-22 interim, the legislative management shall consider studying costs incurred by the
22 information technology department to deliver core technology services and cybersecurity
23 services to state agencies and political subdivisions. The study must consider the feasibility and
24 desirability of political subdivisions paying their share of the cost of these services. The
25 legislative management shall report its findings and recommendations, together with any
26 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

27 **SECTION 13. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF LARGE**

28 **TECHNOLOGY COMPANIES.** During the 2021-22 interim, the legislative management shall
29 consider studying competitive fairness, economic development implications, and other
30 economic and societal impacts of large technology companies conducting business in North
31 Dakota. The legislative management shall report its findings and recommendations, together

1 with any legislation required to implement the recommendations, to the sixty-eighth legislative
2 assembly.

3 **SECTION 14. LEGISLATIVE MANAGEMENT STUDY - VIRTUAL CURRENCY BUSINESS**

4 **ACTIVITY.** During the 2021-22 interim, the legislative management shall consider studying the
5 feasibility and desirability of regulating special purpose depository institutions and regulating
6 other entities engaged in virtual currency business activities. The legislative management shall
7 report its findings and recommendations, together with any legislation required to implement the
8 recommendations, to the sixty-eighth legislative assembly.

9 **SECTION 15. EMERGENCY.** House Bill No. 1417, as approved by the sixty-seventh
10 legislative assembly, is declared to be an emergency measure.