

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2007**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home;
2 to amend and reenact sections 54-59-05 and 54-59-22 of the North Dakota Century Code,
3 relating to state agency information technology service requirements; to provide an exemption;
4 to provide a statement of legislative intent; and to provide for a report.

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

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
11			
12			
13	Salaries and wages	\$18,916,632	\$293,247
14	Operating expenses	5,083,731	480,602
15	Capital assets	<u>405,733</u>	<u>349,738</u>
16	Total all funds	\$24,406,096	\$1,123,587
17	Less estimated income	<u>18,751,772</u>	<u>972,268</u>
18	Total general fund	\$5,654,324	\$151,319
19	Full-time equivalent positions	120.72	(5.93)
			114.79

20 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
21 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
22 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the
23 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

Sixty-seventh
Legislative Assembly

	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
1			
2	Equipment	\$99,400	\$16,700
3	Strategic plan	25,000	0
4	Skilled care flooring project	138,700	0
5	Thermostat replacements	0	131,500
6	Resident absences	0	25,000
7	Administrator's residence demolition	233,450	0
8	Security system upgrades	52,500	0
9	Memorial garden project	<u>0</u>	<u>200,000</u>
10	Total all funds	\$549,050	\$373,200
11	Less estimated income	<u>524,050</u>	<u>348,200</u>
12	Total general fund	\$25,000	\$25,000

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

17 **SECTION 3. ESTIMATED INCOME - SOLDIERS' HOME FUND - ADMINISTRATOR**

18 **HOUSING STIPEND.** The estimated income line item in section 1 of this Act includes the sum
 19 of \$48,000 from the soldiers' home fund for the purpose of providing a \$2,000 monthly housing
 20 stipend to the veterans' home administrator for housing costs off the veterans' home campus.

21 **SECTION 4. RESIDENT LEAVE OF ABSENCE - LEGISLATIVE INTENT - ONE-TIME**

22 **FUNDING.** The operating expenses line item in section 1 of this Act includes the sum of
 23 \$25,000 from the general fund for defraying veterans' home resident costs while residents are
 24 absent from the veterans' home. This funding is considered a one-time funding item. It is the
 25 intent of the sixty-seventh legislative assembly that the veterans' home governing board
 26 increase the number of days a resident is authorized to be absent from the veterans' home
 27 without incurring a per diem cost from seven consecutive days to fourteen consecutive days. It
 28 is further the intent of the sixty-seventh legislative assembly that any future funding requests
 29 from the veterans' home for this purpose be requested from the Melvin Norgard memorial fund.

30 **SECTION 5. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code is
 31 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 and the veterans' home.
- 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 legislative assembly or the budget section if the
24 legislative assembly is not in session before executing a financing agreement. Any
25 request considered by the budget section must comply with section 54-35-02.9. If the
26 legislative assembly or the budget section does not approve the execution of a
27 financing agreement, the department may not proceed with the proposed financing
28 arrangement. With the exception of financing for the statewide interoperable radio
29 network, the department may finance the purchase of software, equipment, or
30 implementation services only to the extent the purchase amount does not exceed

1 seven and one-half percent of the amount appropriated to the department during that
2 biennium.

3 5. Shall review requests for lease, purchase, or other contractual acquisition of
4 information technology as required by this subsection. Each executive branch agency
5 or institution, excluding the institutions under the control of the board of higher
6 education, shall submit to the department, in accordance with guidelines established
7 by the department, a written request for the lease, purchase, or other contractual
8 acquisition of information technology. The department shall review requests for
9 conformance with the requesting entity's information technology plan and compliance
10 with statewide policies and standards. If the request is not in conformance or
11 compliance, the department may disapprove the request or require justification for the
12 departure from the plan or statewide policy or standard.

13 6. Shall provide information technology, including assistance and advisory service, to the
14 executive, legislative, and judicial branches. If the department is unable to fulfill a
15 request for service from the legislative or judicial branch, the information technology
16 may be procured by the legislative or judicial branch within the limits of legislative
17 appropriations.

18 7. Shall request and review information, including project startup information
19 summarizing the project description, project objectives, business need or problem,
20 cost-benefit analysis, and project risks and a project closeout information summarizing
21 the project objectives achieved, project budget and schedule variances, and lessons
22 learned, regarding any major information technology project of an executive branch
23 agency. The department shall present the information to the information technology
24 committee on request of the committee.

25 8. May request and review information regarding any information technology project of
26 an executive branch agency with a total cost of between one hundred thousand and
27 five hundred thousand dollars as determined necessary by the department. The
28 department shall present the information to the information technology committee on
29 request of the committee.

30 9. Shall study emerging technology and evaluate its impact on the state's system of
31 information technology.

Sixty-seventh
Legislative Assembly

- 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
24 and the veterans' home on 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 and the veterans' home.

- 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 legislative assembly or the budget section if the legislative
18 assembly is not in session before executing a financing agreement. Any request
19 considered by the budget section must comply with section 54-35-02.9. If the
20 legislative assembly or the budget section does not approve the execution of a
21 financing agreement, the department may not proceed with the proposed financing
22 arrangement. The department may finance the purchase of software, equipment, or
23 implementation services only to the extent the purchase amount does not exceed
24 seven and one-half percent of the amount appropriated to the department during that
25 biennium.
- 26 5. Shall review requests for lease, purchase, or other contractual acquisition of
27 information technology as required by this subsection. Each executive branch agency
28 or institution, excluding the institutions under the control of the board of higher
29 education, shall submit to the department, in accordance with guidelines established
30 by the department, a written request for the lease, purchase, or other contractual
31 acquisition of information technology. The department shall review requests for

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

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

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

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

24 Each state agency and institution, excluding the legislative and judicial branches, the
25 institutions under the control of the state board of higher education, the attorney general, the
26 veterans' home, and any entity exempted by the office of management and budget after
27 advisement by the information technology department, shall obtain electronic mail, file and print
28 server administration, database administration, storage, application server, and hosting services
29 through a delivery system established by the information technology department in conjunction
30 with the office of management and budget. The office of management and budget, after
31 receiving advice from the information technology department, shall establish policies and

1 guidelines for the delivery of services, including the transition from existing systems to
2 functional consolidation, with consideration given to the creation of efficiencies, cost-savings,
3 and improved quality of service.

4 **SECTION 7. EXEMPTION - SKILLED CARE FLOORING PROJECT.** The \$138,700
5 appropriated from the soldiers' home fund for a skilled care flooring project in section 1 of
6 chapter 7 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unspent funds
7 may be continued and is available for defraying the expenses of completing the project during
8 the biennium beginning July 1, 2021, and ending June 30, 2023.

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

13 **SECTION 9. EXEMPTION - ADMINISTRATOR'S RESIDENCE - CAPITAL ASSETS.** Of the
14 \$233,450 appropriated from the soldiers' home fund in the administrator's residence line item
15 for the demolition of the administrator's residence in section 1 of chapter 7 of the 2019 Session
16 Laws, \$54,925 is not subject to section 54-44.1-11 and is available for the purpose of defraying
17 capital assets costs of the veterans' home for the biennium beginning July 1, 2021, and ending
18 June 30, 2023.