

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1022

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, the state auditor, and the legislative council; to authorize the industrial
3 commission to issue and sell evidences of indebtedness for ConnectND; to provide for a
4 general fund transfer; to provide legislative intent; to create and enact a new section to chapter
5 54-10 and a new subsection to section 54-59-05 of the North Dakota Century Code, relating to
6 information technology responsibilities of the state auditor and information technology
7 department wide area network service; to amend and reenact section 54-59-02 of the North
8 Dakota Century Code, relating to responsibilities of the information technology department; to
9 repeal section 54-59-13 of the North Dakota Century Code, relating to information technology
10 reviews; and to declare an emergency.

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

12 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
13 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
14 treasury, not otherwise appropriated, and from special funds derived from other income, to the
15 information technology department for the purpose of defraying the expenses of the information
16 technology department, for the biennium beginning July 1, 2003, and ending June 30, 2005, as
17 follows:

18 Salaries and wages	\$25,736,848
19 Operating expenses	33,120,860
20 Capital assets	5,323,000
21 Division of independent study	5,598,014
22 Educational technology council	764,028
23 EduTech	2,674,003
24 Wide area network	7,536,689

1	Enterprise resource planning system (ConnectND)	20,000,000
2	Geographic information system	687,314
3	Prairie public broadcasting	1,286,738
4	Criminal justice information sharing	<u>4,741,200</u>
5	Total all funds	\$107,468,694
6	Less estimated income	<u>93,679,908</u>
7	Total general fund appropriation	\$13,788,786

8 **SECTION 2. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The industrial
9 commission, acting as the North Dakota building authority, shall arrange for the funding in an
10 amount not to exceed \$16,400,000 for the enterprise resource planning system commonly
11 known as the ConnectND project, which is declared to be in the public interest, through the
12 issuance of evidences of indebtedness under chapter 54-17.2 from the effective date of this Act
13 and ending June 30, 2003. The amount of the evidences of indebtedness may be reduced by
14 any moneys made available from the higher education institutions. The proceeds of the
15 evidences of indebtedness and other available funds, as appropriated in section 1 of this Act,
16 for ConnectND project costs include refunding of interim borrowings. The industrial
17 commission shall issue evidences of indebtedness under this section with the condition that
18 repayment on the evidences of indebtedness need not begin until July 1, 2005.

19 The authority of the industrial commission to issue evidences of indebtedness under
20 this section ends July 30, 2005, but the industrial commission may continue to exercise all
21 other powers granted to it under chapter 54-17.2 and this Act and comply with any covenants
22 entered into before that date.

23 The limitation provided in section 54-17.2-23 does not apply to repayments allocable to
24 the evidences of indebtedness issued for the ConnectND project.

25 **SECTION 3. EVIDENCES OF INDEBTEDNESS ISSUANCE REPAYMENT**
26 **RESPONSIBILITY.** Debt service on the evidences of indebtedness issued under section 2 of
27 this Act must be available from funds made available by the higher education institutions.

28 **SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the
29 general fund in the state treasury, not otherwise appropriated, the sum of \$197,000, or so much
30 of the sum as may be necessary, to the state auditor for the purpose of defraying costs

1 associated with employing two information technology auditors, for the biennium beginning
2 July 1, 2003, and ending June 30, 2005.

3 **SECTION 5. APPROPRIATION.** There is appropriated out of any moneys in the
4 general fund in the state treasury, not otherwise appropriated, the sum of \$98,000, or so much
5 of the sum as may be necessary, to the legislative council for the purpose of employing an
6 information technology analyst and contracting for information technology analysis services, for
7 the biennium beginning July 1, 2003, and ending June 30, 2005.

8 **SECTION 6. GENERAL FUND TRANSFER.** The industrial commission shall transfer
9 to the general fund the sum of \$3,000,000 from the North Dakota student loan trust. The
10 moneys must be transferred as requested by the director of the office of management and
11 budget during the biennium beginning July 1, 2003, and ending June 30, 2005, and upon
12 certification by the student loan trust trustee that sufficient moneys remain available to pay all
13 debt service on student loan trust bonds, all required rebate payments to the United States
14 treasury, and all program operating expenses.

15 **SECTION 7. LEGISLATIVE INTENT - INFORMATION TECHNOLOGY COSTS -**
16 **REDUCTIONS TO GENERAL FUND APPROPRIATIONS.** It is the intent of the fifty-eighth
17 legislative assembly that the 2003-05 biennium general fund appropriations for information
18 technology expenditures included in agency and institution appropriation bills are to be reduced
19 by a total of \$12,760,136, representing savings to be realized from information technology
20 efficiencies and the elimination of duplicative programs, including personnel savings and
21 savings relating to the purchase of software, information technology equipment, and contractual
22 services for information technology development projects. The specific amounts will be
23 reduced from each agency or institution appropriation prior to the conclusion of the fifty-eighth
24 legislative assembly.

25 **SECTION 8.** A new section to chapter 54-10 of the North Dakota Century Code is
26 created and enacted as follows:

27 **Information technology responsibilities.** The state auditor shall:

28 1. Conduct information technology compliance reviews by conducting individual
29 agency audits of information technology management, information technology
30 planning, compliance with information technology plans, and compliance with

- 1 information technology standards and policies and conducting statewide agency
2 audits of compliance with specific information technology standards and policies.
3 2. Consult with the information technology department on audits of compliance with
4 information technology plans and compliance with information technology
5 standards and policies.
6 3. Participate in the information technology department's enterprise architecture
7 process for developing information technology standards and policies.
8 4. Monitor major information technology projects for compliance with project
9 management and information technology standards and policies.
10 5. Present results of information technology compliance reviews to the information
11 technology committee and the information technology department's enterprise
12 architecture committee.

13 **SECTION 9. AMENDMENT.** Section 54-59-02 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **54-59-02. Information technology department - Responsibility - Public policy.**

16 The information technology department is established with the responsibility for all wide area
17 network services planning, selection, and implementation for all state agencies, including
18 institutions under the control of the board of higher education, counties, cities, and school
19 districts in this state. With respect to a county, city, or school district, wide area network
20 services are those services necessary to transmit voice, data, or video outside the county, city,
21 or school district. In exercising its powers and duties, the department is responsible for
22 computer support services, host software development, statewide communications services,
23 standards for providing information to other state agencies and the public through the internet,
24 technology planning, process redesign, and quality assurance. The department may not
25 exercise its powers and duties in a manner that competes or otherwise interferes with the
26 provision of telecommunications services to private, charitable, or nonprofit entities by privately
27 or cooperatively owned telecommunications companies.

28 **SECTION 10.** A new subsection to section 54-59-05 of the North Dakota Century Code
29 is created and enacted as follows:

30 May provide wide area network services to a state agency, city, county, school
31 district, or other political subdivision of this state. The information technology

1 department may not provide wide area network services to any private, charitable,
2 or nonprofit entity.

3 **SECTION 11. REPEAL.** Section 54-59-13 of the North Dakota Century Code is
4 repealed.

5 **SECTION 12. EMERGENCY.** The enterprise resource planning system line item in
6 section 1 of this Act and all of sections 2 and 3 of this Act are declared to be an emergency
7 measure.