

Sixty-fifth
Legislative Assembly
of North Dakota

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; ~~and~~ to provide appropriations to certain agencies for an electronic
3 payment processing system; to authorize borrowing authority; to provide for transfers; to
4 provide for a report; to create and enact sections 15-19-01.1, 15-19-01.2, and 15-19-02.1 of the
5 North Dakota Century Code, relating to the centers for distance education; to amend and
6 reenact subsection 1 of section 37-17.3-02.2, section 54-59-31, and subsection 1 of section
7 54-59-34 of the North Dakota Century Code, relating to the statewide interoperability executive
8 committee, certified electronic health information systems, and the statewide longitudinal data
9 system; and to provide a statement of legislative intent.

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

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
12 as may be necessary, are appropriated out of any moneys in the general fund in the state
13 treasury, not otherwise appropriated, and from special funds derived from federal funds and
14 other income, to the information technology department for the purpose of defraying the
15 expenses of the information technology department, for the biennium beginning July 1, 2017,
16 and ending June 30, 2019, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
19 Salaries and wages	\$58,113,215	\$1,361,193	\$59,474,408
20 Operating expenses	70,927,060	(1,374,062)	69,552,998
21 Capital assets	8,850,000	(555,000)	8,295,000
22 Center for distance education	9,091,690	(6,146)	9,085,544
23 Statewide longitudinal data system	5,500,661	(1,188,648)	4,312,013
24 Educational technology council	1,655,947	(534,060)	1,121,887

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1	Edutech	9,052,048	707,355	9,759,403
2	K-12 wide area network	4,880,862	(345,755)	4,535,107
3	Geographic information system	1,192,978	(45,055)	1,147,923
4	Health information technology office	5,354,633	43,516,838	48,871,471
5	Total all funds	\$174,619,094	\$41,536,660	\$216,155,754
6	Less estimated income	151,213,039	44,396,804	195,609,843
7	Total general fund	\$23,406,055	(\$2,860,144)	\$20,545,911
8	Salaries and wages	\$58,113,215	\$1,246,557	\$59,359,772
9	Operating expenses	70,927,060	(999,062)	69,927,998
10	Capital assets	8,850,000	(555,000)	8,295,000
11	Center for distance education	9,091,690	(12,574)	9,079,116
12	Statewide longitudinal data system	5,500,661	(1,190,100)	4,310,561
13	Educational technology council	1,655,947	(534,475)	1,121,472
14	Edutech	9,052,048	700,719	9,752,767
15	K-12 wide area network	4,880,862	(346,584)	4,534,278
16	Geographic information system	1,192,978	(45,262)	1,147,716
17	Health information technology office	5,354,633	43,516,009	48,870,642
18	Statewide interoperability radio network	0	13,700,000	13,700,000
19	Total all funds	\$174,619,094	\$55,480,228	\$230,099,322
20	Less estimated income	151,213,039	58,353,949	209,566,988
21	Total general fund	\$23,406,055	(\$2,873,721)	\$20,532,334
22	Full-time equivalent positions	350.30	(6.00)	344.30

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item in section 1 of this Act includes the sum of \$926,470, of which \$173,819 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium and the 2017-19 one-time funding items included in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
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1	Educational technology council grants	\$912,060	\$0
2	Statewide longitudinal data system	358,280	0
3	Statewide radio coordination	1,401,750	0
4	Health data study	500,000	0
5	<u>Electronic payment processing system</u>	<u>0</u>	<u>375,000</u>
6	Health information network expansion	<u>0</u>	<u>43,555,133</u>
7	Total all funds	\$3,172,090	\$43,555,133
8	Less estimated income	500,000	43,555,133
9	<u>Total all funds</u>	<u>\$3,172,090</u>	<u>\$43,930,133</u>
10	<u>Less estimated income</u>	<u>500,000</u>	<u>43,930,133</u>
11	Total general fund	\$2,672,090	\$0

12 The 2017-19 one-time funding amounts are not a part of the entity's base budget for the
13 2019-21 biennium. The information technology department shall report to the appropriations
14 committees of the sixty-sixth legislative assembly on the use of this one-time funding for the
15 biennium beginning July 1, 2017, and ending June 30, 2019.

16 **SECTION 4. TRANSFERS.** Notwithstanding section 54-16-04, the director of the office of
17 management and budget shall make transfers of funds between line items in section 1 of this
18 Act for the information technology department as may be requested by the chief information
19 officer as determined necessary for the development and implementation of information
20 technology projects.

21 **SECTION 5.** Section 15-19-01.1 of the North Dakota Century Code is created and enacted
22 as follows:

23 **15-19-01.1. Distance education courses - Course lists to school districts -**
24 **Notification.**

25 The center for distance education shall provide, by December thirty-first of each year, a
26 complete list of courses offered by the center to all school districts. Each school district shall
27 notify its students and their parents or guardians of the complete list of courses offered and the
28 school district's policies for course selection and related fees.

29 **SECTION 6.** Section 15-19-01.2 of the North Dakota Century Code is created and enacted
30 as follows:

15-19-01.2. Distance education courses - Online courses.

1. The director of the center for distance education may provide new, online, elective courses for credit meeting the following criteria:

a. The course is delivered and controlled by the center for distance education.

b. The course code limits the delivery and instruction to the center for distance education.

c. The course code assignment reflects current department of public instruction code assignment and teacher licensure.

d. The course meets or exceeds all applicable course standards.

e. The course represents a new and emerging field of study or career.

2. Courses provided under this section are subject to yearly reviews by the superintendent of public instruction.

SECTION 7. Section 15-19-02.1 of the North Dakota Century Code is created and enacted as follows:

15-19-02.1. Distance education clearinghouse.

The director of the center for distance education shall establish a clearinghouse for online courses delivered to North Dakota schools for the purpose of providing:

1. A list of the online courses and providers for all North Dakota schools to access.

2. Awareness of online courses available in new and emerging careers.

3. A list of comparative prices for online courses and other online services.

4. Awareness of the differences between technological innovation and learning innovation.

SECTION 8. AMENDMENT. Subsection 1 of section 37-17.3-02.2 of the North Dakota Century Code is amended and reenacted as follows:

1. The statewide interoperability executive committee consists of:

a. The director of state radio or a designee;

b. The director of the division of homeland security or a designee;

c. The superintendent of the highway patrol or a designee;

d. The adjutant general or a designee;

e. The director of the department of transportation or a designee;

f. A representative of the North Dakota sheriff's and deputies association;

- 1 g. A representative of the North Dakota emergency managers association;
- 2 h. A representative of the North Dakota fire chiefs association;
- 3 i. A representative of the North Dakota emergency medical services association;
- 4 j. A representative of the North Dakota police chiefs association;
- 5 k. A representative of the North Dakota peace officers association;
- 6 l. A representative of the North Dakota 911 association; ~~and~~
- 7 m. The North Dakota chief information officer or a designee;
- 8 n. The North Dakota Indian affairs commission executive director or a designee;
- 9 and
- 10 o. One member of the North Dakota house of representatives and one member of
- 11 the North Dakota senate appointed by the legislative management.

12 **SECTION 9. AMENDMENT.** Section 54-59-31 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **54-59-31. Certified electronic health records systems.**

15 1. An executive branch state agency, an institution of higher education, and any health
16 care provider or other person participating in the health information exchange may use
17 only an electronic health record system for use in the exchange which is certified
18 under rules adopted by the office of the national coordinator for health information
19 technology.

20 2. Subsection 1 does not apply if:

- 21 a. The office of the national coordinator for health information technology does not
- 22 require certification of the electronic health record system for that type of
- 23 provider; or
- 24 b. The North Dakota health information technology director waives the certification
- 25 requirement.

26 **SECTION 10. AMENDMENT.** Subsection 1 of section 54-59-34 of the North Dakota
27 Century Code is amended and reenacted as follows:

- 28 1. The statewide longitudinal data system committee shall manage a statewide
29 longitudinal data system that:
 - 30 a. Provides for the dissemination of management information to stakeholders and
 - 31 partners of state education, training, and employment systems; ~~and~~

b. Is required to provide on an annual basis to education and workforce development programs, to the extent permitted by federal law, the wage record interchange system 2 data sharing agreement, and the state wage interchange system data sharing agreement, state performance reports that measure the aggregate outcomes of participants in the workforce and continuing education programs, including private workforce and education programs that request the reports; and

c. Uses data from educational and workforce systems as central sources of statewide longitudinal data.

SECTION 11. LOAN AUTHORIZATION - APPROPRIATION - ELECTRONIC PAYMENT

PROCESSING SYSTEM. The state agencies named in this section shall borrow from the Bank of North Dakota, the amounts listed below, or so much of the amounts as may be necessary, which are appropriated to the respective agency for the purpose of defraying the expenses of implementing a new electronic payment system for the biennium beginning July 1, 2017, and ending June 30, 2019.

<u>Agency</u>	<u>Amount</u>
Department of transportation	\$147,000
Secretary of state's office	93,000
Parks and recreation department	42,000
Game and fish department	36,000
Workforce safety and insurance	36,000
Highway patrol	<u>21,000</u>
Total	\$375,000

SECTION 12. LOAN REPAYMENT - APPROPRIATION - ELECTRONIC PAYMENT

PROCESSING SYSTEM. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from additional revenue received as a result of the implementation of a new electronic payment processing system to the agencies named below for the purpose of repaying the Bank of North Dakota loans authorized in section 11 of this Act, plus interest for the biennium beginning July 1, 2017, and ending June 30, 2019.

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1	<u>Agency</u>	<u>Amount</u>
2	Department of transportation	\$159,000
3	Secretary of state's office	101,000
4	Parks and recreation department	46,000
5	Game and fish department	39,000
6	Workforce safety and insurance	39,000
7	Highway patrol	<u>23,000</u>
8	Total	\$407,000

9 **SECTION 13. LEGISLATIVE INTENT - STATE GOVERNMENT EFFICIENCIES.** It is the
10 intent of the sixty-fifth legislative assembly that during the 2017-18 interim, the governor achieve
11 efficiencies and budgetary savings within the information technology department and other state
12 agencies through the use of innovative ideas and solutions relating to information technology
13 and related services. It is also the intent of the sixty-fifth legislative assembly that the governor
14 submit proposed legislation necessary to implement any ideas and solutions for state
15 government efficiencies and budgetary savings which cannot be implemented during the
16 2017-18 interim to the sixty-sixth legislative assembly.