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Sixty-eighth  
Legislative Assembly  
of North Dakota

**FIRST ENGROSSMENT  
with Conference Committee Amendments  
ENGROSSED HOUSE BILL NO. 1021**

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 subsection 2 of section 54-46-08 of the North  
3 Dakota Century Code as amended in section 5 of House Bill No. 1528, as approved by the  
4 sixty-eighth legislative assembly, relating to final disposition of records; to provide a transfer; to  
5 provide an exemption; and to provide for a report.

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, 2023,  
12 and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
13				
14				
15	Salaries and wages	\$101,734,629	\$2,637,257	\$104,371,886
16	Operating expenses	114,588,112	34,416,587	149,004,699
17	Capital assets	3,443,909	466,662	3,910,571
18	Statewide longitudinal data system	4,486,278	1,096,400	5,582,678
19	Edutech	9,691,939	472,369	10,164,308
20	K-12 wide area network	4,679,718	1,682,892	6,362,610
21	Geographic information system	1,101,806	106,086	1,207,892
22	Health information technology office	8,725,871	16,240	8,742,111
23	Statewide interoperable radio network	14,193,796	4,207,673	18,401,469

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1	Broadband infrastructure	<u>0</u>	<u>148,250,000</u>	<u>148,250,000</u>
2	Total all funds	\$262,646,058	\$193,352,166	\$455,998,224
3	Less estimated income	<u>233,670,105</u>	<u>179,267,274</u>	<u>412,937,379</u>
4	Total general fund	\$28,975,953	\$14,084,892	\$43,060,845
5	Full-time equivalent positions	479.00	28.00	507.00

6 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

7 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
8 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the  
9 one-time funding items included in the appropriation in section 1 of this Act:

10	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
11	Cybersecurity	\$6,500,000	\$0
12	Health information technology office	6,000,000	3,000,000
13	Broadband infrastructure grants	45,000,000	0
14	North Dakota stockmen's association grant	401,000	0
15	Enterprise digitization project	0	7,000,000
16	Call center software upgrade project	0	3,000,000
17	Governance, risk, and compliance costs	0	5,456,876
18	Customer relationship management program	0	5,000,000
19	Universal vulnerability management project	0	1,000,000
20	Capitol security upgrade and fiber replacement project	0	2,499,467
21	Inflationary increases	0	7,325,000
22	Statewide longitudinal data system	0	1,075,000
23	Broadband, equity, access, and deployment program	0	147,762,480
24	State and local cybersecurity grant program	<u>0</u>	<u>487,520</u>
25	Total all funds	\$57,901,000	\$183,606,343
26	Less estimated income	<u>57,901,000</u>	<u>179,093,823</u>
27	Total general fund	\$0	\$4,512,520

28 The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget  
29 for the 2025-27 biennium. The information technology department shall report to the  
30 appropriations committees of the sixty-ninth legislative assembly on the use of this one-time  
31 funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

1       **SECTION 3. ESTIMATED INCOME - TRANSFER - HEALTH INFORMATION**  
2       **TECHNOLOGY PLANNING LOAN FUND TO ELECTRONIC HEALTH INFORMATION**  
3       **EXCHANGE FUND.** Notwithstanding section 6-09-43, the estimated income line item in

4 section 1 of this Act includes the sum of \$3,000,000, or so much of the sum as may be  
5 necessary, which the Bank of North Dakota shall transfer, as requested by the chief information  
6 officer, from the health information technology planning loan fund to the electronic health  
7 information exchange fund for the purpose of defraying the expenses of the health information  
8 technology office and the health information network during the biennium beginning July 1,  
9 2023, and ending June 30, 2025.

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

16       **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**  
17 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$15,000,000  
18 from the strategic investment and improvements fund, of which \$7,000,000 is for the enterprise  
19 digitization project, \$3,000,000 is for the call center software upgrade project, and \$5,000,000 is  
20 for the customer relationship management program.

21       **SECTION 6. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The  
22 estimated income line item in section 1 of this Act includes the sum of \$3,499,467 from federal  
23 funds derived from the state fiscal recovery fund, of which \$2,499,467 is for the capitol security  
24 software upgrade and fiber replacement project and \$1,000,000 is for the universal vulnerability  
25 management project.

26       **SECTION 7. ESTIMATED INCOME - CHOICE READY DASHBOARD EXPANSION**  
27 **PROJECT.** The estimated income line item in section 1 of this Act includes the sum of  
28 \$4,856,876 from the information technology department operating service fund for department  
29 of public instruction-related projects, of which \$300,000 is for a choice ready dashboard  
30 expansion project to allow schools to monitor student progress for graduation and report the  
31 results to the department of public instruction.

1       **SECTION 8. AMENDMENT.** Subsection 2 of section 54-46-08 of the North Dakota Century  
2 Code as amended in section 5 of House Bill No. 1528, as approved by the sixty-eighth  
3 legislative assembly, is amended and reenacted as follows:

4       2. Each departmental agency shall maintain, for at least one year, data contained in  
5 electronic mail accounts ~~and personal file storage~~, for agency heads, state officers  
6 appointed by the governor under chapter 44-02, and elected executive branch  
7 officials.

8       **SECTION 9. EXEMPTION - BROADBAND INFRASTRUCTURE GRANTS.** The amount of  
9 \$45,000,000 appropriated from federal funds derived from the coronavirus capital projects fund  
10 for the broadband infrastructure grants program in section 9 of chapter 548 of the 2021 Special  
11 Session Session Laws is not subject to section 54-44.1-11 and is available for the program  
12 during the biennium beginning July 1, 2023, and ending June 30, 2025. The information  
13 technology department shall approve any grant application that includes the use or  
14 implementation of fiber-optic cable in the proposed service area unless fiber-optic cable  
15 currently serves the proposed service area.

16       **SECTION 10. EXEMPTION - BROADBAND INFRASTRUCTURE GRANTS - FEDERAL**  
17 **CORONAVIRUS CAPITAL PROJECTS FUND - TRANSFER OF APPROPRIATION**  
18 **AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.**

19       1. Notwithstanding section 9 of this Act, on October 1, 2023, the office of management  
20 and budget shall transfer any uncommitted federal coronavirus capital projects fund  
21 appropriation authority from the information technology department to the department  
22 of career and technical education for the purpose of defraying inflationary costs of  
23 existing projects approved under the statewide area career center initiative grant  
24 program during the 2021-23 biennium for the biennium beginning July 1, 2023, and  
25 ending June 30, 2025. The appropriation authority transferred in this subsection may  
26 be spent by the department of career and technical education only if approval is  
27 received from the federal government.

28       2. If any funding in the federal coronavirus capital projects fund is available pursuant to  
29 subsection 1 of this section, the office of management and budget shall submit a state  
30 plan amendment to the United States Department of the Treasury to request a  
31 modification of the planned use of moneys in the federal coronavirus capital projects

1 fund. If the federal government does not approve the state plan amendment to allow  
2 the department of career and technical education to use moneys in the federal  
3 coronavirus capital projects fund for multipurpose community facility inflationary costs,  
4 the office of management and budget shall transfer the uncommitted federal  
5 coronavirus capital projects fund appropriation authority to the information technology  
6 department for the purpose of providing broadband infrastructure grants pursuant to  
7 section 9 of this Act.

8 3. If the state plan amendment is approved, the department of career and technical  
9 education must distribute the funding transferred from the federal coronavirus capital  
10 projects fund to existing career academy projects proportionally based on funding  
11 allocations provided to each project during the 2021-23 biennium. If funding approved  
12 in this section is provided for a career academy project and the funding becomes  
13 uncommitted during the 2023-25 biennium, the department of career and technical  
14 education may redistribute the funding for existing projects under the program during  
15 the biennium beginning July 1, 2023, and ending June 30, 2025.

16 4. The department of career and technical education shall report to the legislative  
17 management during the 2023-24 interim and to the appropriations committees of the  
18 sixty-ninth legislative assembly regarding the amount of inflationary funding provided  
19 for each project and the construction status of each project.

20 5. The office of management and budget shall report to the legislative management  
21 regarding any appropriation authority transferred under this section.

22 **SECTION 11. EXEMPTION - NORTH DAKOTA STOCKMEN'S ASSOCIATION**

23 **BRANDING INSPECTION SYSTEM.** The amount of \$401,000 appropriated from federal funds  
24 derived from the state fiscal recovery fund for the purpose of providing a grant to the North  
25 Dakota stockmen's association for conversion of a paper-based brand inspection program to an  
26 electronic system in subsection 23 of section 1 of chapter 550 of the 2021 Special Session  
27 Session Laws is not subject to section 54-44.1-11 and is available for the program during the  
28 biennium beginning July 1, 2023, and ending June 30, 2025.

29 **SECTION 12. EMERGENCY.** Sections 9 and 10 of this Act are declared to be an  
30 emergency measure.