

**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.

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13 Salaries and wages	\$18,916,632	\$293,247	\$19,209,879
14 Operating expenses	5,083,731	480,602	5,564,333
15 Capital assets	<u>405,733</u>	<u>349,738</u>	<u>755,471</u>
16 Total all funds	\$24,406,096	\$1,123,587	\$25,529,683
17 Less estimated income	<u>18,751,772</u>	<u>972,268</u>	<u>19,724,040</u>
18 Total general fund	\$5,654,324	\$151,319	\$5,805,643
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.

- 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.

**Powers and duties of department. (Effective after July 31, 2023)**

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch  
state entities, excluding the institutions under the control of the board of higher  
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.