

PROPOSED AMENDMENTS TO SENATE BILL NO. 2021

Page 1, line 2, replace "and" with "to provide a transfer; to provide for a report;"

Page 1, line 2, after "exemption" insert "; and to provide for a statement of legislative intent"

Page 1, replace lines 10 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$81,374,501	\$22,303,093	\$103,677,594
Operating expenses	89,957,364	31,290,748	121,248,112
Capital assets	4,253,117	(809,208)	3,443,909
Statewide longitudinal data system	4,387,145	106,287	4,493,432
Edutech	9,645,773	55,493	9,701,266
K-12 wide area network	5,167,970	(485,481)	4,682,489
Geographic information system	1,052,629	50,425	1,103,054
Health information technology office	4,879,146	9,850,377	14,729,523
Statewide interoperable radio network	<u>12,330,000</u>	<u>1,864,902</u>	<u>14,194,902</u>
Total all funds	\$213,047,645	\$64,226,636	\$277,274,281
Less estimated income	<u>195,882,334</u>	<u>46,980,361</u>	<u>242,862,695</u>
Total general fund	\$17,165,311	\$17,246,275	\$34,411,586
Full-time equivalent positions	402.00	86.00	488.00"

Page 2, line 1, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY"

Page 2, line 2, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 4 through 9 with:

"Cybersecurity	\$15,400,000	\$0
Statewide land parcel project	1,150,000	0
Statewide interoperable radio network	120,000,000	0
Health information technology office	<u>0</u>	<u>6,000,000</u>
Total all funds	\$136,550,000	\$6,000,000
Less estimated income	<u>125,150,000</u>	<u>6,000,000</u>
Total general fund	\$11,400,000	\$0

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

SECTION 3. ESTIMATED INCOME - TRANSFER - HEALTH INFORMATION TECHNOLOGY PLANNING LOAN FUND TO INFORMATION TECHNOLOGY DEPARTMENT OPERATING SERVICE FUND - LEGISLATIVE INTENT - ONE-TIME FUNDING. Notwithstanding section 6-09-43, the estimated income line item in section 1 of this Act includes the sum of \$6,000,000, or so much of the sum as may be necessary, which the Bank of North Dakota shall transfer, as requested by the chief

information officer, from the health information technology planning loan fund to the information technology department operating service fund for the purpose of defraying the expenses of the health information technology office and the health information network during the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that funding be transferred only to the extent federal funding is not available to defray the expenses of the health information technology office and the health information network during the 2021-23 biennium. This funding is considered a one-time funding item."

Page 2, after line 15, insert:

"SECTION 5. EXEMPTION - STATEWIDE INTEROPERABLE RADIO NETWORK. The \$20,000,000 appropriated from the strategic investment and improvements fund for the statewide interoperable radio network in section 8 of chapter 293 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the statewide interoperable radio network project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. LEGISLATIVE INTENT - 2019-21 BIENNIUM LEGACY FUND EARNINGS - CYBERSECURITY. It is the intent of the sixty-seventh legislative assembly that the \$16,547,033 appropriated from the general fund for cybersecurity initiatives in section 1 of this Act be derived from 2019-21 biennium legacy fund earnings, of which \$4,824,465 is in the salaries and wages line item, \$11,591,534 is in the operating expenses line item, and \$131,034 is in the capital assets line item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$81,374,501	\$22,303,093	\$103,677,594
Operating expenses	89,957,364	31,290,748	121,248,112
Capital assets	4,253,117	(809,208)	3,443,909
Statewide longitudinal data system	4,387,145	106,287	4,493,432
EduTech	9,645,773	55,493	9,701,266
K-12 wide area network	5,167,970	(485,481)	4,682,489
Geographic information system	1,052,629	50,425	1,103,054
Health information technology office	4,879,146	9,850,377	14,729,523
Statewide interoperable radio network	12,330,000	1,864,902	14,194,902
Total all funds	\$213,047,645	\$64,226,636	\$277,274,281
Less estimated income	195,882,334	46,980,361	242,862,695
General fund	\$17,165,311	\$17,246,275	\$34,411,586
FTE	402.00	86.00	488.00

Department 112 - Information Technology Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Underfunds Salaries³	Adds Funding for IT Unification⁴	Adds Funding for Cybersecurity Initiatives⁵	Adjusts Base Level Funding⁶
Salaries and wages	\$917,912	\$2,663,842	(\$250,000)	\$14,146,874	\$4,824,465	
Operating expenses				18,075,243	11,591,534	\$2,614,650
Capital assets					131,034	(940,242)
Statewide longitudinal data system	17,562	45,002				(456,277)
EduTech	188,046	145,070				(777,623)
K-12 wide area network	(84,137)	22,317				(423,661)
Geographic information system	3,224	7,508				49,014
Health information technology office	79,008	25,378				(2,675,000)
Statewide interoperable radio network	68,625	6,661				(68,624)
Total all funds	\$1,190,240	\$2,915,778	(\$250,000)	\$32,222,117	\$16,547,033	(\$2,677,763)
Less estimated income	<u>1,307,858</u>	<u>2,508,245</u>	<u>(250,000)</u>	<u>32,222,117</u>	<u>0</u>	<u>(1,228,850)</u>
General fund	(\$117,618)	\$407,533	\$0	\$0	\$16,547,033	(\$1,448,913)
FTE	0.00	0.00	0.00	67.00	19.00	0.00

	Transfers Federal Funding Between Line Items⁷	Adds Funding for the Health IT Office⁸	Transfers State Radio Towers⁹	Adds One-Time Funding for the Health IT Office¹⁰	Total Senate Changes
Salaries and wages					\$22,303,093
Operating expenses	(\$990,679)				31,290,748
Capital assets					(809,208)
Statewide longitudinal data system	500,000				106,287
EduTech	500,000				55,493
K-12 wide area network					(485,481)
Geographic information system	(9,321)				50,425
Health information technology office		\$6,420,991		\$6,000,000	9,850,377
Statewide interoperable radio network			\$1,858,240		1,864,902
Total all funds	\$0	\$6,420,991	\$1,858,240	\$6,000,000	\$64,226,636
Less estimated income	<u>0</u>	<u>6,420,991</u>	<u>0</u>	<u>6,000,000</u>	<u>46,980,361</u>
General fund	\$0	\$0	\$1,858,240	\$0	\$17,246,275
FTE	0.00	0.00	0.00	0.00	86.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$404,817	\$2,489,479	\$2,894,296
Health insurance increase	<u>2,716</u>	<u>18,766</u>	<u>21,482</u>
Total	\$407,533	\$2,508,245	\$2,915,778

³ Salaries and wages from the Information Technology Department operating service fund are reduced by \$250,000 for anticipated savings from vacant positions and employee turnover.

⁴ Funding of \$32,222,117 from the Information Technology Department operating service fund is added and 67 FTE information technology positions are transferred from 11 agencies to the Information Technology Department for the information technology unification initiative, of which \$14,146,874 is for salaries and \$18,075,243 is for operating expenses. The FTE positions are transferred from the following agencies:

Agency	FTE Transferred
110 - Office of Management and Budget	4
190 - Retirement and Investment Office	2
301 - State Department of Health	4
303 - Department of Environmental Quality	1
380 - Job Service North Dakota	16
471 - Bank of North Dakota	16
485 - Workforce Safety and Insurance	12
504 - Highway Patrol	2
530 - Department of Corrections and Rehabilitation	6
601 - Department of Commerce	1
720 - Game and Fish Department	3
Total	67

⁵ Funding of \$16,547,033 is added from the general fund for cybersecurity initiatives, of which \$4,824,465 is for salaries and wages associated with 19 FTE information technology positions, \$11,591,534 is for operating expenses, and \$131,034 is for capital assets. A section is added to provide legislative intent that this funding is derived from 2019-21 biennium legacy fund earnings.

⁶ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for mainframe technology	\$0	(\$825,000)	(\$825,000)
Adds funding for cloud-based systems	0	825,000	825,000
Reduces funding for hardware hosting	0	(3,075,000)	(3,075,000)
Adds funding for platform-as-a-service expenses	0	3,075,000	3,075,000
Adjusts funding for other operating expenses	(193,580)	133,230	(60,350)
Reduces funding for capital assets	0	(940,242)	(940,242)
Reduces funding for statewide longitudinal data system operating expenses	(456,277)	0	(456,277)
Reduces funding for EduTech operating expenses	(424,409)	(353,214)	(777,623)
Reduces funding for K-12 wide area network operating expenses	(223,661)	0	(223,661)
Reduces funding for K-12 wide area network equipment	(200,000)	0	(200,000)
Reduces funding for geographic information system (GIS) operating expenses	(100,986)	0	(100,986)
Adds funding for GIS land parcels project maintenance	150,000	0	150,000
Reduces funding for the statewide interoperable radio network	0	(68,624)	(68,624)
Total	(\$1,448,913)	(\$1,228,850)	(\$2,677,763)

⁷ Federal funding is transferred between line items.

⁸ Funding of \$6,420,991 is added for the Health Information Technology Office and health information network, of which \$5,500,000 is from federal funds and \$920,991 is from the health information exchange fund. Total federal funding provided for this purpose is \$6,000,000, of which \$500,000 is included in the department's base budget.

⁹ Funding of \$1,858,240 from the general fund is transferred from the Department of Emergency Services Division of State Radio for tower maintenance operating expenses related to the statewide interoperable radio network.

¹⁰ One-time funding of \$6 million is added from a transfer from the health information planning loan fund to the Information Technology Department operating service fund for the Health Information Technology Office and health information network. A section is added to the bill section to provide legislative intent that the funding may only be spent to the extent federal funding does not become available to defray the expenses of the Health Information Technology Office and health information network during the 2021-23 biennium.

This amendment also:

- Adds a section to provide an exemption to allow the department to continue \$20 million appropriated from the strategic investment and improvements fund for the statewide interoperable radio network during the 2019-21 biennium into the 2021-23 biennium.