

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2049
(State and Local Government Committee)
(At the request of the Information Technology Department)

AN ACT to amend and reenact sections 54-35-15.2, 54-59-01, subsection 8 of section 54-59-05, and section 54-59-32 of the North Dakota Century Code, relating to executive steering committees of major information technology projects.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-35-15.2 of the North Dakota Century Code is amended and reenacted as follows:

54-35-15.2. Information technology committee - Powers and duties.

The information technology committee has continuing existence and may meet and conduct its business during the legislative session and in the interim between sessions. The committee shall:

1. Meet at least once each calendar quarter.
2. Receive a report from the chief information officer of the state at each meeting.
3. Review the business plan of the information technology department.
4. Review macro-level issues relating to information technology.
5. Review the activities of the information technology department.
6. Review statewide information technology standards.
7. Review the statewide information technology plan.
8. Review information technology efficiency and security.
9. Review established or proposed information technology programs and information technology acquisition by the executive and judicial branches.
10. Except as provided in subsection 11, receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the information technology department and the affected agency regarding any major information technology project of an executive branch agency. For the purposes of this subsection, a major project is aan information technology project with a total cost of five hundred thousand dollars that meets one or more of the following criteria, as determined by the chief information officer:
 - a. An estimated total cost, as defined by the information technology department, of five million dollars or more;
 - b. Requires one year or longer to reach operational status; or
 - c. Requires oversight due to its potential benefits, risks, public impact, visibility, or another significant reason.

11. a. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the state board of higher education regarding any major project of the state board of higher education or any institution under the control of the state board of higher education if the project:
 - (1) Significantly impacts the statewide wide area network, including the campus access routers;
 - (2) Impacts the statewide library system; or
 - (3) Is an administrative project. An administrative project is a project that directly collects, aggregates, modifies, stores, or reports institutional student, financial, or human resources records or data and is provided primarily for administrative purposes.
- b. For the purposes of this subsection, a major project is a project with a total cost of five hundred thousand dollars or more.
12. Receive and review information from the information technology department and the affected agency regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred ~~thousand~~million dollars as determined necessary by the information technology department.
13. Receive a report from the chief information officer before October first of each even-numbered year regarding proposed major information technology projects and other information technology issues for the next biennium.
14. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the affected legislative or judicial branch agency regarding any information technology project of the legislative or judicial branch with a total cost of five hundred ~~thousand~~million dollars or more.
15. Receive information from the state board of higher education regarding higher education information technology planning, services, and major projects.

SECTION 2. AMENDMENT. Section 54-59-01 of the North Dakota Century Code is amended and reenacted as follows:

54-59-01. Definitions.

As used in this chapter:

1. "Agency" or "entity" does not include any agricultural commodity promotion group or any occupational or professional board.
2. "Cybersecurity" means processes or capabilities, wherein, systems, communications, and information are protected and defended against damage, unauthorized use or modification, and exploitation.
3. "Cybersecurity strategy" means a vision, plan of action, or guiding principles. Unless otherwise defined in this chapter, the term does not mean an associated operational plan.
4. "Department" means the information technology department.

5. "Information technology" means the use of hardware, software, services, and supporting infrastructure to manage and deliver information using voice, data, and video.
6. "Major information technology project" means a project that meets one or more of the following criteria, as determined by the chief information officer:
 - a. An estimated total cost, as defined by the department, of five million dollars or more;
 - b. Requires one year or longer to reach operational status; or
 - c. Requires oversight due to its potential benefits, risks, public impact, visibility, or other significant reason.
7. "Network services" means the equipment, software, and services necessary to transmit voice, data, or video.

SECTION 3. AMENDMENT. Subsection 8 of section 54-59-05 of the North Dakota Century Code is amended and reenacted as follows:

8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand ~~million~~ dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.

SECTION 4. AMENDMENT. Section 54-59-32 of the North Dakota Century Code is amended and reenacted as follows:

54-59-32. Major information technology projects - ~~Appointment of executive steering committees~~Oversight.

1. An executive branch state agency, excluding institutions under the control of the state board of higher education, proposing to conduct a major information technology project ~~as described in subsection 10 of section 54-35-15.2,~~ the department, and the office of management and budget, in consultation with the attorney general, shall collaborate on the procurement, contract negotiation, and contract administration of the project. The agency, the department, and the office of management and budget, in consultation with the attorney general, shall approve the solicitation, contract, or agreement, and any amendments relating to the project before submission to the ~~executive steering oversight~~ committee as provided in subsection 3.
2. The procurement officer and primary project manager for a major information technology project must meet the qualifications established by the department and the office of management and budget.
3. An ~~executive steering oversight~~ committee must be appointed to oversee ~~each~~ a major information technology project. The ~~agency project sponsor~~ chief information officer shall ~~serve as~~ appoint a chairman of the committee. The ~~executive steering oversight~~ committee ~~must consist of~~ may include the director of the office of management and budget or a designee of the director, the chief information officer or a designee of the officer, the head of the agency contracting for the project or a designee, the project sponsor, and a large project oversight analyst designated by the chief information officer. The ~~executive steering oversight~~ committee shall monitor the overall status of the project and ~~review~~ make recommendations to the head of the agency contracting for the project or a designee, and the project sponsor, regarding project decisions, including negotiation and execution of contracts, approval of project budgets, implementation of project schedules, assessment of project quality, and consideration of scope changes. Any project decision declared by a member of the committee to be a major project decision requires at least four affirmative votes.

4. An agreement or contract, including an amendment, revision, or scope change, for a major information technology project may not be entered unless signed by the head of the contracting agency or a designee and the chief information officer or a designee of the officer.

Michelle L. Anderson
President of the Senate

Paul L. Heine
Speaker of the House

Shanda Morgan
Secretary of the Senate

Bruce J. Reich
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2049.

Senate Vote: Yeas 47 Nays 0 Absent 0

House Vote: Yeas 92 Nays 0 Absent 2

Shanda Morgan
Secretary of the Senate

Received by the Governor at 3:13 P.M. on March 31st, 2025.

Approved at 1:08 P.M. on April 2nd, 2025.

[Signature]
Governor

Filed in this office this 3rd day of April, 2025,

at 10:44 o'clock A M.

Michael Howe
Secretary of State