

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 560
PROPOSED COMMITTEE SUBSTITUTE S560-PCS25240-SA-34

Short Title: GDAC Amendments.

(Public)

Sponsors:

Referred to:

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO RECODIFY, REORGANIZE, AND CLARIFY THE PROVISIONS OF THE
3 GOVERNMENT DATA ANALYTICS CENTER STATUTE AND TO AMEND THE
4 LAW TO GENERATE GREATER EFFICIENCIES IN, AND IMPROVED SERVICE
5 DELIVERY BY, STATE AGENCIES, DEPARTMENTS, AND INSTITUTIONS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 143B-426.38A is recodified as G.S. 147-33.77A and reads as
8 rewritten:

9 "**§ 147-33.77A. Government Data Analytics Center; ~~State data-sharing~~**
10 **~~requirements.~~Center.**

11 (a) ~~State Government Data Analytics.~~—The State shall initiate across State agencies,
12 departments, and institutions a data integration and data-sharing initiative that is not intended to
13 replace transactional systems but is instead intended to leverage the data from those systems for
14 enterprise-level State business intelligence as follows:

15 (1) ~~Creation of initiative.~~—In carrying out the purposes of this section, the
16 Office of the State Chief Information Officer (CIO) shall conduct an
17 ongoing, comprehensive evaluation of State data analytics projects and plans
18 in order to identify data integration and business intelligence opportunities
19 that will generate greater efficiencies in, and improved service delivery by,
20 State agencies, departments, and institutions. The State CIO shall continue to
21 utilize public-private partnerships and existing data integration and analytics
22 contracts and licenses as appropriate to continue the implementation of the
23 initiative.

24 (2) ~~Application to State government.~~—The initiative shall include all State
25 agencies, departments, and institutions, including The University of North
26 Carolina.

27 (3) ~~Governance.~~—The State CIO shall lead the initiative established pursuant to
28 this section. The Chief Justice of the North Carolina Supreme Court and the
29 Legislative Services Commission each shall designate an officer or agency
30 to advise and assist the State CIO with respect to implementation of the
31 initiative in their respective branches of government. The judicial and
32 legislative branches shall fully cooperate in the initiative mandated by this
33 section in the same manner as is required of State agencies.

34 Definitions. – The following definitions apply in this section:

35 (1) Business intelligence. – The process of collecting, organizing, sharing, and
36 analyzing data through integrated data management, reporting, visualization,



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1 and advanced analytics to discover patterns and other useful information that
 2 will allow policymakers and State officials to make more informed
 3 decisions. Business intelligence also includes both of the following:

4 a. Broad master data management capabilities such as data integration,
 5 data quality and enrichment, data governance, and master data
 6 management to collect, reference, and categorize information from
 7 multiple sources.

8 b. Self-service query and reporting capabilities to provide timely,
 9 relevant, and actionable information to business users delivered
 10 through a variety of interfaces, devices, or applications based on their
 11 specific roles and responsibilities.

12 (2) Data analytics. – Data analysis, including the ability to use the data for
 13 assessment and extraction of policy-relevant information.

14 (3) Enterprise-level data analytics. – Standard analytics capabilities and services
 15 leveraging data throughout all State agencies, departments, and institutions.

16 (4) Operationalize. – The implementation process whereby a State agency,
 17 department, or institution integrates analytical output into current business
 18 processes and systems in order to improve operational efficiency and
 19 decision-making.

20 (b) Government Data Analytics Center. – The Government Data Analytics Center
 21 (GDAC) is established in the Office of Information Technology Services.

22 (1) ~~GDAC established. — There is established in the Office of the State CIO the~~
 23 ~~Government Data Analytics Center (GDAC). Purpose. – The purpose of the~~
 24 ~~GDAC is to utilize public-private partnerships as part of a statewide data~~
 25 ~~integration and data-sharing initiative and to identify data integration and~~
 26 ~~business intelligence opportunities that will generate greater efficiencies in,~~
 27 ~~and improved service delivery by, State agencies, departments, and~~
 28 ~~institutions. The intent is not to replace transactional systems but to leverage~~
 29 ~~the data from those systems for enterprise-level State business intelligence.~~
 30 ~~The GDAC shall continue the work, purpose, and resources of the previous~~
 31 ~~data integration effort in the Office of the State Controller efforts and shall~~
 32 ~~otherwise advise and assist the State CIO in the management of the~~
 33 ~~initiative. The State CIO shall make any organizational changes necessary to~~
 34 ~~maximize the effectiveness and efficiency of the GDAC.~~

35 (2) Public-private partnerships. – The State CIO shall continue to utilize
 36 public-private partnerships and existing data integration and analytics
 37 contracts and licenses as appropriate to continue the implementation of the
 38 initiative. Private entities that partner with the State shall make appropriate
 39 contributions of funds or resources, including, but not limited to, knowledge
 40 transfer and education activities, software licensing, hardware and technical
 41 infrastructure resources, personnel resources, and such other appropriate
 42 resources as agreed upon by the parties.

43 ~~(2)(3) Powers and duties of the GDAC duties. – The State CIO shall, through the~~
 44 ~~GDAC, do all of the following:~~

45 a. ~~Continue Manage and coordinate ongoing~~ enterprise data integration
 46 efforts, including:

47 1. The deployment, support, technology improvements, and
 48 expansion for of the Criminal Justice Law Enforcement
 49 Automated Data System (CJLEADS). (CJLEADS) and related
 50 intelligence-based public safety initiatives.

- 1 n. Evaluate State agency business intelligence projects to determine the
2 feasibility of integrating analytics and reporting with the GDAC and
3 to determine what GDAC services may support the projects.
- 4 (4) Application to State government. – The initiative shall include all State
5 agencies, departments, and institutions, including The University of North
6 Carolina, as follows:
- 7 a. All State agency business intelligence requirements, including any
8 planning or development efforts associated with creating business
9 intelligence capability, as well as any master data management
10 efforts, shall be implemented through the GDAC.
- 11 b. The Chief Justice of the North Carolina Supreme Court and the
12 Legislative Services Commission each shall designate an officer or
13 agency to advise and assist the State CIO with respect to
14 implementation of the initiative in their respective branches of
15 government. The judicial and legislative branches shall fully
16 cooperate in the initiative mandated by this section in the same
17 manner as is required of State agencies.
- 18 (5) Project management. – The State CIO and State agencies, with the assistance
19 of the Office of State Budget and Management, shall identify potential
20 funding sources for expansion of existing projects or development of new
21 projects. No GDAC project shall be initiated, extended, or expanded:
- 22 a. Without the specific approval of the General Assembly, unless the
23 project can be implemented within funds appropriated for GDAC
24 projects.
- 25 b. Without prior consultation to the Joint Legislative Commission on
26 Governmental Operations and a report to the Joint Legislative
27 Oversight Committee on Information Technology if the project can
28 be implemented within funds appropriated for GDAC projects.
- 29 (c) ~~Implementation of the Enterprise-Level Business Intelligence Initiative.—~~
- 30 (1) ~~Phases of the initiative.— The initiative shall cycle through these phases on~~
31 ~~an ongoing basis as follows:~~
- 32 a. ~~Phase I requirements.— In the first phase, the State CIO through~~
33 ~~GDAC shall:~~
- 34 1. ~~Inventory existing State agency business intelligence projects,~~
35 ~~both completed and under development.~~
- 36 2. ~~Develop a plan of action that does all of the following:~~
- 37 I. ~~Defines the program requirements, objectives, and end~~
38 ~~state of the initiative.~~
- 39 II. ~~Prioritizes projects and stages of implementation in a~~
40 ~~detailed plan and benchmarked time line.~~
- 41 III. ~~Includes the effective coordination of all of the State's~~
42 ~~current data integration initiatives.~~
- 43 IV. ~~Utilizes a common approach that establishes standards~~
44 ~~for business intelligence initiatives for all State~~
45 ~~agencies and prevents the development of projects~~
46 ~~that do not meet the established standards.~~
- 47 V. ~~Determines costs associated with the development~~
48 ~~efforts and identifies potential sources of funding.~~
- 49 VI. ~~Includes a privacy framework for business~~
50 ~~intelligence consisting of adequate access controls and~~
51 ~~end user security requirements.~~

- 1 VII. ~~Estimates expected savings.~~
- 2 3. ~~Inventory existing external data sources that are purchased by~~
- 3 ~~State agencies to determine whether consolidation of licenses~~
- 4 ~~is appropriate for the enterprise.~~
- 5 4. ~~Determine whether current, ongoing projects support the~~
- 6 ~~enterprise level objectives.~~
- 7 5. ~~Determine whether current applications are scalable or are~~
- 8 ~~applicable for multiple State agencies or both.~~
- 9 b. ~~Phase II requirements. — In the second phase, the State CIO through~~
- 10 ~~the GDAC shall:~~
- 11 1. ~~Identify redundancies and recommend to the General~~
- 12 ~~Assembly any projects that should be discontinued.~~
- 13 2. ~~Determine where gaps exist in current or potential~~
- 14 ~~capabilities.~~
- 15 e. ~~Phase III requirements. — In the third phase:~~
- 16 1. ~~The State CIO through GDAC shall incorporate or~~
- 17 ~~consolidate existing projects, as appropriate.~~
- 18 2. ~~The State CIO shall, notwithstanding G.S. 147-33.76 or any~~
- 19 ~~rules adopted pursuant thereto, eliminate redundant business~~
- 20 ~~intelligence projects, applications, software, and licensing.~~
- 21 3. ~~The State CIO through GDAC shall complete all necessary~~
- 22 ~~steps to ensure data integration in a manner that adequately~~
- 23 ~~protects privacy.~~
- 24 (2) ~~Project management. — The State CIO shall ensure that all current and new~~
- 25 ~~business intelligence/data analytics projects are in compliance with all State~~
- 26 ~~laws, policies, and rules pertaining to information technology procurement,~~
- 27 ~~project management, and project funding and that they include quantifiable~~
- 28 ~~and verifiable savings to the State. The State CIO shall report to the Joint~~
- 29 ~~Legislative Oversight Committee on Information Technology on projects~~
- 30 ~~that are not achieving projected savings. The report shall include a proposed~~
- 31 ~~corrective action plan for the project.~~
- 32 ~~The Office of the State CIO, with the assistance of the Office of State~~
- 33 ~~Budget and Management, shall identify potential funding sources for~~
- 34 ~~expansion of existing projects or development of new projects. No GDAC~~
- 35 ~~project shall be initiated, extended, or expanded:~~
- 36 a. ~~Without the specific approval of the General Assembly unless the~~
- 37 ~~project can be implemented within funds appropriated for GDAC~~
- 38 ~~projects.~~
- 39 b. ~~Without prior consultation to the Joint Legislative Commission on~~
- 40 ~~Governmental Operations and a report to the Joint Legislative~~
- 41 ~~Oversight Committee on Information Technology if the project can~~
- 42 ~~be implemented within funds appropriated for GDAC projects.~~

43 Data Sharing. —

- 44 (1) General duties of all State agencies. — Except as limited or prohibited by
- 45 federal law, the head of each State agency, department, and institution shall
- 46 do all of the following:
- 47 a. Grant the State CIO and the GDAC access to all information required
- 48 to develop and support State business intelligence applications
- 49 pursuant to this section. The State CIO and the GDAC shall take all
- 50 necessary actions and precautions, including training, certifications,
- 51 background checks, and governance policy and procedure, to ensure

- 1 the security, integrity, and privacy of the data in accordance with
2 State and federal law and as may be required by contract.
- 3 b. Provide complete information on the State agency's information
4 technology, operational, and security requirements.
- 5 c. Provide information on all of the State agency's information
6 technology activities relevant to the State business intelligence effort.
- 7 d. Forecast the State agency's projected future business intelligence
8 information technology needs and capabilities.
- 9 e. Ensure that the State agency's future information technology
10 initiatives coordinate efforts with the GDAC to include planning and
11 development of data interfaces to incorporate data into the initiative
12 and to ensure the ability to leverage analytics capabilities.
- 13 f. Provide technical and business resources to participate in the
14 initiative by providing, upon request and in a timely and responsive
15 manner, complete and accurate data, business rules and policies, and
16 support.
- 17 g. Identify potential resources for deploying business intelligence in
18 their respective State agencies and as part of the enterprise-level
19 effort.
- 20 h. Immediately seek any waivers and enter into any written agreements
21 that may be required by State or federal law to effectuate data sharing
22 and to carry out the purposes of this section, as appropriate.
- 23 (2) Specific agency requirements. – The following agency-specific requirements
24 are designed to illustrate but not limit the type and extent of data and
25 information required to be released under subdivision (1) of this subsection:
- 26 a. The North Carolina Industrial Commission shall release to the
27 GDAC, or otherwise provide electronic access to, all data requested
28 by the GDAC relating to workers' compensation insurance coverage,
29 claims, appeals, compliance, and enforcement under Chapter 97 of
30 the General Statutes.
- 31 b. The North Carolina Rate Bureau (Bureau) shall release to the GDAC,
32 or otherwise provide electronic access to, all data requested by the
33 GDAC relating to workers' compensation insurance coverage,
34 claims, business ratings, and premiums under Chapter 58 of the
35 General Statutes. The Bureau shall be immune from civil liability for
36 releasing information pursuant to this subsection, even if the
37 information is erroneous, provided the Bureau acted in good faith
38 and without malicious or willful intent to harm in releasing the
39 information.
- 40 c. The Department of Commerce, Division of Employment Security
41 (DES), shall release to the GDAC, or otherwise provide access to, all
42 data requested by the GDAC relating to unemployment insurance
43 coverage, claims, and business reporting under Chapter 96 of the
44 General Statutes.
- 45 d. The Department of Labor shall release to the GDAC, or otherwise
46 provide access to, all data requested by the GDAC relating to safety
47 inspections, wage and hour complaints, and enforcement activities
48 under Chapter 95 of the General Statutes.
- 49 e. The Department of Revenue shall release to the GDAC, or otherwise
50 provide access to, all data requested by the GDAC relating to the
51 registration and address information of active businesses, business

1 tax reporting, and aggregate federal tax Form 1099 data for
2 comparison with information from DES, the Rate Bureau, and the
3 Department of the Secretary of State for the evaluation of business
4 reporting. Additionally, the Department of Revenue shall furnish to
5 the GDAC, upon request, other tax information, provided that the
6 information furnished does not impair or violate any
7 information-sharing agreements between the Department and the
8 United States Internal Revenue Service. Notwithstanding any other
9 provision of law, a determination of whether furnishing the
10 information requested by the GDAC would impair or violate any
11 information-sharing agreements between the Department of Revenue
12 and the United States Internal Revenue Service shall be within the
13 sole discretion of the State Chief Information Officer. The
14 Department of Revenue and the Office of the State CIO shall work
15 jointly to assure that the evaluation of tax information pursuant to
16 this sub-subdivision is performed in accordance with applicable
17 federal law.

18 (3) All information shared with the GDAC and the State CIO under this
19 subsection is protected from release and disclosure in the same manner as
20 any other information is protected under this subsection.

21 (d) Provisions on Privacy and Confidentiality of Information. –

22 (1) Status with respect to certain information. – The State CIO and the GDAC
23 shall be deemed to be all of the following for the purposes of this section:

24 a. With respect to criminal information, and to the extent allowed by
25 federal law, a criminal justice agency (CJA), as defined under
26 Criminal Justice Information Services (CJIS) Security Policy. The
27 State CJIS Systems Agency (CSA) shall ensure that CJLEADS
28 receives access to federal criminal information deemed to be
29 essential in managing CJLEADS to support criminal justice
30 professionals.

31 b. With respect to health information covered under the Health
32 Insurance Portability and Accountability Act of 1996 (HIPAA), as
33 amended, and to the extent allowed by federal law:

34 1. A business associate with access to protected health
35 information acting on behalf of the State's covered entities in
36 support of data integration, analysis, and business
37 intelligence.

38 2. Authorized to access and view individually identifiable health
39 information, provided that the access is essential to the
40 enterprise fraud, waste, and improper payment detection
41 program or required for future initiatives having specific
42 definable need for such data.

43 c. Authorized to access all State and federal data, including revenue and
44 labor information, deemed to be essential to the enterprise fraud,
45 waste, and improper payment detection program or future initiatives
46 having specific definable need for the data.

47 d. Authorized to develop agreements with the federal government to
48 access data deemed to be essential to the enterprise fraud, waste, and
49 improper payment detection program or future initiatives having
50 specific definable need for such data.

1 (2) Release of information. – The following limitations apply to (i) the release
2 of information compiled as part of the initiative, (ii) data from State agencies
3 that is incorporated into the initiative, and (iii) data released as part of the
4 implementation of the initiative:

5 a. Information compiled as part of the initiative. – Notwithstanding the
6 provisions of Chapter 132 of the General Statutes, information
7 compiled by the State CIO and the GDAC related to the initiative
8 may be released as a public record only if the State CIO, in that
9 officer's sole discretion, finds that the release of information is in the
10 best interest of the general public and is not in violation of law or
11 contract.

12 b. Data from State agencies. – Any data that is not classified as a public
13 record under G.S. 132-1 shall not be deemed a public record when
14 incorporated into the data resources comprising the initiative. To
15 maintain confidentiality requirements attached to the information
16 provided to the State CIO and the GDAC, each source agency
17 providing data shall be the sole custodian of the data for the purpose
18 of any request for inspection or copies of the data under Chapter 132
19 of the General Statutes.

20 c. Data released as part of implementation. – Information released to
21 persons engaged in implementing the State's business intelligence
22 strategy under this section that is used for purposes other than official
23 State business is not a public record pursuant to Chapter 132 of the
24 General Statutes.

25 d. Data from North Carolina Rate Bureau. – Notwithstanding any other
26 provision of this section, any data released by or obtained from the
27 North Carolina Rate Bureau under this initiative relating to workers'
28 compensation insurance claims, business ratings, or premiums are
29 not public records, and public disclosure of such data, in whole or in
30 part, by the GDAC or State CIO, or by any State agency, is
31 prohibited.

32 ~~(d)~~(e) Funding. – The Office of the State CIO, Information Technology Services, with the
33 support of the Office of State Budget and Management, shall identify and make all efforts to
34 secure any matching funds or other resources to assist in funding this initiative. The GDAC.
35 Savings resulting from the cancellation of projects, software, and licensing, as well as any other
36 savings from the initiative, utilization of the GDAC, shall be returned to the General Fund and
37 shall remain unexpended and unencumbered until appropriated by the General Assembly in a
38 subsequent fiscal year. It is the intent of the General Assembly that expansion of the initiative
39 GDAC in subsequent fiscal years be funded with these savings and that the General Assembly
40 appropriate funds for projects in accordance with the priorities identified by the Office of the
41 State CIO in Phase I of the initiative. CIO.

42 ~~(e)~~(f) Reporting. – The Office of the State CIO shall:

43 (1) ~~Submit and present quarterly reports on implementation of Phase I of the~~
44 ~~initiative and the plan developed as part of that phase. On or before March 1~~
45 ~~of each year, submit and present a report on the activities described in this~~
46 ~~section to the Chairs of the House of Representatives Appropriations and~~
47 ~~Senate Base Budget/Appropriations Committees, to the Joint Legislative~~
48 ~~Oversight Committee on Information Technology, and to the Fiscal~~
49 ~~Research Division of the General Assembly. The State CIO shall submit a~~
50 ~~report prior to implementing any improvements, expending funding for~~
51 ~~expansion of existing business intelligence efforts, or establishing other~~

1 projects as a result of its evaluations, and quarterly thereafter, a written
2 report detailing progress on, and identifying any issues associated with, State
3 business intelligence efforts. The report shall include the following:

4 a. A description of project funding and expenditures, cost savings, cost
5 avoidance, efficiency gains, process improvements, and major
6 accomplishments. Cost savings and cost avoidance shall include
7 immediate monetary impacts as well as ongoing projections.

8 b. A description of the contribution of funds or resources by those
9 private entities which are participating in public-private partnerships
10 under this section, including, but not limited to, knowledge transfer
11 and education activities, software licensing, hardware and technical
12 infrastructure resources, personnel resources, and such other
13 resources as agreed upon by the State and the private entity.

14 (2) Report the following information as ~~needed~~ upon its occurrence or as
15 requested:

16 a. Any failure of a State agency to provide information requested
17 pursuant to this section. The failure shall be reported to the Joint
18 Legislative Oversight Committee on Information Technology and to
19 the Chairs of the House of Representatives Appropriations and
20 Senate Base Budget/Appropriations Committees.

21 b. Any additional information to the Joint Legislative Commission on
22 Governmental Operations and the Joint Legislative Oversight
23 Committee on Information Technology that is requested by those
24 entities.

25 (f) ~~Data Sharing.~~

26 (1) ~~General duties of all State agencies. — Except as limited or prohibited by~~
27 ~~federal law, the head of each State agency, department, and institution shall~~
28 ~~do all of the following:~~

29 a. ~~Grant the Office of the State CIO access to all information required~~
30 ~~to develop and support State business intelligence applications~~
31 ~~pursuant to this section. The State CIO and the GDAC shall take all~~
32 ~~necessary actions and precautions, including training, certifications,~~
33 ~~background checks, and governance policy and procedure, to ensure~~
34 ~~the security, integrity, and privacy of the data in accordance with~~
35 ~~State and federal law and as may be required by contract.~~

36 b. ~~Provide complete information on the State agency's information~~
37 ~~technology, operational, and security requirements.~~

38 c. ~~Provide information on all of the State agency's information~~
39 ~~technology activities relevant to the State business intelligence effort.~~

40 d. ~~Forecast the State agency's projected future business intelligence~~
41 ~~information technology needs and capabilities.~~

42 e. ~~Ensure that the State agency's future information technology~~
43 ~~initiatives coordinate efforts with the GDAC to include planning and~~
44 ~~development of data interfaces to incorporate data into the initiative~~
45 ~~and to ensure the ability to leverage analytics capabilities.~~

46 f. ~~Provide technical and business resources to participate in the~~
47 ~~initiative by providing, upon request and in a timely and responsive~~
48 ~~manner, complete and accurate data, business rules and policies, and~~
49 ~~support.~~

- 1 g. Identify potential resources for deploying business intelligence in
2 their respective State agencies and as part of the enterprise-level
3 effort.
- 4 h. Immediately seek any waivers and enter into any written agreements
5 that may be required by State or federal law to effectuate data sharing
6 and to carry out the purposes of this section, as appropriate.
- 7 (2) Specific requirements.—The State CIO and the GDAC shall enhance the
8 State's business intelligence through the collection and analysis of data
9 relating to workers' compensation claims for the purpose of preventing and
10 detecting fraud, as follows:
- 11 a. The North Carolina Industrial Commission shall release to GDAC, or
12 otherwise provide electronic access to, all data requested by GDAC
13 relating to workers' compensation insurance coverage, claims,
14 appeals, compliance, and enforcement under Chapter 97 of the
15 General Statutes.
- 16 b. The North Carolina Rate Bureau (Bureau) shall release to GDAC, or
17 otherwise provide electronic access to, all data requested by GDAC
18 relating to workers' compensation insurance coverage, claims,
19 business ratings, and premiums under Chapter 58 of the General
20 Statutes. The Bureau shall be immune from civil liability for
21 releasing information pursuant to this subsection, even if the
22 information is erroneous, provided the Bureau acted in good faith
23 and without malicious or willful intent to harm in releasing the
24 information.
- 25 c. The Department of Commerce, Division of Employment Security
26 (DES), shall release to GDAC, or otherwise provide access to, all
27 data requested by GDAC relating to unemployment insurance
28 coverage, claims, and business reporting under Chapter 96 of the
29 General Statutes.
- 30 d. The Department of Labor shall release to GDAC, or otherwise
31 provide access to, all data requested by GDAC relating to safety
32 inspections, wage and hour complaints, and enforcement activities
33 under Chapter 95 of the General Statutes.
- 34 e. The Department of Revenue shall release to GDAC, or otherwise
35 provide access to, all data requested by GDAC relating to the
36 registration and address information of active businesses, business
37 tax reporting, and aggregate federal tax Form 1099 data for
38 comparison with information from DES, the Rate Bureau, and the
39 Department of the Secretary of State for the evaluation of business
40 reporting. Additionally, the Department of Revenue shall furnish to
41 the GDAC, upon request, other tax information, provided that the
42 information furnished does not impair or violate any
43 information-sharing agreements between the Department and the
44 United States Internal Revenue Service. Notwithstanding any other
45 provision of law, a determination of whether furnishing the
46 information requested by GDAC would impair or violate any
47 information-sharing agreements between the Department of Revenue
48 and the United States Internal Revenue Service shall be within the
49 sole discretion of the State Chief Information Officer. The
50 Department of Revenue and the Office of the State CIO shall work
51 jointly to assure that the evaluation of tax information pursuant to

- 1 this subdivision is performed in accordance with applicable federal
2 law.
- 3 (3) All information shared with GDAC and the State CIO under this subdivision
4 is protected from release and disclosure in the same manner as any other
5 information is protected under this section.
- 6 (g) Provisions on Privacy and Confidentiality of Information.
- 7 (1) Status with respect to certain information. — The State CIO and the GDAC
8 shall be deemed to be all of the following for the purposes of this section:
- 9 a. With respect to criminal information, and to the extent allowed by
10 federal law, a criminal justice agency (CJA), as defined under
11 Criminal Justice Information Services (CJIS) Security Policy. The
12 State CJIS Systems Agency (CSA) shall ensure that CJLEADS
13 receives access to federal criminal information deemed to be
14 essential in managing CJLEADS to support criminal justice
15 professionals.
- 16 b. With respect to health information covered under the Health
17 Insurance Portability and Accountability Act of 1996 (HIPAA), as
18 amended, and to the extent allowed by federal law:
- 19 1. A business associate with access to protected health
20 information acting on behalf of the State's covered entities in
21 support of data integration, analysis, and business
22 intelligence.
- 23 2. Authorized to access and view individually identifiable health
24 information, provided that the access is essential to the
25 enterprise fraud, waste, and improper payment detection
26 program or required for future initiatives having specific
27 definable need for the data.
- 28 c. Authorized to access all State and federal data, including revenue and
29 labor information, deemed to be essential to the enterprise fraud,
30 waste, and improper payment detection program or future initiatives
31 having specific definable need for the data.
- 32 d. Authorized to develop agreements with the federal government to
33 access data deemed to be essential to the enterprise fraud, waste, and
34 improper payment detection program or future initiatives having
35 specific definable need for such data.
- 36 (2) Release of information. — The following limitations apply to (i) the release
37 of information compiled as part of the initiative, (ii) data from State agencies
38 that is incorporated into the initiative, and (iii) data released as part of the
39 implementation of the initiative:
- 40 a. Information compiled as part of the initiative. — Notwithstanding the
41 provisions of Chapter 132 of the General Statutes, information
42 compiled by the State CIO and the GDAC related to the initiative
43 may be released as a public record only if the State CIO, in that
44 officer's sole discretion, finds that the release of information is in the
45 best interest of the general public and is not in violation of law or
46 contract.
- 47 b. Data from State agencies. — Any data that is not classified as a public
48 record under G.S. 132-1 shall not be deemed a public record when
49 incorporated into the data resources comprising the initiative. To
50 maintain confidentiality requirements attached to the information
51 provided to the State CIO and GDAC, each source agency providing

1 data shall be the sole custodian of the data for the purpose of any
2 request for inspection or copies of the data under Chapter 132 of the
3 General Statutes.

4 e. Data released as part of implementation. — Information released to
5 persons engaged in implementing the State's business intelligence
6 strategy under this section that is used for purposes other than official
7 State business is not a public record pursuant to Chapter 132 of the
8 General Statutes.

9 d. Data from North Carolina Rate Bureau. — Notwithstanding any other
10 provision of this section, any data released by or obtained from the
11 North Carolina Rate Bureau under this initiative relating to workers'
12 compensation insurance claims, business ratings, or premiums are
13 not public records and public disclosure of such data, in whole or in
14 part, by the GDAC or State CIO, or by any State agency, is
15 prohibited.

16 (h) Definition/Additional Requirements. — For the purposes of this section, the term
17 "business intelligence (BI)" means the process of collecting, organizing, sharing, and analyzing
18 data through integrated data management, reporting, visualization, and advanced analytics to
19 discover patterns and other useful information that will allow policymakers and State officials
20 to make more informed decisions. The term also includes (i) broad master data management
21 capabilities such as data integration, data quality and enrichment, data governance, and master
22 data management to collect, reference, and categorize information from multiple sources and
23 (ii) self-service query and reporting capabilities to provide timely, relevant, and actionable
24 information to business users delivered through a variety of interfaces, devices, or applications
25 based on their specific roles and responsibilities. All State agency business intelligence
26 requirements, including any planning or development efforts associated with creating BI
27 capability, as well as any master data management efforts, shall be implemented through
28 GDAC. The State Chief Information Officer shall ensure that State agencies use the GDAC for
29 agency business intelligence requirements."

30 **SECTION 2.** G.S. 20-7(b2)(6) reads as rewritten:

31 "(6) To the Office of the State Chief Information Officer for the purposes of
32 G.S. 143B-426.38A-G.S. 147-33.77A."

33 **SECTION 3.** G.S. 20-43(a) reads as rewritten:

34 "(a) All records of the Division, other than those declared by law to be confidential for
35 the use of the Division, shall be open to public inspection during office hours in accordance
36 with G.S. 20-43.1. A signature recorded in any format by the Division for a drivers license or a
37 special identification card is confidential and shall not be released except for law enforcement
38 purposes. A photographic image recorded in any format by the Division for a drivers license or
39 a special identification card is confidential and shall not be released except for law enforcement
40 purposes or to the Office of the State Chief Information Officer for the purposes of
41 G.S. 143B-426.38A-G.S. 147-33.77A."

42 **SECTION 4.** G.S. 105-259(b)(45) reads as rewritten:

43 "(45) To furnish tax information to the Office of the State Chief Information
44 Officer under G.S. 143B-426.38A-G.S. 147-33.77A. The use and reporting
45 of individual data may be restricted to only those activities specifically
46 allowed by law when potential fraud or other illegal activity is indicated."

47 **SECTION 5.** The Revisor of Statutes shall substitute statute number
48 "G.S. 147-33.77A" for statute number "G.S. 143B-426.38A" wherever it appears in the General
49 Statutes.

50 **SECTION 6.** This act is effective when it becomes law.