

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40419-MQa-133

Short Title: IT Strategy Board & Strategy Reserve. (Public)

Sponsors: Representative Saine.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT CREATING THE INFORMATION TECHNOLOGY STRATEGY BOARD AND
3 THE INFORMATION STRATEGY RESERVE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Part 2 of Article 15 of Chapter 143B of the General Statutes is amended
6 by adding two new sections to read:

7 **"§ 143B-1337. Information Technology Strategy Board.**

8 (a) Creation; Membership. – The Information Technology Strategy Board is created in
9 the Department of Information Technology. The Board consists of the following members:

- 10 (1) The State Chief Information Officer.
11 (2) The State Budget Officer.
12 (3) The President of The University of North Carolina.
13 (4) The President of the North Carolina Community College System.
14 (5) The Secretary of Administration.
15 (6) One citizen of this State with a background in and familiarity with business
16 system technology, information systems, or telecommunications appointed by
17 the Governor.
18 (7) Two members of the Senate appointed by the General Assembly upon the
19 recommendation of the President Pro Tempore of the Senate in accordance
20 with G.S. 120-121. One Senator shall be a member of the majority party and
21 one Senator shall be a member of the minority party.
22 (8) Two members of the House of Representatives appointed by the General
23 Assembly upon the recommendation of the Speaker of the House of
24 Representatives in accordance with G.S. 120-121. One representative shall be
25 a member of the majority party and one representative shall be a member of
26 the minority party.
27 (9) The State Auditor, who shall serve as a nonvoting member.

28 Members of the Board appointed by the Governor shall serve terms of four years with the
29 initial term expiring January 1, 2021. Members of the Board appointed by the General Assembly
30 shall serve terms of two years with the initial term expiring January 1, 2021. Members of the
31 Board shall not be employed by or serve on the board of directors or other corporate governing
32 body of any vendor providing information systems, computer hardware, computer software, or
33 telecommunications goods or services to the State. The State CIO shall serve as the chair of the
34 Board. Vacancies in appointments made by the General Assembly shall be filled in accordance
35 with G.S. 120-122. Members of the Board who are employees of State agencies or institutions
36 shall receive subsistence and travel allowances authorized by G.S. 138-6. Legislative members



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1 of the Board shall receive subsistence and travel allowances authorized by G.S. 120-3.1. A
2 majority of the Board constitutes a quorum for the transaction of business. The Department of
3 Information Technology shall provide all clerical and other services required by the Board.

4 (b) Board Powers and Duties. – The Board shall have the following powers and duties:

5 (1) To advise the State CIO on policies and procedures to develop, review, and
6 update the State Information Technology Plan.

7 (2) To establish necessary committees to identify and share industry best practices
8 and new development and to identify existing State information technology
9 problems and deficiencies.

10 (3) To establish guidelines regarding the review of project planning and
11 management, information sharing, and administrative and technical review
12 procedures involving State-owned or State-supported technology and
13 infrastructure.

14 (4) To establish ad hoc technical advisory groups to study and make
15 recommendations on specific topics, including work groups to establish,
16 coordinate, and prioritize needs.

17 (5) To assist the State CIO in recommending to the Governor and the General
18 Assembly a prioritized list of enterprise initiatives for which new or additional
19 funding is needed.

20 (6) To recommend business system technology projects to the Department and
21 the General Assembly that meet the following criteria:

22 a. A defined start and end point.

23 b. Specific objectives that signify completion.

24 c. Designed to implement or deliver a unique product, system, or service
25 pertaining to business system technology.

26 (7) To develop and maintain a five-year prioritization plan for future business
27 system technology projects.

28 (c) Meetings. – The Board shall adopt bylaws containing rules governing its meeting
29 procedures. The Board shall meet at least quarterly.

30 (d) Reports. – The Board shall submit a report on projects that have been recommended,
31 the status of those projects, and the most recent version of its five-year prioritization plan to the
32 Joint Legislative Oversight Committee on Information Technology and the Fiscal Research
33 Division on or before January 1 of each year.

34 **"§ 143B-1378. Information Technology Strategy Reserve.**

35 (a) Creation and Source of Funds. – There is established in the General Fund the
36 Information Technology Strategy Reserve, hereinafter referred to as the "Reserve." The Reserve
37 shall be maintained as a special fund within the Department of Information Technology to carry
38 out the provisions of this section. Interest accruing from the monies in the Reserve shall be
39 credited to the Reserve. The Reserve shall consist of the following sources of funding:

40 (1) Four-tenths of one percent (0.4%) of the net State tax revenues that are
41 deposited in the General Fund during the fiscal year.

42 (2) All interest earnings received on monies in the Reserve.

43 (3) Any other funds, as directed by the General Assembly.

44 (b) Use of Funds. – Monies in the Reserve shall be used for the following purposes:

45 (1) Business system technology projects recommended by the Information
46 Technology Strategy Board and approved by the General Assembly.

47 (2) Agency information technology projects and project planning.

48 (c) Funding Requirements. – Each Current Operations Appropriations Act enacted by the
49 General Assembly shall include a transfer to the Reserve of four-tenths of one percent (0.4%) of
50 each year's estimated net State tax revenues that are deposited in the General Fund.

1 (d) Transfer of Funds to the Reserve. – On June 30 of each year, the Office of State
2 Controller shall transfer to the Reserve the estimated amount required pursuant to subsection (c)
3 of this section.

4 (e) Funds Available Only Upon Appropriation. – Funds in the Reserve shall be available
5 for expenditure only upon an act of appropriation by the General Assembly.

6 **SECTION 2.** There is appropriated from the General Fund to the Information
7 Technology Strategy Reserve the sum of one million dollars (\$1,000,000) in nonrecurring funds
8 for the 2019-2020 fiscal year.

9 **SECTION 3.** This act becomes effective July 1, 2019.