

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS45350-LR-96A

Short Title: Government Modernization. (Public)

Sponsors: Senators Theodros, Chaudhuri, and Salvador (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO MODERNIZE NORTH CAROLINA GOVERNMENT INFRASTRUCTURE
THROUGH TECHNOLOGY UPGRADES, CYBERSECURITY ENHANCEMENTS,
BLOCKCHAIN INTEGRATION, AND PUBLIC SERVICE DIGITIZATION.

The General Assembly of North Carolina enacts:

SECTION 1. Title. – This act shall be known and may be cited as the Government Modernization Act of 2025.

SECTION 2.(a) Findings. – The General Assembly finds that:

- (1) Many State agencies continue to operate with outdated legacy IT systems, leading to inefficiencies in service delivery and data management.
- (2) Cybersecurity threats pose a growing risk to public data, necessitating stronger protections and advanced security measures.
- (3) Blockchain technology presents an opportunity to enhance transparency, reduce fraud, and streamline government transactions.
- (4) Expanding online government services will improve accessibility for North Carolina residents and businesses, reducing bureaucratic hurdles and increasing operational efficiency.

SECTION 2.(b) Purpose. – The purpose of this Act is to modernize North Carolina's government operations by implementing advanced technological solutions to enhance efficiency, security, and accessibility in public services.

SECTION 3. Digital Infrastructure Overhaul. – The Department of Information Technology (DIT) shall oversee the modernization of IT infrastructure across all State agencies, including:

- (1) Upgrading outdated legacy systems to enhance interoperability and efficiency.
- (2) Implementing cloud-based solutions for improved data management and service continuity.
- (3) Establishing centralized digital records management to facilitate inter-agency coordination and reduce redundancies.

SECTION 4.(a) Assessment. – State agencies shall conduct a comprehensive assessment of their current IT infrastructure within six months of the enactment of this Act and submit modernization plans to DIT for review and implementation.

SECTION 4.(b) Cybersecurity and Data Protection. – The State Chief Information Officer (CIO) shall develop and implement enhanced cybersecurity protocols, including:

- (1) Multi-factor authentication and encryption standards for all government digital platforms.



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(2) Continuous monitoring and rapid response measures for cyber threats.

(3) Mandatory cybersecurity training for all State employees handling digital information.

SECTION 4.(c) Task Force. – The State Cybersecurity Task Force shall be established to oversee the implementation of security measures and report annually to the General Assembly on progress and emerging threats.

SECTION 5.(a) Blockchain Integration. – The DIT, in consultation with the Department of Administration, shall study ways in which integrating blockchain technology may contribute to the following outcomes:

(1) Greater security in maintaining records of transactions and contracts to which the State is a party.

(2) Enhanced verification mechanisms for licenses, permits, and certifications.

(3) Greater transparency for procurement processes to reduce fraud and ensure accountability.

(4) Any other benefits to the State.

SECTION 5.(b) No later than 12 months after this act becomes law, the DIT shall submit a report of its findings to the Joint Legislative Oversight Committee on Information Technology.

SECTION 6.(a) Public Service Digitization and Accessibility. – State agencies shall expand and improve online government services, including:

(1) Digital application and processing for licenses, permits, and public records.

(2) Online portals for tax payments, business filings, and other essential government functions.

(3) Mobile-friendly platforms to enhance accessibility for residents and businesses.

SECTION 6.(b) The Office of Digital Transformation shall be established within the DIT to oversee the digitization of government services and ensure seamless user experience across platforms.

SECTION 7. Funding and Implementation. – The General Assembly shall appropriate necessary funds for the implementation of this act, with priority funding allocated to:

(1) IT infrastructure upgrades.

(2) Cybersecurity enhancements.

(3) Blockchain pilot programs.

(4) Expansion of technology partners to ensure cost-effective and innovative solutions in the implementation of this act.

SECTION 8. Reporting and Accountability. – The DIT shall submit an annual progress report to the General Assembly detailing the implementation status, challenges, and recommendations related to government modernization efforts. The Joint Legislative Oversight Committee on Digital Governance shall be established to oversee implementation and ensure compliance with this act.

SECTION 9. Effective Date. – This act becomes effective July 1, 2025, and expires June 30, 2030.