1.2	Page 1, after line 5, insert:
1.3	"ARTICLE 1
1.4	LEGISLATIVE COMMISSION ON CYBERSECURITY"
1.5	Page 2, after line 25, insert:
	UADTICLE 2
1.6	"ARTICLE 2 TECHNICAL CHANGES
1.7	TECHNICAL CHANGES
1.8	Section 1. Minnesota Statutes 2018, section 16E.01, is amended to read:
1.9	16E.01 OFFICE OF MN.IT MINNESOTA DEPARTMENT OF INFORMATION
1.10	TECHNOLOGY SERVICES.
1.11	Subdivision 1. Creation; chief information officer. The Office of MN.IT Minnesota
1.12	Department of Information Technology Services, which may also be known as Minnesota
1.13	Information Technology Services or Minnesota IT Services, referred to in this chapter as
1.14	the "office," "department," is an agency in the executive branch headed by a commissioner,
1.15	who also is the state chief information officer. The appointment of the commissioner is
1.16	subject to the advice and consent of the senate under section 15.066.
1.17	Subd. 1a. Responsibilities. The office department shall provide oversight, leadership,
1.18	and direction for information and telecommunications technology policy and the
1.19	management, delivery, accessibility, and security of executive branch information and
1.20	telecommunications technology systems and services in Minnesota. The office department
1.21	shall manage strategic investments in information and telecommunications technology
1.22	systems and services to encourage the development of a technically literate society, to ensure
1.23	sufficient access to and efficient delivery of accessible government services, and to maximize
1.24	benefits for the state government as an enterprise.

..... moves to amend H.F. No. 4536 as follows:

		Subd. 2.	Discretionary	powers.	The office	department may	
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- (1) enter into contracts for goods or services with public or private organizations and charge fees for services it provides;
- (2) apply for, receive, and expend money from public agencies;
- (3) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;
 - (4) enter into contracts with agencies of the federal government, local governmental units, the University of Minnesota and other educational institutions, and private persons and other nongovernmental organizations as necessary to perform its statutory duties;
 - (5) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to information and communications technology issues;
 - (6) review the technology infrastructure of regions of the state and cooperate with and make recommendations to the governor, legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of information and communications technology infrastructure development potential;
 - (7) sponsor, support, and facilitate innovative and collaborative economic and community development and government services projects, including technology initiatives related to culture and the arts, with public and private organizations; and
 - (8) review and recommend alternative sourcing strategies for state information and communications systems.

Subd. 3. **Duties.** (a) The office department shall:

- (1) manage the efficient and effective use of available federal, state, local, and public-private resources to develop statewide information and telecommunications technology systems and services and its infrastructure;
- (2) approve state agency and intergovernmental information and telecommunications technology systems and services development efforts involving state or intergovernmental funding, including federal funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;
- (3) <u>ensure promote</u> cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems

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3.1	and services, and define the structure and responsibilities of a representative governance
3.2	structure;
3.3	(4) cooperate and collaborate with the legislative and judicial branches in the development
3.4	of information and communications systems in those branches, as requested;
3.5	(5) continue the development of North Star, the state's official comprehensive online
3.6	service and information initiative;
3.7	(6) promote and collaborate with the state's agencies in the state's transition to an
3.8	effectively competitive telecommunications market;
3.9	(7) collaborate with entities carrying out education and lifelong learning initiatives to
3.10	assist Minnesotans in developing technical literacy and obtaining access to ongoing learning
3.11	resources;
3.12	(8) (6) promote and coordinate public information access and network initiatives,
3.13	consistent with chapter 13, to connect Minnesota's citizens and communities to each other,
3.14	to their governments, and to the world;
3.15	(9) promote and coordinate electronic commerce initiatives to ensure that Minnesota
3.16	businesses and citizens can successfully compete in the global economy;
3.17	(10) (7) manage and promote the regular and periodic reinvestment in the information
3.18	and telecommunications technology systems and services infrastructure so that state and
3.19	local government agencies can effectively and efficiently serve their customers;
3.20	(11) (8) facilitate the cooperative development of and ensure compliance with standards
3.21	and policies for information and telecommunications technology systems and services,
3.22	electronic data practices and privacy, and electronic commerce among international, national,
3.23	state, and local public and private organizations within the executive branch;
3.24	(12) (9) eliminate unnecessary duplication of existing information and
3.25	telecommunications technology systems and services provided by state agencies;
3.26	(13) (10) identify, sponsor, develop, and execute shared information and
3.27	telecommunications technology projects and ongoing operations;
3.28	(14) (11) ensure overall security of the state's information and technology systems and
3.29	services; and
3.30	(15) (12) manage and direct compliance with accessibility standards for informational
3.31	technology, including hardware, software, websites, online forms, and online surveys.

(b) The chief information officer, in consultation with the commissioner of management and budget, must determine when it is cost-effective for agencies to develop and use shared information and telecommunications technology systems and services for the delivery of electronic government services. The chief information officer may require agencies to use shared information and telecommunications technology systems and services. The chief information officer shall establish reimbursement rates in cooperation with the commissioner of management and budget to be billed to agencies and other governmental entities sufficient to cover the actual development, operating, maintenance, and administrative costs of the shared systems. The methodology for billing may include the use of interagency agreements, or other means as allowed by law.

- (c) A state agency that has an information and telecommunications technology project with a total expected project cost of more than \$1,000,000, whether funded as part of the biennial budget or by any other means, shall register with the office department by submitting basic project startup documentation, as specified by the chief information officer in both format and content, before any project funding is requested or committed and before the project commences. State agency project leaders must demonstrate that the project will be properly managed, provide updates to the project documentation as changes are proposed, and regularly report on the current status of the project on a schedule agreed to with the chief information officer. The chief information officer has the authority to define a project for the purposes of this chapter.
- (d) The chief information officer shall monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project. The audit analysis and evaluation of the projects subject to paragraph (c) must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record.
- (e) For any active information and telecommunications technology project with a total expected project cost of more than \$10,000,000, the state agency must perform an annual independent audit that conforms to published project audit principles promulgated_adopted by the office_department.
- (f) The chief information officer shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the office department regarding projects the office department has reviewed under

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16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES

paragraph (a), clause (13) (10). The report must include the reasons for the determinations 5.1 made in the review of each project and a description of its current status.

Sec. 2. Minnesota Statutes 2018, section 16E.016, is amended to read:

AND EQUIPMENT.

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- (a) The chief information officer is responsible for providing or entering into managed 5.6 services contracts for the provision, improvement, and development of the following 5.7
- information technology systems and services to state agencies: 5.8
- (1) state data centers; 5.9
- (2) mainframes including system software; 5.10
- (3) servers including system software; 5.11
- (4) desktops including system software; 5.12
- (5) laptop computers including system software; 5.13
- (6) a data network including system software; 5.14
- (7) database, electronic mail, office systems, reporting, and other standard software 5.15 tools; 5.16
- (8) business application software and related technical support services; 5.17
- (9) help desk for the components listed in clauses (1) to (8); 5.18
- (10) maintenance, problem resolution, and break-fix for the components listed in clauses 5.19 (1) to (8); 5.20
- (11) regular upgrades and replacement for the components listed in clauses (1) to (8); 5.21 and 5.22
- (12) network-connected output devices. 5.23
- (b) All state agency employees whose work primarily involves functions specified in 5.24 paragraph (a) are employees of the Office of MN.IT Services Minnesota Department of 5.25 Information Technology Services. This includes employees who directly perform the 5.26 functions in paragraph (a), as well as employees whose work primarily involves managing, 5.27 supervising, or providing administrative services or support services to employees who 5.28 directly perform these functions. The chief information officer may assign employees of 5.29 the office department to perform work exclusively for another state agency. 5.30

(c) Subject to sections 16C.08 and 16C.09, the chief information officer may allow a
state agency to obtain services specified in paragraph (a) through a contract with an outside
vendor when the chief information officer and the agency head agree that a contract would
provide best value, as defined in section 16C.02, under the service-level agreement. The
chief information officer must require that agency contracts with outside vendors ensure
that systems and services are compatible with standards established by the Office of MN.IT
Services Minnesota Department of Information Technology Services.

- (d) The Minnesota State Retirement System, the Public Employees Retirement Association, the Teachers Retirement Association, the State Board of Investment, the Campaign Finance and Public Disclosure Board, the State Lottery, and the Statewide Radio Board are not state agencies for purposes of this section.
- Sec. 3. Minnesota Statutes 2018, section 16E.02, is amended to read:

16E.02 OFFICE OF MN.IT MINNESOTA DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; STRUCTURE AND PERSONNEL.

- Subdivision 1. Office Department management and structure. (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology advisor advisor to the governor.
- (b) The chief information officer may appoint other employees of the <u>office department</u>. The Staff of the <u>office department</u> must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.
- (c) The chief information officer may appoint a webmaster responsible for the supervision and development of state websites under the control of the office. The webmaster, if appointed, shall ensure that these websites are maintained in an easily accessible format that is consistent throughout state government and are consistent with the accessibility standards developed under section 16E.03, subdivision 9. The webmaster, if appointed, shall provide assistance and guidance consistent with the requirements of this paragraph to other state agencies for the maintenance of other websites not under the direct control of the office.

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Subd. 1a. **Accountability.** The chief information officer reports to the governor. The chief information officer must consult regularly with the executive branch agency commissioners of administration, management and budget, human services, revenue, and other commissioners as designated by the governor, on technology projects, standards, and services as well as management of resources and staff utilization.

- Sec. 4. Minnesota Statutes 2019 Supplement, section 16E.03, subdivision 1, is amended to read:
 - Subdivision 1. **Definitions.** (a) For the purposes of this chapter, the following terms have the meanings given them.
 - (b) "Information and telecommunications technology systems and services" means all computing and telecommunications hardware and software, the activities undertaken to secure that hardware and software, and the activities undertaken to acquire, transport, process, analyze, store, and disseminate information electronically. "Information and telecommunications technology systems and services" includes all proposed expenditures for computing and telecommunications hardware and software, security for that hardware and software, and related consulting or other professional services.
 - (c) "Information and telecommunications technology project" means an effort to acquire or produce information and telecommunications technology systems and services.
 - (d) (c) "Telecommunications" means voice, video, and data electronic transmissions transported by wire, wireless, fiber-optic, radio, or other available transport technology.
- 7.21 (e) (d) "Cyber security" means the protection of data and systems in networks connected to the Internet.
 - (f) (e) "State agency" means an agency in the executive branch of state government and includes the Minnesota Office of Higher Education, but does not include the Minnesota State Colleges and Universities unless specifically provided elsewhere in this chapter.
- 7.26 (g) (f) "Total expected project cost" includes direct staff costs, all supplemental contract
 7.27 staff and vendor costs, and costs of hardware and software development or purchase.
 7.28 Breaking a project into several phases does not affect the cost threshold, which must be
 7.29 computed based on the full cost of all phases.
- 7.30 (h) (g) "Cloud computing" has the meaning described by the National Institute of
 7.31 Standards and Technology of the United States Department of Commerce in special
 7.32 publication 800-145, September 2011.

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Sec. 5. Minnesota Statutes 2018, section 16E.03, subdivision 2, is amended to read:

Subd. 2. Chief information officer's responsibility. The chief information officer shall:

- (1) design a master plan for information and telecommunications technology systems and services in the state and its political subdivisions and shall report on the plan to the governor and legislature at the beginning of each regular session;
- (2) coordinate, review, and approve all information and telecommunications technology projects and oversee the state's information and telecommunications technology systems and services;
- (3) establish and enforce compliance with standards for information and telecommunications technology systems and services that are cost-effective and support open systems environments and that are compatible with state, national, and international standards, including accessibility standards;
- (4) maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government;
- (5) direct and manage the shared operations of the state's information and telecommunications technology systems and services; and
- (6) establish and enforce standards and ensure acquisition of hardware and software necessary to protect data and systems in state agency networks connected to the Internet.
- 8.19 Sec. 6. Minnesota Statutes 2018, section 16E.03, subdivision 3, is amended to read:
 - Subd. 3. **Evaluation and approval.** A state agency may not undertake an information and telecommunications technology project until it has been evaluated according to the procedures developed under subdivision 4. The chief information officer <u>or delegate</u> shall give written approval of the proposed project. When notified by the chief information officer that a project has not been approved, the commissioner of management and budget shall cancel the unencumbered balance of any appropriation allotted for the project.
 - Sec. 7. Minnesota Statutes 2018, section 16E.03, subdivision 6, is amended to read:
 - Subd. 6. **System development methods.** The chief information officer shall establish and, as necessary, update and modify methods for developing information and communications systems appropriate to the specific needs of individual state agencies. The development methods shall be used to define the design, programming, and implementation of systems. The development methods must also enable and require a data processing system

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9.1 to be defined in terms of its computer programs, input requirements, output formats,

administrative procedures, and processing frequencies.

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Sec. 8. Minnesota Statutes 2018, section 16E.036, is amended to read:

16E.036 ADVISORY COMMITTEE COUNCIL.

- (a) The Technology Advisory Committee Council is created to advise the governor, executive branch, and the state chief information officer. The committee consists of council shall consist of 15 voting members. The governor shall appoint six members appointed by the governor who are individuals actively involved in business planning for state executive branch agencies, one county member designated by the Association of Minnesota Counties, one member appointed by the governor as a representative of a union that represents state information technology employees, and one member appointed by the governor to represent private businesses. The governor and lieutenant governor shall select six additional members with private-sector or public-sector IT experience or experience in academia pertaining to IT. The council shall also have the following four ex officio nonvoting members:
 - (1) a member of the house of representatives selected by the speaker of the house;
- 9.16 (2) a member of the house of representatives selected by the minority leader;
 - (3) a member of the senate selected by the majority leader; and
- 9.18 (4) a member of the senate selected by the minority leader.
 - (b) Membership terms, removal of members, and filling of vacancies are as provided in section 15.059. Members do not receive compensation or reimbursement for expenses.
 - (c) The <u>committee council</u> shall select a chair from its members. The chief information officer shall provide administrative support to the <u>committee</u> council.
 - (d) The committee council shall advise the chief information officer on:
- 9.24 (1) development and implementation of the state information technology strategic plan;
- 9.25 (2) critical information technology initiatives for the state;
- 9.26 (3) standards for state information architecture;
- 9.27 (4) identification of business and technical needs of state agencies;
- 9.28 (5) strategic information technology portfolio management, project prioritization, and investment decisions;

(6) the <u>office's</u> <u>department's</u> performance measures and fees for service agreements with executive branch agencies;

(7) management of the state MN.IT services revolving fund; and

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- (8) the efficient and effective operation of the office department.
- Sec. 9. Minnesota Statutes 2018, section 16E.04, subdivision 3, is amended to read:
 - Subd. 3. **Risk assessment and mitigation.** (a) A risk assessment and risk mitigation plan are required for all information systems development projects undertaken by a state agency in the executive or judicial branch or by a constitutional officer. The chief information officer must contract with an entity outside of state government to conduct the initial assessment and prepare the mitigation plan for a project estimated to cost more than \$5,000,000. The outside entity conducting the risk assessment and preparing the mitigation plan must not have any other direct or indirect financial interest in the project. The risk assessment and risk mitigation plan must provide for periodic monitoring by the commissioner until the project is completed.
 - (b) The risk assessment and risk mitigation plan must be paid for with money appropriated for the information and telecommunications technology project. The chief information officer must notify the commissioner of management and budget when work has begun on a project and must identify the proposed budget for the project. The commissioner of management and budget shall ensure that no more than ten percent of the proposed budget be spent on the project, other than the money spent on the risk assessment and risk mitigation plan, is spent until the risk assessment and mitigation plan are reported to the chief information officer and the chief information officer has approved the risk mitigation plan.
 - Sec. 10. Minnesota Statutes 2018, section 16E.0465, subdivision 2, is amended to read:
 - Subd. 2. **Required review and approval.** (a) A state agency receiving an appropriation for an information and telecommunications technology project subject to this section must divide the project into phases.
 - (b) The commissioner of management and budget may not authorize the <u>An</u> encumbrance or expenditure of an appropriation of state funds to a state agency <u>may</u> not be made for any phase of a <u>state agency information</u> and telecommunications technology project, <u>device</u>, or <u>system</u> subject to this section unless the <u>Office of MN.IT Minnesota Department of Information Technology</u> Services has reviewed each phase of the project, <u>device</u>, or <u>system</u>, and based on this review, the chief information officer has determined for each phase that:

(1) the project is compatible with the state information architecture and other policies and standards established by the chief information officer;

- (2) the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and
- 11.5 (3) the project supports the enterprise information technology strategy.

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- Sec. 11. Minnesota Statutes 2018, section 16E.05, subdivision 1, is amended to read:
- Subdivision 1. **Duties.** The <u>office department</u>, in consultation with interested persons, shall:
- (1) coordinate statewide efforts by units of state and local government to plan for and develop a system for providing access to government services; and
- 11.11 (2) explore ways and means to improve citizen and business access to public services, 11.12 including implementation of technological improvements.
- Sec. 12. Minnesota Statutes 2018, section 16E.07, subdivision 12, is amended to read:
- Subd. 12. **Private entity services; fee authority.** (a) The <u>office department</u> may enter into a contract with a private entity to manage, maintain, support, and expand North Star and online government information services to citizens and businesses.
 - (b) A contract established under paragraph (a) may provide for compensation of the private entity through a fee established under paragraph (c).
 - (c) The <u>office</u> <u>department</u>, subject to the approval of the agency or <u>office</u> <u>department</u> responsible for the data or services involved in the transaction, may charge and may authorize a private entity that enters into a contract under paragraph (a) to charge a convenience fee for users of North Star and online government information services up to a total of \$2 per transaction, provided that no fee shall be charged for viewing or inspecting data. The office shall consider the recommendation of the E-Government Advisory Council under section 16E.071 in setting the convenience fee. A fee established under this paragraph is in addition to any fees or surcharges authorized under other law.
 - (d) Receipts from the convenience fee shall be deposited in the North Star account established in subdivision 7. Notwithstanding section 16A.1285, subdivision 2, receipts credited to the account are appropriated to the <u>office department</u> for payment to the contracted private entity under paragraph (a). In lieu of depositing the receipts in the North Star account,

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the <u>office</u> <u>department</u> can directly transfer the receipts to the private entity or allow the private entity to retain the receipts pursuant to a contract established under this subdivision.

- (e) The <u>office department</u> shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over state government finance by January 15 of each odd-numbered year regarding the convenience fee receipts and the status of North Star projects and online government information services developed and supported by convenience fee receipts.
- Sec. 13. Minnesota Statutes 2018, section 16E.21, subdivision 2, is amended to read:
 - Subd. 2. Charges. (a) Upon agreement of the participating agency, the Office of MN.IT Minnesota Department of Information Technology Services may collect a charge or receive a fund transfer under section 16E.0466 for purchases of information and telecommunications technology systems and services by state agencies and other governmental entities through state contracts for purposes described in subdivision 1. Charges collected under this section must be credited to the information and telecommunications technology systems and services account.
- (b) Notwithstanding section 16A.28, subdivision 3, any unexpended operating balance appropriated to a state agency may be transferred to the information and telecommunications technology systems and services account for the information technology cost of a specific project, subject to the review of the Legislative Advisory Commission under section 16E.21, subdivision 3.
- Sec. 14. Minnesota Statutes 2018, section 97A.057, subdivision 1, is amended to read:
 - Subdivision 1. **Compliance with federal law.** The commissioner shall take any action necessary to comply with the Federal Aid in Wildlife Restoration Act, United States Code, title 16, sections 669 to 669i, and the Federal Aid in Fish Restoration Act, United States Code, title 16, sections 777 to 777k. Notwithstanding section 16E.145 or any other law to the contrary, an appropriation for an information or telecommunications technology project from the game and fish fund, as established in section 97A.055, must be made to the commissioner. Any assets acquired with or expenditures made from the game and fish fund must remain under control of the commissioner.

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13.1	Sec.	15.	REVISOR	INSTRU	CTION.
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- The revisor of statutes shall change "Office of MN.IT Services" to "Minnesota
- Department of Information Technology Services" or a derivative of these terms wherever
- it appears in Minnesota Statutes.
- 13.5 Sec. 16. **REPEALER.**
- Minnesota Statutes 2018, sections 16E.0466, subdivision 1; 16E.05, subdivision 3;
- 13.7 <u>16E.071</u>; and 16E.145, are repealed."
- 13.8 Amend the title accordingly