

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 1247

Short Title: St. Info. Management Tech.

(Public)

Sponsors: Senator Royall.

Referred to: Appropriations.

June 8, 1992

A BILL TO BE ENTITLED

1
2 AN ACT TO REVISE THE MANAGEMENT OF STATE EXECUTIVE
3 INFORMATION TECHNOLOGY, TO APPROPRIATE FUNDS TO THE OFFICE
4 OF STATE CONTROLLER FOR DESIGN AND IMPLEMENTATION OF A
5 NEW STATE ACCOUNTING SYSTEM PURSUANT TO THE ACTIONS OF
6 THE REVISED MANAGEMENT STRUCTURE, AND TO PROHIBIT
7 EXPENDITURE OF FUNDS FOR DEVELOPMENT OF MAINFRAME
8 COMPUTER SYSTEMS WITHOUT APPROVAL OF THE REVISED
9 MANAGEMENT STRUCTURE.

10 The General Assembly of North Carolina enacts:

11 Section 1. G.S. 143B-426.21 reads as rewritten:

12 "§ 143Bü (a) ~~Creation; Membership. The Information Technology~~
13 ~~Commission is created in the Office of the State Controller. The Commission consists of~~
14 ~~the following members:~~

15 (1) ~~Ex officio members: the Governor, Lieutenant Governor, Secretary of~~
16 ~~the Department of Administration, State Budget Officer, State Auditor,~~
17 ~~State Treasurer, Secretary of State, Superintendent of Public~~
18 ~~Instruction, Commissioner of Agriculture, Commissioner of Labor,~~
19 ~~Commissioner of Insurance, State President of the Department of~~
20 ~~Community Colleges, Chair of the Governor's Committee on Data~~
21 ~~Processing and Information Systems, Chair of the State Information~~
22 ~~Processing Services Advisory Board, and the Legislative Services~~
23 ~~Officer or his designee.~~

1 (2) ~~Other members: one citizen of the State of North Carolina with a~~
2 ~~background in and familiarity with information systems or~~
3 ~~telecommunications appointed by the General Assembly upon the~~
4 ~~recommendation of the President Pro Tempore of the Senate in~~
5 ~~accordance with G.S. 120-121, and one citizen of the State of North~~
6 ~~Carolina with a background in and familiarity with information~~
7 ~~systems or telecommunications appointed by the General Assembly~~
8 ~~upon the recommendation of the Speaker of the House of~~
9 ~~Representatives in accordance with G.S. 120-121. The two initial~~
10 ~~members appointed by the General Assembly shall each serve a term~~
11 ~~beginning on the 60th day following June 6, 1989, and expiring on~~
12 ~~June 30, 1993. Thereafter, their successors shall be appointed for four-~~
13 ~~year terms, commencing July 1. Vacancies in the two legislative~~
14 ~~appointments shall be filled as provided in G.S. 120-122.~~

15 ~~Members of the Commission shall not be employed by nor serve on the board of~~
16 ~~directors or other corporate governing body of any information systems, computer~~
17 ~~hardware, computer software, or telecommunications vendor of goods and services to~~
18 ~~the State of North Carolina.~~

19 ~~The Governor shall chair the Commission and the Secretary of Administration shall~~
20 ~~be secretary to the Commission. The Commission shall meet at the call of the chairman~~
21 ~~or at the request of a majority of its members. The Office of the State Controller shall~~
22 ~~provide staff support and other services required by the Commission.~~

23 ~~(b) Powers and Duties.—The Commission has the following powers and duties:~~

- 24 ~~(1) To approve or disapprove proposals by the State Information~~
25 ~~Processing Services under G.S. 143B-426.40;~~
26 ~~(2) To obtain information relevant to the decisions required of the~~
27 ~~Commission under G.S. 143B-426.40 from the affected departments;~~
28 ~~and~~
29 ~~(3) To develop a comprehensive plan, covering the current and following~~
30 ~~biennium, for the acquisition and use of information technology~~
31 ~~resources in the affected departments, which shall be updated annually~~
32 ~~and shall be submitted to the General Assembly on the first day of~~
33 ~~each regular session.~~

34 **§ 143B-426.21. Information Resource Management Commission.**

35 ~~(a) Creation; Membership. – The Information Resource Management~~
36 ~~Commission is created in the Office of the State Controller. The Commission consists of~~
37 ~~the following members:~~

- 38 ~~(1) Four Members of the Council of State, appointed by the Governor.~~
39 ~~(2) The Secretary of Administration.~~
40 ~~(3) The State Budget Officer.~~
41 ~~(4) Two Members of the Governor's cabinet, appointed by the Governor.~~
42 ~~(5) One citizen of the State of North Carolina with a background in and~~
43 ~~familiarity with information systems or telecommunications, appointed~~

1 by the General Assembly upon the recommendation of the President
2 Pro Tempore of the Senate in accordance with G.S. 120-121.

3 (6) One citizen of the State of North Carolina with a background in and
4 familiarity with information systems or telecommunications, appointed
5 by the General Assembly upon the recommendation of the Speaker of
6 the House of Representatives in accordance with G.S. 120-121.

7 (7) The Chair of the Governor's Committee on Data Processing and
8 Information Systems.

9 (8) The Chair of the State Information Processing Services Advisory
10 Board.

11 Members of the Commission shall not be employed by or serve on the board of
12 directors or other corporate governing body of any information systems, computer
13 hardware, computer software, or telecommunications vendor of goods and services to
14 the State of North Carolina.

15 The two initial cabinet members appointed by the Governor and the two initial
16 citizen members appointed by the General Assembly shall each serve a term beginning
17 September 1, 1992, and expiring on June 30, 1995. Thereafter, their successors shall be
18 appointed for four-year terms, commencing July 1. Members of the Governor's cabinet
19 shall be disqualified from completing a term of service of the Commission if they are no
20 longer cabinet members.

21 The appointees by the Governor from the Council of State shall each serve a term
22 beginning on September 1, 1992, and expiring on June 30, 1993. Thereafter, their
23 successors shall be appointed for four-year terms, commencing July 1. Members of the
24 Council of State shall be disqualified from completing a term of service on the
25 Commission if they are no longer members of the Council of State.

26 Vacancies in the two legislative appointments shall be filled as provided in G.S.
27 120-122.

28 The Commission chair shall be elected in the first meeting of each calendar year
29 from among the appointees of the Governor from the Council of State and shall serve a
30 term of one year. The Secretary of Administration shall be secretary to the
31 Commission.

32 No member of the Information Resource Management Commission shall vote on an
33 action affecting solely his or her own State agency.

34 (b) Powers and Duties. – The Commission has the following powers and duties:

35 (1) To develop, approve, and publish a statewide information technology
36 strategy covering the current and following biennium that shall be
37 updated annually and shall be submitted to the General Assembly on
38 the first day of each regular session.

39 (2) To develop, approve, and sponsor statewide technology initiatives and
40 to report on those initiatives in the annual update of the statewide
41 information technology strategy.

42 (3) To review and approve biennially the information technology plans of
43 the executive agencies, including their plans for the procurement and
44 use of personal computers and workstations.

- 1 (4) To recommend to the Governor and the Office of State Budget and
2 Management the relative priorities across executive agency
3 information technology plans.
- 4 (5) To establish a quality assurance policy for all agency information
5 technology projects, information systems training programs, and
6 information systems documentation.
- 7 (6) To establish and enforce a quality review and expenditure review
8 procedure for major agency information technology projects.
- 9 (7) To review and approve expenditures from appropriations made to the
10 Office of State Budget and Management for the purpose of creating a
11 Computer Reserve Fund.
- 12 (8) To develop and promote a policy and procedures for the fair and
13 competitive procurement of information technology consistent with the
14 rules of the Department of Administration and consistent with industry
15 standards for open systems that provide agencies with a vendor-neutral
16 operating environment where different information technology
17 hardware, software, and networks operate together easily and reliably.

18 (c) Meetings. – The Information Resources Management Commission shall
19 adopt bylaws containing rules governing its meeting procedures. The Information
20 Resources Management Commission shall meet at least monthly."

21 Sec. 2. There is appropriated from the General Fund to the Office of State
22 Controller, Computer Reserve Fund, the sum of five million five hundred thousand
23 dollars (\$5,500,000) for the 1992-93 fiscal year for the purpose of continuing
24 development and implementation of the new State Accounting System. No expenditure
25 shall be made from this fund by the Office of State Controller until the Information
26 Resource Management Commission created in Section 1 of this act has reviewed and
27 approved the Office of State Controller's design, implementation strategy, and
28 expenditure plan for the State Accounting System. The Information Resource
29 Management Commission shall report the results of its review and the rationale for its
30 approval of the expenditure to the Joint Legislative Commission on Governmental
31 Operations. The Information Resource Management Commission shall apply its quality
32 assurance policy and quality review procedures to the Office of State Controller's State
33 Accounting System project.

34 Sec. 3. Executive agencies shall not, before October 1, 1992, spend funds to
35 design, develop, or implement mainframe agency computing systems separate from the
36 mainframe computer system operated by the State Information Processing Services
37 without prior approval of the Information Resource Management Commission. The
38 Commission shall submit a report of the action to a meeting of the Joint Legislative
39 Commission on Governmental Operations.

40 Sec. 4. G.S. 120-123(57) reads as rewritten:

41 "(57) ~~The Information Technology Commission, Information Resource~~
42 Management Commission, as established by G.S. 143B-426.21."

43 Sec. 5. G.S. 143B-426.40 reads as rewritten:

44 "**§ 143B-426.40. State Information Processing Services.**

1 With respect to all executive departments and agencies of State government, except
2 the Department of Justice and The University of North Carolina, the Office of State
3 Controller shall have the following powers and duties:

- 4 (1) To establish and operate information resource centers and services
5 to serve two or more departments on a cost-sharing basis, if the
6 ~~Information Technology Commission~~ Information Resources
7 Management Commission decides it is advisable from the
8 standpoint of efficiency and economy to establish these centers and
9 services;
- 10 (2) With the approval of the ~~Information Technology Commission,~~
11 Information Resources Management Commission, to charge each
12 department for which services are performed its proportionate part
13 of the cost of maintaining and operating the shared centers and
14 services;
- 15 (3) With the approval of the ~~Information Technology Commission,~~
16 Information Resources Management Commission, to require any
17 department served to transfer to the Office of the State Controller
18 ownership, custody, or control of information processing
19 equipment, supplies, and positions required by the shared centers
20 and services;
- 21 (4) With the approval of the ~~Information Technology Commission,~~
22 Information Resources Management Commission, to adopt
23 reasonable rules for the efficient and economical management and
24 operation of the shared centers, services, and the integrated State
25 telecommunications network;
- 26 (5) With the approval of the ~~Information Technology Commission,~~
27 Information Resources Management Commission, to adopt plans,
28 policies, procedures, and rules for the acquisition, management,
29 and use of information technology resources in the departments
30 affected by this subdivision to facilitate more efficient and
31 economic use of information technology in these departments; and
- 32 (6) To develop and promote training programs to efficiently
33 implement, use, and manage information technology resources.

34 The Department of Revenue is authorized to deviate from this section's requirements
35 that departments or agencies consolidate information processing functions on equipment
36 owned, controlled or under custody of the State Information Processing Services. All
37 deviations from this section's requirements shall be reported in writing within 15 days
38 by the Department of Revenue to the ~~Information Technology Commission~~ Information
39 Resources Management Commission and shall be consistent with available funding.
40 The Department of Revenue is authorized to adopt and shall adopt plans, policies,
41 procedures, requirements and rules for the acquisition, management, and use of
42 information processing equipment, information processing programs, data
43 communications capabilities, and information systems personnel in the Department of
44 Revenue. If the plans, policies, procedures, requirements, rules, or standards adopted by

1 the Department of Revenue deviate from the policies, procedures, or guidelines adopted
2 by the State Information Processing Services or the ~~Information Technology Commission,~~
3 Information Resources Management Commission, those deviations shall be allowed and
4 shall be reported in writing within 15 days by the Department of Revenue to the
5 ~~Information Technology Commission.~~ Information Resources Management Commission.
6 The Department of Revenue and the State Information Processing Services shall
7 develop data communications capabilities between the two computer centers utilizing
8 the North Carolina Integrated Network, subject to a security review by the Secretary of
9 Revenue.

10 The Department of Revenue shall prepare a plan to allow for substantial recovery
11 and operation of major, critical computer applications. The plan shall include the names
12 of the computer programs, databases, and data communications capabilities, identify the
13 maximum amount of outage that can occur prior to the initiation of the plan and
14 resumption of operation. The plan shall be consistent with commonly accepted
15 practices for disaster recovery in the information processing industry. The plan shall be
16 tested as soon as practical, but not later than six months, after the establishment of the
17 Department of Revenue information processing capability.

18 No data of a confidential nature, as defined in the General Statutes or federal law,
19 may be entered into or processed through any cost-sharing information resource center
20 or network established under this subdivision until safeguards for the data's security
21 satisfactory to the department head and the State Controller have been designed and
22 installed and are fully operational. Nothing in this section may be construed to
23 prescribe what programs to satisfy a department's objectives are to be undertaken, nor to
24 remove from the control and administration of the departments the responsibility for
25 program efforts, regardless whether these efforts are specifically required by statute or
26 are administered under the general program authority and responsibility of the
27 department. This subdivision does not affect the provisions of G.S. 147-64.6, G.S. 147-
28 64.7, or G.S. 143B-426.39(14). Notwithstanding any other provision of law, the Office
29 of the State Controller shall provide information technology services on a cost-sharing
30 basis to the General Assembly and its agencies as requested by the Legislative Services
31 Commission."

32 Sec. 6. Sections 1 and 5 of this act become effective on September 1, 1992,
33 except that appointments to the Information Resources Management Commission may
34 be made by the General Assembly at any time after ratification of this act. Section 2 of
35 this act becomes effective July 1, 1992. Sections 3 and 4 of this act are effective upon
36 ratification.