ARTICLE 2

INFORMATION TECHNOLOGY AND CYBERSECURITY

Sec. 5. Minnesota Statutes 2022, section 16E.01, subdivision 1a, is amended to read:

Subd. 1a. Responsibilities. The department shall provide oversight, leadership, and direction for information and telecommunications technology policy and the management, delivery, accessibility, and security of executive branch information and telecommunications technology systems and services in Minnesota. The department shall partner with executive branch state agencies to manage strategic investments in information and telecommunications technology systems and services to ensure sufficient access to and efficient delivery of accessible government services and to maximize benefits for the state government as an enterprise.

Sec. 6. Minnesota Statutes 2022, section 16E.01, is amended by adding a subdivision to read:

Subd. 1b. Deputy; appointments. The commissioner may appoint a deputy, assistant commissioners, and a confidential secretary. Each serves at the commissioner's pleasure in the unclassified service.

Sec. 7. Minnesota Statutes 2022, section 16E.01, subdivision 3, is amended to read:

Subd. 3. Duties. (a) The 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) promote cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems and services;

(4) cooperate and collaborate with the legislative and judicial branches in the development of information and communications systems in those branches, as requested;

(5) continue the development of North Star, the state's official comprehensive online service and information initiative;

(6) [ ] promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;

(7) continue the development of North Star, the state's official comprehensive online service and information initiative;

(8) continue the development of North Star, the state's official comprehensive online service and information initiative.
(6) manage and promote the regular and periodic reinvestment in the information technology and telecommunications systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

(7) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services and electronic data practices and privacy within the executive branch;

(8) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by state agencies;

(9) identify, sponsor, develop, and execute shared information and telecommunications technology projects and ongoing operations;

(10) ensure overall security of the state's information and telecommunications technology systems and services, and

(11) manage and direct compliance with accessibility standards for informational 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, platforms, and services for the delivery of electronic digital 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, whether funded as part of the biennial budget or by any other means, shall register with the department by submitting basic project startup documentation as specified by the chief information officer in both format and content. State agency project leaders, in accordance with policies and standards set forth by the chief information officer, 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 adopted by the 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 department regarding projects the department has reviewed under paragraph (a), clause (10). The report must include the reasons for the determinations made in the review of each project and a description of its current status:

(1) each project in the IT portfolio whose status is either active or on hold; (2) each project presented to the office for consultation in the time since the last report; (3) the information technology cost associated with the project; (4) the current status of the information technology project; (5) the date the information technology project is expected to be completed; and (6) the projected costs for ongoing support and maintenance after the project is complete.

Sec. 4. Minnesota Statutes 2022, section 16E.016, is amended to read:

16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES AND EQUIPMENT.

(a) The chief information officer is responsible for providing or entering into managed services contracts for the provision, improvement, development, and lifecycle management of the following information technology systems and services to state agencies:

(1) state data centers; (2) mainframes including system software; (3) servers including system software; (4) desktops including system software; (5) laptop computers including system software; (6) a data network including system software; (7) database, electronic mail, office systems, reporting, and other standard software tools; (8) business application software and related technical support services;
The chief information officer shall:

(9) help desk for the components listed in clauses (1) to (8);
(10) maintenance, problem resolution, and break-fix for the components listed in clauses (1) to (8);
(11) regular upgrades and replacement, and lifecycle management for the components listed in clauses (1) to (8); and
(12) network-connected output devices.

(b) All state agency employees whose work primarily involves functions specified in paragraph (a) are employees of the Department of Information Technology Services. This includes employees who directly perform the functions in paragraph (a), as well as employees whose work primarily involves managing, supervising, or providing administrative services or support services to employees who directly perform these functions. The chief information officer may assign employees of the department to perform work exclusively for another state agency.

(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 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. 9. Minnesota Statutes 2022, 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 strategic plan for information and telecommunications technology systems and services in the state 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) 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 Department of Information Technology Services.
(4) maintain a library of systems and programs developed by the state 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, and services necessary to protect data and systems in state agency networks connected to the Internet.

Sec. 10. Minnesota Statutes 2022, section 16E.03, subdivision 4a, is amended to read:

Subd. 4a. Cloud computing services. The project evaluation procedure required by subdivision 4 must include a review of cloud computing service options, including any security benefits and cost savings associated with purchasing those service options from a cloud computing service provider. When projects involve cloud computing services, the state chief information officer shall, in consultation with the Technology Advisory Council, establish metrics to assess the progress of any cloud computing project for each state agency.

Sec. 11. Minnesota Statutes 2022, section 16E.03, is amended by adding a subdivision to read:

Subd. 5a. Cloud computing progress report. (a) No later than January 15, 2024, and annually thereafter, the state chief information officer shall, in consultation with the Technology Advisory Council, report on the progress of executive branch cloud adoption to the chairs and ranking members of the legislative committees with jurisdiction over executive branch information technology policy. The report shall include, but not be limited to the following:

(1) an accounting of each state agency's expenditures for cloud computing initiatives and software as service solutions;

(2) cost projections, timelines, and the names of any cloud provider selected for current computing projects that incorporate cloud computing solutions, and percentage of total cloud use; and

(3) projected future expenditures by cloud service provider.

(b) This subdivision expires December 31, 2027.

Sec. 39. Minnesota Statutes 2022, section 16E.14, subdivision 4, is amended to read:

Subd. 4. Cash flow. (a) The commissioner of management and budget shall make appropriate transfers to the revolving fund when requested by the chief information officer. The chief information officer may make allotments and encumbrances in anticipation of such transfers. In addition, the chief information officer, with the approval of the commissioner of management and budget, may require an agency to make advance payments.

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to the revolving fund sufficient to cover the office's estimated obligation for a period of at
least 60 days. All reimbursements and other money received by the chief information officer
under this section must be deposited in the MNIT services revolving fund.
(b) Each biennium, the commissioner of management and budget is authorized to provide
cash flow assistance from the special revenue fund or other statutory general fund as defined
in section 16A.671, subdivision 1, paragraph (a), to the Department of Information
Technology Services for the purpose of managing revenue and expenditure differences.
These funds shall be repaid with interest by the end of the closing period of the second fiscal
year of the same biennium.

Sec. 40. Minnesota Statutes 2022, section 16E.21, subdivision 1, is amended to read:
Subd. 1. Account established; appropriation. The information and
telematics technology systems and services account is created in the special
revenue fund. Receipts credited to the account are appropriated to the Department of
Information Technology Services for the purpose of defraying the costs of personnel and
technology for activities that create government efficiencies, secure state systems, or address
project or product backlogs in accordance with this chapter.

Subd. 2. Sec. 41. Minnesota Statutes 2022, section 16E.21, subdivision 2, is amended to read:
Subd. 2. Charges. (a) Upon agreement of the participating agency, the 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, product, or services, subject to the review of the Legislative Advisory Commission
under subdivision 3.

Sec. 42. [16E.35] COUNTY AND LOCAL CYBERSECURITY GRANTS.
Subd. 1. Cybersecurity grant program established. The Department of IT
Services may make grants to political subdivisions to support addressing cybersecurity risks
and cybersecurity threats to information systems owned or operated by, or on behalf of,
state, local, or Tribal governments, as provided in section 36612 of Public Law 117-58.
Subd. 2. Match requirement. The political subdivision receiving a grant must provide
for the remainder of the costs of the project that exceed available state match appropriated
funds, or that exceed goals defined in the statewide cybersecurity plan.

to the revolving fund sufficient to cover the office's estimated obligation for a period of at
least 60 days. All reimbursements and other money received by the chief information officer
under this section must be deposited in the MNIT services revolving fund.
(b) Each biennium, the commissioner of management and budget is authorized to provide
cash flow assistance if up to $60,000,000 from the special revenue fund or other statutory
general fund as defined in section 16A.671, subdivision 3, paragraph (a), to the Department
of Information Technology Services for the purpose of managing revenue and expenditure
differences. These funds shall be repaid with interest by the end of the closing period of the second fiscal year of the same biennium.

Sec. 7. Minnesota Statutes 2022, section 16E.21, subdivision 1, is amended to read:
Subd. 1. Account established; appropriation. The information and
telematics technology systems and services account is created in the special
revenue fund. Receipts credited to the account are appropriated to the Department of
Information Technology Services for the purpose of defraying the costs of personnel and
technology for activities that create government efficiencies, secure state systems, or address
project or product backlogs in accordance with this chapter.

Sec. 8. Minnesota Statutes 2022, section 16E.21, subdivision 2, is amended to read:
Subd. 2. Charges. (a) Upon agreement of the participating agency, the 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, product, or services, subject to the review of the Legislative Advisory Commission
under subdivision 3.

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Subd. 2. Match requirement. The political subdivision receiving a grant must provide
for the remainder of the costs of the project that exceed available state match appropriated
funds, or that exceed goals defined in the statewide cybersecurity plan.
Subd. 3. Criteria. The department may set criteria for program priorities and standards of review.

Sec. 10. REPEALER.

Minneapolis Statutes 2022, section 16E.0466, subdivision 2, is repealed.