

CHAPTER 16E

OFFICE OF ENTERPRISE TECHNOLOGY

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16E.01 OFFICE OF ENTERPRISE TECHNOLOGY.

Subdivision 1. **Creation; chief information officer.** The Office of Enterprise Technology, referred to in this chapter as the "office," is an agency in the executive branch headed by the state chief information officer. The appointment of the chief information officer is subject to the advice and consent of the senate under section 15.066.

Subd. 1a. **Responsibilities.** The office shall provide oversight, leadership, and direction for information and telecommunications technology policy and the management, delivery, and security of information and telecommunications technology systems and services in Minnesota. The office shall manage strategic investments in information and telecommunications technology systems and services to encourage the development of a technically literate society, to ensure sufficient access to and efficient delivery of government services, and to maximize benefits for the state government as an enterprise.

Subd. 2. **Discretionary powers.** The office may:

(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) appoint committees and task forces of not more than two years' duration to assist the office in carrying out its duties;

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to information and communications technology issues;

(7) participate in the activities of standards bodies and other appropriate conferences related to information and communications technology issues;

(8) 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;

(9) 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

(10) review and recommend alternative sourcing strategies for state information and communications systems.

Subd. 3. **Duties.** (a) The office 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) ensure cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems and services, and define the structure and responsibilities of a representative governance structure;

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

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

(6) promote and collaborate with the state's agencies in the state's transition to an effectively competitive telecommunications market;

(7) collaborate with entities carrying out education and lifelong learning initiatives to assist Minnesotans in developing technical literacy and obtaining access to ongoing learning resources;

(8) 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;

(9) promote and coordinate electronic commerce initiatives to ensure that Minnesota businesses and citizens can successfully compete in the global economy;

(10) manage and promote the regular and periodic reinvestment in the information and telecommunications technology systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

(11) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services, electronic data practices and privacy, and electronic commerce among international, national, state, and local public and private organizations;

(12) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by other public and private organizations while building on the existing governmental, educational, business, health care, and economic development infrastructures;

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

(14) ensure overall security of the state's information and technology systems and services.

(b) The chief information officer, in consultation with the commissioner of finance, 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 finance 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 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.

(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 by the office.

(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 regarding projects the office has reviewed under paragraph (a), clause (2). The report must include the reasons for the determinations made in the review of each project and a description of its current status.

History: 1997 c 202 art 3 s 7; 1998 c 366 s 41; 1999 c 250 art 1 s 68; 1Sp2003 c 1 art 2 s 58; 2005 c 156 art 5 s 6,7; 2008 c 318 art 1 s 8

16E.02 OFFICE OF ENTERPRISE TECHNOLOGY; STRUCTURE AND PERSONNEL.

Subdivision 1. **Office 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 to the governor.

(b) The chief information officer may appoint other employees of the office. The staff of the office must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security.

Subd. 1a. **Accountability.** The chief information officer reports to the governor. The chief information officer must consult regularly with the commissioners of administration, finance, 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.

Subd. 2. **Intergovernmental participation.** The chief information officer or the chief information officer's designee shall serve as a member of the Geographic Information Systems

Council and the Library Planning Task Force or their respective successor organizations and as a nonvoting member of the Minnesota Health Data Institute.

Subd. 3. **Administrative support.** The commissioner of administration must provide office space and administrative support services to the office. The office must reimburse the commissioner for these services.

History: 1997 c 202 art 3 s 8; 1999 c 250 art 1 s 69; 2000 c 260 s 8; 2005 c 156 art 5 s 8

16E.03 STATE INFORMATION AND COMMUNICATIONS SYSTEMS.

Subdivision 1. **Definitions.** For the purposes of chapter 16E, the following terms have the meanings given them.

(a) "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.

(b) "Information and telecommunications technology project" means an effort to acquire or produce information and telecommunications technology systems and services.

(c) "Telecommunications" means voice, video, and data electronic transmissions transported by wire, wireless, fiber-optic, radio, or other available transport technology.

(d) "Cyber security" means the protection of data and systems in networks connected to the Internet.

(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.

(f) "Total expected project cost" includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase. Breaking a project into several phases does not affect the cost threshold, which must be computed based on the full cost of all phases.

Subd. 2. **Chief information officer's responsibility.** The chief information officer shall coordinate the state's information and telecommunications technology systems and services to serve the needs of the state government. 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;

(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.

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 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 finance shall cancel the unencumbered balance of any appropriation allotted for the project.

Subd. 4. **Evaluation procedure.** The chief information officer shall establish and, as necessary, update and modify procedures to evaluate information and communications projects proposed by state agencies. The evaluation procedure must assess the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with other options.

Subd. 5. **Report to legislature.** The chief information officer shall submit to the legislature, at the same time as the governor's budget required by section 16A.11, a concise narrative explanation of any information and communication technology project that involves collaboration between state agencies and an explanation of how the budget requests of the several agencies collaborating on the project relate to each other.

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 to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.

Subd. 7. **Cyber security systems.** In consultation with the attorney general and appropriate agency heads, the chief information officer shall develop cyber security policies, guidelines, and standards, and shall install and administer state data security systems on the state's computer facilities consistent with these policies, guidelines, standards, and state law to ensure the integrity of computer-based and other data and to ensure applicable limitations on access to data, consistent with the public's right to know as defined in chapter 13. The chief information officer is responsible for overall security of state agency networks connected to the Internet. Each department or agency head is responsible for the security of the department's or agency's data within the guidelines of established enterprise policy.

Subd. 8. **Joint actions.** The chief information officer may join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.

History: 1997 c 202 art 3 s 9; 1997 c 212 s 3,4; 1998 c 359 s 15; 1998 c 366 s 42-45; 1999 c 250 art 1 s 114; 2005 c 107 art 2 s 60; 2005 c 156 art 5 s 9-12,23; 2008 c 318 art 1 s 9

16E.035 TECHNOLOGY INVENTORY.

The chief information officer must prepare an inventory of technology owned or leased by state agencies. The inventory must include: (1) information on how the technology fits into the state's information technology architecture; and (2) a projected replacement schedule. The chief information officer must report the inventory to the legislative committees with primary jurisdiction over state technology issues by July 1 of each even-numbered year.

History: 1Sp2001 c 10 art 2 s 44; 2005 c 156 art 5 s 23

16E.04 INFORMATION AND TELECOMMUNICATIONS TECHNOLOGY POLICY.

Subdivision 1. **Development.** The office shall develop, establish, and enforce policies and standards for state agencies to follow in developing and purchasing information and telecommunications technology systems and services and training appropriate persons in their use. The office shall develop, promote, and manage state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.

Subd. 2. **Responsibilities.** (a) In addition to other activities prescribed by law, the office

shall carry out the duties set out in this subdivision.

(b) The office shall develop and establish a state information architecture to ensure that state agency development and purchase of information and communications systems, equipment, and services is designed to ensure that individual agency information systems complement and do not needlessly duplicate or conflict with the systems of other agencies. When state agencies have need for the same or similar public data, the chief information officer, in coordination with the affected agencies, shall manage the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. The office shall ensure compliance with the architecture.

(c) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's mission and the state's requirements and functions. The office shall review and approve agency technology plans to ensure consistency with enterprise information and telecommunications technology strategy. By January 15 of each year, the chief information officer must report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over the office regarding the assistance provided under this paragraph. The report must include a listing of agencies that have developed or are developing plans under this paragraph.

(d) The office shall review and approve agency requests for funding for the development or purchase of information systems equipment or software before the requests may be included in the governor's budget.

(e) The office shall review major purchases of information systems equipment to:

(1) ensure that the equipment follows the standards and guidelines of the state information architecture;

(2) ensure the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and

(3) ensure that the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency.

(f) The office shall review the operation of information systems by state agencies and ensure that these systems are operated efficiently and securely and continually meet the standards and guidelines established by the office. The standards and guidelines must emphasize uniformity that is cost-effective for the enterprise, that encourages information interchange, open systems environments, and portability of information whenever practicable and consistent with an agency's authority and chapter 13.

(g) The office shall conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost-beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.

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 finance when work has begun on a project and must identify the proposed budget for the project. The commissioner of finance 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.

History: 1997 c 202 art 3 s 10; 1999 c 250 art 1 s 114; 2000 c 488 art 12 s 17; 2001 c 7 s 11; 1Sp2001 c 10 art 2 s 45; 2005 c 156 art 5 s 13; 2008 c 318 art 1 s 10

16E.0465 TECHNOLOGY APPROVAL.

Subdivision 1. **Application.** This section applies to an appropriation of more than \$1,000,000 of state or federal funds to a state agency for any information and telecommunications technology project or for any phase of such a project, device, or system. For purposes of this section, an appropriation of state or federal funds to a state agency includes an appropriation:

- (1) to a constitutional officer;
- (2) for a project that includes both a state agency and units of local government; and
- (3) to a state agency for grants to be made to other entities.

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 finance may not authorize the encumbrance or expenditure of an appropriation of state funds to a state agency for any phase of a project, device, or system subject to this section unless the Office of Enterprise Technology has reviewed each phase of the project, device, or system, 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

(3) the project supports the enterprise information technology strategy.

Subd. 3. [Repealed, 2005 c 156 art 5 s 24]

History: *1Sp2001 c 10 art 2 s 46; 2005 c 156 art 5 s 14,15*

16E.05 GOVERNMENT INFORMATION ACCESS.

Subdivision 1. **Duties.** The office, 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;

(2) make recommendations to facilitate coordination and assistance of demonstration projects; and

(3) explore ways and means to improve citizen and business access to public services, including implementation of technological improvements.

Subd. 2. **Approval of state agency initiatives.** A state agency shall coordinate with the office when implementing a new initiative for providing electronic access to state government information.

Subd. 3. **Capital investment.** No state agency may propose or implement a capital investment plan for a state office building unless:

(1) the agency has developed a plan for increasing telecommuting by employees who would normally work in the building, or the agency has prepared a statement describing why such a plan is not practicable; and

(2) the plan or statement has been reviewed by the office.

History: *1997 c 202 art 3 s 11*

16E.055 ELECTRONIC GOVERNMENT SERVICES.

A state agency that implements electronic government services for fees, licenses, sales, or other purposes must use the single entry site created by the chief information officer for all agencies to use for electronic government services.

History: *1Sp2001 c 10 art 2 s 47; 2005 c 156 art 5 s 16*

16E.06 DATA PRIVACY.

The following data submitted to the office by businesses are private data on individuals or nonpublic data: financial statements, business plans, income and expense projections, customer lists, and market and feasibility studies not paid for with public funds.

History: *1997 c 202 art 3 s 12*

16E.07 NORTH STAR.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) **Core services.** "Core services" means information system applications required to provide secure information services and online applications and content to the public from government units. Online applications may include, but are not limited to:

- (1) standardized public directory services and standardized content services;
- (2) online search systems;
- (3) general technical services to support government unit online services;
- (4) electronic conferencing and communication services;
- (5) secure electronic transaction services;
- (6) digital audio, video, and multimedia services; and
- (7) government intranet content and service development.

(c) **Government unit.** "Government unit" means a state department, agency, commission, council, board, task force, or committee; a constitutional office; a court entity; the Minnesota State Colleges and Universities; a county, statutory or home rule charter city, or town; a school district; a special district; or any other board, commission, district, or authority created under law, local ordinance, or charter provision.

Subd. 2. **Established.** The office shall establish "North Star" as the state's comprehensive government online information service. North Star is the state's governmental framework for coordinating and collaborating in providing online government information and services. Government agencies that provide electronic access to government information are requested to make available to North Star their most frequently requested public data.

Subd. 3. **Access to data.** The legislature determines that the greatest possible access to certain government information and data is essential to allow citizens to participate fully in a democratic system of government. Certain information and data, including, but not limited to the following, must be provided free of charge or for a nominal cost associated with reproducing the information or data:

(1) directories of government services and institutions, including an electronic version of the guidebook to state agency services published by the commissioner of administration;

(2) legislative and rulemaking information, including an electronic version of the State Register, public information newsletters, bill text and summaries, bill status information, rule status information, meeting schedules, and the text of statutes and rules;

(3) Supreme Court and Court of Appeals opinions and general judicial information;

(4) opinions of the attorney general;

(5) Campaign Finance and Public Disclosure Board and election information;

(6) public budget information;

(7) local government documents, such as codes, ordinances, minutes, meeting schedules, and other notices in the public interest;

(8) official documents, releases, speeches, and other public information issued by government agencies; and

(9) the text of other government documents and publications that government agencies determine are important to public understanding of government activities.

Subd. 4. **Staff.** The chief information officer shall appoint the manager of the North Star online information service and hire staff to carry out the responsibilities of the service.

Subd. 5. **Participation; consultation; guidelines.** The North Star staff shall consult with governmental and nongovernmental organizations to establish rules for participation in the North Star service. Government units planning, developing, or providing publicly accessible online services shall provide access through and collaborate with North Star and formally register with the office. The University of Minnesota is requested to establish online connections and collaborate with North Star. Units of the legislature shall make their services available through North Star. Government units may be required to submit standardized directory and general content for core services but are not required to purchase core services from North Star. North Star shall promote broad public access to the sources of online information or services through multiple technologies.

Subd. 6. **Fees.** The office shall establish fees for technical and transaction services for government units through North Star. Fees must be credited to the North Star account. The office

may not charge a fee for viewing or inspecting data made available through North Star or linked facilities, unless specifically authorized by law.

Subd. 7. **North Star account.** The North Star account is created in the special revenue fund. The account consists of:

- (1) grants received from nonstate entities;
- (2) fees and charges collected by the office;
- (3) gifts, donations, and bequests made to the office; and
- (4) other money credited to the account by law.

Money in the account is appropriated to the office to be used to continue the development of the North Star project.

Subd. 8. **Secure transaction system.** The office shall plan and develop a secure transaction system to support delivery of government services electronically. A state agency that implements electronic government services for fees, licenses, sales, or other purposes must use the secure transaction system developed in accordance with this section.

Subd. 9. **Aggregation of service demand.** The office shall identify opportunities to aggregate demand for technical services required by government units for online activities and may contract with governmental or nongovernmental entities to provide services. These contracts are not subject to the requirements of chapters 16B and 16C, except sections 16C.04, 16C.08, and 16C.09.

Subd. 10. **Outreach.** The office may promote the availability of government online information and services through public outreach and education. Public network expansion in communities through libraries, schools, colleges, local government, and other community access points must include access to North Star. North Star may make materials available to those public sites to promote awareness of the service.

Subd. 11. **Advanced development collaboration.** The office shall identify information technology services with broad public impact and advanced development requirements. Those services shall assist in the development of and utilization of core services to the greatest extent possible where appropriate, cost-effective, and technically feasible. This includes, but is not limited to, higher education, statewide online library, economic and community development, and K-12 educational technology services. North Star shall participate in electronic commerce research and development initiatives with the University of Minnesota and other partners. The statewide online library service shall consult, collaborate, and work with North Star to ensure development of proposals for advanced government information locator and electronic depository and archive systems.

History: 1997 c 202 art 2 s 63; art 3 s 13; 1998 c 366 s 46; 1998 c 386 art 2 s 15; 1999 c 250 art 1 s 114; 1Sp2003 c 1 art 2 s 59; 2005 c 156 art 5 s 17,23

16E.08 [Repealed, 1Sp2001 c 10 art 2 s 102]

16E.09 [Repealed, 1Sp2003 c 1 art 2 s 136]

16E.11 [Repealed, 1999 c 250 art 1 s 115]

16E.12 [Repealed, 1999 c 250 art 1 s 115]

16E.13 [Repealed, 1999 c 250 art 1 s 115]

16E.14 ENTERPRISE TECHNOLOGY REVOLVING FUND.

Subdivision 1. **Creation.** The enterprise technology revolving fund is created in the state treasury.

Subd. 2. **Appropriation and uses of fund.** Money in the enterprise technology revolving fund is appropriated annually to the chief information officer to operate information and telecommunications services, including management, consultation, and design services.

Subd. 3. **Reimbursements.** Except as specifically provided otherwise by law, each agency shall reimburse the enterprise technology revolving fund for the cost of all services, supplies, materials, labor, and depreciation of equipment, including reasonable overhead costs, which the chief information officer is authorized and directed to furnish an agency. The chief information officer shall report the rates to be charged for the revolving fund no later than July 1 each year to the chair of the committee or division in the senate and house of representatives with primary jurisdiction over the budget of the Office of Enterprise Technology.

Subd. 4. **Cash flow.** The commissioner of finance 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 finance, may require an agency to make advance payments 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 enterprise technology revolving fund.

Subd. 5. **Liquidation.** If the enterprise technology revolving fund is abolished or liquidated, the total net profit from the operation of the fund must be distributed to the various funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bears to the total purchases from

all the funds during the same period of time.

History: 2005 c 156 art 5 s 18

16E.15 SOFTWARE SALES.

Subdivision 1. **Authorization.** The chief information officer may sell or license computer software products or services developed by state agencies or custom developed by a vendor, through whatever sales method the chief information officer considers appropriate. Prices for the software products or services may be based on market considerations.

Subd. 2. **Software sale fund.** (a) Except as provided in paragraphs (b) and (c), proceeds of the sale or licensing of software products or services by the chief information officer must be credited to the enterprise technology revolving fund. If a state agency other than the Office of Enterprise Technology has contributed to the development of software sold or licensed under this section, the chief information officer may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds of the sale or licensing of software products or services developed by the Pollution Control Agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

(c) Proceeds of the sale or licensing of software products or services developed by the Department of Education, or custom developed by a vendor for the agency, to support the achieved savings assessment program, must be appropriated to the commissioner of education and credited to the weatherization program to support weatherization activities.

History: 1987 c 365 s 12; 1990 c 506 art 2 s 12; 1991 c 199 art 1 s 6; 1995 c 220 s 27; 1999 c 205 art 4 s 1; 2003 c 130 s 12; 2005 c 156 art 5 s 23; 2007 c 100 s 1

16E.16 MODIFICATION OF OPERATING AND MANAGEMENT PROCEDURES.

When improved program effectiveness, better use of services, and greater efficiency and economy in state government can be demonstrated, the chief information officer with the approval of the governor may require a state agency to adjust its operating and management procedures to take advantage of improved systems, procedures, and methods resulting from systems analysis and information science technology.

History: 1984 c 544 s 49; 2005 c 156 art 5 s 23

16E.17 TELECOMMUNICATION; POWERS.

The chief information officer shall supervise and control all state telecommunication facilities and services, including any transmission, emission, or reception of signs, signals, writing, images, and sounds or intelligence of any nature by wire, radio, optical, or other

electromagnetic systems. Nothing in this section or section 16E.18 modifies, amends, or abridges any powers and duties presently vested in or imposed upon the commissioner of transportation or the commissioner of public safety relating to telecommunications facilities or the commissioner of transportation relating only to radio air navigation facilities or other air navigation facilities.

History: 1984 c 544 s 51; 1999 c 250 art 1 s 60; 2005 c 156 art 5 s 23

16E.18 STATE INFORMATION INFRASTRUCTURE.

Subdivision 1. **Policy.** (a) The state through its departments and agencies shall seek ways to meet its telecommunications needs in a manner that will help to promote investment and growth of the private sector information infrastructure throughout the state.

(b) The chief information officer shall ensure that telecommunications services are acquired in a manner that:

(1) promotes the availability of technologies with statewide high-speed or advanced telecommunications capability for both public and private customers in a reasonable and timely fashion;

(2) enables the cost-effective provision of telecommunications services to the entities identified in this section;

(3) uses standards-based open, interoperable networks to the extent practicable;

(4) promotes fair and open competition in the delivery of telecommunications services;

(5) allows effective state information infrastructure network management, responsiveness, and fault protection;

(6) provides networkwide security and confidentiality as appropriate for promoting public safety, health, and welfare; and

(7) meets performance standards that are reasonable and necessary.

(c) The state may purchase, own, or lease customer premises equipment. Customer premises equipment consists of terminal and associated equipment and inside wire located at an end user's premises and connected with communication channels at the point established in a building or a complex to separate customer equipment from the network. Customer premises equipment also includes, but is not limited to, communications devices eligible for distribution to communications impaired persons under section 237.51, subdivision 1.

(d) This section does not prohibit the chief information officer or other governmental entity from owning, leasing, operating, and staffing a network operation center that allows the chief information officer to test, troubleshoot, and maintain network operations.

Subd. 2. **Creation.** Except as provided in subdivision 4, the chief information officer, through the state information infrastructure, shall arrange for the provision of information

technology and telecommunications services to state agencies. The state information infrastructure may also serve educational institutions, including public schools as defined in section 120A.05, subdivisions 9, 11, 13, and 17, nonpublic, church or religious organization schools that provide instruction in compliance with sections 120A.22, 120A.24, and 120A.41, and private colleges; public corporations; Indian tribal governments; state political subdivisions; and public noncommercial educational television broadcast stations as defined in section 129D.12, subdivision 2. It is not a telephone company for purposes of chapter 237. The chief information officer may purchase, own, or lease any telecommunications network facilities or equipment after first seeking bids or proposals and having determined that the private sector cannot, will not, or is unable to provide these services, facilities, or equipment as bid or proposed in a reasonable or timely fashion consistent with policy set forth in this section. The chief information officer shall not resell or sublease any services or facilities to nonpublic entities except to serve private schools and colleges. The chief information officer has the responsibility for planning, development, and operations of the state information infrastructure in order to provide cost-effective telecommunications transmission services to state information infrastructure users consistent with the policy set forth in this section.

Subd. 3. **Duties.** (a) The chief information officer shall:

(1) arrange for information technology and telecommunications services to the state and to political subdivisions through an account in the enterprise technology revolving fund;

(2) manage vendor relationships, network function, and capacity planning in order to be responsive to the needs of the state information infrastructure users;

(3) set rates and fees for services;

(4) approve contracts for services, facilities, or equipment relating to the system;

(5) develop a system plan and the annual program and fiscal plans for the system; and

(6) in consultation with the commissioner of education in regard to schools, assist state agencies, political subdivisions of the state, and higher education institutions, including private colleges and public and private schools, to identify their telecommunication needs, and develop plans for interoperability of the network consistent with the policies in subdivision 1, paragraphs (a) and (b). When requested, the chief information officer may also assist in identifying, purchasing, or leasing their customer premises equipment.

(b) The chief information officer may purchase, own, or lease any telecommunications network facilities or equipment after first seeking bids or proposals and having determined that the private sector cannot, will not, or is unable to provide these services, facilities, or equipment as bid or proposed in a reasonable and timely fashion consistent with the policy set forth in this section.

Subd. 4. **Program participation.** The chief information officer may require the

participation of state agencies and the commissioner of education, and may request the participation of the Board of Regents of the University of Minnesota and the Board of Trustees of the Minnesota State Colleges and Universities, in the planning and implementation of the network to provide interconnective technologies. The Board of Trustees of the Minnesota State Colleges and Universities may opt out of participation as a subscriber on the network, in whole or in part, if the board is able to secure telecommunications services from another source that ensures it will achieve the policy objectives set forth in subdivision 1.

Subd. 5. **Alternative aggregation.** The chief information officer may, but is not required to, approve community-based aggregation of demand for telecommunications services for state agencies, including Minnesota State Colleges and Universities. To be considered a community-based aggregation project:

(1) the project must aggregate telecommunications demands of state agencies with that of the private sector in a community or a group of communities in a geographic region to the extent permitted by law; and

(2) the aggregation must result in telecommunications infrastructure improvements that ensure the policy set forth in subdivision 1, paragraphs (a) and (b).

Subd. 6. **Rates.** (a) The chief information officer shall establish reimbursement rates in cooperation with the commissioner of finance to be billed to participating agencies and educational institutions sufficient to cover the operating, maintenance, and administrative costs of the system.

(b) Except as otherwise provided in subdivision 4, a direct appropriation made to an educational institution for usage costs associated with the state information infrastructure must only be used by the educational institution for payment of usage costs of the network as billed by the chief information officer.

Subd. 7. **Appropriation.** Money appropriated for the state information infrastructure and fees for telecommunications services must be deposited in an account in the enterprise technology revolving fund. Money in the account is appropriated annually to the chief information officer to carry out the purposes of this section.

Subd. 8. **Exemption.** The system is exempt from the five-year limitation on contracts set by sections 16C.05, subdivision 2, paragraph (b), 16C.08, subdivision 3, clause (5), and 16C.09, clause (6).

History: 1989 c 246 s 2; 1989 c 335 art 1 s 64; 1990 c 594 art 1 s 47; 1991 c 345 art 1 s 64; 1992 c 514 s 10-12; 1994 c 634 art 1 s 8,9; 1Sp1995 c 3 art 12 s 1; 1996 c 398 s 15; 1997 c 202 art 3 s 4; 1998 c 359 s 9; 1998 c 386 art 2 s 14; 1998 c 397 art 11 s 3; 1998 c 398 art 5 s 55; 1999 c 86 art 1 s 10; 1999 c 214 art 2 s 1; 1999 c 250 art 1 s 61; 2001 c 162 s 5; 2003 c 130 s 12; 1Sp2003 c 1 art 2 s 41,42; 2005 c 156 art 5 s 23; 2007 c 100 s 2-4

16E.19 ADMINISTRATION OF STATE COMPUTER FACILITIES.

Subdivision 1. **Chief information officer's responsibility.** The chief information officer shall integrate and operate the state's centralized computer facilities to serve the needs of state government. The chief information officer shall provide technical assistance to state agencies in the design, development, and operation of their computer systems.

Subd. 2. **Joint actions.** The chief information officer may, within available funding, join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.

History: 1997 c 202 art 3 s 5; 2005 c 156 art 5 s 23

16E.20 ELECTRONIC CONDUCT OF STATE BUSINESS.

The chief information officer shall develop and implement a system under which:

(1) state business can be conducted and permits or licenses obtained through electronic communication with the appropriate state agencies; and

(2) applications for grants can be made electronically to state agencies when feasible.

History: 1994 c 559 s 2; 1997 c 202 art 3 s 6; 2000 c 332 s 2; 2005 c 156 art 5 s 23

16E.21 INFORMATION AND TELECOMMUNICATIONS ACCOUNT.

Subdivision 1. **Account established; appropriation.** The information and telecommunications technology systems and services account is created in the special revenue fund. Receipts credited to the account are appropriated to the Office of Enterprise Technology for the purpose of defraying the costs of personnel and technology for activities that create government efficiencies in accordance with this chapter.

Subd. 2. **Charges.** Upon agreement of the participating agency, the Office of Enterprise Technology may collect a charge 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.

History: 2006 c 282 art 14 s 9