

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SESSION LAW 1999-434
SENATE BILL 222

AN ACT TO PROVIDE FOR STATE AND LOCAL GOVERNMENTS TO ACCEPT CREDIT CARDS, CHARGE CARDS, DEBIT CARDS, AND ELECTRONIC FUNDS TRANSFERS FOR PAYMENT OF GOVERNMENT FEES, COSTS, AND DEBTS, TO ALLOW LOCAL GOVERNMENTS TO ACCEPT CREDIT CARDS, CHARGE CARDS, DEBIT CARDS, AND ELECTRONIC FUNDS TRANSFERS FOR PAYMENT OF PROPERTY TAXES, AND TO CREATE THE OFFICE OF INFORMATION TECHNOLOGY TO STRENGTHEN THE MANAGEMENT OF INFORMATION TECHNOLOGY IN STATE GOVERNMENT, ENHANCE ACCOUNTABILITY OF INFORMATION TECHNOLOGY EXPENDITURES, IMPROVE COST-EFFECTIVE INFORMATION TECHNOLOGY INVESTMENTS, INCREASE INFORMATION TECHNOLOGY EFFICIENCIES, AND CLARIFY AREAS OF RESPONSIBILITY FOR STATE INFORMATION TECHNOLOGY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 147-86.20 is amended by adding a new subdivision to read:

"(2a) Electronic payment. – Payment by charge card, credit card, debit card, or by electronic funds transfer as defined in this subsection."

Section 2. G.S. 147-86.10 reads as rewritten:

"§ 147-86.10. Statement of policy.

It is the policy of the State of North Carolina that all agencies, institutions, departments, bureaus, boards, ~~commissions~~ commissions, and officers of the State, whether or not subject to the Executive Budget Act, Chapter 143, Article 1 of the General Statutes, shall devise techniques and procedures for the receipt, deposit, and disbursement of moneys coming into their control and custody which are designed to maximize interest-bearing investment of cash, and to minimize idle and nonproductive cash balances. This policy shall apply to the General Court of Justice as defined in Article IV of the North Carolina Constitution, the public school administrative units, and the community colleges with respect to the receipt, deposit, and disbursement of moneys required by law to be deposited with the State Treasurer and with respect to moneys made available to them for expenditure by warrants drawn on the State Treasurer. This policy shall include the acceptance of electronic payments in accordance with G.S. 147-86.22 to the maximum extent possible consistent with sound business practices."

Section 3. G.S. 147-86.22(b) reads as rewritten:

"(b) ~~Credit Card Electronic Payment.~~ – Notwithstanding the provisions of G.S. 147-86.20 and G.S. 147-86.21, this subsection applies to debts owed a community college, a local school administrative unit, an area mental health, developmental disabilities, and substance abuse authority, and the Administrative Office of the Courts, and to debts payable to or through the office of a clerk of superior court or a magistrate, as well as to debts owed to other State agencies as defined in G.S. 147-86.20. ~~The~~

The State Controller ~~may~~ shall establish policies that allow accounts receivable to be payable under certain conditions, with the concurrence of the State Treasurer, by ~~credit card.~~ conditions by electronic payment. These policies shall be established with the concurrence of the State Treasurer. In addition, any policies that apply to debts payable to or through the office of a clerk of superior court or a magistrate shall be established with the concurrence of the Administrative Officer of the Courts. The Administrative Officer of the Courts may also establish policies otherwise authorized by law that apply to these debts as long as those policies are not inconsistent with the Controller's policies.

A condition of payment by ~~credit card~~ electronic payment is receipt by the appropriate State agency of the full amount of the account receivable owed to the State agency. A debtor who pays by ~~credit card~~ electronic payment shall ~~may~~ be required to include an amount equal to any fee charged by a depository financial institution for processing the credit card payment. ~~pay any fee or charge associated with the use of electronic payment. Fees associated with processing electronic payments may be paid out of the General Fund and Highway Fund if the payment of the fee by the State is economically beneficial to the State and the payment of the fee by the State has been approved by the State Controller and State Treasurer.~~

The State Controller and State Treasurer shall consult with the Joint Legislative Commission on Governmental Operations before establishing policies that allow accounts receivable to be payable by electronic payment and before authorizing fees associated with electronic payment to be paid out of the General Fund and Highway Fund. A State agency must also consult with the Joint Legislative Commission on Governmental Operations before implementing any program to accept payment under the policies established pursuant to this subsection.

A payment of an account receivable that is made by ~~credit card~~ electronic payment and is not honored by the issuer of the ~~credit card~~ or the financial institution offering electronic funds transfer does not relieve the debtor of the obligation to pay the account receivable."

Section 4. G.S. 147-86.11 reads as rewritten:

"§ 147-86.11. Cash management for the State.

(a) Uniform Plan. – The State Controller, with the advice and assistance of the State Treasurer, the State Budget Officer, and the State Auditor, shall develop, implement and amend as necessary a uniform statewide plan to carry out the cash management policy for all State agencies. The State Auditor shall report annually to the Advisory Budget Commission and the General Assembly on the implementation of the plan as shown in the audits completed during the prior fiscal year. The State Treasurer shall recommend periodically to the General Assembly any implementing legislation necessary or desirable in the furtherance of the State policy. When used in this section,

'State agency' means any agency, institution, bureau, board, commission or officer of the State; however, except as provided in G.S. 147-86.12, 147-86.13, ~~and 147-86.14, 147-86.14, and 147-86.22,~~ this Article ~~shall~~ does not apply to the agencies, institutions, bureaus, boards, commissions and officers of the General Court of Justice as defined in Article IV of the North Carolina Constitution or to the local school administrative units and community colleges and their officers and employees.

(b) Duties of Auditor. – The State Auditor pursuant to ~~his~~ authority under G.S. 147-64.6 shall monitor agency compliance with this Article, and make any comments, suggestions, and recommendations ~~he~~ the Auditor deems advisable to the agencies.

(c) Treasurer's Report. – The State Treasurer shall publish a quarterly report on all funds in the control or custody of the State Treasurer showing cash balances on hand, investments of cash balances and a comparative analysis of earnings and investment performances.

(d) Earnings on Trust Funds. – The statewide cash management plan shall provide that any net earnings on invested funds, whose beneficial owner is not the State or a local governmental unit, shall be paid to the beneficial owners of the funds. 'Net earnings' are the amounts remaining after allowance for the cost of administration, management, and operation of the invested funds.

(e) Elements of Plan. – For moneys received or to be received, the statewide cash management plan shall provide at a minimum that:

- (1) Except as otherwise provided by law, moneys received by employees of State agencies in the normal course of their employment shall be deposited as follows:
 - a. Moneys received in trust for specific beneficiaries for which the employee-custodian has a duty to invest shall be deposited with the State Treasurer under the provisions of G.S. 147-69.3.
 - b. All other moneys received shall be deposited with the State Treasurer pursuant to G.S. 147-77 and G.S. 147-69.1.
- (2) Moneys received shall be deposited daily in the form and amounts received, except as otherwise provided by ~~statute;~~ statute.
- (3) Moneys due to a State agency by another governmental agency or by private persons shall be promptly billed, collected and ~~deposited;~~ deposited.
- (4) Unpaid billings due to a State agency shall be turned over to the Attorney General for collection no more than 90 days after the due date of the billing, except that a State agency need not turn over to the Attorney General unpaid billings of less than five hundred dollars (\$500.00), or (for institutions where applicable) amounts owed by all patients which are less than the federally established deductible applicable to Part A of the Medicare program, and instead may handle these unpaid bills pursuant to agency debt collection ~~procedures;~~ and procedures.
- (5) Moneys received in the form of warrants drawn on the State Treasurer shall be deposited by the State agency directly with the State Treasurer

and not through the banking system, unless otherwise approved by the State Treasurer.

(6) State agencies shall accept payment by electronic payment in accordance with G.S. 147-86.22 to the maximum extent possible consistent with sound business practices.

(f) Disbursement Requirements. – For the disbursement of money, the statewide cash management plan shall provide at a minimum that:

(1) Moneys deposited with the State Treasurer remain on deposit with the State Treasurer until final disbursement to the ultimate ~~payee;~~ payee.

(2) The order in which appropriations and other available resources are expended shall be subject to the provisions of G.S. 143-27 regardless of whether the State agency disbursing or expending the moneys is subject to the Executive Budget ~~Act;~~ Act.

(3) Federal and other reimbursements of expenditures paid from State funds shall be paid immediately to the source of the State ~~funds;~~ funds.

(4) Billings to the State for goods received or services rendered shall be paid neither early nor late but on the discount date or the due date to the extent ~~practicable;~~ and practicable.

(5) Disbursement cycles for each agency shall be established to the extent practicable so that the overall efficiency of the warrant disbursement system is maximized while maintaining prompt payment of bills due.

(g) Interest Maximized. – The interest earnings of the General Fund and Highway Fund shall be maximized to the extent practicable. To this end:

(1) Interest earnings shall not be allocated to an account by the State Treasurer unless all of the moneys in the account are expressly eligible by law for receiving interest ~~allocations;~~ allocations.

(2) State officers and employees who received moneys in trust or for investment shall be solely responsible for properly segregating such funds for investment in the manner prescribed by law. The officer or employee charged with the responsibility for these moneys shall be under a duty to segregate the funds in a timely manner. No investment income shall be allocated by the State Treasurer to trust or other investment accounts until properly segregated into investment accounts as provided by law and the rules of the State Treasurer.

(h) New Technologies. – The statewide cash management plan shall consider new technologies and procedures whenever the technologies and procedures are economically beneficial to the State as a whole. Where the new technologies and procedures may be implemented without additional legislation, the technologies and procedures shall be implemented in the plan.

(i) Penalty. – A willful or continued failure of an employee paid from State funds or employed by a State agency to follow the statewide cash management plan is sufficient cause for immediate dismissal of the employee."

Section 5. Article 3 of Chapter 159 of the General Statutes is amended by adding a new section to read:

"§ 159-32.1. Electronic payment.

A unit of local government, public hospital, or public authority may, in lieu of payment by cash or check, accept payment by electronic payment as defined in G.S. 147-86.20 for any tax, assessment, rate, fee, charge, rent, interest, penalty, or other receivable owed to it. A unit of local government, public hospital, or public authority may pay any negotiated discount, processing fee, transaction fee, or other charge imposed by a credit card, charge card, or debit card company, or by a third-party merchant bank, as a condition of contracting for the unit's or the authority's acceptance of electronic payment. A unit of local government, public hospital, or public authority may impose the fee or charge as a surcharge on the amount paid by the person using electronic payment."

Section 5.1. G.S. 159-39 is amended by adding a new subsection to read:

"(i) Public hospitals may accept electronic payments pursuant to G.S. 159-32.1."

Section 6. G.S. 105-357(b) reads as rewritten:

"(b) Acceptance of Checks and Credit Cards.~~Checks and Electronic Payment.~~ – The tax collector may accept ~~echecks, credit cards,~~ checks and electronic payments, as defined in G.S. 147-86.20, ~~or both~~ in payment of ~~taxes.~~ taxes, as authorized by G.S. 159-32.1. Acceptance of a check or credit card ~~electronic payment~~ is at the tax collector's own risk. A tax collector who accepts ~~credit cards in payment~~ electronic payment of taxes may add a fee to each ~~credit card~~ electronic payment transaction to offset the service charge the taxing unit pays for ~~credit card~~ electronic payment service. A tax collector who accepts ~~a credit card~~ electronic payment or check in payment of taxes may issue the tax receipt immediately or withhold the receipt until the check has been collected or the ~~credit card~~ electronic payment invoice has been honored by the issuer.

If a tax collector accepts a check or ~~a credit card~~ an electronic payment and issues a tax receipt and the check is returned unpaid (without negligence on the part of the tax collector in presenting the check for payment) or the ~~credit card~~ electronic payment invoice is not honored by the issuer, the taxes for which the check or ~~credit card~~ electronic payment was given shall be deemed unpaid; the tax collector shall immediately correct the copy of the tax receipt and other appropriate records to show the fact of nonpayment, and shall give written notice by certified or registered mail to the person to whom the tax receipt was issued to return it to the tax collector. After correcting the records to show the fact of nonpayment, the tax collector shall proceed to collect the taxes by the use of any remedies allowed for the collection of taxes or by bringing a civil action on the check or ~~credit card~~ electronic payment.

A financial institution with which a taxing unit has contracted for receipt of payment of taxes may accept a check in payment of taxes. If the check is honored, the financial institution shall so notify the tax collector, who shall, upon request of the taxpayer, issue a receipt for payment of the taxes. If the check is returned unpaid, the financial institution shall so notify the tax collector, who shall proceed to collect the taxes by use of any remedy allowed for collection of taxes or by bringing a civil action on the check.

(1) Effect on Tax Lien. – If the tax collector accepts a check or ~~credit card~~ electronic payment in payment of taxes on real property and issues the

receipt, and the check is later returned unpaid or the ~~credit-card~~ electronic payment invoice is not honored by the issuer, the taxing unit's lien for taxes on the real property shall be inferior to the rights of purchasers for value and of persons acquiring liens of record for value if the purchasers or lienholders acquire their rights in good faith and without actual knowledge that the check has not been collected or the ~~credit-card~~ electronic payment invoice has not been honored, after examination of the copy of the tax receipt in the tax collector's office during the time that record showed the taxes as paid or after examination of the official receipt issued to the taxpayer prior to the date on which the tax collector notified the taxpayer to return the receipt.

- (2) Penalty. – In addition to interest for nonpayment of taxes provided by G.S. 105-360 and in addition to any criminal penalties provided by law for the giving of worthless checks, the penalty for giving in payment of taxes a check that is returned because of insufficient funds or nonexistence of an account of the drawer is ten percent (10%) of the amount of the check, subject to a minimum of one dollar (\$1.00) and a maximum of one thousand dollars (\$1,000). This penalty does not apply if the tax collector finds that, when the check was presented for payment, the drawer of the check had sufficient funds in an account at a financial institution in this State to pay the check and, by inadvertance, the drawer of the check failed to draw the check on the account that had sufficient funds. This penalty shall be added to and collected in the same manner as the taxes for which the check was given."

Section 7. G.S. 132-1.2 reads as rewritten:

"§ 132-1.2. Confidential information.

Nothing in this ~~Article~~ Chapter shall be construed to require or authorize a public agency or its subdivision to disclose any information ~~which:~~ that:

- (1) Meets all of the following conditions:
 - (1) a. Constitutes a "trade secret" as defined in ~~G.S. 66-152(3);~~ G.S. 66-152(3).
 - (2) b. Is the property of a private "person" as defined in ~~G.S. 66-152(2);~~ G.S. 66-152(2).
 - (3) c. Is disclosed or furnished to the public agency in connection with the owner's performance of a public contract or in connection with a bid, application, proposal, industrial development project, or in compliance with laws, regulations, rules, or ordinances of the United States, the State, or political subdivisions of the ~~State;~~ and State.
 - (4) d. Is designated or indicated as "confidential" or as a "trade secret" at the time of its initial disclosure to the public agency.

- (2) Reveals an account number for electronic payment as defined in G.S. 147-86.20 and obtained pursuant to Articles 6A or 6B of Chapter 147 of the General Statutes or G.S. 159-32.1."

Section 8. G.S. 143B-472.43 is repealed.

Section 9. Part 16 of Article 10 of Chapter 143B of the General Statutes is amended by adding the following sections to read:

"§ 143B-472.40. Legislative intent.

It is the purpose of this Article to strengthen the management of information technology in State government by enhancing the accountability for expenditures, providing for more cost-effective investments, improving operational efficiencies, and clarifying responsibilities for maximizing benefits from related assets.

"§ 143B-472.40A. Definitions.

As used in this Part:

- (1) 'Distributed information technology assets' means hardware, software, and communications equipment not classified as traditional mainframe-based items, including personal computers, local area networks (LANs), servers, mobile computers, peripheral equipment, and other related hardware and software items.
- (2) 'Information technology' means electronic data processing goods and services and telecommunications goods and services, microprocessors, software, information processing, office systems, any services related to the foregoing, and consulting or other services for design or redesign of information technology supporting business processes.
- (3) 'Information technology portfolio management' means a business-based approach for analyzing and ranking potential technology investments and selecting those investments that are the most cost-effective in supporting the strategic business and program objectives of the agency.
- (4) 'Information technology enterprise management' means a method for managing distributed information technology assets from acquisition through retirement so that total ownership costs (purchase, operation, maintenance, disposal, etc.) are minimized while maximum benefits are realized.
- (5) 'Office' means the Office of Information Technology Services as established in this Part."

Section 10. Part 16 of Article 10 of Chapter 143B of the General Statutes is amended by adding the following sections to read:

"§ 143B-472.50. Office of Information Technology Services; State Chief Information Officer.

(a) There is established the Office of Information Technology Services as a division of the Department of Commerce. The Office may also be referred to as 'ITS'.

(b) The Office of Information Technology Services shall be managed and administered by the State Chief Information Officer who shall be appointed by the

Secretary of Commerce. The State Chief Information Officer shall report to the Secretary.

"§ 143B-472.51. Powers and duties of Office of Information Technology Services.

(a) The Office of Information Technology Services has the following powers and duties:

- (1) Procure all information technology for State agencies, except The University of North Carolina and its constituent institutions.
- (2) Submit for approval of the Information Resources Management Commission all rates and fees for common, shared State government-wide technology services provided by the Office.
- (3) Submit for approval of the Information Resources Management Commission recommended State government-wide, enterprise-level policies for information technology.
- (4) Develop standards, procedures, and processes to implement policies approved by the Information Resources Management Commission.
- (5) Assure that State agencies implement and manage information technology portfolio-based management of State information technology resources, in accordance with the direction set by the State Chief Information Officer.
- (6) Assure that State agencies implement and manage information technology enterprise management effort of State government, in accordance with the direction set by the State Chief Information Officer.
- (7) Provide recommendations to the Information Resources Management Commission for its biennial technology strategy and to develop State government-wide technology initiatives to be approved by the Information Resources Management Commission.
- (8) Develop a project management, quality assurance, and architectural review process that adheres to the Information Resources Management Commission's certification program and portfolio-based management initiative.
- (9) Establish and utilize the Information Technology Management Advisory Council to consist of representatives from other State agencies to advise the Office on information technology business management and technology matters.

(b) Other State agencies and local governmental entities may use the information technology programs, services, or contracts offered by the Office in accordance with the policies and rules adopted by the Information Resources Management Commission.

"§ 143B-472.52. Information technology portfolio-based management.

- (a) The purposes of information technology portfolio-based management are to:
- (1) Ensure agencies link agency information technology investments with business plans.
 - (2) Facilitate risk assessment of information technology projects and investments.

- (3) Ensure agencies justify information technology investments on the basis of sound business cases.
- (4) Ensure agencies facilitate development and review of information technology performance related to business operations.
- (5) Identify projects that can cross agency and program lines in order to leverage resources.
- (6) Assist in State government-wide planning for common, shared information technology infrastructure.

(b) The Office shall coordinate with the Office of State Budget and Management and the Office of State Planning to integrate agency strategic and business planning, technology planning and budgeting, and project expenditure processes into the Office's information technology portfolio-based management. The Office shall provide recommendations for agency annual budget requests for information technology investments, projects, and initiatives to the Office of State Budget and Management.

(c) In cooperation with State agencies, the Office shall conduct and maintain a continuous inventory of each State agency's current and planned investments in information technology, a compilation of information about these assets, and the total life cycle cost of these assets. In implementing the provisions of this subsection, the Office shall submit State government-wide policies for review and approval to the Information Resources Management Commission. The Office shall consult with the Office of State Controller to establish and implement the State government-wide information technology inventory. The Office shall develop and implement State government-wide standards, processes, and procedures for the required inventory and for the management of the State government-wide information technology portfolio. State agencies shall participate in the information technology portfolio management and shall comply with the standards and processes established by the Office in accordance with this subsection. The provisions of this subsection shall not relieve any department, institution, or agency of the State government from accountability for equipment, materials, supplies, and tangible and intangible personal property under its control.

(d) No State agency information technology project shall proceed without the prior certification by the Information Resources Management Commission of the project. The Information Resources Management Commission may establish thresholds at an agency level based on project cost, potential project risk, or agency size and budget.

"§ 143B-472.53. Enterprise management of information technology assets.

(a) The purpose of enterprise management is to create a plan and implement a State government-wide approach for managing distributed information technology assets to minimize total life cycle costs of assets, defined as total ownership costs from acquisition through retirement, while realizing maximum benefits for transacting the State's business and delivering services to its citizens.

(b) With input and recommendations from State agencies, the Office shall develop a plan for the State government-wide management of distributed information technology assets. The plan shall prescribe the State government-wide infrastructure

and services for managing these assets. The plan shall be submitted to the Information Resources Management Commission for approval.

(c) Upon receiving approval by the Information Resources Management Commission, the Office shall ensure agency implementation of the plan, including the development of appropriate standards, processes, and procedures. The implementation effort shall follow Information Resources Management Commission project reporting policies. State agencies must participate in the enterprise management of information technology assets and must comply with the standards and processes of the Office.

"§ 143B-472.54. Procurement of information technology.

Notwithstanding any other provision of law, the Office shall procure all information technology for State agencies except The University of North Carolina and its constituent institutions. The Office shall integrate technological review, cost analysis, and procurement for all information technology needs of those State agencies in order to make procurement and implementation of technology more responsive, efficient, and cost-effective.

"§ 143B-472.55. Powers and duties for procurement of information technology.

The Office shall have the authority and responsibility, subject to the provisions of this Part, to:

- (1) Purchase or to contract for, by suitable means in conformity with G.S. 143-135.9, all information technology in the State government, or any of its departments, institutions, or agencies covered by this Part, or to authorize any department, institution, or agency covered by this Part to purchase or contract for such information technology.
- (2) Establish processes, specifications, and standards which shall apply to all information technology to be purchased, licensed, or leased in the State government or any of its departments, institutions, or agencies covered by this Part.
- (3) Comply with the State government-wide technical architecture, as required by the Information Resources Management Commission.

"§ 143B-472.56. Restriction on contractual authority of State agencies for information technology.

All State agencies covered by this Part shall use contracts for information technology acquired by the Office for any information technology required by the State agency that is provided by these contracts. Notwithstanding any other statute, the authority of State agencies to procure or obtain information technology shall be subject to compliance with the provisions of this Part. The Office shall have the authority to exercise the authority of State agencies to procure or obtain information technology as otherwise provided by statute.

"§ 143B-472.57. Attorney General contract assistance.

At the request of the State Chief Information Officer, the Attorney General shall provide legal advice and services necessary to implement this Part.

"§ 143B-472.58. Information technology procurement requirements.

(a) Policy. – In order to further the policy of the State to encourage and promote the use of small, minority, physically handicapped, and women contractors in State

purchasing of goods and services, all State agencies covered by this Part shall cooperate with the Office in efforts to encourage the use of small, minority, physically handicapped, and women contractors in achieving the purpose of this Part, which is to provide for the effective and economical acquisition, management, and disposition of information technology.

(b) Reporting. – Every State agency required by this Part to use the services of the Office in the procurement of information technology which purchases information technology directly shall report to the Office the information required by G.S. 143-48(b) and the Office shall report to the Department of Administration in accordance with G.S. 143-48(b).

(c) The Department of Administration shall collect and compile the data described in this section and report it annually to the Office.

"§ 143B-472.59. Unauthorized use of public purchase or contract procedures for private benefit.

(a) It shall be unlawful for any person, by the use of the powers, policies, or procedures described in this Part or established hereunder, to purchase, attempt to purchase, procure, or attempt to procure any property or services for private use or benefit.

(b) This prohibition shall not apply if:

(1) The department, institution, or agency through which the property or services are procured had theretofore established policies and procedures permitting such purchases or procurement by a class or classes of persons in order to provide for the mutual benefit of such persons and the department, institution, or agency involved, or the public benefit or convenience; and

(2) Such policies and procedures, including any reimbursement policies, are complied with by the person permitted thereunder to use the purchasing or procurement procedures described in this Part or established thereunder.

(c) A violation of this section is a Class 1 misdemeanor.

"§ 143B-472.60. Financial interest of officers in sources of supply; acceptance of bribes.

The Secretary of Commerce, the assistants of the Secretary of Commerce, and the State Chief Information Officer shall not be financially interested, or have any personal beneficial interest, either directly or indirectly, in the purchase of, or contract for, any information technology, nor in any firm, corporation, partnership, or association furnishing any information technology to the State government, or any of its departments, institutions, or agencies, nor shall any of these persons or any other Office employee accept or receive, directly or indirectly, from any person, firm, or corporation to whom any contract may be awarded, by rebate, gifts, or otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract for future reward or compensation. Any violation of this section shall be deemed a Class F felony. Upon conviction of a violation of this section, any person shall be removed from office or State employment.

"§ 143B-472.61. Certification that information technology bids were submitted without collusion.

The Office shall require bidders to certify that each bid on information technology contracts overseen by the Office is submitted competitively and without collusion. False certification is a Class I felony.

"§ 143B-472.62. Penalties for violations.

Any employee or official of the State who violates this Part shall be liable to the State to repay any amount expended in violation of this Part, together with any court costs.

"§ 143B-472.63. Board of Award review.

(a) When the dollar value of a contract for the procurement of information technology exceeds the benchmark established by the Secretary of Commerce, the contract shall be reviewed by the Board of Awards pursuant to G.S. 143-52.1 prior to the contract being awarded.

(b) Prior to submission of any contract for review by the Board of Awards pursuant to this section for any contract for information technology being acquired for the benefit of the Office and not on behalf of any other State agency, the Director of the Budget shall review and approve the procurement to insure compliance with the established processes, specifications, and standards applicable to all information technology purchased, licensed, or leased in State government, including established procurement processes, and compliance with the State government-wide technical architecture as established by the Information Resources Management Commission.

"§ 143B-472.64. Financial reporting and accountability for information technology investments and expenditures.

The Office, the Office of State Budget and Management, and the Office of State Controller shall jointly develop a system for budgeting and accounting of expenditures for information technology operations, services, projects, infrastructure, and assets. The system shall include hardware, software, personnel, training, contractual services, and other items relevant to information technology, and the sources of funding for each. This system must integrate seamlessly with the enterprise portfolio management system. Annual reports regarding information technology shall be coordinated by the Office with the Office of State Budget and Management and the Office of State Controller, and submitted to the Governor, General Assembly, and the Information Resources Management Commission on or before October 1 of each year.

"§ 143B-472.65. Rule-making authority.

The Secretary of Commerce is authorized to adopt rules necessary to implement the provisions of this Part.

"§ 143B-472.66. Exempt agencies.

Nothing in this Part shall apply to the General Assembly or The University of North Carolina and its constituent institutions.

"§ 143B-472.67. Information technology reports.

(a) The Office shall develop an annual budget for review and approval by the Information Resources Management Commission prior to April 1 of each year. A copy

of the approved budget shall be submitted to the Joint Select Committee on Information Technology and the Fiscal Research Division.

(b) The Office shall report to the Joint Select Committee on Information Technology and the Fiscal Research Division on the Office's Internal Service Fund on a quarterly basis, no later than the first day of the second month following the end of the quarter. The report shall include current cash balances, line item detail on expenditures from the previous quarter and anticipated expenditures for the upcoming quarter, projected year-end balance, and the status report on personnel position changes including new positions created and existing positions eliminated. The Office spending reports shall comply with the State Accounting System object codes."

Section 11. G.S. 143B-472.41(b)(8) reads as rewritten:

"(8) To develop and promote a ~~policy and procedures~~ technical requirements for the fair and competitive procurement of information technology ~~consistent with the rules of the Department of Administration and consistent with published industry standards for open systems that provide agencies with a vendor neutral operating environment~~ in cooperation with the Office of Information Technology Services where different information technology hardware, software, and networks operate together easily and ~~reliably.~~ reliably, while considering the cost-effectiveness of managing these assets."

Section 12. G.S. 143-52 reads as rewritten:

"§ 143-52. Competitive bidding procedure; consolidation of estimates by Secretary; bids; awarding of contracts.

As feasible, the Secretary of Administration will compile and consolidate all such estimates of supplies, materials, printing, equipment and contractual services needed and required by State departments, institutions and agencies to determine the total requirements of any given commodity. Where such total requirements will involve an expenditure in excess of the expenditure benchmark established under the provisions of G.S. 143-53.1 and where the competitive bidding procedure is employed as hereinafter provided, sealed bids shall be solicited by advertisement in a newspaper widely distributed in this State or through electronic means, or both, as determined by the Secretary to be most advantageous, at least once and at least 10 days prior to the date designated for opening. Except as otherwise provided under this Article, contracts for the purchase of supplies, materials or equipment shall be based on competitive bids and acceptance made of the lowest and best bid(s) most advantageous to the State as determined upon consideration of the following criteria: prices offered; the quality of the articles offered; the general reputation and performance capabilities of the bidders; the substantial conformity with the specifications and other conditions set forth in the request for bids; the suitability of the articles for the intended use; the personal or related services needed; the transportation charges; the date or dates of delivery and performance; and such other factor(s) deemed pertinent or peculiar to the purchase in question, which if controlling shall be made a matter of record. Competitive bids on such contracts shall be received in accordance with rules and regulations to be adopted by the Secretary of Administration, which rules and regulations shall prescribe for the

manner, time and place for proper advertisement for such bids, the time and place when bids will be received, the articles for which such bids are to be submitted and the specifications prescribed for such articles, the number of the articles desired or the duration of the proposed contract, and the amount, if any, of bonds or certified checks to accompany the bids. Bids shall be publicly opened. Any and all bids received may be rejected. Each and every bid conforming to the terms of the invitation, together with the name of the bidder, shall be tabulated and that tabulation shall become public record in accordance with the rules adopted by the Secretary. All contract information shall be made a matter of public record after the award of contract. Provided, that trade secrets, test data and similar proprietary information may remain confidential. A bond for the faithful performance of any contract may be required of the successful bidder at bidder's expense and in the discretion of the Secretary of Administration. When the dollar value of a contract for the purchase, lease, or lease/purchase of equipment, materials, and supplies exceeds the benchmark established by G.S. 143-53.1, the contract shall be reviewed by the Board of Awards pursuant to G.S. 143-52.1 prior to the contract being awarded. After contracts have been awarded, the Secretary of Administration shall certify to the departments, institutions and agencies of the State government the sources of supply and the contract price of the supplies, materials and equipment so contracted for. Prior to adopting other methods of advertisement under this section, the Secretary of Administration may consult with the Advisory Budget Commission. Prior to adopting rules and regulations under this section, the Secretary of Administration may consult with the Advisory Budget Commission."

Section 13. Article 3 of Chapter 143 is amended by adding the following new section to read:

"§ 143-52.1. Board of Awards.

(a) There is created the Board of Awards. The Board shall consist of three members at a time, appointed by the Chair of the Commission. Members of the Board shall be appointed on a rotating basis from the membership of the Commission and the Council of State. Two out of three members appointed for each meeting of the Board shall constitute a quorum of the Board.

(b) The Board shall meet weekly as called by the Chair of the Commission, except in weeks when no contracts have been submitted to the Board for review.

(c) When the dollar value of a contract exceeds the benchmark established either pursuant to G.S. 143-53.1 or G.S. 143B-472.63, the Board shall review and make a recommendation on action to be taken by the Secretary of Administration on contracts to be awarded under Article 3 of Chapter 143 of the General Statutes and on contracts to be awarded by the Secretary of Commerce under Part 16 of Article 10 of Chapter 143B of the General Statutes, prior to the awarding of the contract.

(d) The State Budget Officer shall designate a secretary for the Board. The Secretaries of Administration and Commerce shall each submit their matters for consideration to the secretary for inclusion on the Board's agenda. Records shall be kept of each meeting and made public by the applicable Secretary of Administration or Commerce unless the applicable Secretary determines a specific record of the meeting needs to be confidential due to the nature of the contract. The applicable Secretary may

elect to proceed with the award of a contract without a recommendation of the Board in cases of emergencies or in the event that a Board is not available. In those cases, contracts awarded without Board review shall be reported to the next meeting of the Board as a matter of record.

(e) Reports on recommendations made by the Board on matters presented by the Secretary of Commerce to the Board shall be reported monthly by the Board to the chairs of the Joint Select Committee on Information Technology."

Section 14. G.S. 143-56 reads as rewritten:

"§ 143-56. Certain purchases excepted from provisions of Article.

Unless as may otherwise be ordered by the Secretary of Administration, the purchase of supplies, materials and equipment through the Secretary of Administration shall be mandatory in the following cases:

- (1) Published books, manuscripts, maps, pamphlets and periodicals.
- (2) Perishable articles such as fresh vegetables, fresh fish, fresh meat, eggs, and others as may be classified by the Secretary of Administration.

Purchase through the Secretary of Administration shall not be mandatory for information technology purchased in accordance with Part 16 of Article 10 of Chapter 143B of the General Statutes, for a purchase of supplies, materials or equipment for the General Assembly if the total expenditures is less than the expenditure benchmark established under the provisions of G.S. 143-53.1, for group purchases made by hospitals through a competitive bidding purchasing program, as defined in ~~G.S. 143-29~~ [G.S. 143-129], G.S. 143-129, by the University of North Carolina Health Care System pursuant to G.S. 116-37(h), by the University of North Carolina Hospitals at Chapel Hill pursuant to G.S. 116-37(a)(4), by the University of North Carolina at Chapel Hill on behalf of the clinical patient care programs of the School of Medicine of the University of North Carolina at Chapel Hill pursuant to G.S. 116-37(a)(4), or by East Carolina University on behalf of the Medical Faculty Practice Plan pursuant to G.S. 116-40.6(c).

All purchases of the above articles made directly by the departments, institutions and agencies of the State government shall, whenever possible, be based on competitive bids. Whenever an order is placed or contract awarded for such articles by any of the departments, institutions and agencies of the State government, a copy of such order or contract shall be forwarded to the Secretary of Administration and a record of the competitive bids upon which it was based shall be retained for inspection and review."

Section 15. G.S. 143-135.9(c) reads as rewritten:

"(c) The acquisition of information technology by the State of North Carolina shall be conducted using the "Best Value" procurement method. For acquisitions which the procuring agency and the Division of Purchase and Contracts or the Office of Information Technology Services, as applicable, deem to be highly complex or determine that the optimal solution to the business problem at hand is not known, the use of Solution-Based Solicitation and Government-Vendor Partnership is authorized and encouraged."

Section 16. G.S. 150B-21.1 is amended by adding a new subsection to read:

"(a4) Notwithstanding the provisions of subsection (a) of this section, the Secretary of Commerce may adopt temporary rules to implement the information technology procurement provisions of Part 16 of Article 10 of Chapter 143B of the General Statutes. After having the proposed temporary rule published in the North Carolina Register and at least 30 days prior to adopting a temporary rule pursuant to this subsection, the Secretary shall:

- (1) Notify persons on its mailing list maintained pursuant to G.S. 150B-21.2(d) and any other interested parties of its intent to adopt a temporary rule;
- (2) Accept oral and written comments on the proposed temporary rule; and
- (3) Hold at least one public hearing on the proposed temporary rule.

When the Secretary adopts a temporary rule pursuant to this subsection, the Secretary must submit a reference to this subsection as the Secretary's statement of need to the Codifier of Rules.

Notwithstanding any other provision of this Chapter, the Codifier of Rules shall publish in the North Carolina Register a proposed temporary rule received from the Secretary in accordance with this subsection."

Section 17. G.S. 150B-38(a) reads as rewritten:

"(a) The provisions of this Article shall apply to the following agencies:

- (1) Occupational licensing agencies;
- (2) The State Banking Commission, the Commissioner of Banks, the Savings Institutions Division of the Department of Commerce, and the Credit Union Division of the Department of Commerce; and
- (3) The Department of Insurance and the Commissioner of Insurance.
- (4) The Department of Commerce in the administration of the provisions of Part 16 of Article 10 of Chapter 143B of the General Statutes."

Section 18. G.S. 143B-472.41(a) reads as rewritten:

"(a) Creation; Membership. – The Information Resource Management Commission is created in the Department of Commerce. The Commission consists of the following members:

- (1) Four members of the Council of State, appointed by the Governor.
- (1a) **(Expires June 30, 2001.)** The Secretary of State.
- (2) The Secretary of Administration.
- (3) The State Budget Officer.
- (4) Two members of the Governor's cabinet, appointed by the Governor.
- (5) One citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications, appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.
- (6) One citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

- (7) The Chair of the Governor's Committee on Data Processing and Information Systems.
- (8) The Chair of the ~~State Information Processing Services Advisory Board.~~ Information Technology Management Advisory Council.
- (9) The Chair of the Criminal Justice Information Network Governing Board.
- (10) **(Expires June 30, 2001.)** The State Controller.
- (11) The Director of the Administrative Office of the Courts or the Director's designee.
- (12) The President of The University of North Carolina or the President's designee.
- (13) The State Chief Information Officer, who shall be a non-voting member.

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

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

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

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

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

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

Section 19. The Secretary of Commerce shall develop and implement no later than December 31, 1999, policies and procedures to ensure the use of "Best Value" Procurement and, as applicable, Solution-Based Procurement and Government-Vendor Partnership, in the procurement of information technology by State agencies under the provisions of this act.

Section 20. The Secretary of Commerce shall develop and implement no later than December 31, 1999, policies, procedures, and/or programs to ensure that personnel of State agencies covered by this act and the Office of Information Technology Services involved in the development of solicitations, development of

specifications, evaluation of proposals, selection of vendors, administration of contracts, and management of information technology projects receive high-quality training in the principles of "Best Value" Procurement, Solution-Based Procurement, Government-Vendor Partnership, contract administration, and project management.

Section 21. The Secretary of Commerce shall report to the Joint Select Committee on Information Technology on the results of the implementation of this act on or before April 1, 2000.

Section 22. The Joint Select Committee on Information Technology shall study the governance of State government-wide information technology management by the creation of a centralized agency that would be responsible for all information technology-related issues. Further, the Committee shall study the feasibility and advisability of alternative organizational structures, including a separate information technology office in the Office of the Governor, a separate cabinet department or a restructuring of the Department of Administration as the Department of Information Technology and Administration. The Committee may make an interim report to the 2000 Session of the 1999 General Assembly and shall make a final report to the General Assembly prior to the convening of the 2001 General Assembly on the plan of an organizational structure and funding requirements that are required to implement it.

Section 23. The Office of the State Auditor shall audit the Office of Information Technology Services, and in particular the additional powers conferred upon the Office of Information Technology Services by this act, as provided in this section. The issues to be addressed by the audits shall include:

- (1) A determination of whether the Office of Information Technology Services has established adequate rules and internal procedures to exercise the powers granted to it under Part 16 of Article 10 of Chapter 143B, and in particular the additional powers conferred upon the Office of Information Technology Services by this act;
- (2) A determination of whether the Office of Information Technology Services has complied with applicable statutes, rules, and regulations;
- (3) The efficiency and effectiveness of the procurement policies and operations of the Office of Information Technology Services; and
- (4) Such other issues as deemed necessary or desirable by the State Auditor.

The Office of the State Auditor shall issue an interim report on the Office of Information Technology Services operations from January 1, 2000, through June 30, 2000, and an interim report on operations from January 1, 2000, through December 31, 2000. The final report shall cover operations from January 1, 2000, through June 30, 2001. The State Auditor is hereby requested to include in the reports any suggestions or recommendations for improved operations as the State Auditor deems appropriate.

The Office of Information Technology Services shall reimburse the Office of the State Auditor for the costs of performing the audits required by this section.

Section 24. Part 16 of Article 10 of Chapter 143B of the General Statutes is amended by adding the following sections to read:

"§ 143B-472.41A. Information Resources Management Commission staff.

(a) There is established in the Department of Commerce an independent staff for the Information Resources Management Commission. The staff shall consist of an executive director and such other professional, administrative, technical, and clerical personnel as authorized by the General Assembly as may be necessary to assist the Commission in carrying out its powers and duties.

(b) All independent staff shall be appointed, supervised, and directed by the Commission. The executive director shall be exempt from the provisions of Chapter 126 of the General Statutes, except for Articles 6 and 7 of Chapter 126 of the General Statutes. All other staff personnel shall be subject to the provisions of Chapter 126 of the General Statutes. The independent staff shall not be subject to the supervision, direction, or control of the Secretary of Commerce.

(c) Except for the executive director, salaries and compensation of all staff personnel shall be fixed in the manner provided by law for fixing and regulating salaries and compensation by other State agencies.

(d) Expenses of the Commission and the salaries of the independent staff shall be paid from funds from receipts available to the Office as requested by the Commission."

Section 25. G.S. 126-5(c1) reads as rewritten:

"(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this Chapter shall not apply to:

- (1) Constitutional officers of the State.
- (2) Officers and employees of the Judicial Department.
- (3) Officers and employees of the General Assembly.
- (4) Members of boards, committees, commissions, councils, and advisory councils compensated on a per diem basis.
- (5) Officials or employees whose salaries are fixed by the General Assembly, or by the Governor, or by the Governor and Council of State, or by the Governor subject to the approval of the Council of State.
- (6) Employees of the Office of the Governor that the Governor, at any time, in his discretion, exempts from the application of the provisions of this Chapter by means of a letter to the State Personnel Director designating these employees.
- (7) Employees of the Office of the Lieutenant Governor, that the Lieutenant Governor, at any time, in his discretion, exempts from the application of the provisions of this Chapter by means of a letter to the State Personnel Director designating these employees.
- (8) Instructional and research staff, physicians, and dentists of The University of North Carolina.
- (9) Employees whose salaries are fixed under the authority vested in the Board of Governors of The University of North Carolina by the provisions of G.S. 116-11(4), 116-11(5), and 116-14.
- (10) Repealed by Session Laws 1991, c. 84, s. 1.

- (11) North Carolina School of Science and Mathematics' employees whose salaries are fixed in accordance with the provisions of G.S. 116-235(c)(1) and G.S. 116-235(c)(2).
- (12) Employees of the North Carolina Low-Level Radioactive Waste Management Authority whose salaries are fixed pursuant to G.S. 104G-5(g)(1) and G.S. 104G-5(g)(2).
- (13) Employees of the North Carolina Hazardous Waste Management Commission whose salaries are fixed pursuant to G.S. 130B-6(g)(1) and G.S. 130B-6(g)(2).
- (14) Employees of the North Carolina State Ports Authority.
- (15) Employees of the North Carolina Global TransPark Authority.
- (16) The executive director and one associate director of the North Carolina Center for Nursing established under Article 9F of Chapter 90 of the General Statutes.
- (17) The executive director of the independent staff of the Information Resources Management Commission established under G.S. 143B-472.41A."

Section 26. If House Bill 253 of the 1999 General Assembly becomes law, Section 1 of House Bill 253 reads as rewritten:

"Section 1. The name of the State Information Processing Services of the Department of Commerce is changed to the ~~Division~~Office of Information Technology Services."

Section 27. If House Bill 253 of the 1999 General Assembly becomes law, G.S. 143B-472.44, as enacted by Section 2 of House Bill 253, reads as rewritten:

"§ 143B-472.44. ~~Division~~Office of Information Technology Services.

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

- (1) To establish and operate information resource centers and services to serve two or more departments on a cost-sharing basis, if the Information Resources Management Commission decides it is advisable from the standpoint of efficiency and economy to establish these centers and services;
- (2) With the approval of the Information Resources Management Commission, to charge each department for which services are performed its proportionate part of the cost of maintaining and operating the shared centers and services;
- (3) With the approval of the Information Resources Management Commission, to require any department served to transfer to the Department of Commerce ownership, custody, or control of information processing equipment, supplies, and positions required by the shared centers and services;
- (4) With the approval of the Information Resources Management Commission, to adopt reasonable rules for the efficient and

- economical management and operation of the shared centers, services, and the integrated State telecommunications network;
- (5) With the approval of the Information Resources Management Commission, to adopt plans, policies, procedures, and rules for the acquisition, management, and use of information technology resources in the departments affected by this subdivision to facilitate more efficient and economic use of information technology in these departments;
 - (6) To develop and promote training programs to efficiently implement, use, and manage information technology resources; and
 - (7) To provide cities, counties, and other local governmental units with access to ~~Division~~Office of Information Technology Services information resource centers and services as authorized in this section for State agencies. Access shall be provided on the same cost basis that applies to State agencies.

The Department of Revenue is authorized to deviate from this subsection's requirements that departments or agencies consolidate information processing functions on equipment owned, controlled or under custody of the ~~Division~~Office of Information Technology Services. All deviations from this subsection's requirements shall be reported in writing within 15 days by the Department of Revenue to the Information Resources Management Commission and shall be consistent with available funding. The Department of Revenue is authorized to adopt and shall adopt plans, policies, procedures, requirements and rules for the acquisition, management, and use of information processing equipment, information processing programs, data communications capabilities, and information systems personnel in the Department of Revenue. If the plans, policies, procedures, requirements, rules, or standards adopted by the Department of Revenue deviate from the policies, procedures, or guidelines adopted by the ~~Division~~Office of Information Technology Services or the Information Resources Management Commission, those deviations shall be allowed and shall be reported in writing within 15 days by the Department of Revenue to the Information Resources Management Commission. The Department of Revenue and the ~~Division~~Office of Information Technology Services shall develop data communications capabilities between the two computer centers utilizing the North Carolina Integrated Network, subject to a security review by the Secretary of Revenue.

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

No data of a confidential nature, as defined in the General Statutes or federal law, may be entered into or processed through any cost-sharing information resource center

or network established under this subdivision until safeguards for the data's security satisfactory to the department head and the Secretary of Commerce have been designed and installed and are fully operational. Nothing in this subsection may be construed to prescribe what programs to satisfy a department's objectives are to be undertaken, nor to remove from the control and administration of the departments the responsibility for program efforts, regardless whether these efforts are specifically required by statute or are administered under the general program authority and responsibility of the department. This subdivision does not affect the provisions of G.S. 147-64.6, 147-64.7, or 143B-472.42(1). Notwithstanding any other provision of law, the Department of Commerce shall provide information technology services on a cost-sharing basis to the General Assembly and its agencies as requested by the Legislative Services Commission."

Section 28. If House Bill 253 of the 1999 General Assembly becomes law, Section 3 of House Bill 253 is repealed.

Section 29. If House Bill 253 of the 1999 General Assembly becomes law, G.S. 143B-472.42(1), as enacted by Section 4 of House Bill 253, reads as rewritten:

"(1) With respect to State agencies, exercise general coordinating authority for all telecommunications matters relating to the internal management and operations of these agencies. In discharging that responsibility the Secretary of Commerce may in cooperation with affected State agency heads, do such of the following things as the Secretary of Commerce deems necessary and advisable:

a. Provide for the establishment, management, and operation, through either State ownership or commercial leasing, of the following systems and services as they affect the internal management and operation of State agencies:

1. Central telephone systems and telephone networks;
2. Teleprocessing systems;
3. Teletype and facsimile services;
4. Satellite services;
5. Closed-circuit TV systems;
6. Two-way radio systems;
7. Microwave systems;
8. Related systems based on telecommunication technologies.

b. With the approval of the ~~Information Technology Council, Information Resources Management Commission~~, coordinate the development of cost-sharing systems for respective user agencies for their proportionate parts of the cost of maintenance and operation of the systems and services listed in item "a." of this subdivision.

c. Assist in the development of coordinated telecommunications services or systems within and among all State agencies and

- recommend, where appropriate, cooperative utilization of telecommunication facilities by aggregating users.
- d. Perform traffic analysis and engineering for all telecommunications services and systems listed in item "a." of this subdivision.
 - e. Pursuant to G.S. 143-49, establish telecommunications specifications and designs so as to promote and support compatibility of the systems within State agencies.
 - f. Pursuant to G.S. 143-49 and G.S. 143-50, coordinate the review of requests by State agencies for the procurement of telecommunications systems or services.
 - g. Pursuant to G.S. 143-341 and Chapter 146 of the General Statutes, coordinate the review of requests by State agencies for State government property acquisition, disposition, or construction for telecommunications systems requirements.
 - h. Provide a periodic inventory of telecommunications costs, facilities, systems, and personnel within State agencies.
 - i. Promote, coordinate, and assist in the design and engineering of emergency telecommunications systems, including but not limited to the 911 emergency telephone number program, Emergency Medical Services, and other emergency telecommunications services.
 - j. Perform frequency coordination and management for State agencies and local governments, including all public safety radio service frequencies, in accordance with the rules and regulations of the Federal Communications Commission or any successor federal agency.
 - k. Advise all State agencies on telecommunications management planning and related matters and provide through the State Personnel Training Center or the ~~Division~~ Office of Information Technology Services training to users within State agencies in telecommunications technology and systems.
 - l. Assist and coordinate the development of policies and long-range plans, consistent with the protection of citizens' rights to privacy and access to information, for the acquisition and use of telecommunications systems; and base such policies and plans on current information about State telecommunications activities in relation to the full range of emerging technologies.
 - m. Work cooperatively with the North Carolina Agency for Public Telecommunications in furthering the purpose of this subdivision.

The provisions of this subdivision shall not apply to the Criminal Information Division of the Department of Justice or to the Judicial Information System in the Judicial Department."

Section 30. The provisions of G.S. 143B-472.52(d), as enacted in Section 10 of this act, shall not apply to any projects certified prior to the effective date of that subsection.

Section 31. The Information Resources Management Commission is authorized to establish and fill up to five staff positions in accordance with the provisions of G.S. 143B-472.41A. These positions shall be transferred from existing positions currently authorized for the Office of Information Technology Services.

Section 32. Sections 1 through 7 and Sections 18 through 32 of this act are effective when this act becomes law. The remaining sections of this act become effective January 1, 2000.

In the General Assembly read three times and ratified this the 21st day of July, 1999.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 9:07 p.m. this 10th day of August, 1999