



HOUSE BILL 1030: 2016 Appropriations Act, Sec. 7.6: Information Technology Spending Transparency

2015-2016 General Assembly

Committee:		Date:	August 1, 2016
Introduced by:		Prepared by:	Bill Patterson Staff Attorney
Analysis of:	Sec. 7.6 of S.L. 2016-94		

OVERVIEW: *Sec. 7.6 of S.L. 2016-94 requires State agencies that have transferred their information technology personnel, operations, projects, assets, and appropriate funding to the Department of Information Technology, and other State entities for which such agencies have budgetary authority, to realign their information technology budgets and expenditures to provide transparency for their information technology, program, and division budgets, and to do so in time for these changes to be included in the 2017-2019 biennial budget.*

This section also requires the Office of State Budget and Management to submit to the Fiscal Research Division, along with its submittal of the Governor's proposed budget for the 2017-2019 biennium, a report identifying each State agency's line-item budgeted information technology expenditure requirements, actual information technology expenditures, and sources of any funds transferred from other line items to cover information technology expenditures exceeding budgeted requirements.

This section became effective July 1, 2016.

BILL ANALYSIS:

Under legislation enacted in 2015, certain State agencies, referred to as "participating agencies," are required to transfer their information technology personnel, operations, projects, assets, and appropriate funding to the newly-established Department of Information Technology, upon completion of the Department's transition plan for each participating agency.¹

Section 7.6.(a) of S.L. 2016-94 requires participating agencies, and other State entities for which participating agencies have budgetary authority, to realign their information technology budgets and expenditures within existing programs and divisions in a way provides transparency for information technology, program, and division budgets, and to do so in time for these changes to be included in the 2017-2019 biennial budget.

Section 7.6.(b) of the act requires the Office of State Budget and Management, in conjunction with these budget realignments, to provide the following information in a report to be submitted to the Fiscal

¹ G.S. 143B-1325(c). The following are the agencies presently subject to this requirement: the Office of State Controller and the Departments of Natural and Cultural Resources, Health and Human Services, Revenue, Environmental Quality, Transportation, Administration, Human Resources, Military and Veterans Affairs, and Public Safety (except for the SBI, Highway Patrol, and Division of Emergency Management). In addition, by October 1, 2018, G.S. 143B-1325(d) requires the Community College System Office and the State Board of Elections to report to the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division on their respective plans to transition their information technology resources to the Department of Information Technology.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

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Research Division along with the Governor's proposed budget for the 2017-2019 biennium:

- Each State agency's line-item budgeted requirements for information technology expenditures.
- Each State agency's actual information technology expenditures.
- For each State agency, the sources of funds transferred from any other line items to cover information technology expenditures exceeding budgeted requirements.

EFFECTIVE DATE: Section 7.6 of the act became effective July 1, 2016.