



SENATE BILL 212: Capital Appropriations/R&R/DIT/Cybersecurity.

2019-2020 General Assembly

Committee:		Date:	October 23, 2020
Introduced by:		Prepared by:	Howard Marsilio Staff Attorney
Analysis of:	S.L. 2020-81		

OVERVIEW: S.L. 2020-81:

- *Appropriates funds for various capital and repair and renovation projects for State agencies and The University of North Carolina, and to the Department of Information Technology for certain purposes.*
- *Amends various laws that relate to funding, commencing, and administering capital projects from the State Capital and Infrastructure Fund.*
- *Establishes two separate pilot programs and a Satellite-Based Broadband Grant Program within the Department of Information Technology.*
- *Amends laws that relate to leases for broadband infrastructure on State property.*

Section 10 is summarized in a separate document.

This act became effective June 26, 2020, except, sections 1, 2, 3, and 8 of this act which became effective July 1, 2020. Section 8 became effective July 1, 2020 and applied to applications for new leases and lease renewals submitted on or after that date, and expires January 1, 2025.

CURRENT LAW/BILL ANALYSIS:

Sections 1, 2, and 3 transfers and appropriates various nonrecurring funds for certain capital improvement and repair and renovation projects for the 2020-2021 fiscal year.

Section 4 amends the laws that relate to budgeting for capital improvement projects, and:

- Clarifies that State facilities and related infrastructure supported by the State Capital Infrastructure Fund are eligible for capital repair and renovation expenditures, and adds various provisions that relate to The University of North Carolina for capital repair and renovations and carrying forward funds, and the authority to utilize available funds for repair and renovations, which includes:
 - That the Board of Governors of The University of North Carolina negatively weight the availability of non-State funds and carryforward funds that are available for capital repair and renovations and report this information as required. Furthermore, a chancellor of a constituent institution of The University of North Carolina may use funds available to the institution to pay for projects for repairs and renovations if certain conditions are met such as the total project costs do not exceed \$600,000.
- Authorizes the Department of Agriculture and Consumer Services to utilize construction and renovation funds to build equipment structures, that meet certain criteria and are less than \$125,000, on an as needed basis.

Jeffrey Hudson
Director

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- Adds statutory clarifications and procedures for disbursement of capital improvement funds appropriated by the General Assembly.
- Clarifies that The Board of Governors of The University of North Carolina must not prohibit expenditures for planning for a project that has been authorized by an act of the General Assembly and funded with an allocation from the State Capital and Infrastructure Fund.
- Clarifies that current requirements for budget requests for capital improvements by The University of North Carolina will not prohibit expenditures for planning a project that has been authorized by an act of the General Assembly and funded with an allocation from the State Capital and Infrastructure Fund.
- Amends laws that relate to the creation and use of the State Capital and Infrastructure Fund.
- Amends the exemption from Department of Administration statement of needs certification to exempt requests for appropriations below the formal project limit, as set by the State Building Commission.
- Amends the cap, distribution and permissible use of operations appropriations credit balances remaining at the end of each fiscal year for certain budget codes, for The University of North Carolina, which may be carried forward to the next fiscal year.

Section 5 instructs the Information Technology Innovation Center to create a cybersecurity pilot program to establish and utilize public-private partnerships to provide cybersecurity support services from participating vendors to eligible counties. The Center must develop pilot program eligibility criteria by March 31, 2021, and annually thereafter, and submit a report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

Section 6 instructs the Department of Information Technology to establish a program and project management improvement pilot program, and further directs the Deputy Chief Information officer to designate a Program Management Director, issue regulations 270 days after the effective date of this act in accordance with criteria in this section, and report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division by July 1, 2021.

Section 7 creates and codifies regulations for a Satellite-Based Broadband Grant Program which is administered by the Department of Information Technology, and includes: statutory definitions applicable to the program; a Satellite-Based Broadband Grant Fund as a special revenue fund within the Department; minimum grant application requirements; grant award and liability maximums; grant program participation requirements; a requirement that the Department submit an annual report to the Joint Legislative Oversight Committee for Information Technology and the Fiscal Research Division by September 1.

Section 8 adds statutory requirements and deadlines for disposition of certain State lands, by way of lease, for use by broadband providers for broadband infrastructure located on State lands. This section also requires the Department of Administration to coordinate with the Department of Information Technology to develop a streamlined lease development process for these purposes. This section expires January 1, 2025.

Section 9 adjusts appropriations for certain fund codes for the 2020-2021 fiscal year as it relates to the IT Reserve Fund, the Enterprise Security and Risk Management Office, and further appropriates those funds to the Department of Information Technology for allocation for certain purposes.

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Section 10 is summarized in a separate document.

EFFECTIVE DATE: Sections 1, 2, and 3 of this act became effective July 1, 2020. Section 8 became effective July 1, 2020 and applied to applications for new leases and lease renewals submitted on or after that date, and expires January 1, 2025. The remainder of this act became effective when it became law.