

Highlights of the Information Technology Budget

The Conference Budget for Information Technology in FY 2023-24 includes net appropriations of \$81.3 million, which is \$8.8 million above the base budget, a 12.1% increase. FY 2024-25 includes net appropriations of \$79.0 million, which is \$2.3 million less than FY 2023-24, a 2.9% decrease. The highlights of the Information Technology adjustments follow below.

Executive Summary

Major highlights of the Information Technology budget include \$8.0 million in the first year of the biennium and an additional \$6.0 million in the second year of the biennium for the NC HealthConnex health information exchange network.

The proposed budget also appropriates \$5.0 million in the first year of the biennium and an additional \$3.0 million in the second year of the biennium for the Government Data Analytics Center (GDAC) modernization efforts.

The proposed budget also appropriates \$38.7 million in the first year of the biennium and an additional \$4.0 million in the second year of the biennium for cybersecurity enhancements.

Committee Report Items

- Provides funds for NC HealthConnex infrastructure and operational services (\$2.2 million recurring and \$1.0 million nonrecurring in FY 2023-24 and \$2.2 million recurring in FY 2024-25). (Item 6, page G6)
- Provides funds for NC HealthConnex provider outreach (\$4.8 million nonrecurring in FY 2023-24 and \$3.8 million nonrecurring in FY 2024-25). (Item 7, page G7)
- Provides funds for cybersecurity enhancements (\$38.7 million nonrecurring in FY 2023-24 and \$4.0 million nonrecurring in FY 2024-25). (Items 8-17, pages G7- G8)
- Provides funds for GDAC modernization (\$5.0 million nonrecurring in FY 2023-24 and \$3.0 million nonrecurring in FY 2024-25). (Item 18, page G8)
- Transfers funds from the State Fiscal Recovery Fund for an awareness and digital literacy campaign (\$12.5 million nonrecurring in FY 2023-24 and \$6.6 million nonrecurring in FY 2024-25). (Item 19, page G9)
- Transfers projected earned interest State Fiscal Recovery Reserve for an awareness and digital literacy campaign (\$5.9 million nonrecurring in FY 2024-25). (Item 20, page G9)
- Provides funds from the State Fiscal Recovery Fund for broadband administration (\$3.8 million nonrecurring in FY 2023-24 and \$3.8 million nonrecurring in FY 2024-25). (Item 21, page G9)

Special Provisions

- Requires State agencies to be charged \$3.6 million per year for the relocation of the Security Operations Center and Privacy Office Support. The provision also states that agencies shall not be charged the \$1.1 million that is proposed for other positions within the Department. (Sec. 38.1)
- Directs that the State Highway Patrol, the State Bureau of Investigation, and the Division of Emergency Management are all exempt from Department of Information Technology (DIT) and Department of Public Safety (DPS) oversight, and that these 3 divisions will initiate a pilot project to autonomously manage their respective information technology infrastructure and all associated services without oversight from DIT and DPS. (Sec. 38.4)
- Directs the Information Technology Innovation Center to reopen the proposal period for the cybersecurity pilot program authorized in Sec. 5 of S.L. 2020-81 and select additional vendors for the pilot program. (Sec. 38.5)
- Directs that funds appropriated to the Information Technology Fund shall only be spent as specified in the budget, unless a change is approved by the State Chief Information Officer after consultation with the Office of State Budget and Management. (Sec. 38.6)
- Directs that the Completing Access to Broadband program expansion language be rewritten to state development tier 3 areas that utilize federal funding are not eligible (Sec. 38.7)
- Directs that various amendments to broadband language to broaden eligibility, refine federal funding usage for planning and administrative purposes, define the election process for the chair of the IT Strategy Board, and direct DIT to develop a formal challenge process for State broadband grant programs. (Sec. 38.8)