

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2950

**DATE:** March 15, 2004

**Version:** As introduced

**Authors:** Westrom and others

**Subject:** Modifying the telecommunications and information system for state agencies

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### Overview

House File 2950 deletes certain authorities of the commissioner of the Department of Administration regarding the design and operation of the telecommunications and information network for state agencies and other entities, and adds additional responsibilities.

The bill adds the promotion of economic development to the list of factors governing the acquisition of network services. In designing the network, the commissioner must take into account the needs, not only of state agencies, but also of public and nonpublic educational institutions at all levels, state political subdivisions, and other listed entities. Provision must be made by the commissioner to enable private sector vendors to interconnect the networks of these entities with the state network.

Current authorities of the commissioner deleted by this bill include:

- purchasing or leasing facilities or equipment if the private sector is unable or unwilling to provide them in a reasonable and timely fashion;
- assisting school districts and higher education institutions to identify their telecommunications needs;

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- consulting, designing, planning, arranging for providing, or managing telecommunications and information services for educational institutions, political subdivisions, and other listed entities.

When economic benefits are expected to result from aggregating demand for telecommunications and information services, the commissioner must require state agencies to join with the private sector and other entities in such arrangements.

### **1 State enterprise network and finished services.**

**Subd. 1. Policy.** Amends policies relating to the state telecommunications system to include information services, and requires that they be acquired in a manner to promote economic development.

**Subd. 1a. State enterprise network.** Renames the "state information infrastructure" the "state enterprise network." The commissioner of the Department of Administration must design, plan, and manage a core network that meets the telecommunications and information demands of state agencies.

The network must also meet the demands of several other entities, including educational institutions, political subdivisions, tribal governments, public corporations, and public noncommercial educational television broadcast stations. The commissioner is specifically directed to establish and publish a central services gateway architecture to the state enterprise network to enable private sector vendors to interconnect the networks of these entities with the state enterprise network on a nondiscriminatory basis at fair and reasonable rates.

This subdivision strikes language allowing the commissioner to purchase, own, or lease telecommunications facilities or equipment if the private sector is unable or unwilling to provide them in a reasonable and timely fashion, as evidenced through a bid or proposal process.

The commissioner may own, lease, operate, and staff a center in order to test, troubleshoot, and maintain the network.

**Subd. 3. Finished services.** Requires the commissioner to assist political subdivisions and other listed entities to interconnect with the core state enterprise network.

Strikes current language:

- requiring the commissioner to design, plan, provide or manage telecommunications and information services to political subdivisions;
- requiring the commissioner to set rates and fees for services; approve contracts for services, facilities, and equipment; develop a system plan and annual fiscal plan; and

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assist school districts, higher education institutions, and related state agencies to identify their telecommunications needs;

- allowing the commissioner to purchase, own, or lease telecommunications facilities or equipment if the private sector is unable or unwilling to provide them in a reasonable and timely fashion, as evidenced through a bid or proposal process;
- allowing the commissioner to consult, design, plan, arrange for providing, or manage telecommunications and information services for educational institutions, political subdivisions, and other listed entities. Any current agreements to provide these services must be concluded at the first available termination date. If, under a current agreement, no private entity can serve a public school at a comparable price to that offered by the commissioner, the agreement may continue until January 1, 2007.

This section requires the commissioner, in concert with the commissioner of finance, to establish fair and reasonable reimbursement rates to be billed to state agencies to cover the costs associated with the state enterprise network and finished services provided.

**Subd. 4a. Economic development aggregation.** Directs the commissioner to require state agencies to join with the private sector and educational institutions, political subdivisions, and other listed entities to aggregate demand for telecommunications and information services whenever reasonable economic benefits are expected to result.

In such cases, the commissioner shall not be involved in consultation, planning, or assisting, but shall cooperate with qualified private sector vendors to maximize economic development benefits for the community.