

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 767*

Short Title: GDAC Amendments.

(Public)

Sponsors: Representative Saine (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Rules, Calendar, and Operations of the House.

April 15, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO RECODIFY, REORGANIZE, AND CLARIFY THE PROVISIONS OF THE
3 GOVERNMENT DATA ANALYTICS CENTER STATUTE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 143B-426.38A is recodified as G.S. 147-33.77A and reads as
6 rewritten:

7 "~~§ 143B-426.38A.~~ **§ 147-33.77A.** ~~Government Data Analytics Center; State data-sharing~~
8 ~~requirements.Center.~~

9 (a) ~~State Government Data Analytics.~~ The State shall initiate across State agencies,
10 departments, and institutions a data integration and data sharing initiative that is not intended to
11 replace transactional systems but is instead intended to leverage the data from those systems for
12 enterprise-level State business intelligence as follows:

13 (1) ~~Creation of initiative.~~ In carrying out the purposes of this section, the
14 Office of the State Chief Information Officer (CIO) shall conduct an
15 ongoing, comprehensive evaluation of State data analytics projects and plans
16 in order to identify data integration and business intelligence opportunities
17 that will generate greater efficiencies in, and improved service delivery by,
18 State agencies, departments, and institutions. The State CIO shall continue to
19 utilize public-private partnerships and existing data integration and analytics
20 contracts and licenses as appropriate to continue the implementation of the
21 initiative.

22 (2) ~~Application to State government.~~ The initiative shall include all State
23 agencies, departments, and institutions, including The University of North
24 Carolina.

25 (3) ~~Governance.~~ The State CIO shall lead the initiative established pursuant to
26 this section. The Chief Justice of the North Carolina Supreme Court and the
27 Legislative Services Commission each shall designate an officer or agency
28 to advise and assist the State CIO with respect to implementation of the
29 initiative in their respective branches of government. The judicial and
30 legislative branches shall fully cooperate in the initiative mandated by this
31 section in the same manner as is required of State agencies.

32 (a) Definitions. – The following definitions apply in this section:

33 (1) Business intelligence. – The process of collecting, organizing, sharing, and
34 analyzing data through integrated data management, reporting, visualization,
35 and advanced analytics to discover patterns and other useful information that



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- 1 will allow policymakers and State officials to make more informed
2 decisions. Business intelligence also includes both of the following:
- 3 a. Broad master data management capabilities such as data integration,
4 data quality and enrichment, data governance, and master data
5 management to collect, reference, and categorize information from
6 multiple sources.
- 7 b. Self-service query and reporting capabilities to provide timely,
8 relevant, and actionable information to business users delivered
9 through a variety of interfaces, devices, or applications based on their
10 specific roles and responsibilities.
- 11 (2) Data analytics. – Data analysis, including the ability to use the data for
12 assessment and extraction of policy-relevant information.
- 13 (3) Enterprise-level data analytics. – Standard analytics capabilities and services
14 leveraging data throughout all State agencies, departments, and institutions.
- 15 (b) Government Data Analytics Center. – The Government Data Analytics Center
16 (GDAC) is established in the Office of Information Technology Services.
- 17 (1) ~~GDAC established. – There is established in the Office of the State CIO the~~
18 ~~Government Data Analytics Center (GDAC). Purpose. – The purpose of the~~
19 ~~GDAC is to utilize public-private partnerships as part of a statewide data~~
20 ~~integration and data-sharing initiative and to identify data integration and~~
21 ~~business intelligence opportunities that will generate greater efficiencies in,~~
22 ~~and improved service delivery by, State agencies, departments, and~~
23 ~~institutions. The intent is not to replace transactional systems but to leverage~~
24 ~~the data from those systems for enterprise-level State business intelligence.~~
25 ~~The GDAC shall continue the work, purpose, and resources of the previous~~
26 ~~data integration effort in the Office of the State Controller efforts and shall~~
27 ~~otherwise advise and assist the State CIO in the management of the~~
28 ~~initiative. The State CIO shall make any organizational changes necessary to~~
29 ~~maximize the effectiveness and efficiency of the GDAC.~~
- 30 (2) ~~Powers and duties of the GDAC. duties.~~ – The State CIO shall, through the
31 GDAC, do all of the following:
- 32 a. Continue and coordinate ongoing enterprise data integration efforts,
33 including:
- 34 1. The deployment, support, technology improvements, and
35 expansion for the Criminal Justice Law Enforcement
36 Automated Data System (CJLEADS).
- 37 2. The pilot and subsequent phase initiative for the North
38 Carolina Financial Accountability and Compliance
39 Technology System (NCFACTS).
- 40 3. Individual-level student data and workforce data from all
41 levels of education and the State workforce.
- 42 4. ~~Other capabilities~~ capabilities as developed as part of the
43 initiative by the GDAC.
- 44 b. Identify technologies currently used in North Carolina that have the
45 capability to support the initiative.
- 46 c. Identify other technologies, especially those with unique ~~capabilities,~~
47 capabilities that are complementary to existing technology standards,
48 and that could support the State's business intelligence effort.
- 49 d. Compare capabilities and costs across State agencies.
- 50 e. Ensure implementation is properly supported across State agencies.

- 1 f. Ensure that data integration and sharing is performed in a manner
2 that preserves data privacy and security in transferring, storing, and
3 accessing data, as appropriate.
- 4 g. Immediately seek any waivers and enter into any written agreements
5 that may be required by State or federal law to effectuate data sharing
6 and to carry out the purposes of this section.
- 7 h. Coordinate data requirements and usage for State business
8 intelligence applications in a manner that (i) limits impacts on
9 participating State agencies as those agencies provide data and
10 business knowledge expertise and (ii) assists in defining business
11 rules so the data can be properly used.
- 12 i. Recommend the most cost-effective and reliable long-term hosting
13 solution for enterprise-level State business intelligence as well as
14 data integration, notwithstanding ~~Section 6A.2(f) of S.L.~~
15 ~~2011-145~~, any other provision of State law or regulation.
- 16 j. Utilize a common approach that establishes standards for business
17 intelligence initiatives for all State agencies and prevents the
18 development of projects that do not meet the established standards.
- 19 k. The creation of efficiencies in State government by ensuring that
20 State agencies use the GDAC for agency business intelligence
21 requirements.
- 22 (3) Application to State government. – The initiative shall include all State
23 agencies, departments, and institutions, including The University of North
24 Carolina, as follows:
- 25 a. All State agency business intelligence requirements, including any
26 planning or development efforts associated with creating business
27 intelligence capability, as well as any master data management
28 efforts, shall be implemented through the GDAC.
- 29 b. The Chief Justice of the North Carolina Supreme Court and the
30 Legislative Services Commission each shall designate an officer or
31 agency to advise and assist the State CIO with respect to
32 implementation of the initiative in their respective branches of
33 government. The judicial and legislative branches shall fully
34 cooperate in the initiative mandated by this section in the same
35 manner as is required of State agencies.
- 36 (4) Project management. – The State CIO, with the assistance of the Office of
37 State Budget and Management, shall identify potential funding sources for
38 expansion of existing projects or development of new projects. No GDAC
39 project shall be initiated, extended, or expanded:
- 40 a. Without the specific approval of the General Assembly, unless the
41 project can be implemented within funds appropriated for GDAC
42 projects.
- 43 b. Without prior consultation to the Joint Legislative Commission on
44 Governmental Operations and a report to the Joint Legislative
45 Oversight Committee on Information Technology if the project can
46 be implemented within funds appropriated for GDAC projects.
- 47 (e) ~~Implementation of the Enterprise Level Business Intelligence Initiative.—~~
- 48 (1) ~~Phases of the initiative. The initiative shall cycle through these phases on~~
49 ~~an ongoing basis as follows:~~
- 50 a. ~~Phase I requirements. In the first phase, the State CIO through~~
51 ~~GDAC shall:~~

1. ~~Inventory existing State agency business intelligence projects, both completed and under development.~~
 2. ~~Develop a plan of action that does all of the following:~~
 - I. ~~Defines the program requirements, objectives, and end state of the initiative.~~
 - II. ~~Prioritizes projects and stages of implementation in a detailed plan and benchmarked time line.~~
 - III. ~~Includes the effective coordination of all of the State's current data integration initiatives.~~
 - IV. ~~Utilizes a common approach that establishes standards for business intelligence initiatives for all State agencies and prevents the development of projects that do not meet the established standards.~~
 - V. ~~Determines costs associated with the development efforts and identifies potential sources of funding.~~
 - VI. ~~Includes a privacy framework for business intelligence consisting of adequate access controls and end user security requirements.~~
 - VII. ~~Estimates expected savings.~~
 3. ~~Inventory existing external data sources that are purchased by State agencies to determine whether consolidation of licenses is appropriate for the enterprise.~~
 4. ~~Determine whether current, ongoing projects support the enterprise-level objectives.~~
 5. ~~Determine whether current applications are scalable or are applicable for multiple State agencies or both.~~
 - b. ~~Phase II requirements. In the second phase, the State CIO through the GDAC shall:~~
 1. ~~Identify redundancies and recommend to the General Assembly any projects that should be discontinued.~~
 2. ~~Determine where gaps exist in current or potential capabilities.~~
 - e. ~~Phase III requirements. In the third phase:~~
 1. ~~The State CIO through GDAC shall incorporate or consolidate existing projects, as appropriate.~~
 2. ~~The State CIO shall, notwithstanding G.S. 147-33.76 or any rules adopted pursuant thereto, eliminate redundant business intelligence projects, applications, software, and licensing.~~
 3. ~~The State CIO through GDAC shall complete all necessary steps to ensure data integration in a manner that adequately protects privacy.~~
- (2) ~~Project management. The State CIO shall ensure that all current and new business intelligence/data analytics projects are in compliance with all State laws, policies, and rules pertaining to information technology procurement, project management, and project funding and that they include quantifiable and verifiable savings to the State. The State CIO shall report to the Joint Legislative Oversight Committee on Information Technology on projects that are not achieving projected savings. The report shall include a proposed corrective action plan for the project.~~
- ~~The Office of the State CIO, with the assistance of the Office of State Budget and Management, shall identify potential funding sources for~~

1 expansion of existing projects or development of new projects. No GDAC
2 project shall be initiated, extended, or expanded:

- 3 a. ~~Without the specific approval of the General Assembly unless the~~
4 ~~project can be implemented within funds appropriated for GDAC~~
5 ~~projects.~~
6 b. ~~Without prior consultation to the Joint Legislative Commission on~~
7 ~~Governmental Operations and a report to the Joint Legislative~~
8 ~~Oversight Committee on Information Technology if the project can~~
9 ~~be implemented within funds appropriated for GDAC projects.~~

10 (c) Data Sharing. –

11 (1) General duties of all State agencies. – Except as limited or prohibited by
12 federal law, the head of each State agency, department, and institution shall
13 do all of the following:

- 14 a. Grant the State CIO and the GDAC access to all information required
15 to develop and support State business intelligence applications
16 pursuant to this section. The State CIO and the GDAC shall take all
17 necessary actions and precautions, including training, certifications,
18 background checks, and governance policy and procedure, to ensure
19 the security, integrity, and privacy of the data in accordance with
20 State and federal law and as may be required by contract.
21 b. Provide complete information on the State agency's information
22 technology, operational, and security requirements.
23 c. Provide information on all of the State agency's information
24 technology activities relevant to the State business intelligence effort.
25 d. Forecast the State agency's projected future business intelligence
26 information technology needs and capabilities.
27 e. Ensure that the State agency's future information technology
28 initiatives coordinate efforts with the GDAC to include planning and
29 development of data interfaces to incorporate data into the initiative
30 and to ensure the ability to leverage analytics capabilities.
31 f. Provide technical and business resources to participate in the
32 initiative by providing, upon request and in a timely and responsive
33 manner, complete and accurate data, business rules and policies, and
34 support.
35 g. Identify potential resources for deploying business intelligence in
36 their respective State agencies and as part of the enterprise-level
37 effort.
38 h. Immediately seek any waivers and enter into any written agreements
39 that may be required by State or federal law to effectuate data sharing
40 and to carry out the purposes of this section, as appropriate.

41 (2) Specific requirements. – The State CIO and the GDAC shall enhance the
42 State's business intelligence through the collection and analysis of data
43 relating to workers' compensation claims for the purpose of preventing and
44 detecting fraud, as follows:

- 45 a. The North Carolina Industrial Commission shall release to the
46 GDAC, or otherwise provide electronic access to, all data requested
47 by the GDAC relating to workers' compensation insurance coverage,
48 claims, appeals, compliance, and enforcement under Chapter 97 of
49 the General Statutes.
50 b. The North Carolina Rate Bureau (Bureau) shall release to the GDAC,
51 or otherwise provide electronic access to, all data requested by the

- 1 GDAC relating to workers' compensation insurance coverage,
2 claims, business ratings, and premiums under Chapter 58 of the
3 General Statutes. The Bureau shall be immune from civil liability for
4 releasing information pursuant to this subsection, even if the
5 information is erroneous, provided the Bureau acted in good faith
6 and without malicious or willful intent to harm in releasing the
7 information.
- 8 c. The Department of Commerce, Division of Employment Security
9 (DES), shall release to the GDAC, or otherwise provide access to, all
10 data requested by the GDAC relating to unemployment insurance
11 coverage, claims, and business reporting under Chapter 96 of the
12 General Statutes.
- 13 d. The Department of Labor shall release to the GDAC, or otherwise
14 provide access to, all data requested by the GDAC relating to safety
15 inspections, wage and hour complaints, and enforcement activities
16 under Chapter 95 of the General Statutes.
- 17 e. The Department of Revenue shall release to the GDAC, or otherwise
18 provide access to, all data requested by the GDAC relating to the
19 registration and address information of active businesses, business
20 tax reporting, and aggregate federal tax Form 1099 data for
21 comparison with information from DES, the Rate Bureau, and the
22 Department of the Secretary of State for the evaluation of business
23 reporting. Additionally, the Department of Revenue shall furnish to
24 the GDAC, upon request, other tax information, provided that the
25 information furnished does not impair or violate any
26 information-sharing agreements between the Department and the
27 United States Internal Revenue Service. Notwithstanding any other
28 provision of law, a determination of whether furnishing the
29 information requested by the GDAC would impair or violate any
30 information-sharing agreements between the Department of Revenue
31 and the United States Internal Revenue Service shall be within the
32 sole discretion of the State Chief Information Officer. The
33 Department of Revenue and the Office of the State CIO shall work
34 jointly to assure that the evaluation of tax information pursuant to
35 this sub-subdivision is performed in accordance with applicable
36 federal law.
- 37 (3) All information shared with the GDAC and the State CIO under this
38 subsection is protected from release and disclosure in the same manner as
39 any other information is protected under this subsection.
- 40 (d) Provisions on Privacy and Confidentiality of Information. –
- 41 (1) Status with respect to certain information. – The State CIO and the GDAC
42 shall be deemed to be all of the following for the purposes of this section:
- 43 a. With respect to criminal information, and to the extent allowed by
44 federal law, a criminal justice agency (CJA), as defined under
45 Criminal Justice Information Services (CJIS) Security Policy. The
46 State CJIS Systems Agency (CSA) shall ensure that CJLEADS
47 receives access to federal criminal information deemed to be
48 essential in managing CJLEADS to support criminal justice
49 professionals.

- 1 b. With respect to health information covered under the Health
2 Insurance Portability and Accountability Act of 1996 (HIPAA), as
3 amended, and to the extent allowed by federal law:
4 1. A business associate with access to protected health
5 information acting on behalf of the State's covered entities in
6 support of data integration, analysis, and business
7 intelligence.
8 2. Authorized to access and view individually identifiable health
9 information, provided that the access is essential to the
10 enterprise fraud, waste, and improper payment detection
11 program or required for future initiatives having specific
12 definable need for such data.
13 c. Authorized to access all State and federal data, including revenue and
14 labor information, deemed to be essential to the enterprise fraud,
15 waste, and improper payment detection program or future initiatives
16 having specific definable need for the data.
17 d. Authorized to develop agreements with the federal government to
18 access data deemed to be essential to the enterprise fraud, waste, and
19 improper payment detection program or future initiatives having
20 specific definable need for such data.
21 (2) Release of information. – The following limitations apply to (i) the release
22 of information compiled as part of the initiative, (ii) data from State agencies
23 that is incorporated into the initiative, and (iii) data released as part of the
24 implementation of the initiative:
25 a. Information compiled as part of the initiative. – Notwithstanding the
26 provisions of Chapter 132 of the General Statutes, information
27 compiled by the State CIO and the GDAC related to the initiative
28 may be released as a public record only if the State CIO, in that
29 officer's sole discretion, finds that the release of information is in the
30 best interest of the general public and is not in violation of law or
31 contract.
32 b. Data from State agencies. – Any data that is not classified as a public
33 record under G.S. 132-1 shall not be deemed a public record when
34 incorporated into the data resources comprising the initiative. To
35 maintain confidentiality requirements attached to the information
36 provided to the State CIO and the GDAC, each source agency
37 providing data shall be the sole custodian of the data for the purpose
38 of any request for inspection or copies of the data under Chapter 132
39 of the General Statutes.
40 c. Data released as part of implementation. – Information released to
41 persons engaged in implementing the State's business intelligence
42 strategy under this section that is used for purposes other than official
43 State business is not a public record pursuant to Chapter 132 of the
44 General Statutes.
45 d. Data from North Carolina Rate Bureau. – Notwithstanding any other
46 provision of this section, any data released by or obtained from the
47 North Carolina Rate Bureau under this initiative relating to workers'
48 compensation insurance claims, business ratings, or premiums are
49 not public records, and public disclosure of such data, in whole or in
50 part, by the GDAC or State CIO, or by any State agency, is
51 prohibited.

1 ~~(d)~~(e) Funding. – The Office of the State CIO, Information Technology Services, with the
2 support of the Office of State Budget and Management, shall identify and make all efforts to
3 secure any matching funds or other resources to assist in funding ~~this initiative~~ the GDAC.
4 Savings resulting from the cancellation of projects, software, and licensing, as well as any other
5 savings from the ~~initiative~~ utilization of the GDAC, shall be returned to the General Fund and
6 shall remain unexpended and unencumbered until appropriated by the General Assembly in a
7 subsequent fiscal year. It is the intent of the General Assembly that expansion of the ~~initiative~~
8 GDAC in subsequent fiscal years be funded with these savings and that the General Assembly
9 appropriate funds for projects in accordance with the priorities identified by the ~~Office of the~~
10 ~~State CIO in Phase I of the initiative~~ CIO.

11 ~~(d1)~~ Repealed by Session Laws 2014-100, s. 7.6(a), effective July 1, 2014.

12 ~~(e)~~(f) Reporting. – The ~~Office of the~~ State CIO shall:

13 (1) ~~Submit and present quarterly reports on implementation of Phase I of the~~
14 ~~initiative and the plan developed as part of that phase~~ the activities described
15 in this section to the Chairs of the House of Representatives Appropriations
16 and Senate Base Budget/Appropriations Committees, to the Joint Legislative
17 Oversight Committee on Information Technology, and to the Fiscal
18 Research Division of the General Assembly. ~~The State CIO shall submit a~~
19 ~~report prior to implementing any improvements, expending funding for~~
20 ~~expansion of existing business intelligence efforts, or establishing other~~
21 ~~projects as a result of its evaluations, and quarterly thereafter, a written~~
22 ~~report detailing progress on, and identifying any issues associated with, State~~
23 ~~business intelligence efforts.~~

24 (2) Report the following information as ~~needed~~ upon its occurrence or as
25 requested:

26 a. Any failure of a State agency to provide information requested
27 pursuant to this section. The failure shall be reported to the Joint
28 Legislative Oversight Committee on Information Technology and to
29 the Chairs of the House of Representatives Appropriations and
30 Senate Base Budget/Appropriations Committees.

31 b. Any additional information to the Joint Legislative Commission on
32 Governmental Operations and the Joint Legislative Oversight
33 Committee on Information Technology that is requested by those
34 entities.

35 c. The State CIO shall report to the Joint Legislative Oversight
36 Committee on Information Technology on projects that are not
37 achieving projected savings. The report shall include a proposed
38 corrective action plan for the project.

39 (f) ~~Data Sharing.~~—

40 ~~(1) General duties of all State agencies. — Except as limited or prohibited by~~
41 ~~federal law, the head of each State agency, department, and institution shall~~
42 ~~do all of the following:~~

43 a. ~~Grant the Office of the State CIO access to all information required~~
44 ~~to develop and support State business intelligence applications~~
45 ~~pursuant to this section. The State CIO and the GDAC shall take all~~
46 ~~necessary actions and precautions, including training, certifications,~~
47 ~~background checks, and governance policy and procedure, to ensure~~
48 ~~the security, integrity, and privacy of the data in accordance with~~
49 ~~State and federal law and as may be required by contract.~~

50 b. ~~Provide complete information on the State agency's information~~
51 ~~technology, operational, and security requirements.~~

- 1 e. ~~Provide information on all of the State agency's information~~
2 ~~technology activities relevant to the State business intelligence effort.~~
3 d. ~~Forecast the State agency's projected future business intelligence~~
4 ~~information technology needs and capabilities.~~
5 e. ~~Ensure that the State agency's future information technology~~
6 ~~initiatives coordinate efforts with the GDAC to include planning and~~
7 ~~development of data interfaces to incorporate data into the initiative~~
8 ~~and to ensure the ability to leverage analytics capabilities.~~
9 f. ~~Provide technical and business resources to participate in the~~
10 ~~initiative by providing, upon request and in a timely and responsive~~
11 ~~manner, complete and accurate data, business rules and policies, and~~
12 ~~support.~~
13 g. ~~Identify potential resources for deploying business intelligence in~~
14 ~~their respective State agencies and as part of the enterprise level~~
15 ~~effort.~~
16 h. ~~Immediately seek any waivers and enter into any written agreements~~
17 ~~that may be required by State or federal law to effectuate data sharing~~
18 ~~and to carry out the purposes of this section, as appropriate.~~
19 (2) ~~Specific requirements.—The State CIO and the GDAC shall enhance the~~
20 ~~State's business intelligence through the collection and analysis of data~~
21 ~~relating to workers' compensation claims for the purpose of preventing and~~
22 ~~detecting fraud, as follows:~~
23 a. ~~The North Carolina Industrial Commission shall release to GDAC, or~~
24 ~~otherwise provide electronic access to, all data requested by GDAC~~
25 ~~relating to workers' compensation insurance coverage, claims,~~
26 ~~appeals, compliance, and enforcement under Chapter 97 of the~~
27 ~~General Statutes.~~
28 b. ~~The North Carolina Rate Bureau (Bureau) shall release to GDAC, or~~
29 ~~otherwise provide electronic access to, all data requested by GDAC~~
30 ~~relating to workers' compensation insurance coverage, claims,~~
31 ~~business ratings, and premiums under Chapter 58 of the General~~
32 ~~Statutes. The Bureau shall be immune from civil liability for~~
33 ~~releasing information pursuant to this subsection, even if the~~
34 ~~information is erroneous, provided the Bureau acted in good faith~~
35 ~~and without malicious or willful intent to harm in releasing the~~
36 ~~information.~~
37 e. ~~The Department of Commerce, Division of Employment Security~~
38 ~~(DES), shall release to GDAC, or otherwise provide access to, all~~
39 ~~data requested by GDAC relating to unemployment insurance~~
40 ~~coverage, claims, and business reporting under Chapter 96 of the~~
41 ~~General Statutes.~~
42 d. ~~The Department of Labor shall release to GDAC, or otherwise~~
43 ~~provide access to, all data requested by GDAC relating to safety~~
44 ~~inspections, wage and hour complaints, and enforcement activities~~
45 ~~under Chapter 95 of the General Statutes.~~
46 e. ~~The Department of Revenue shall release to GDAC, or otherwise~~
47 ~~provide access to, all data requested by GDAC relating to the~~
48 ~~registration and address information of active businesses, business~~
49 ~~tax reporting, and aggregate federal tax Form 1099 data for~~
50 ~~comparison with information from DES, the Rate Bureau, and the~~
51 ~~Department of the Secretary of State for the evaluation of business~~

1 reporting. Additionally, the Department of Revenue shall furnish to
2 the GDAC, upon request, other tax information, provided that the
3 information furnished does not impair or violate any
4 information sharing agreements between the Department and the
5 United States Internal Revenue Service. Notwithstanding any other
6 provision of law, a determination of whether furnishing the
7 information requested by GDAC would impair or violate any
8 information sharing agreements between the Department of Revenue
9 and the United States Internal Revenue Service shall be within the
10 sole discretion of the State Chief Information Officer. The
11 Department of Revenue and the Office of the State CIO shall work
12 jointly to assure that the evaluation of tax information pursuant to
13 this subdivision is performed in accordance with applicable federal
14 law.

15 (3) All information shared with GDAC and the State CIO under this subdivision
16 is protected from release and disclosure in the same manner as any other
17 information is protected under this section.

18 (g) Provisions on Privacy and Confidentiality of Information:

19 (1) Status with respect to certain information.—The State CIO and the GDAC
20 shall be deemed to be all of the following for the purposes of this section:

21 a. With respect to criminal information, and to the extent allowed by
22 federal law, a criminal justice agency (CJA), as defined under
23 Criminal Justice Information Services (CJIS) Security Policy. The
24 State CJIS Systems Agency (CSA) shall ensure that CJLEADS
25 receives access to federal criminal information deemed to be
26 essential in managing CJLEADS to support criminal justice
27 professionals.

28 b. With respect to health information covered under the Health
29 Insurance Portability and Accountability Act of 1996 (HIPAA), as
30 amended, and to the extent allowed by federal law:

31 1. A business associate with access to protected health
32 information acting on behalf of the State's covered entities in
33 support of data integration, analysis, and business
34 intelligence.

35 2. Authorized to access and view individually identifiable health
36 information, provided that the access is essential to the
37 enterprise fraud, waste, and improper payment detection
38 program or required for future initiatives having specific
39 definable need for the data.

40 c. Authorized to access all State and federal data, including revenue and
41 labor information, deemed to be essential to the enterprise fraud,
42 waste, and improper payment detection program or future initiatives
43 having specific definable need for the data.

44 d. Authorized to develop agreements with the federal government to
45 access data deemed to be essential to the enterprise fraud, waste, and
46 improper payment detection program or future initiatives having
47 specific definable need for such data.

48 (2) Release of information.—The following limitations apply to (i) the release
49 of information compiled as part of the initiative, (ii) data from State agencies
50 that is incorporated into the initiative, and (iii) data released as part of the
51 implementation of the initiative:

- 1 a. ~~Information compiled as part of the initiative. Notwithstanding the~~
2 ~~provisions of Chapter 132 of the General Statutes, information~~
3 ~~compiled by the State CIO and the GDAC related to the initiative~~
4 ~~may be released as a public record only if the State CIO, in that~~
5 ~~officer's sole discretion, finds that the release of information is in the~~
6 ~~best interest of the general public and is not in violation of law or~~
7 ~~contract.~~
- 8 b. ~~Data from State agencies. Any data that is not classified as a public~~
9 ~~record under G.S. 132-1 shall not be deemed a public record when~~
10 ~~incorporated into the data resources comprising the initiative. To~~
11 ~~maintain confidentiality requirements attached to the information~~
12 ~~provided to the State CIO and GDAC, each source agency providing~~
13 ~~data shall be the sole custodian of the data for the purpose of any~~
14 ~~request for inspection or copies of the data under Chapter 132 of the~~
15 ~~General Statutes.~~
- 16 e. ~~Data released as part of implementation. Information released to~~
17 ~~persons engaged in implementing the State's business intelligence~~
18 ~~strategy under this section that is used for purposes other than official~~
19 ~~State business is not a public record pursuant to Chapter 132 of the~~
20 ~~General Statutes.~~
- 21 d. ~~Data from North Carolina Rate Bureau. Notwithstanding any other~~
22 ~~provision of this section, any data released by or obtained from the~~
23 ~~North Carolina Rate Bureau under this initiative relating to workers'~~
24 ~~compensation insurance claims, business ratings, or premiums are~~
25 ~~not public records and public disclosure of such data, in whole or in~~
26 ~~part, by the GDAC or State CIO, or by any State agency, is~~
27 ~~prohibited.~~

28 (h) ~~Definition/Additional Requirements. For the purposes of this section, the term~~
29 ~~"business intelligence (BI)" means the process of collecting, organizing, sharing, and analyzing~~
30 ~~data through integrated data management, reporting, visualization, and advanced analytics to~~
31 ~~discover patterns and other useful information that will allow policymakers and State officials~~
32 ~~to make more informed decisions. The term also includes (i) broad master data management~~
33 ~~capabilities such as data integration, data quality and enrichment, data governance, and master~~
34 ~~data management to collect, reference, and categorize information from multiple sources and~~
35 ~~(ii) self-service query and reporting capabilities to provide timely, relevant, and actionable~~
36 ~~information to business users delivered through a variety of interfaces, devices, or applications~~
37 ~~based on their specific roles and responsibilities. All State agency business intelligence~~
38 ~~requirements, including any planning or development efforts associated with creating BI~~
39 ~~capability, as well as any master data management efforts, shall be implemented through~~
40 ~~GDAC. The State Chief Information Officer shall ensure that State agencies use the GDAC for~~
41 ~~agency business intelligence requirements."~~

42 **SECTION 2.** G.S. 20-7(b2)(6) reads as rewritten:

43 "(6) ~~To the Office of the State Chief Information Officer for the purposes of~~
44 ~~G.S. 143B-426.38A; G.S. 147-33.77A."~~

45 **SECTION 3.** G.S. 20-43(a) reads as rewritten:

46 "(a) All records of the Division, other than those declared by law to be confidential for
47 the use of the Division, shall be open to public inspection during office hours in accordance
48 with G.S. 20-43.1. A signature recorded in any format by the Division for a drivers license or a
49 special identification card is confidential and shall not be released except for law enforcement
50 purposes. A photographic image recorded in any format by the Division for a drivers license or
51 a special identification card is confidential and shall not be released except for law enforcement

1 purposes or to the ~~Office of the~~ State Chief Information Officer for the purposes of
2 ~~G.S. 143B-426.38A, G.S. 147-33.77A."~~

3 **SECTION 4.** G.S. 105-259(b)(45) reads as rewritten:

4 "(45) To furnish tax information to the ~~Office of the~~ State Chief Information
5 Officer under ~~G.S. 143B-426.38A, G.S. 147-33.77A~~. The use and reporting of
6 individual data may be restricted to only those activities specifically allowed
7 by law when potential fraud or other illegal activity is indicated."

8 **SECTION 5.** The Revisor of Statutes shall substitute statute number
9 "G.S. 147-33.77A" for statute number "G.S. 143B-426.38A" wherever it appears in the General
10 Statutes.

11 **SECTION 6.** This act is effective when it becomes law.