

# LONG-RANGE INFORMATION TECHNOLOGY PROGRAM

## PROGRAM BUDGET COMPARISON

Figure 16 compares the 2023 biennium appropriated budget to the 2025 biennium appropriated budget by type of expenditure and source of funding.

Figure 16

Program Comparison - Long-Range Information Technology Program				
Budget Item	Budget 2023 Biennium	Budget 2025 Biennium	Biennium Change	Biennium % Change
	<u>Appropriated</u>	<u>Appropriated</u>		
Projects Cost	53,500,000	237,971,616	184,471,616	344.8%
Total Costs	\$53,500,000	\$237,971,616	\$184,471,616	344.8%
Capital Project Fund <sup>1</sup>	500,000	145,230,218	144,730,218	28946.0%
State Special	3,000,000	11,945,193	8,945,193	298.2%
Federal Special	50,000,000	80,796,205	30,796,205	61.6%
Total Funds	\$53,500,000	\$237,971,616	\$184,471,616	344.8%
<sup>1</sup> The capital project fund consists of transfers from the general fund				

## PROGRAM DISCUSSION

The Long-Range Information Technology Program (LRITP) provides a comprehensive method for funding large information technology (IT) investments under a single program. The LRITP consolidates all major IT projects in one appropriation bill and defines major IT investments as capital projects. All the executive branch projects included in the LRITP program will be administered by the Department of Administration, State Information Technology Support Division (SITSD).

## SUMMARY OF LEGISLATIVE ACTION

The 68th Legislature provided \$238.0 million of appropriations for the LRITP for the 2025 biennium. Figure 17 shows the LRITP projects by agency, project name, and fund type.

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Figure 17

Long-Range Information Technology Program (LRITP) HB 10 - 2025 Biennium				
Agency / Project	LRITP Capital Projects Funds	State Special	Federal Special	Total
<b>Department of Administration</b>				
1 MT Cybersecurity Enhancement Project (SITSD)	\$19,362,397			\$19,362,397
2 E-Discovery/Public Information Request Software (SITSD)	1,800,000			1,800,000
<b>Department of Agriculture</b>				
3 Commodity Assessment System	350,000	20,000		370,000
4 SAFHER Federal System		166,667	33,333	200,000
5 Grant Management System		40,000	20,000	60,000
<b>Department of Livestock</b>				
6 Animal Health System		450,000		450,000
7 Snowflake Integration		125,000		125,000
8 Google AI		425,000		425,000
<b>Public Service Commission</b>				
9 Software Modernization (REDDI)		1,496,436		1,496,436
<b>Department of Natural Resources and Conservation</b>				
10 Financial Management System	607,800	596,200		1,204,000
11 Fire Finance Processing System	500,000			500,000
12 Flathead Reservation Information Technology System	656,667			656,667
13 Trust Land Management System Customer Portal	2,000,000			2,000,000
<b>Department of Corrections</b>				
14 Offender Management System	17,750,000			17,750,000
<b>Department of Public Health and Human Services</b>				
15 Comprehensive Child Welfare Information System	12,537,881		12,537,881	25,075,762
16 MT Child Support Enhancement Automated System	4,412,940	6,304,200	20,803,860	31,521,000
17 Electronic Health Records & Billing - State Facilities	25,000,000	2,321,690	285,614	27,607,304
18 MT Healthcare Programs Modularity Project	4,940,613		44,465,517	49,406,130
19 SNAP Employment & Training Enterprise Solution	1,400,000		1,400,000	2,800,000
20 Electronic Benefits Transfer System Replacement	1,250,000		1,250,000	2,500,000
<b>Subtotal - SITSD Appropriations</b>	<b>\$92,568,298</b>	<b>\$11,945,193</b>	<b>\$80,796,205</b>	<b>\$185,309,696</b>
<b>Judicial Branch/Supreme Court</b>				
21 Courtroom Remote Appearance Video System	782,500			782,500
22 Courthouse Security Initiative	500,000			500,000
<b>Department of Justice Proposed Appropriations</b>				
23 MERLIN System Replacement	45,215,100			45,215,100
<b>MUS University of Montana</b>				
24 MUS UM CyberMontana Cybersecurity Initiative	6,164,320			6,164,320
<b>Subtotal - Judicial Branch/DOJ &amp; MUS UM</b>	<b>52,661,920</b>	<b>0</b>	<b>0</b>	<b>52,661,920</b>
<b>Total Long-Range Information Technology Program</b>	<b>\$145,230,218</b>	<b>\$11,945,193</b>	<b>\$80,796,205</b>	<b>\$237,971,616</b>

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## PROJECT DESCRIPTIONS

LRITP appropriations amounting to \$238.0 million for capital projects are approved in HB 10 from capital project, state special revenue, and federal special revenue accounts. A brief description of the LRITP projects included in Figure 17 is provided below.

For each project, the appropriation for the indicated project will fund:

### *Department of Administration*

1. MT Cybersecurity Enhancement Project (SITSD) – assesses the state's cybersecurity program maturity based on 128 criteria; provides expert analysis and zero trust roadmap recommendations; performs cyber hygiene assessments of applications, data, and users according to access policies; automates intelligent risk-based access based on data classification and device health; and reduces the cyberattack surface by implementing zero trust endpoint segmentation between workstations on the network
2. E-Discovery/Public Information Request Software (SITSD) – enhances the capabilities for the State of Montana to retain and access data, ensure compliance with state regulations, and respond to data requests in a timely manner

### *Department of Agriculture*

3. Commodity Assessment System – an online application that will allow Department of Agriculture producers to electronically submit their commodity data and make their assessment payments
4. System for Agriculture, Food, Health, E-inspections, and Registration (SAFHER) Federal System – replacement of the current system, MT Plants, with a federal industry-developed system for agriculture, food, health, e-inspections, and registration
5. Grant Management System - an automated grant management system with the capacity to interface with the statewide financial system (SABHRS) for grants that are administered by the Department of Agriculture for research, development, and marketing of Montana's agriculture industry. The funding will add functionality to the Department of Commerce's Service Now grants management system to adapt to the Department of Agriculture's grant needs

### *Department of Livestock*

6. Animal Health System – A replacement or upgrade of the outdated and unsupported legacy applications currently in use with a commercial off-the-shelf (COTS) replacement preferably with a cloud smart approach. The system to be replaced serves as a key repository for animal identification records, import and animal movement records, and disease testing records to ensure traceability in the event of a foreign animal disease outbreak, and compliance with state law. The system also provides the capability for Montana veterinarians to utilize electronic methods for issuing health certificates prior to export of Montana livestock out of state. This will be a form, fit, function replacement for existing operability with improvements to areas where Animal Health deems the cost appropriate
7. Snowflake Integration - integrate the data from the Department of Livestock systems, new and old, by replicating production databases and moving data from retiring legacy systems onto the cloud data platform for data integration and robust query tools. The Department of Livestock systems including the Brands Division, Animal Health Division, and Central Services Division will have replicated databases from any existing, upgraded, or legacy systems loaded to the data cloud for inclusion in a robust query and reporting tool. The objectives of the project are to allow for robust reporting, provide long-term digital backup of both current and legacy systems, and allow for data integrations with state and federal

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partners for improved communication and data sharing. Additionally, the integration of the data from this system will assist in developing real-time audit procedures, violation tracking, paper storage reduction, and reduce the time required to fulfill FOIA requests

8. Google Artificial Intelligence (AI) - Google AI for Livestock is a Doc AI project combined with a vision AI integration that serves to recognize data and hand drawn images from Livestock inspection forms for entry into the Livestock inspection system. The purpose of the Google AI project is to digitize and automate the inflow of the Livestock inspections forms used to perform inspections when technology fails or is not in use

## ***Public Service Commission (PSC)***

9. Software Modernization – Replacement of Electronic Database and Docketing System (REDDI) - implements the REDDI Project utilizing the professional services of Stratosphere on the Pega Platform Case Management. PSC will utilize the Pega platform through a licensing subscription

## ***Department of Natural Resources and Conservation (DNRC)***

10. Financial Management System - A comprehensive, enterprise financial system for the Department that provides efficiency in expenditure tracking, improves internal controls, provides for electronic records management and interfaces with the Statewide Accounting, Budgeting and Human Resource System (SABHRS). The new system proposed will be built on standard COTS financial software platforms with modern accounting and audit support functions
11. Fire Finance Processing System - Software application to summarize fire costs and that will meet business needs associated with contracting, tracking, billing, and paying for resources used to fight wildland fire. The DNRC Fire Finance and Incident Business processes are extremely complex involving collaboration among local, state, and federal agencies as well as numerous business entities. DNRC is looking to implement robust financial tracking, cost-sharing, and incident reporting features to be able to provide near real-time data about these resources to different stakeholders (internal fire operations personnel, internal leadership, external partners, contractors, public, etc.)
12. Flathead Reservation Information Technology System – Funding is to engage technology development that will allow the Board to administer their water rights in the existing and newly replaced Water Rights Information System. The DNRC is actively and currently engaged in a formalized discovery engagement with its contractor. This discovery will result in a level of effort, schedule, and cost associated in hiring a contractor to execute the development, project management, and business analysis necessary to deliver enhanced and changed features and business functionality within the WRIS that will allow the Board to conduct statutorily mandated business operations
13. Trust Land Management System Customer Portal - An externally facing portal for the new Trust Lands Management System to allow customers to manage their leases, payments, and relationship with the Trust Lands Division

## ***Department of Corrections***

14. Offender Management System - This project is to replace the current, internally built system with a commercial off-the-shelf (COTS), Cloud Smart system that is vendor supported. This project will involve issuing an RFP to procure and implement a COTS Offender Management System. Additionally, the Department would engage with a contractor to provide assistance in the form of vendor management, independent verification and validation, and project management

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## *Department of Public Health and Human Services*

15. Comprehensive Child Welfare Information System - DPHHS will replace their legacy system with a modularized child welfare information system. The modernized system will support the child welfare services provided by Child Family Services Division (CFSD) and achieve compliance with the Comprehensive Child Welfare Information System (CCWIS) requirements. The new system modules will operate concurrently with the current system until all functionality has been completed, and the current system is retired
16. Montana Child Support Enhancement Automated System - This project is for a full system replacement based on modern technology meeting the federal requirements for system certification. Once funding is secured, a full request for proposal will be issued to identify requirements for a full-scale system replacement. The objective of the project is for a fully functional, certified state automated state child support system
17. Electronic Health Records & Billing – State Facilities - This project is for the procurement, design, and enablement of an Electronic Health Records (EHR) system with billing functionality at DPHHS' seven state-run healthcare facilities and includes deployment of a comprehensive EHR system that allows the electronic entry, storage, and maintenance of digital medical data
18. Montana Healthcare Program Modularity Project – This project is to meet the requirements of federal/state initiatives for multiple systems under the Montana Healthcare Programs Modularity Project (MPATH) program. Funding is to replace the legacy Pharmacy Claims Processing System, procure and implement an Electronic Visit Verification (EVV) system, and invest in technology to support the Interoperability and Patient Access Final Rule
19. Supplemental Nutrition Assistance Program (SNAP) Employment & Training Enterprise Solution - The objective of the project is to strengthen the way DPHHS serves SNAP recipients through employment and training. This project will automate manual processes, create program efficiencies, and deliver against the state's digital transformation imperatives
20. Electronic Benefits Transfer (EBT) System Replacement - The Department's EBT contract expires in September 2025, and the current vendor will discontinue services at that time. This project is to procure, design, develop, and implement a new EBT system to continue providing SNAP, Temporary Assistance for Needy Families (TANF), and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) benefits

## *Judicial Branch*

21. Courtroom Remote Appearance Video Technology Project - Addition and expansion of video equipment in Montana's 75 courtrooms statewide. The Judicial Courtroom Remote Appearance Video Technology Project is an equipment deployment project that will require equipment purchasing, taking into consideration information technology procurement request (ITPR) processes and rules, equipment receiving and asset logging, implementation planning, installation scheduling, technical installations, and new equipment training. 35 courtrooms (75.0% of all caseloads) will be equipped with 3-camera video systems and 85" television setups. 18 courtrooms will be equipped with multi-camera capable video equipment and television setups
22. Courthouse Security Initiative – Includes an in-depth statewide security and safety review of courthouses and the purchase of equipment or building/parking lot modifications as outlined by the professional security review

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## *Department of Justice*

23. Montana Enhanced Registration and Licensing Information Network (MERLIN) System Replacement - The Motor Vehicle Division (MVD) has contracted with Fast Enterprises to replace MERLIN with CARS (Credentialing and Registration System). On October 11, 2022, a scheduling and appointment module was deployed across MVD stations and as an option for counties. This module saw the opportunity to introduce modern abilities to confirm and cancel appointments via text message and in-office queueing features. The second phase of the CARS project will replace Driver License functionality in MERLIN and is in progress, with a go-live date of November 13, 2023

## *Montana University System*

24. University of Montana CyberMontana Cybersecurity Initiative - CyberMontana is a statewide initiative that provides cybersecurity education, training, and workforce development for businesses and residents of Montana. CyberMontana provides cybersecurity education to learners of all ages, both technical and non-technical. Young learners can start with the STEM Summer Camps and progress to dual enrollment offerings for high school students. Individuals looking to train for a career in cybersecurity can explore certificate and degree programs, while those already in the field can build their current skill set through professional development and upskilling. CyberMontana also enters into industry partnerships with local and regional businesses to provide security awareness training and educate employees on best practices in computer and network security

## **FUNDING**

Funding for LRITP capital projects is made through the LRITP capital projects fund. The LRITP fund does not have a dedicated revenue source, but instead relies on fund transfers and agency funds to pay the costs of major IT projects. The program includes projects for agencies that rely on state special and federal special revenues to support their administrative costs, and their projects are funded with their program funds. In the 2025 biennium, the LRITP will receive a transfer from the general fund of \$145.2 million to fund projects not funded with state special or federal special sources.

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## EXECUTIVE BUDGET COMPARISON

Figure 18 provides the legislative changes from the executive budget proposal.

Figure 18

Executive Budget Comparison - Long-Range Information Technology Program				
Budget Item	Budget	Budget	Change	% Change
	2025 Biennium	2025 Biennium		
	<u>Proposed</u>	<u>Appropriated</u>		
Projects Cost	\$240,316,406	\$237,971,616	(\$2,344,790)	-1.0%
Total Costs	\$240,316,406	\$237,971,616	(\$2,344,790)	-1.0%
Capital Project Fund <sup>1</sup>	147,575,008	145,230,218	(2,344,790)	-1.6%
State Special	11,945,193	11,945,193	0	0.0%
Federal Special	80,796,205	80,796,205	0	0.0%
Total Funds	\$240,316,406	\$237,971,616	(\$2,344,790)	-1.0%
<sup>1</sup> The capital project fund consists of transfers from the general fund				

The 68th Legislature reduced funding for seven projects from the executive proposal; the reduction totaled \$8.2 million of LRITP capital project funds. One project, the University of Montana’s CyberMontana cybersecurity initiative, was added, funded with \$6.2 million of LRITP capital project funds. The net difference, in comparison to the executive proposal, is a reduction of \$2.3 million of LRITP capital project funds.

The legislature removed the proposed repayment to the general fund for the Department of Justice’s MERLIN system replacement project. Reporting requirements to the public safety and long-range planning interim budget committees were added for the project.