



Strengthening IT Infrastructure

Bureau of Information & Technology and Department of Labor & Regulation

Overview

Governor Rhoden's recommended budget includes \$13,100,000 in general funds to support technology infrastructure for the Bureau of Information & Technology (BIT) and the Department of Labor & Regulation. These funds will be used to continue efforts to replace some of the state's most critical and at-risk information systems.

IT Modernization Fund

The Governor recommends transferring \$10 million in one-time general funds to the IT Modernization Fund within BIT. This was also a recommendation of the Governor's Resilient Infrastructure Task Force (GRIT). This fund supports a structured, strategic approach to modernizing the State's aging technology infrastructure. Its purpose is to enhance operational efficiency, reduce technical risk, and expand public access to digital services through investments in scalable, secure, and citizen-centered solutions.

A key initiative this year is the launch of a comprehensive infrastructure assessment for the Becker-Hansen building. This effort will focus on modernizing critical systems and facilities to strengthen resilience, improve service availability, and evaluate long-term sustainability options in the wake of the outage this past summer.

Reemployment Assistance Modernization Fund

The Governor recommends transferring \$3,100,000 in one-time general funds to support two additional years of modernization work on the Reemployment Assistance system, a top priority for BIT. The current system, built in the 1980s, is outdated and inefficient. Even basic updates, such as modifying a claim, require a multi-step process that can take two days or more to complete when it should take minutes. This inefficiency delays service to South Dakotans and burdens staff with unnecessary manual work. Modernization began in FY2023, and 25–40% of the work is complete. Continued investment ensures steady progress toward a faster, more agile, and secure system to better serve the citizens of the state.



GOVERNOR
LARRY RHODEN