

HOUSE BILL 1183

P1

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By: **Chair, Health and Government Operations Committee (By Request – Departmental – Information Technology)**

Introduced and read first time: February 7, 2020

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **State Government – Information Technology – Cybersecurity**

3 FOR the purpose of codifying the establishment of the Office of Security Management
4 within the Department of Information Technology, the position of State Chief
5 Information Security Officer, and the Maryland Cybersecurity Coordinating Council;
6 altering the membership of the Council; requiring each unit of the Legislative or
7 Judicial Branch of State government that uses a certain network to certify certain
8 compliance to the Department on or before a certain date each year; defining certain
9 terms; requiring each agency and unit of the Executive Branch of State government
10 to submit a certain report to the Governor on or before a certain date; making
11 conforming changes; and generally relating to information technology.

12 BY renumbering

13 Article – State Finance and Procurement

14 Section 3A–101 through 3A–702, respectively, and the title “Title 3A. Department of
15 Information Technology”

16 to be Section 3.5–101 through 3.5–702, respectively, and the title “Title 3.5.
17 Department of Information Technology”

18 Annotated Code of Maryland

19 (2015 Replacement Volume and 2019 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Criminal Procedure

22 Section 10–221(b)

23 Annotated Code of Maryland

24 (2018 Replacement Volume and 2019 Supplement)

25 BY repealing and reenacting, with amendments,

26 Article – Health – General

27 Section 21–2C–03(h)(2)(i)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2019 Replacement Volume)

3 BY repealing and reenacting, with amendments,
4 Article – Insurance
5 Section 31–103(a)(2)(i) and (b)(2)
6 Annotated Code of Maryland
7 (2017 Replacement Volume and 2019 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article – Natural Resources
10 Section 1–403(c)
11 Annotated Code of Maryland
12 (2018 Replacement Volume and 2019 Supplement)

13 BY repealing and reenacting, without amendments,
14 Article – State Finance and Procurement
15 Section 3.5–101(a) and (e) and 3.5–301(a)
16 Annotated Code of Maryland
17 (2015 Replacement Volume and 2019 Supplement)
18 (As enacted by Section 1 of this Act)

19 BY adding to
20 Article – State Finance and Procurement
21 Section 3.5–2A–01 through 3.5–2A–05 to be under the new subtitle “Subtitle 2A.
22 Office of Security Management”
23 Annotated Code of Maryland
24 (2015 Replacement Volume and 2019 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – State Finance and Procurement
27 Section 3.5–301(h), 3.5–302(c), 3.5–303(b)(2)(ii)2., 3.5–307(a)(2), 3.5–309(c)(2), (i)(3),
28 and (l), 3.5–311(a)(2)(i), 3.5–404, 3.5–506(a), (b)(1), (c)(1), (d)(1) and (2)(i), and
29 (g)(1), and 3.5–602(a)
30 Annotated Code of Maryland
31 (2015 Replacement Volume and 2019 Supplement)
32 (As enacted by Section 1 of this Act)

33 BY repealing and reenacting, with amendments,
34 Article – State Finance and Procurement
35 Section 12–107(b)(2)(i)10. and 11.
36 Annotated Code of Maryland
37 (2015 Replacement Volume and 2019 Supplement)

38 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
39 That Section(s) 3A–101 through 3A–702, respectively, and the title “Title 3A. Department
40 of Information Technology” of Article – State Finance and Procurement of the Annotated

1 Code of Maryland be renumbered to be Section(s) 3.5–101 through 3.5–702, respectively,
2 and the title “Title 3.5. Department of Information Technology”.

3 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
4 as follows:

5 **Article – Criminal Procedure**

6 10–221.

7 (b) Subject to Title [3A] 3.5, Subtitle 3 of the State Finance and Procurement
8 Article, the regulations adopted by the Secretary under subsection (a)(1) of this section and
9 the rules adopted by the Court of Appeals under subsection (a)(2) of this section shall:

10 (1) regulate the collection, reporting, and dissemination of criminal history
11 record information by a court and criminal justice units;

12 (2) ensure the security of the criminal justice information system and
13 criminal history record information reported to and collected from it;

14 (3) regulate the dissemination of criminal history record information in
15 accordance with Subtitle 1 of this title and this subtitle;

16 (4) regulate the procedures for inspecting and challenging criminal history
17 record information;

18 (5) regulate the auditing of criminal justice units to ensure that criminal
19 history record information is:

20 (i) accurate and complete; and

21 (ii) collected, reported, and disseminated in accordance with Subtitle
22 1 of this title and this subtitle;

23 (6) regulate the development and content of agreements between the
24 Central Repository and criminal justice units and noncriminal justice units; and

25 (7) regulate the development of a fee schedule and provide for the collection
26 of the fees for obtaining criminal history record information for other than criminal justice
27 purposes.

28 **Article – Health – General**

29 21–2C–03.

30 (h) (2) The Board is subject to the following provisions of the State Finance
31 and Procurement Article:

1 (i) Title [3A] 3.5, Subtitle 3 (Information Processing), to the extent
2 that the Secretary of Information Technology determines that an information technology
3 project of the Board is a major information technology development project;

4 Article – Insurance

5 31–103.

6 (a) The Exchange is subject to:

7 (2) the following provisions of the State Finance and Procurement Article:

8 (i) Title [3A] 3.5, Subtitle 3 (Information Processing), to the extent
9 that the Secretary of Information Technology determines that an information technology
10 project of the Exchange is a major information technology development project;

11 (b) The Exchange is not subject to:

12 (2) Title [3A] 3.5, Subtitle 3 (Information Processing), except to the extent
13 determined by the Secretary of Information Technology under subsection (a)(1)(i) of this
14 section;

15 Article – Natural Resources

16 1–403.

17 (c) The Department shall develop the electronic system consistent with the
18 statewide information technology master plan developed under Title [3A] 3.5, Subtitle 3 of
19 the State Finance and Procurement Article.

20 Article – State Finance and Procurement

21 3.5–101.

22 (a) In this title the following words have the meanings indicated.

23 (e) “Unit of State government” means an agency or unit of the Executive Branch
24 of State government.

25 SUBTITLE 2A. OFFICE OF SECURITY MANAGEMENT.

26 3.5–2A–01.

27 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
28 INDICATED.

1 (B) "COUNCIL" MEANS THE MARYLAND CYBERSECURITY COORDINATING
2 COUNCIL.

3 (C) "OFFICE" MEANS THE OFFICE OF SECURITY MANAGEMENT.

4 3.5-2A-02.

5 THERE IS AN OFFICE OF SECURITY MANAGEMENT WITHIN THE DEPARTMENT.

6 3.5-2A-03.

7 (A) THE HEAD OF THE OFFICE IS THE STATE CHIEF INFORMATION
8 SECURITY OFFICER.

9 (B) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL:

10 (1) BE APPOINTED BY AND SERVE AT THE PLEASURE OF THE
11 GOVERNOR;

12 (2) BE SUPERVISED BY THE SECRETARY; AND

13 (3) SERVE AS THE CHIEF INFORMATION SECURITY OFFICER OF THE
14 DEPARTMENT.

15 (C) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL PROVIDE
16 CYBERSECURITY ADVICE AND RECOMMENDATIONS TO THE GOVERNOR ON
17 REQUEST.

18 3.5-2A-04.

19 (A) THE OFFICE IS RESPONSIBLE FOR THE DIRECTION, COORDINATION,
20 AND IMPLEMENTATION OF THE OVERALL CYBERSECURITY STRATEGY AND POLICY
21 FOR UNITS OF STATE GOVERNMENT.

22 (B) THE OFFICE SHALL:

23 (1) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION
24 COLLECTED OR MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE
25 GOVERNMENT;

26 (2) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION
27 SYSTEMS MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE GOVERNMENT;

1 **(3) DEVELOP GUIDELINES GOVERNING THE TYPES OF INFORMATION**
2 **AND INFORMATION SYSTEMS TO BE INCLUDED IN EACH CATEGORY;**

3 **(4) ESTABLISH SECURITY REQUIREMENTS FOR INFORMATION AND**
4 **INFORMATION SYSTEMS IN EACH CATEGORY;**

5 **(5) ASSESS THE CATEGORIZATION OF INFORMATION AND**
6 **INFORMATION SYSTEMS AND THE ASSOCIATED IMPLEMENTATION OF THE SECURITY**
7 **REQUIREMENTS ESTABLISHED UNDER ITEM (4) OF THIS SUBSECTION;**

8 **(6) IF THE STATE CHIEF INFORMATION SECURITY OFFICER**
9 **DETERMINES THAT THERE ARE SECURITY VULNERABILITIES OR DEFICIENCIES IN**
10 **THE IMPLEMENTATION OF THE SECURITY REQUIREMENTS ESTABLISHED UNDER**
11 **ITEM (4) OF THIS SUBSECTION, DETERMINE WHETHER AN INFORMATION SYSTEM**
12 **SHOULD BE ALLOWED TO CONTINUE TO OPERATE OR BE CONNECTED TO THE**
13 **NETWORK ESTABLISHED IN ACCORDANCE WITH § 3.5-404 OF THIS TITLE;**

14 **(7) MANAGE SECURITY AWARENESS TRAINING FOR ALL**
15 **APPROPRIATE EMPLOYEES OF UNITS OF STATE GOVERNMENT;**

16 **(8) ASSIST IN THE DEVELOPMENT OF DATA MANAGEMENT, DATA**
17 **GOVERNANCE, AND DATA SPECIFICATION STANDARDS TO PROMOTE**
18 **STANDARDIZATION AND REDUCE RISK; AND**

19 **(9) ASSIST IN THE DEVELOPMENT OF A DIGITAL IDENTITY STANDARD**
20 **AND SPECIFICATION APPLICABLE TO ALL PARTIES COMMUNICATING, INTERACTING,**
21 **OR CONDUCTING BUSINESS WITH OR ON BEHALF OF A UNIT OF STATE GOVERNMENT.**

22 **3.5-2A-05.**

23 **(A) THERE IS A MARYLAND CYBERSECURITY COORDINATING COUNCIL.**

24 **(B) THE COUNCIL CONSISTS OF THE FOLLOWING MEMBERS:**

25 **(1) THE SECRETARY OF BUDGET AND MANAGEMENT, OR THE**
26 **SECRETARY'S DESIGNEE;**

27 **(2) THE SECRETARY OF GENERAL SERVICES, OR THE SECRETARY'S**
28 **DESIGNEE;**

29 **(3) THE SECRETARY OF HEALTH, OR THE SECRETARY'S DESIGNEE;**

1 (4) THE SECRETARY OF HUMAN SERVICES, OR THE SECRETARY'S
2 DESIGNEE;

3 (5) THE SECRETARY OF PUBLIC SAFETY AND CORRECTIONAL
4 SERVICES, OR THE SECRETARY'S DESIGNEE;

5 (6) THE SECRETARY OF TRANSPORTATION, OR THE SECRETARY'S
6 DESIGNEE;

7 (7) THE STATE CHIEF INFORMATION SECURITY OFFICER;

8 (8) THE ADJUTANT GENERAL OF THE MARYLAND NATIONAL GUARD,
9 OR THE ADJUTANT GENERAL'S DESIGNEE;

10 (9) THE DIRECTOR OF THE MARYLAND EMERGENCY MANAGEMENT
11 AGENCY, OR THE DIRECTOR'S DESIGNEE;

12 (10) THE SUPERINTENDENT OF STATE POLICE, OR THE
13 SUPERINTENDENT'S DESIGNEE; AND

14 (11) THE DIRECTOR OF THE GOVERNOR'S OFFICE OF HOMELAND
15 SECURITY, OR THE DIRECTOR'S DESIGNEE.

16 (C) THE CHAIR OF THE COUNCIL IS THE STATE CHIEF INFORMATION
17 SECURITY OFFICER.

18 (D) THE COUNCIL SHALL MEET AT LEAST QUARTERLY AT THE REQUEST OF
19 THE CHAIR.

20 (E) THE COUNCIL SHALL PROVIDE ADVICE AND RECOMMENDATIONS TO
21 THE STATE CHIEF INFORMATION SECURITY OFFICER REGARDING:

22 (1) THE STRATEGY AND IMPLEMENTATION OF CYBERSECURITY
23 INITIATIVES AND RECOMMENDATIONS; AND

24 (2) BUILDING AND SUSTAINING THE CAPABILITY OF THE STATE TO
25 IDENTIFY AND MITIGATE CYBERSECURITY RISK AND RESPOND TO AND RECOVER
26 FROM CYBERSECURITY-RELATED INCIDENTS.

27 (F) IN CARRYING OUT THE DUTIES OF THE COUNCIL, THE COUNCIL MAY
28 CONSULT WITH OUTSIDE EXPERTS, INCLUDING EXPERTS IN THE PRIVATE SECTOR,
29 GOVERNMENT AGENCIES, AND INSTITUTIONS OF HIGHER EDUCATION.

1 3.5–301.

2 (a) In this subtitle the following words have the meanings indicated.

3 (h) “Nonvisual access” means the ability, through keyboard control, synthesized
4 speech, Braille, or other methods not requiring sight to receive, use, and manipulate
5 information and operate controls necessary to access information technology in accordance
6 with standards adopted under [§ 3A–303(b)] **§ 3.5–303(B)** of this subtitle.

7 3.5–302.

8 (c) Notwithstanding any other provision of law, except as provided in subsection
9 (a) of this section and [§§ 3A–307(a)(2), 3A–308, and 3A–309] **§§ 3.5–307(A)(2), 3.5–308,**
10 **AND 3.5–309** of this subtitle, this subtitle applies to all units of the Executive Branch of
11 State government including public institutions of higher education other than Morgan
12 State University, the University System of Maryland, and St. Mary’s College of Maryland.

13 3.5–303.

14 (b) On or before January 1, 2020, the Secretary, or the Secretary’s designee, shall:

15 (2) establish a process for the Secretary or the Secretary’s designee to:

16 (ii) 2. for information technology procured by a State unit on or
17 after January 1, 2020, enforce the nonvisual access clause developed under [§ 3A–311] **§**
18 **3.5–311** of this subtitle, including the enforcement of the civil penalty described in [§
19 3A–311(a)(2)(iii)1] **§ 3.5–311(A)(2)(III)1.** of this subtitle.

20 3.5–307.

21 (a) (2) A unit of State government other than a public institution of higher
22 education may not make expenditures for major information technology development
23 projects except as provided in [§ 3A–308] **§ 3.5–308** of this subtitle.

24 3.5–309.

25 (c) The Secretary:

26 (2) subject to the provisions of § 2–201 of this article and [§ 3A–307] **§**
27 **3.5–307** of this subtitle, may receive and accept contributions, grants, or gifts of money or
28 property.

29 (i) The Fund may be used:

30 (3) notwithstanding [§ 3A–301(b)(2)] **§ 3.5–301(B)(2)** of this subtitle, for
31 the costs of the first 12 months of operation and maintenance of a major information

1 technology development project.

2 (l) Notwithstanding subsection (b) of this section, money paid into the Fund
3 under subsection (e)(2) of this section may be used to support the State telecommunication
4 and computer network established under [§ 3A-404] § 3.5-404 of this title, including
5 program development for these activities.

6 3.5-311.

7 (a) (2) On or after January 1, 2020, the nonvisual access clause developed in
8 accordance with paragraph (1) of this subsection shall include a statement that:

9 (i) within 18 months after the award of the procurement, the
10 Secretary, or the Secretary's designee, will determine whether the information technology
11 meets the nonvisual access standards adopted in accordance with [§ 3A-303(b)] §
12 3.5-303(B) of this subtitle;

13 3.5-404.

14 (a) The General Assembly declares that:

15 (1) it is the policy of the State to foster telecommunication and computer
16 networking among State and local governments, their agencies, and educational
17 institutions in the State;

18 (2) there is a need to improve access, especially in rural areas, to efficient
19 telecommunication and computer network connections;

20 (3) improvement of telecommunication and computer networking for State
21 and local governments and educational institutions promotes economic development,
22 educational resource use and development, and efficiency in State and local administration;

23 (4) rates for the intrastate inter-LATA telephone communications needed
24 for effective integration of telecommunication and computer resources are prohibitive for
25 many smaller governments, agencies, and institutions; and

26 (5) the use of improved State telecommunication and computer networking
27 under this section is intended not to compete with commercial access to advanced network
28 technology, but rather to foster fundamental efficiencies in government and education for
29 the public good.

30 (b) (1) The Department shall establish a telecommunication and computer
31 network in the State.

32 (2) The network shall consist of:

33 (i) one or more connection facilities for telecommunication and

1 computer connection in each local access transport area (LATA) in the State; and

2 (ii) facilities, auxiliary equipment, and services required to support
3 the network in a reliable and secure manner.

4 (c) The network shall be accessible through direct connection and through local
5 intra-LATA telecommunications to State and local governments and public and private
6 educational institutions in the State.

7 (D) ON OR BEFORE DECEMBER 1 EACH YEAR, EACH UNIT OF THE
8 LEGISLATIVE OR JUDICIAL BRANCH OF STATE GOVERNMENT THAT USES THE
9 NETWORK ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION SHALL CERTIFY
10 TO THE DEPARTMENT THAT THE UNIT IS IN COMPLIANCE WITH THE DEPARTMENT'S
11 MINIMUM SECURITY STANDARDS.

12 3.5-506.

13 (a) (1) Subject to paragraph (2) of this subsection, the programs under [§
14 3A-504(a)] § 3.5-504(A) of this subtitle and [§§ 3A-602(a) and 3A-702] §§ 3.5-602(A)
15 AND 3.5-702 of this title shall be funded as provided in the State budget.

16 (2) For fiscal year 2019 and each fiscal year thereafter, the program under
17 [§ 3A-702] § 3.5-702 of this title shall be funded at an amount that:

18 (i) is equal to the cost that the Department of Aging is expected to
19 incur for the upcoming fiscal year to provide the service and administer the program; and

20 (ii) does not exceed 5 cents per month for each account out of the
21 surcharge amount authorized under subsection (c) of this section.

22 (b) (1) There is a Universal Service Trust Fund created for the purpose of
23 paying the costs of maintaining and operating the programs under:

24 (i) [§ 3A-504(a)] § 3.5-504(A) of this subtitle, subject to the
25 limitations and controls provided in this subtitle;

26 (ii) [§ 3A-602(a)] § 3.5-602(A) of this title, subject to the limitations
27 and controls provided in Subtitle 6 of this title; and

28 (iii) [§ 3A-702] § 3.5-702 of this title, subject to the limitations and
29 controls provided in Subtitle 7 of this title.

30 (c) (1) The costs of the programs under [§ 3A-504(a)] § 3.5-504(A) of this
31 subtitle and [§§ 3A-602(a) and 3A-702] §§ 3.5-602(A) AND 3.5-702 of this title shall be
32 funded by revenues generated by:

1 (i) a surcharge to be paid by the subscribers to a communications
2 service; and

3 (ii) other funds as provided in the State budget.

4 (d) (1) The Secretary shall annually certify to the Public Service Commission
5 the costs of the programs under [§ 3A-504(a)] **§ 3.5-504(A)** of this subtitle and [§§
6 3A-602(a) and 3A-702] **§§ 3.5-602(A) AND 3.5-702** of this title to be paid by the Universal
7 Service Trust Fund for the following fiscal year.

8 (2) (i) The Public Service Commission shall determine the surcharge
9 for the following fiscal year necessary to fund the programs under [§ 3A-504(a)] **§**
10 **3.5-504(A)** of this subtitle and [§§ 3A-602(a) and 3A-702] **§§ 3.5-602(A) AND 3.5-702**
11 of this title.

12 (g) (1) The Legislative Auditor may conduct postaudits of a fiscal and
13 compliance nature of the Universal Service Trust Fund and the expenditures made for
14 purposes of [§ 3A-504(a)] **§ 3.5-504(A)** of this subtitle and [§§ 3A-602(a) and 3A-702] **§§**
15 **3.5-602(A) AND 3.5-702** of this title.

16 3.5-602.

17 (a) In accordance with the State budget and [§ 3A-506] **§ 3.5-506** of this title,
18 the Department, in consultation with the Board and the Department of Disabilities, shall
19 establish and administer a program:

20 (1) to provide specialized customer telephone equipment to eligible
21 program participants; and

22 (2) to provide reimbursement of costs under [§ 3A-606] **§ 3.5-606** of this
23 subtitle.

24 12-107.

25 (b) Subject to the authority of the Board, jurisdiction over procurement is as
26 follows:

27 (2) the Department of General Services may:

28 (i) engage in or control procurement of:

29 10. information processing equipment and associated
30 services, as provided in Title [3A] **3.5**, Subtitle 3 of this article; and

31 11. telecommunication equipment, systems, or services, as
32 provided in Title [3A] **3.5**, Subtitle 4 of this article;

1 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before April 1, 2021,
2 each agency and unit of the Executive Branch of State government shall submit a report to
3 the Governor that includes:

4 (1) an inventory of all information systems and applications used or
5 maintained by the agency or unit;

6 (2) a full data inventory of the agency or unit;

7 (3) a list of all cloud or statistical analysis system solutions used by the
8 agency or unit; and

9 (4) a list of all permanent and transient vendor interconnections that are
10 in place.

11 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2020.