

HB1346/473827/1

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO HOUSE BILL 1346
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 15, after “Management;” insert “establishing the Maryland Cybersecurity Coordinating Council;”.

On pages 1 and 2, strike beginning with “establishing” in line 17 on page 1 down through “municipalities;” in line 3 on page 2.

On page 2, in line 4, strike “master plan” and substitute “strategy”; strike beginning with “requiring” in line 5 down through “contracts;” in line 6 and substitute “requiring certain IT units to certify compliance with certain cybersecurity standards;”; strike line 13 in its entirety; in line 17, after “opportunities;” insert “requiring the Department of General Services to study the security and financial implications of executing partnerships with other states to procure information technology and cybersecurity products and services; requiring the Department of General Services to establish certain basic security requirements to be included in certain contracts;”; and in line 18, after “date;” insert “requiring the Office to prepare a transition strategy towards cybersecurity centralization; requiring each agency in the Executive Branch of State government to certify to the Office that the agency is in compliance with certain standards; requiring the Office to assume responsibility for a certain agency’s cybersecurity except under certain circumstances; requiring DoIT to hire a contractor to conduct a performance and capacity assessment of DoIT; authorizing funds to be transferred by budget amendment from the Dedicated Purpose Account in a certain fiscal year to implement the Act;”.

On page 3, in line 24, strike “3.5-2A-08” and substitute “3.5-2A-06”; in line 25, after “and” insert “3.5-404(d) and (e).”; in the same line, strike the second “and” and substitute a comma; in line 26, after “3.5-406” insert “, 4-316.1, and 13-115”; in line 31,

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 2 of 10**

strike “3.5–301(j)” and substitute “3.5–301(i) and (j)”; in line 32, strike the third comma and substitute “and”; in the same line, strike the second “, and”; and in the same line, strike “3.5–401”.

AMENDMENT NO. 2

On page 9, strike in their entirety lines 21 through 23, inclusive.

On page 10, strike beginning with “AND” in line 28 down through “CONTENT” in line 29.

On page 11, strike in their entirety lines 19 and 20; strike in their entirety lines 26 through 30, inclusive, and substitute “AND”; in line 31, strike “(III)” and substitute “(II)”; and in the same line, strike “SUPPORTING” and substitute “COORDINATING WITH”.

On page 12, strike lines 21 through 24, inclusive, and substitute “ANY INFORMATION SYSTEMS, DETERMINE AND DIRECT OR TAKE ACTIONS NECESSARY TO CORRECT OR REMEDIATE THE VULNERABILITIES OR DEFICIENCIES, WHICH MAY INCLUDE REQUIRING THE INFORMATION SYSTEM TO BE DISCONNECTED;

(7) IF THE STATE CHIEF INFORMATION SECURITY OFFICER DETERMINES THAT THERE IS A CYBERSECURITY THREAT CAUSED BY AN ENTITY CONNECTED TO THE NETWORK ESTABLISHED UNDER § 3.5–404 OF THIS TITLE THAT INTRODUCES A SERIOUS RISK TO ENTITIES CONNECTED TO THE NETWORK OR TO THE STATE, TAKE OR DIRECT ACTIONS REQUIRED TO MITIGATE THE THREAT;”;

and in lines 25, 27, and 30, strike “(7)”, “(8)”, and “(9)”, respectively, and substitute “(8)”, “(9)”, and “(10)”, respectively.

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 3 of 10**

On page 13, in lines 1 and 5, strike “**(10)**” and “**(11)**”, respectively and substitute “**(11)**” and “**(12)**”, respectively; strike in their entirety lines 9 and 10; in line 23, after “**DEPARTMENT;**” insert “**AND**”; and strike beginning with the semicolon in line 26 down through “**PREPAREDNESS**” in line 28.

On page 14, in line 7, after “**(E)**” insert “**(1)**”; and in lines 16, 18, 21, 23, 26, 29, and 34, strike “**(1)**”, “**(2)**”, “**(I)**”, “**(II)**”, “**(III)**”, “**(IV)**”, and “**(V)**”, respectively, and substitute “**(I)**”, “**(II)**”, “**1.**”, “**2.**”, “**3.**”, “**4.**”, and “**5.**”, respectively.

On page 15, in lines 1 and 4, strike “**(VI)**” and “**(VII)**”, respectively, and substitute “**6.**” and “**7.**”, respectively; and after line 5, insert:

“(2) A REPORT SUBMITTED UNDER THIS SUBSECTION MAY NOT CONTAIN INFORMATION THAT REVEALS CYBERSECURITY VULNERABILITIES AND RISKS IN THE STATE.”

On page 16, after line 16, insert:

“(C) IN ADDITION TO THE MEMBERS LISTED UNDER SUBSECTION (B) OF THIS SECTION, THE FOLLOWING REPRESENTATIVES MAY SERVE AS NONVOTING MEMBERS OF THE COUNCIL:

(1) ONE MEMBER OF THE SENATE OF MARYLAND, APPOINTED BY THE PRESIDENT OF THE SENATE;

(2) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY THE SPEAKER OF THE HOUSE; AND

(3) ONE REPRESENTATIVE OF THE JUDICIARY, APPOINTED BY THE CHIEF JUDGE OF THE COURT OF APPEALS.”;

(Over)

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 4 of 10**

and in lines 17, 19, and 23, strike “(C)”, “(D)”, and “(E)”, respectively, and substitute “(D)”, “(E)”, and “(F)”, respectively.

On page 17, in line 6, strike “(F)” and substitute “(G)”; in lines 4 and 5 strike “IN THE GOVERNOR’S ANNUAL BUDGET”; strike in their entirety lines 10 through 14, inclusive; in line 18, after semicolon insert “AND”; and strike beginning with the semicolon in line 23 down through “GOVERNMENT” in line 25.

On pages 17 through 19, strike in their entirety the lines beginning with line 26 on page 17 through line 21 on page 19, inclusive.

AMENDMENT NO. 3

On page 19, after line 23, insert:

“(i) “Master plan” means the statewide information technology master plan AND STATEWIDE CYBERSECURITY STRATEGY.”.

On page 20, strike lines 7 through 10, inclusive; in lines 11 and 12, strike “(12)” and “(13)”, respectively, and substitute “(8)” and “(9)”, respectively; in line 19, strike “3.5-306(A)(2), 3.5-307,” and substitute “3.5-307(A)(2), 3.5-308”; and in line 20, strike “3.5-308” and substitute “3.5-309”.

On page 21, strike beginning with the comma in line 24 down through the comma in line 25; strike lines 27 through 29, inclusive; in line 30, strike “(6)” and substitute “(5)”; and in line 31, strike “MASTER PLAN” and substitute “STRATEGY”.

On page 22, in lines 7, 10, 14, and 16, strike “(7)”, “(8)”, “(9)”, and “(10)”, respectively, and substitute “(6)”, “(7)”, “(8)”, and “(9)”, respectively; and in lines 11 and 17, in each instance, strike “COORDINATING”.

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 5 of 10**

On page 23, in line 16, after the comma, insert “IN A SEPARATE REPORT OR INCLUDED WITHIN A GENERAL BUDGET REPORT,”.

On page 24, in lines 19 and 25 and 26, in each instance, strike “AND THE CYBERSECURITY MASTER PLAN” and substitute “STRATEGY”.

On pages 34 and 35, strike in their entirety the lines beginning with line 14 on page 34 through line 21 on page 35, inclusive.

On page 36, after line 20, insert:

“3.5-404.

(D) (1) THE OFFICE SHALL ENSURE THAT AT LEAST ONCE EVERY 2 YEARS, OR MORE OFTEN IF REQUIRED BY REGULATIONS ADOPTED BY THE DEPARTMENT, EACH UNIT OF STATE GOVERNMENT SHALL COMPLETE AN EXTERNAL ASSESSMENT.

(2) THE OFFICE SHALL ASSIST EACH UNIT TO REMEDIATE ANY SECURITY VULNERABILITIES OR HIGH-RISK CONFIGURATIONS IDENTIFIED IN THE ASSESSMENT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(E) (1) IN THIS SUBSECTION, “IT UNIT” MEANS A UNIT OF THE LEGISLATIVE BRANCH OR JUDICIAL BRANCH OF STATE GOVERNMENT THAT PROVIDES INFORMATION TECHNOLOGY SERVICES FOR ANOTHER UNIT OF GOVERNMENT.

(2) EACH IT UNIT SHALL:

(Over)

(I) BE EVALUATED BY AN INDEPENDENT AUDITOR WITH CYBERSECURITY EXPERTISE TO DETERMINE WHETHER THE IT UNIT, AND THE UNITS IT PROVIDES INFORMATION TECHNOLOGY SERVICES FOR, MEET RELEVANT CYBERSECURITY STANDARDS RECOMMENDED BY THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY; AND

(II) CERTIFY COMPLIANCE WITH THE RECOMMENDED NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY CYBERSECURITY STANDARDS TO:

1. IF THE IT UNIT IS PART OF THE LEGISLATIVE BRANCH, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE; AND

2. IF THE IT UNIT IS PART OF THE JUDICIAL BRANCH OF STATE GOVERNMENT, THE CHIEF JUDGE.”.

AMENDMENT NO. 4

On page 38, in line 21, strike “ON OR BEFORE DECEMBER 1 EACH YEAR” and substitute “IN A MANNER AND FREQUENCY ESTABLISHED IN REGULATIONS ADOPTED BY THE DEPARTMENT”; strike beginning with “AND” in line 25 down through “APPROVAL” in line 26; and in line 26, after the semicolon insert “AND”.

On pages 38 and 39, strike beginning with “AND” in line 28 on page 38 down through “DATABASES” in line 10 on page 39.

On page 39, strike beginning with the first comma in line 19 down through “MANAGEMENT” in line 20 and substitute “AND THE STATE SECURITY OPERATIONS CENTER IN THE DEPARTMENT”; and in line 31, strike “MARYLAND JOINT” and substitute “STATE SECURITY”.

On page 40, after line 2, insert:

“4-316.1.

THE DEPARTMENT, IN CONSULTATION WITH THE MARYLAND CYBERSECURITY COORDINATING COUNCIL ESTABLISHED IN § 3.5-2A-05 OF THIS ARTICLE, SHALL STUDY THE SECURITY AND FINANCIAL IMPLICATIONS OF EXECUTING PARTNERSHIPS WITH OTHER STATES TO PROCURE INFORMATION TECHNOLOGY AND CYBERSECURITY PRODUCTS AND SERVICES, INCLUDING THE IMPLICATIONS FOR POLITICAL SUBDIVISIONS OF THE STATE.

13-115.

(A) THE DEPARTMENT SHALL REQUIRE BASIC SECURITY REQUIREMENTS TO BE INCLUDED IN A CONTRACT:

(1) IN WHICH A THIRD-PARTY CONTRACTOR WILL HAVE ACCESS TO AND USE STATE TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES; OR

(2) FOR SYSTEMS OR DEVICES THAT WILL CONNECT TO STATE TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES.

(B) THE SECURITY REQUIREMENTS DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE CONSISTENT WITH A WIDELY RECOGNIZED SECURITY STANDARD, INCLUDING NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY SP 800-171, ISO27001, OR CYBERSECURITY MATURITY MODEL CERTIFICATION.”.

AMENDMENT NO. 5

(Over)

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 8 of 10**

On page 40, after line 23, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That, on or before June 30, 2023, the Office of Security Management, in consultation with the Maryland Cybersecurity Coordinating Council, shall prepare a transition strategy toward cybersecurity centralization, including recommendations for:

- (1) consistent incident response training;
- (2) implementing security improvement dashboards to inform budgetary appropriations;
- (3) operations logs transition to the Maryland Security Operations Center;
- (4) establishing consistent performance accountability metrics for information technology and cybersecurity staff; and
- (5) whether the Office needs additional staff or contractors to carry out its duties.

SECTION 5. AND BE IT FURTHER ENACTED, That:

- (a) (1) On or before June 30, 2023, each agency in the Executive Branch of State government shall certify to the Office of Security Management compliance with State minimum cybersecurity standards established by the Department of Information Security.
- (2) Except as provided in paragraph (3) of this subsection, certification shall be reviewed by independent auditors, and any findings must be remediated.

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 9 of 10**

(3) Certification for the Department of Public Safety and Correctional Services and any State criminal justice agency shall be reviewed by the Office of Legislative Audits, and any findings must be remediated.

(b) If an agency has not remediated any findings pertaining to State cybersecurity standards found by the independent audit required under subsection (a) of this section by July 1, 2024, the Office of Security Management shall assume responsibility for an agency's cybersecurity through a shared service agreement, administrative privileges, or access to Network Maryland notwithstanding any federal law or regulation that forbids the Office of Security Management from managing a specific system.

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) The Department of Information Technology shall hire a contractor to conduct a performance and capacity assessment of the Department to:

(1) evaluate the Department's capacity to implement provisions of this Act; and

(2) recommend additional resources necessary for the Department to implement provisions of this title and meet future needs, including additional budget appropriations, additional staff, altered contracting authority, and pay increases for staff.

(b) The contractor hired by the Department to complete the assessment and report required by this section shall:

(1) on or before December 1, 2023, submit an interim report of its findings and recommendations to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly; and

(Over)

**HB1346/473827/01 Education, Health, and Environmental Affairs Committee
Amendments to HB 1346
Page 10 of 10**

(2) on or before December 1, 2024, submit a final report of its findings and recommendations to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

SECTION 7. AND BE IT FURTHER ENACTED, That for fiscal year 2023, funds from the Dedicated Purpose Account may be transferred by budget amendment in accordance with § 7–310 of the State Finance and Procurement Article to implement this Act.

SECTION 8. AND BE IT FURTHER ENACTED, That:

(a) On or before June 1, 2022, the State Chief Information Security Officer shall establish guidelines to determine when a cybersecurity incident shall be disclosed to the public.

(b) On or before November 1, 2022, the State Chief Information Security Officer shall submit a report on the guidelines established under subsection (a) of this section to the Governor and, in accordance with § 2–1257 of the State Government Article, the House Health and Government Operations Committee and the Senate Education, Health, and Environmental Affairs Committee.”.

On page 41, in line 20, strike “4.” and substitute “9.”.