

HOUSE BILL 1205

S2, P1, S1

2lr1777
CF SB 811

By: ~~Delegates P. Young, Kerr, Feldmark, Bartlett, Kelly, Kipke, and McIntosh~~
McIntosh, Bagnall, Bhandari, Carr, Chisholm, Cullison, Hill, Johnson,
Kaiser, Landis, R. Lewis, Morgan, Pena-Melnyk, Pendergrass, Reilly,
Rosenberg, Saab, Sample-Hughes, Szeliga, and K. Young

Introduced and read first time: February 11, 2022

Assigned to: Health and Government Operations and Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2022

CHAPTER _____

1 AN ACT concerning

2 **State Government – Information Technology and Cybersecurity-Related**
3 **Infrastructure**
4 **(Modernize Maryland Act of 2022)**

5 FOR the purpose of ~~authorizing the Maryland Stadium Authority to issue bonds and, in~~
6 ~~consultation with the Department of Information Technology, finance projects~~
7 ~~related to information technology and cybersecurity-related State government~~
8 ~~infrastructure; establishing an Information Technology and Cybersecurity~~
9 ~~Infrastructure~~ establishing the Local Cybersecurity Support Fund as a special,
10 nonlapsing fund; requiring interest earnings of the Fund to be credited to the Fund;
11 establishing certain eligibility requirements to receive assistance from the Fund;
12 altering the duties of the Secretary of Information Technology; establishing a
13 Statewide Reporting Framework and Oversight Commission in the Department of
14 Information Technology; requiring the Department to hire ~~an~~ independent
15 ~~contractor~~ contractors to develop a framework for investments in technology and
16 annually periodically assess the cybersecurity and information technology systems
17 in ~~each unit~~ certain units of State government; ~~specifying the use of proceeds from~~
18 ~~certain bonds;~~ exempting certain procurements by the Department from oversight
19 by the Board of Public Works; establishing that the Department is a primary
20 procurement unit and authorizing the Department to engage in or control certain
21 procurements; ~~authorizing a certain independent contractor to issue a certain~~
22 ~~change order~~ applying certain change order requirements to State procurement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 contracts for certain equipment, services, and upgrades; and generally relating to
 2 the development, financing, and procurement of information technology and
 3 cybersecurity-related State government infrastructure projects.

4 ~~BY repealing and reenacting, with amendments,~~
 5 ~~Article – Economic Development~~
 6 ~~Section 10-628(a)~~
 7 ~~Annotated Code of Maryland~~
 8 ~~(2018 Replacement Volume and 2021 Supplement)~~

9 ~~BY adding to~~
 10 ~~Article – Economic Development~~
 11 ~~Section 10-628(d), 10-650.1, and 10-657.5~~
 12 ~~Annotated Code of Maryland~~
 13 ~~(2018 Replacement Volume and 2021 Supplement)~~

14 BY repealing and reenacting, with amendments,
 15 Article – State Finance and Procurement
 16 Section 3A-303(a)(7) and (8), 6-226(a)(2)(ii)144. and 145., 11-101(m), 12-101,
 17 12-107(b)(2)(i)9. through 11. 12-107(b)(2)(i)8., (3)(vi), and (4)(v), and
 18 15-112(a)(1)(i)
 19 Annotated Code of Maryland
 20 (2021 Replacement Volume)

21 BY adding to
 22 Article – State Finance and Procurement
 23 Section 3A-303(a)(9), 3A-315 through 3A-317, 6-226(a)(2)(ii)146., ~~12-107(b)(5), and~~
 24 and 12-107(b)(5) 15-112(b)(4)
 25 Annotated Code of Maryland
 26 (2021 Replacement Volume)

27 BY repealing and reenacting, without amendments,
 28 Article – State Finance and Procurement
 29 Section 6-226(a)(2)(i), ~~11-101(a), and 15-112(b)(3)~~ 11-101(a), and 12-107(b)(2)(i)9.
 30 Annotated Code of Maryland
 31 (2021 Replacement Volume)

32 BY repealing
 33 Article – State Finance and Procurement
 34 Section 12-107(b)(2)(i)10. and 11.
 35 Annotated Code of Maryland
 36 (2021 Replacement Volume)

37 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 38 That the Laws of Maryland read as follows:

39 ~~Article – Economic Development~~

1 ~~10-628.~~

2 ~~(a) Except as provided in subsections (b) [and], (c), AND (D) of this section and~~
3 ~~subject to the prior approval of the Board of Public Works, the Authority may issue bonds~~
4 ~~at any time for any corporate purpose of the Authority, including the establishment of~~
5 ~~reserves and the payment of interest.~~

6 ~~(D) UNLESS AUTHORIZED BY THE GENERAL ASSEMBLY, THE BOARD OF~~
7 ~~PUBLIC WORKS MAY NOT APPROVE AN ISSUANCE BY THE AUTHORITY OF BONDS,~~
8 ~~WHETHER TAXABLE OR TAX EXEMPT, THAT CONSTITUTE TAX SUPPORTED DEBT OR~~
9 ~~NONTAX SUPPORTED DEBT IF, AFTER ISSUANCE, THERE WOULD BE OUTSTANDING~~
10 ~~AND UNPAID \$1,500,000,000 FACE AMOUNTS OF THE BONDS FOR THE PURPOSE OF~~
11 ~~FINANCING RESEARCH INTO, ACQUISITION OF, INSTALLATION OF, MAINTENANCE~~
12 ~~OF, AND RELATED EXPENSES FOR UPGRADES TO INFORMATION TECHNOLOGY AND~~
13 ~~CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE.~~

14 ~~10-650.1.~~

15 ~~(A) THE AUTHORITY AND THE DEPARTMENT OF INFORMATION~~
16 ~~TECHNOLOGY SHALL COMPLY WITH THIS SECTION TO FINANCE PROJECTS TO~~
17 ~~RESEARCH, ACQUIRE, INSTALL, MAINTAIN, AND UPGRADE INFORMATION~~
18 ~~TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT~~
19 ~~INFRASTRUCTURE.~~

20 ~~(B) THE AUTHORITY SHALL TRANSFER TO THE DEPARTMENT OF~~
21 ~~INFORMATION TECHNOLOGY THE PROCEEDS OF BONDS ISSUED UNDER THIS~~
22 ~~SUBTITLE FOR FINANCING INFORMATION TECHNOLOGY AND~~
23 ~~CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS.~~

24 ~~(C) AT LEAST 90 DAYS BEFORE PROVIDING THE WRITTEN NOTICE TO THE~~
25 ~~FISCAL COMMITTEES OF THE GENERAL ASSEMBLY REQUIRED UNDER SUBSECTION~~
26 ~~(D) OF THIS SECTION, THE AUTHORITY SHALL CONSULT WITH THE DEPARTMENT OF~~
27 ~~INFORMATION TECHNOLOGY TO DETERMINE THE AMOUNT OF FUNDS NEEDED FOR~~
28 ~~INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT~~
29 ~~INFRASTRUCTURE PROJECTS TO BE FINANCED WITH THE PROPOSED BONDS.~~

30 ~~(D) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF~~
31 ~~PUBLIC WORKS FOR EACH BOND ISSUE RELATED TO INFORMATION TECHNOLOGY~~
32 ~~AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE, THE~~
33 ~~AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL~~
34 ~~ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,~~
35 ~~WRITTEN NOTICE OF:~~

~~(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS TO BE FINANCED WITH THE PROPOSED BONDS;~~

~~(2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED BOND ISSUE; AND~~

~~(3) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS.~~

~~(E) BEFORE EACH ISSUANCE OF BONDS TO FINANCE INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF PUBLIC WORKS OF THE AGGREGATE AMOUNT OF THE PROPOSED BOND ISSUE.~~

~~(F) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, UNTIL THE BONDS THAT HAVE BEEN ISSUED TO FINANCE INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS ARE NO LONGER OUTSTANDING AND UNPAID, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE INFORMATION TECHNOLOGY AND CYBERSECURITY INFRASTRUCTURE FUND IN AN AMOUNT SUFFICIENT TO COVER THE PROJECTED DEBT SERVICE REQUIREMENTS FOR THE UPCOMING FISCAL YEAR.~~

~~10-657.5.~~

~~(A) IN THIS SECTION, "FUND" MEANS THE INFORMATION TECHNOLOGY AND CYBERSECURITY INFRASTRUCTURE FUND.~~

~~(B) THERE IS AN INFORMATION TECHNOLOGY AND CYBERSECURITY INFRASTRUCTURE FUND.~~

~~(C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND THAT SHALL BE AVAILABLE IN PERPETUITY TO IMPLEMENT THIS SUBTITLE RELATED TO UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE.~~

~~(2) THE AUTHORITY SHALL:~~

~~(I) USE THE FUND AS A REVOLVING FUND FOR CARRYING OUT THE PROVISIONS OF THIS SUBTITLE RELATED TO UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE; AND~~

~~(II) PAY ANY AND ALL EXPENSES FROM THE FUND THAT ARE INCURRED BY THE AUTHORITY OR THE DEPARTMENT OF INFORMATION TECHNOLOGY RELATED TO UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE.~~

~~(D) THE FUND CONSISTS OF:~~

~~(1) FUNDS APPROPRIATED FOR DEPOSIT TO THE FUND;~~

~~(2) PROCEEDS FROM THE SALE OF BONDS RELATED TO UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS;~~

~~(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT INFRASTRUCTURE PROJECTS;~~

~~(4) INTEREST EARNINGS; AND~~

~~(5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR PRIVATE SOURCE FOR THE PURPOSES ESTABLISHED FOR THE FUND.~~

~~(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE FUNDS.~~

~~(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE FUND.~~

~~(3) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY SPECIAL FUND OF THE STATE.~~

Article – State Finance and Procurement

3A-303.

(a) The Secretary is responsible for carrying out the following duties:

(7) advising and consulting with the Legislative and Judicial branches of State government regarding a cybersecurity strategy; [and]

1 (8) in consultation with the Attorney General, developing guidance on
 2 consistent cybersecurity strategies for counties, municipal corporations, school systems,
 3 and all other political subdivisions of the State; AND

4 (9) UPGRADING INFORMATION TECHNOLOGY AND
 5 CYBERSECURITY-RELATED STATE GOVERNMENT INFRASTRUCTURE.

6 **3A-315.**

7 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 8 INDICATED.

9 (2) "CITIZEN ADVOCACY GROUP" MEANS AN ORGANIZATION WHOSE
 10 MISSION IS TO PROVIDE SUPPORT FOR INFORMATION TECHNOLOGY AND
 11 CYBERSECURITY POLICIES.

12 (3) "COMMISSION" MEANS THE STATEWIDE REPORTING
 13 FRAMEWORK AND OVERSIGHT COMMISSION.

14 (4) "CRITICAL SYSTEM" MEANS AN INFORMATION TECHNOLOGY OR
 15 CYBERSECURITY SYSTEM THAT IS SEVERELY OUTDATED, AS DETERMINED BY THE
 16 DEPARTMENT.

17 (B) THERE IS A STATEWIDE REPORTING FRAMEWORK AND OVERSIGHT
 18 COMMISSION IN THE DEPARTMENT.

19 (C) THE PURPOSE OF THE COMMISSION IS TO:

20 (1) ENSURE THE CONFIDENTIALITY, INTEGRITY, AND AVAILABILITY
 21 OF INFORMATION HELD BY THE STATE CONCERNING STATE RESIDENTS; AND

22 (2) DETERMINE THE APPROPRIATE INFORMATION TECHNOLOGY AND
 23 CYBERSECURITY INVESTMENTS AND UPGRADES.

24 (D) THE COMMISSION CONSISTS OF THE FOLLOWING MEMBERS:

25 (1) THE SECRETARY;

26 (2) THE STATE CHIEF INFORMATION SECURITY OFFICER;

27 ~~(3) THE STATE TREASURER;~~

28 ~~(4) THE COCHAIRS OF THE JOINT COMMITTEE ON CYBERSECURITY,~~
 29 ~~INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY;~~

1 ~~(5)~~ (3) THREE CHIEF INFORMATION SECURITY OFFICERS
2 REPRESENTING DIFFERENT UNITS OF STATE GOVERNMENT, APPOINTED BY THE
3 GOVERNOR;

4 ~~(6)~~ (4) FOUR INFORMATION TECHNOLOGY EXPERTS IN THE
5 PRIVATE SECTOR, APPOINTED BY THE GOVERNOR;

6 ~~(7)~~ (5) ONE REPRESENTATIVE FROM THE MARYLAND CHAMBER OF
7 COMMERCE WITH KNOWLEDGE OF CYBERSECURITY ISSUES;

8 ~~(8)~~ (6) TWO REPRESENTATIVES FROM CITIZEN ADVOCACY GROUPS
9 IN THE STATE, APPOINTED BY THE GOVERNOR;

10 ~~(9)~~ (7) ONE CHIEF INFORMATION SECURITY OFFICER FROM THE
11 PRIVATE SECTOR WHO HAS COMPLETED INFORMATION TECHNOLOGY AND
12 CYBERSECURITY UPGRADES FOR A BUSINESS WITH OVER 100 INFORMATION
13 TECHNOLOGY SYSTEMS, APPOINTED BY THE GOVERNOR; AND

14 ~~(10)~~ (8) ONE CHIEF INFORMATION SECURITY OFFICER FROM THE
15 EDUCATION SECTOR WHO HAS COMPLETED INFORMATION TECHNOLOGY AND
16 CYBERSECURITY UPGRADES FOR AN EDUCATIONAL INSTITUTION WITH OVER 100
17 INFORMATION TECHNOLOGY SYSTEMS, APPOINTED BY THE GOVERNOR.

18 (E) THE COCHAIRS OF THE JOINT COMMITTEE ON CYBERSECURITY,
19 INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY SHALL SERVE AS ADVISORY,
20 NONVOTING MEMBERS OF THE COMMISSION.

21 ~~(E)~~ (F) THE COMMISSION SHALL:

22 (1) DEVELOP A STRATEGIC ROADMAP WITH A TIMELINE AND BUDGET
23 THAT WILL:

24 (I) REQUIRE THE UPDATES AND INVESTMENTS OF CRITICAL
25 INFORMATION TECHNOLOGY AND CYBERSECURITY SYSTEMS TO BE COMPLETED ON
26 OR BEFORE DECEMBER 31, 2025; AND

27 (II) REQUIRE ALL UPDATES AND INVESTMENTS OF
28 INFORMATION TECHNOLOGY AND CYBERSECURITY TO BE MADE ON OR BEFORE
29 DECEMBER 31, 2030;

30 (2) MAKE PERIODIC RECOMMENDATIONS ON INVESTMENTS IN STATE
31 INFORMATION TECHNOLOGY STRUCTURES BASED ON THE ASSESSMENTS
32 COMPLETED IN ACCORDANCE WITH THE FRAMEWORK DEVELOPED IN § 3A-316 OF
33 THIS SUBTITLE; ~~AND~~

1 **(3) REVIEW AND PROVIDE RECOMMENDATIONS ON THE**
 2 **DEPARTMENT'S BASIC SECURITY STANDARDS FOR USE OF THE NETWORK**
 3 **ESTABLISHED UNDER § 3A-404(B) OF THIS TITLE; AND**

4 ~~(3)~~ **(4) EACH YEAR, IN ACCORDANCE WITH § 2-1257 OF THE STATE**
 5 **GOVERNMENT ARTICLE, REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE**
 6 **SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE APPROPRIATIONS**
 7 **COMMITTEE, THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE,**
 8 **AND THE JOINT COMMITTEE ON CYBERSECURITY, INFORMATION TECHNOLOGY,**
 9 **AND BIOTECHNOLOGY.**

10 **(G) THE REPORT SUBMITTED UNDER SUBSECTION (F)(4) OF THIS SECTION**
 11 **MAY NOT CONTAIN INFORMATION ABOUT THE SECURITY OF AN INFORMATION**
 12 **SYSTEM.**

13 **3A-316.**

14 **(A) THIS SECTION DOES NOT APPLY TO:**

15 **(1) THE MARYLAND PORT ADMINISTRATION;**

16 **(2) THE UNIVERSITY SYSTEM OF MARYLAND;**

17 **(3) ST. MARY'S COLLEGE OF MARYLAND;**

18 **(4) MORGAN STATE UNIVERSITY;**

19 **(5) THE MARYLAND STADIUM AUTHORITY;**

20 **(6) BALTIMORE CITY COMMUNITY COLLEGE; OR**

21 **(7) THE STATE BOARD OF ELECTIONS.**

22 ~~(A)~~ **(B) (1) THE DEPARTMENT SHALL HIRE ~~AN~~ INDEPENDENT**
 23 **CONTRACTOR CONTRACTORS TO:**

24 **(I) DEVELOP A FRAMEWORK FOR INVESTMENTS IN**
 25 **TECHNOLOGY; AND**

26 **(II) AT LEAST ONCE EVERY 3 YEARS, IN ACCORDANCE WITH THE**
 27 **FRAMEWORK, ~~ANNUALLY~~ ASSESS THE CYBERSECURITY AND INFORMATION**
 28 **TECHNOLOGY SYSTEMS IN EACH UNIT OF STATE GOVERNMENT.**

29 **(2) THE FRAMEWORK SHALL INCLUDE THE FOLLOWING CRITERIA:**

1 (I) SECURITY RISKS TO THE SYSTEM;

2 (II) SYSTEM PERFORMANCE;

3 (III) THE SYSTEM'S DEPENDENCE ON OTHER INFORMATION
4 TECHNOLOGY OR CYBERSECURITY SYSTEMS AND DATA;

5 (IV) THE SYSTEM'S ABILITY TO CREATE AN EFFICIENT AND
6 SEAMLESS EXPERIENCE FOR USERS;

7 (V) THE SYSTEM'S EFFECTIVENESS IN ACHIEVING UNIT
8 OBJECTIVES;

9 (VI) THE SYSTEM'S EFFECTIVENESS IN MEETING THE NEEDS OF
10 CITIZENS AND CUSTOMERS;

11 (VII) THE COSTS TO MAINTAIN AND OPERATE THE SYSTEM;

12 (VIII) THE SPEED OF GOVERNMENT RESPONSE TIME;

13 (IX) THE EFFECTIVENESS OF THE SYSTEM IN REGARD TO THE
14 UNIT'S OBJECTIVES;

15 (X) IMPROVEMENTS TO THE UNIT'S RELATIVE AUDIT FINDINGS
16 ATTRIBUTABLE TO THE SYSTEM; AND

17 (XI) AN ASSESSMENT OF THE SYSTEM USING THE NATIONAL
18 INSTITUTE OF STANDARDS AND TECHNOLOGY CYBERSECURITY FRAMEWORK.

19 ~~(B)~~ (C) EACH UNIT SHALL PROMPTLY PROVIDE ~~THE CONTRACTOR A~~
20 CONTRACTOR EMPLOYED UNDER SUBSECTION (B) OF THIS SECTION WITH THE
21 INFORMATION NECESSARY TO PERFORM THE ASSESSMENTS.

22 ~~(C)~~ (D) (1) ~~EACH YEAR, THE~~ EVERY 3 YEARS, A CONTRACTOR SHALL
23 PROVIDE THE RESULTS OF THE ASSESSMENTS TO:

24 (I) THE STATEWIDE REPORTING FRAMEWORK AND
25 OVERSIGHT COMMISSION ESTABLISHED UNDER § 3A-315 OF THIS SUBTITLE; AND

26 (II) IN ACCORDANCE WITH § 2-1257 OF THE STATE
27 GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE AND
28 THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE.

1 **(2) THE REPORT SUBMITTED UNDER PARAGRAPH (1)(II) OF THIS**
2 **SUBSECTION MAY NOT CONTAIN INFORMATION ABOUT THE SECURITY OF AN**
3 **INFORMATION SYSTEM.**

4 ~~**(D) (E) THE DEPARTMENT MAY USE FUNDS AVAILABLE FROM THE**~~
5 ~~**ISSUANCE OF BONDS IN ACCORDANCE WITH § 10-650.1 OF THE ECONOMIC**~~
6 ~~**DEVELOPMENT ARTICLE TO PAY FOR THE INDEPENDENT CONTRACTOR REQUIRED**~~
7 ~~**UNDER MULTIPLE CONTRACTORS AT A TIME TO MEET THE REQUIREMENTS OF THIS**~~
8 ~~**SECTION.**~~

9 **3A-317.**

10 ~~**(A) THE DEPARTMENT SHALL CONSULT WITH THE MARYLAND STADIUM**~~
11 ~~**AUTHORITY REGARDING THE ISSUANCE OF BONDS FOR UPGRADES TO**~~
12 ~~**INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE GOVERNMENT**~~
13 ~~**INFRASTRUCTURE IN ACCORDANCE WITH § 10-650.1 OF THE ECONOMIC**~~
14 ~~**DEVELOPMENT ARTICLE.**~~

15 ~~**(B) THE DEPARTMENT MAY USE THE PROCEEDS FROM BONDS ISSUED FOR**~~
16 ~~**UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED STATE**~~
17 ~~**GOVERNMENT INFRASTRUCTURE UNDER § 10-650.1 OF THE ECONOMIC**~~
18 ~~**DEVELOPMENT ARTICLE ONLY FOR PROJECTS THAT RELATE TO RESEARCH INTO,**~~
19 ~~**ACQUISITION OF, INSTALLATION OF, MAINTENANCE OF, AND RELATED EXPENSES**~~
20 ~~**FOR UPGRADES TO INFORMATION TECHNOLOGY AND CYBERSECURITY RELATED**~~
21 ~~**STATE GOVERNMENT INFRASTRUCTURE.**~~

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
23 **INDICATED.**

24 **(2) “FUND” MEANS THE LOCAL CYBERSECURITY SUPPORT FUND.**

25 **(3) “LOCAL GOVERNMENT” INCLUDES LOCAL SCHOOL SYSTEMS,**
26 **LOCAL SCHOOL BOARDS, AND LOCAL HEALTH DEPARTMENTS.**

27 **(B) (1) THERE IS A LOCAL CYBERSECURITY SUPPORT FUND.**

28 **(2) THE PURPOSE OF THE FUND IS TO:**

29 **(1) PROVIDE FINANCIAL ASSISTANCE TO LOCAL GOVERNMENTS**
30 **TO IMPROVE CYBERSECURITY PREPAREDNESS, INCLUDING:**

31 **1. UPDATING CURRENT DEVICES AND NETWORKS WITH**
32 **THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS;**

1 **2. SUPPORTING THE PURCHASE OF NEW HARDWARE,**
2 **SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY**
3 **PREPAREDNESS;**

4 **3. RECRUITING AND HIRING INFORMATION**
5 **TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY; AND**

6 **4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY**
7 **STAFF TRAINING; AND**

8 **(II) ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL**
9 **CYBERSECURITY PREPAREDNESS GRANTS.**

10 **(3) THE SECRETARY SHALL ADMINISTER THE FUND.**

11 **(4) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
12 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

13 **(II) THE STATE TREASURER SHALL HOLD THE FUND**
14 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

15 **(5) THE FUND CONSISTS OF:**

16 **(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**
17 **FUND;**

18 **(II) INTEREST EARNINGS; AND**

19 **(III) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED**
20 **FOR THE BENEFIT OF THE FUND.**

21 **(6) THE FUND MAY BE USED ONLY:**

22 **(I) TO PROVIDE FINANCIAL ASSISTANCE TO LOCAL**
23 **GOVERNMENTS TO IMPROVE CYBERSECURITY PREPAREDNESS, INCLUDING:**

24 **1. UPDATING CURRENT DEVICES AND NETWORKS WITH**
25 **THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS;**

26 **2. SUPPORTING THE PURCHASE OF NEW HARDWARE,**
27 **SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY**
28 **PREPAREDNESS;**

1 3. RECRUITING AND HIRING INFORMATION
 2 TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY; AND

3 4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY
 4 STAFF TRAINING;

5 (II) TO ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL
 6 CYBERSECURITY PREPAREDNESS GRANTS; AND

7 (III) FOR ADMINISTRATIVE EXPENSES ASSOCIATED WITH
 8 PROVIDING THE ASSISTANCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH.

9 (7) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
 10 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

11 (II) ANY INTEREST EARNINGS OF THE FUND SHALL BE
 12 CREDITED TO THE FUND.

13 (8) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
 14 ACCORDANCE WITH THE STATE BUDGET.

15 (C) TO BE ELIGIBLE TO RECEIVE ASSISTANCE FROM THE FUND, A LOCAL
 16 GOVERNMENT SHALL UNDERGO A CYBERSECURITY PREPAREDNESS ASSESSMENT
 17 PROVIDED BY THE DEPARTMENT AT A COST TO THE LOCAL GOVERNMENT THAT
 18 DOES NOT EXCEED THE COST TO THE DEPARTMENT OF PROVIDING THE
 19 ASSESSMENT.

20 6-226.

21 (a) (2) (i) Notwithstanding any other provision of law, and unless
 22 inconsistent with a federal law, grant agreement, or other federal requirement or with the
 23 terms of a gift or settlement agreement, net interest on all State money allocated by the
 24 State Treasurer under this section to special funds or accounts, and otherwise entitled to
 25 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
 26 Fund of the State.

27 (ii) The provisions of subparagraph (i) of this paragraph do not apply
 28 to the following funds:

29 144. the Health Equity Resource Community Reserve Fund;

30 [and]

31 145. the Access to Counsel in Evictions Special Fund; AND

1 **146. THE ~~INFORMATION TECHNOLOGY AND LOCAL~~**
2 **CYBERSECURITY ~~INFRASTRUCTURE~~ SUPPORT FUND.**

3 11-101.

4 (a) In this Division II the following words have the meanings indicated unless:

5 (1) the context clearly requires a different meaning; or

6 (2) a different definition is provided for a particular title or provision.

7 (m) “Primary procurement units” means:

8 (1) the State Treasurer;

9 (2) the Department of General Services;

10 (3) the Department of Transportation;

11 (4) the University System of Maryland;

12 (5) the Maryland Port Commission;

13 (6) the Morgan State University; [and]

14 (7) the St. Mary’s College of Maryland; AND

15 **(8) THE DEPARTMENT OF INFORMATION TECHNOLOGY.**

16 12-101.

17 (a) This section does not apply to:

18 **(1) capital expenditures by the Department of Transportation or the**
19 **Maryland Transportation Authority, in connection with State roads, bridges, or highways,**
20 **as provided in § 12-202 of this title; OR**

21 **(2) PROCUREMENTS BY THE DEPARTMENT OF INFORMATION**
22 **TECHNOLOGY FOR THE PURPOSE OF MODERNIZING CYBERSECURITY**
23 **INFRASTRUCTURE FOR THE STATE VALUED BELOW \$1,000,000.**

24 (b) (1) The Board may control procurement by units.

25 (2) To implement the provisions of this Division II, the Board may:

26 (i) set policy;

1 (ii) adopt regulations, in accordance with Title 10, Subtitle 1 of the
2 State Government Article; and

3 (iii) establish internal operational procedures consistent with this
4 Division II.

5 (3) The Board shall ensure that the regulations of the primary
6 procurement units provide for procedures that are consistent with this Division II and Title
7 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the
8 circumstances of a particular type of procurement or a particular unit do not require
9 otherwise, are substantially the same.

10 (4) The Board may delegate any of its authority that it determines to be
11 appropriate for delegation and may require prior Board approval for specified procurement
12 actions.

13 (5) Except as limited by the Maryland Constitution, the Board may
14 exercise any control authority conferred on a primary procurement unit by this Division II
15 and, to the extent that its action conflicts with the action of the primary procurement unit,
16 the action of the Board shall prevail.

17 (6) The Board shall develop and submit to the General Assembly, in
18 accordance with § 2-1257 of the State Government Article, an annual report on the
19 procurement system that includes information on actions necessary to improve effective
20 broad-based competition in procurement.

21 **(C) ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT OF**
22 **INFORMATION TECHNOLOGY SHALL SUBMIT A REPORT TO THE BOARD ON**
23 **PROCUREMENTS MADE UNDER SUBSECTION (A)(2) OF THIS SECTION THAT SHALL**
24 **INCLUDE FOR EACH PROCUREMENT:**

25 **(1) THE PURPOSE OF THE PROCUREMENT;**

26 **(2) THE NAME OF THE CONTRACTOR;**

27 **(3) THE CONTRACT AMOUNT; AND**

28 **(4) THE CONTRACT TERM.**

29 12-107.

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

32 (2) the Department of General Services may:

1 (i) engage in or control procurement of:

2 8. construction and construction-related services for State
3 correctional facilities; AND

4 9. supplies, materials, and equipment in support of
5 construction and construction-related services for State correctional facilities in
6 accordance with this Division II and Title 2 and Title 10, Subtitle 1 of the Correctional
7 Services Article; ~~AND~~

8 ~~10.~~ [information processing equipment and associated
9 services, as provided in Title 3A, Subtitle 3 of this article; and

10 11.] ~~telecommunication equipment, systems, or services, as~~
11 ~~provided in Title 3A, Subtitle 4 of this article;~~

12 (3) the Department of Transportation and the Maryland Transportation
13 Authority, without the approval of any of the other primary procurement units, may engage
14 in the procurement of:

15 (vi) services for aeronautics related activities, including information
16 processing services, but excluding banking and financial services under the authority of the
17 State Treasurer under item (1) of this subsection; [and]

18 (4) the Maryland Port Commission, without the approval of any of the
19 other primary procurement units, may engage in the procurement of:

20 (v) leases of real property for port related activities unless the lease
21 payments are from the General Fund of the State; AND

22 **(5) THE DEPARTMENT OF INFORMATION TECHNOLOGY, WITHOUT**
23 **THE APPROVAL OF ANY OTHER PRIMARY PROCUREMENT UNIT, MAY ENGAGE IN OR**
24 **CONTROL PROCUREMENT OF:**

25 **(I) INFORMATION PROCESSING EQUIPMENT AND ASSOCIATED**
26 **SERVICES, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE; ~~AND~~**

27 **(II) INFORMATION TECHNOLOGY SYSTEM ~~AND~~**
28 **MODERNIZATION, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE;**

29 **(III) TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR**
30 **SERVICES, AS PROVIDED IN TITLE 3A, SUBTITLE 4 OF THIS ARTICLE; AND**

31 **(IV) CYBERSECURITY UPGRADES AND MODERNIZATION, AS**
32 **PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE.**

1 15-112.

2 (a) (1) (i) Except as provided in subparagraph (ii) of this paragraph, this
3 section applies to State procurement contracts for:

4 1. construction;

5 2. INFORMATION PROCESSING EQUIPMENT AND
6 ASSOCIATED SERVICES; AND

7 3. IN ACCORDANCE WITH TITLE 3A, SUBTITLE 3 OF THIS
8 ARTICLE, INFORMATION TECHNOLOGY SYSTEM AND CYBERSECURITY UPGRADES
9 AND MODERNIZATION.

10 ~~(b) (3) (i) If a unit is to pay for a contract or a part of a contract using a~~
11 ~~unit price methodology, a change order may not be required for work to continue and be~~
12 ~~completed beyond the estimated quantities in the contract.~~

13 ~~(ii) After work is completed, a unit shall:~~

14 ~~1. determine the actual quantity used to complete the~~
15 ~~contract; and~~

16 ~~2. if necessary, issue a final adjustment change order to the~~
17 ~~contractor.~~

18 ~~(4) AN INDEPENDENT CONTRACTOR WHO PERFORMS AN~~
19 ~~ASSESSMENT UNDER § 3A-316 OF THIS ARTICLE MAY ISSUE A CHANGE ORDER ON~~
20 ~~THE ORIGINAL ASSESSMENT CONTRACT FOR ANY SUBSEQUENT CYBERSECURITY~~
21 ~~UPGRADES.~~

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2022.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.