

SB0659/453623/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 659
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute “**Modernization of State Financial Systems – 21st Century Financial Systems Enterprise**”; and strike beginning with “establishing” in line 3 down through “Council” in line 7 and substitute “requiring the Office of the Comptroller, the Office of the State Treasurer, the Department of Budget and Management, the Department of Information Technology, and the Department of General Services, in consultation with a representative of the Modernize Maryland Oversight Commission, to develop, implement, manage, and oversee the 21st Century Financial Systems Enterprise; and generally relating to the modernization of State financial systems and the 21st Century Financial Systems Enterprise”.

AMENDMENT NO. 2

On page 1, after line 12, insert:

“Preamble

WHEREAS, Substantial risk and waste are generated from the continued use of the State’s existing accounting and payments platform, the Financial Management and Information System (FMIS), due to limited development resources, cybersecurity risks, and difficulties delivering functional enhancements to meet evolving end–user needs and legislative mandates; and

WHEREAS, The State must consider how future systems will integrate across the State’s broader ecosystem and understand that there is substantial risk if key finance functions remain fractured in multiple systems; and

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WHEREAS, The State's financial systems and applications are operated and maintained by different departments, which contributes to a complex information technology ecosystem and governance challenges; and

WHEREAS, The Office of the Comptroller, as the chief financial officer of the State, should lead the effort to consolidate and modernize the financial systems under a single 21st Century Financial Systems Enterprise that shall become the State's financial system of record; and

WHEREAS, The Office of the Comptroller should partner with the Office of the State Treasurer, the Department of Budget and Management, the Department of Information Technology, and the Department of General Services to consolidate and modernize the financial systems under a single 21st Century Financial Systems Enterprise; and

WHEREAS, Because the Modernize Maryland Oversight Commission is responsible for a substantial amount of the State's information technology and cybersecurity collaboration, input and participation by that body and the constituent agencies it supports will be essential to the creation of the 21st Century Financial Systems Enterprise; and

WHEREAS, Because the State has multiple information technology modernization initiatives currently underway that may impact the implementation of a new financial management and payroll system, a coordinated strategy and strong legislative directive is required to minimize additional information technology complexities, technical debt, process inefficiency, and overall cost; now, therefore,".

AMENDMENT NO. 3

On pages 1 and 2, strike in their entirety the lines beginning with line 17 on page 1 through line 25 on page 2, inclusive, and substitute:

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

(2) “DEPARTMENTS” MEANS:

(I) THE OFFICE OF THE COMPTROLLER;

(II) THE OFFICE OF THE STATE TREASURER;

(III) THE DEPARTMENT OF BUDGET AND MANAGEMENT;

(IV) THE DEPARTMENT OF INFORMATION TECHNOLOGY;

AND

(V) THE DEPARTMENT OF GENERAL SERVICES.

(3) “FINANCIAL MANAGEMENT INFRASTRUCTURE” MEANS THE INFORMATION TECHNOLOGY INFRASTRUCTURE THAT IS USED TO MAINTAIN THE GENERAL LEDGER AND ACCOUNTANCY FOR THE STATE, INCLUDING SUBLEDGER FUNCTIONS THAT ENABLE THE MANAGEMENT OF ALL PAYMENTS AND FUND TRANSFERS THROUGHOUT THE STATE.

(4) “21ST CENTURY FINANCIAL SYSTEMS ENTERPRISE” MEANS A MODERN CLOUD-BASED INFORMATION TECHNOLOGY INFRASTRUCTURE.”

On page 2, in line 26, strike “(H)” and substitute “(B)”; and in the same line, strike “THE COUNCIL” and substitute “IN CONSULTATION WITH A DESIGNATED REPRESENTATIVE FROM THE MODERNIZE MARYLAND OVERSIGHT COMMISSION, THE DEPARTMENTS”.

(Over)

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On page 3, in line 2, after “THE” insert “STATE’S”; in lines 6, 8, 10, and 17, in each instance, after “THE” insert “21ST CENTURY FINANCIAL SYSTEMS”; in line 10, strike “TO” and substitute “FOR THE DEVELOPMENT OF”; in lines 13 and 20, in each instance, strike “COUNCIL” and substitute “DEPARTMENTS”; in line 15, strike “(I)” and substitute “(C)”; in the same line, strike “THE COUNCIL” and substitute “IN CONSULTATION WITH A DESIGNATED REPRESENTATIVE FROM THE MODERNIZE MARYLAND OVERSIGHT COMMISSION, THE DEPARTMENTS”; in line 22, strike “AND”; in line 24, strike the period and substitute a semicolon; and strike in their entirety lines 25 through 30, inclusive.

On page 4, strike line 1 in its entirety; in lines 2, 4, 6, and 8, strike “(I)”, “(II)”, “(III)”, and “(IV)”, respectively, and substitute “(5)”, “(6)”, “(7)”, and “(8)”, respectively; in line 2, after the first “THE” insert “21ST CENTURY FINANCIAL SYSTEMS”; in lines 3 and 7, in each instance, strike “COUNCIL” and substitute “DEPARTMENTS”; in line 9, after “THE” insert “21ST CENTURY FINANCIAL SYSTEMS”; after line 9, insert:

“(D) THE OFFICE OF THE COMPTROLLER, IN ACCORDANCE WITH § 2-1257 OF THIS ARTICLE, SHALL REPORT TO THE GENERAL ASSEMBLY ON THE STATUS OF THE DEVELOPMENT OF THE 21ST CENTURY FINANCIAL SYSTEMS ENTERPRISE BEGINNING ON OR BEFORE DECEMBER 31, 2023, AND EVERY 6 MONTHS THEREAFTER, ENDING WITH THE FINAL REPORT DUE ON OR BEFORE JANUARY 1, 2027.”;

and in line 11, strike “October” and substitute “July”.