HB1205/303823/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 1205
(First Reading File Bill)

AMENDMENT NO. 1
On page 1, in the sponsor line, strike "**and McIntosh**" and substitute "**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**"; strike beginning with "authorizing" in line 5 down through "Infrastructure" in line 9 and substitute "establishing the Local Cybersecurity Support"; in line 10, after "Fund;" insert "establishing certain eligibility requirements to receive assistance from the Fund;"; in line 12, after "Department" insert "of Information Technology"; in the same line, strike "an"; in line 13, strike "contractor" and substitute "contractors"; in the same line, strike "annually" and substitute "periodically"; in line 14, strike "each unit" and substitute "certain units"; in line 15, strike beginning with "specifying" through "bonds;" and substitute "exempting certain procurements by the Department from oversight by the Board of Public Works;"; and strike beginning with "authorizing" in line 17 down through "order" in line 18 and substitute "applying certain change order requirements to State procurement contracts for certain equipment, services, and upgrades".

On pages 1 and 2, strike in their entirety the lines beginning with line 21 on page 1 through line 1 on page 2, inclusive.

On page 2, in line 4, after "11–101(m)" insert ", 12–101"; in line 5, strike "12–107(b)(2)(i)9. through 11." and substitute "12–107(b)(2)(i)8."; in line 10, strike "12–107(b)(5), and" and substitute "and 12–107(b)(5)"; strike line 11 in its entirety; in line 16, strike "11–101(a), and 15–112(b)(3)" and substitute "11–101(a), and 12–107(b)(2)(i)9."; and after line 18, insert:

"BY repealing

       <u>Article – State Finance and Procurement</u>
       <u>Section 12–107(b)(2)(i)10.and 11.</u>
       <u>Annotated Code of Maryland</u>
       <u>(2021 Replacement Volume)</u>”.

<u>AMENDMENT NO. 2</u>
       On pages 2 through 5, strike in their entirety the lines beginning with line 21 on page 2 through line 11 on page 5, inclusive.

       On page 6, in line 2, after "**OUTDATED**" insert "**, AS DETERMINED BY THE DEPARTMENT**"; strike in their entirety lines 13 through 15, inclusive; in lines 16, 18, 20, 22, and 24, strike "**(5)**", "**(6)**", "**(7)**", "**(8)**", and "**(9)**", respectively, and substitute "**(3)**", "**(4)**", "**(5)**", "**(6)**", and "**(7)**", respectively; in line 21, after "**COMMERCE**" insert "**WITH KNOWLEDGE OF CYBERSECURITY ISSUES**"; in line 23, after "**STATE**" insert "**, APPOINTED BY THE GOVERNOR**"; and in line 26, after "**SYSTEMS**" insert "**, APPOINTED BY THE GOVERNOR**".

       On page 7, in line 1, strike "**(10)**" and substitute "**(8)**"; in line 4, after "**SYSTEMS**" insert "**, APPOINTED BY THE GOVERNOR**"; after line 4, insert:

       "**(E)   THE COCHAIRS OF THE JOINT COMMITTEE ON CYBERSECURITY, INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY SHALL SERVE AS ADVISORY, NONVOTING MEMBERS OF THE COMMISSION.**";

in line 5, strike "**(E)**" and substitute "**(F)**"; in line 21, after "**COMMITTEE,**" insert "**THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE,**"; in line 17, strike "**AND**"; after line 17 insert:

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

in line 18, strike "**(3)**" and substitute "**(4)**"; after line 22, insert:

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

after line 23, insert:

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

    (1) THE MARYLAND PORT ADMINISTRATION;

    (2) THE UNIVERSITY SYSTEM OF MARYLAND;

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

    (4) MORGAN STATE UNIVERSITY;

    (5) THE MARYLAND STADIUM AUTHORITY;

    (6) BALTIMORE CITY COMMUNITY COLLEGE; OR

    (7) THE STATE BOARD OF ELECTIONS.";

in line 24, strike "**(A)**" and substitute "**(B)**"; in the same line, strike "**AN**"; in the same line, strike "**CONTRACTOR**" and substitute "**CONTRACTORS**"; in line 28, after "**(II)**" insert "**AT LEAST ONCE EVERY 3 YEARS,**"; and in the same line, strike "**ANNUALLY**".

(Over)

On page 8, in lines 19, 21, and 24, strike "**(B)**", "**(C)**", and "**(D)**", respectively, and substitute "**(C)**", "**(D)**", and "**(E)**", respectively; in line 19, strike "**THE CONTRACTOR**" and substitute "**A CONTRACTOR EMPLOYED UNDER SUBSECTION (B) OF THIS SECTION**"; in line 21, strike "**EACH YEAR, THE**" and substitute "**(1)   EVERY   3 YEARS, A**"; in line 22, after "**TO**" insert "**:**

(I)";

in line 23, after "**SUBTITLE**" insert "**; AND**

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

after line 23, insert:

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

and strike beginning with "**FUNDS**" in line 24 down through "**UNDER**" in line 26 and substitute "**MULTIPLE CONTRACTORS AT A TIME TO MEET THE REQUIREMENTS OF**".

On page 9, strike in their entirety lines 1 through 12, inclusive, and substitute:

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

(2)   "FUND" MEANS THE LOCAL CYBERSECURITY SUPPORT FUND.

(3)   "LOCAL GOVERNMENT" INCLUDES LOCAL SCHOOL SYSTEMS, LOCAL SCHOOL BOARDS, AND LOCAL HEALTH DEPARTMENTS.

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

(2)   THE PURPOSE OF THE FUND IS TO:

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

1.   UPDATING   CURRENT   DEVICES   AND   NETWORKS
WITH THE MOST UP–TO–DATE CYBERSECURITY PROTECTIONS;

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

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

4.   PAYING OUTSIDE VENDORS FOR CYBERSECURITY
STAFF TRAINING; AND

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

(3)   THE SECRETARY SHALL ADMINISTER THE FUND.

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

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

(5)   THE FUND CONSISTS OF:

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

(II)   INTEREST EARNINGS; AND

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

(6)   THE FUND MAY BE USED ONLY:

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

1.   UPDATING CURRENT DEVICES AND NETWORKS WITH THE MOST UP–TO–DATE CYBERSECURITY PROTECTIONS;

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

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

> > > **4.** PAYING OUTSIDE VENDORS FOR CYBERSECURITY STAFF TRAINING;

> > **(II)** TO ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL CYBERSECURITY PREPAREDNESS GRANTS; AND

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

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

> > **(II)** ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

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

> **(C)** TO BE ELIGIBLE TO RECEIVE ASSISTANCE FROM THE FUND, A LOCAL GOVERNMENT SHALL UNDERGO A CYBERSECURITY PREPAREDNESS ASSESSMENT PROVIDED BY THE DEPARTMENT AT A COST TO THE LOCAL GOVERNMENT THAT DOES NOT EXCEED THE COST TO THE DEPARTMENT OF PROVIDING THE ASSESSMENT.";

in line 25, strike "INFORMATION TECHNOLOGY AND" and substitute "LOCAL"; and in line 26, strike "INFRASTRUCTURE" and substitute "SUPPORT".

On page 10, after line 7, insert:

"12–101.

(a)   This section does not apply to:

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

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

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

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

(i)   set policy;

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

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

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

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

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

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

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

(1) THE PURPOSE OF THE PROCUREMENT;

(2) THE NAME OF THE CONTRACTOR;

(3) THE CONTRACT AMOUNT; AND

(4) THE CONTRACT TERM.";

after line 12, insert:

(Over)

"8.   construction and construction–related services for State correctional facilities; **AND**";

in line 16, strike "**AND**"; in line 17, strike "10."; and strike beginning with "telecommunication" in line 19 down through "article;" in line 20.

On page 11, in line 7, strike "**AND**"; in line 8, strike "**AND**" and substitute "**MODERNIZATION, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE;**

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

    (IV)";

and strike in their entirety lines 20 through 31, inclusive.