

Chapter 243

(House Bill 1205)

AN ACT concerning

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

FOR the purpose of requiring a certain water or sewer system to, on or before a certain date, assess its vulnerability to a cyber attack, develop a cybersecurity plan if appropriate, and submit a certain report to the General Assembly; authorizing the Maryland Water Quality Financing Administration to provide financial assistance to a public water or wastewater system to assess system cybersecurity vulnerabilities and develop a cybersecurity plan; authorizing the Maryland Stadium Authority to issue bonds and, in consultation with the Department of Information Technology, finance projects related to information technology and cybersecurity-related State government infrastructure; establishing an Information Technology and Cybersecurity Infrastructure establishing the Local Cybersecurity Support Fund as a special, nonlapsing fund; requiring interest earnings of the Fund to be credited to the Fund; establishing certain eligibility requirements to receive assistance from the Fund; altering the duties of the Secretary of Information Technology; establishing a Statewide Reporting Framework and an independent Modernize Maryland Oversight Commission in the Department of Information Technology; requiring the Department to hire an independent contractor contractors to develop a framework for investments in technology and annually periodically assess the cybersecurity and information technology systems in each unit certain units of State government; specifying the use of proceeds from certain bonds; exempting certain procurements by the Department of General Services from oversight by the Board of Public Works; establishing that the Department is a primary procurement unit and authorizing the Department to engage in or control certain procurements; authorizing a certain independent contractor to issue a certain change order applying certain change order requirements to State procurement contracts for certain equipment, services, and upgrades; authorizing funds to be transferred by budget amendment from the Dedicated Purpose Account in a certain fiscal year to implement this Act; and generally relating to the development, financing, and procurement of information technology and cybersecurity–related State government infrastructure projects.

BY repealing and reenacting, with amendments,
Article – Environment
Section 9-1604(e)
Annotated Code of Maryland
(2014 Replacement Volume and 2021 Supplement)

BY adding to
Article – Public Safety

Section 14-104.1
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

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

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

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

BY adding to
 Article – State Finance and Procurement
 Section 3A-303(a)(9) and (10), 3A-315 ~~through 3A-317, 3A-316,~~ 6-226(a)(2)(ii)146.,
~~12-107(b)(5), and and 12-107(b)(5) 15-112(b)(4)~~
 Annotated Code of Maryland
 (2021 Replacement Volume)

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

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

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

Article – Environment

9-1604.

~~(e) (1) This subsection applies to financial assistance provided by the Administration under:~~

~~(i) The Water Quality Fund;~~

~~(ii) The Bay Restoration Fund;~~

~~(iii) The Biological Nutrient Removal Program; and~~

~~(iv) The Supplemental Assistance Program.~~

~~(2) The Administration shall ensure the fair and equitable distribution of financial assistance among wastewater treatment facilities with a design capacity of less than 500,000 gallons per day and wastewater treatment facilities with a design capacity of 500,000 gallons or more per day.~~

~~(3) A PUBLIC OR PRIVATE WATER OR SEWER SYSTEM THAT SERVES 10,000 OR MORE USERS AND RECEIVES FINANCIAL ASSISTANCE FROM THE STATE SHALL:~~

~~(I) ASSESS ITS VULNERABILITY TO A CYBER ATTACK; AND~~

~~(II) IF APPROPRIATE, DEVELOP A CYBERSECURITY PLAN.~~

~~(4) THE ADMINISTRATION MAY PROVIDE FINANCIAL ASSISTANCE TO A PUBLIC WATER OR WASTEWATER SYSTEM TO ASSESS SYSTEM CYBERSECURITY VULNERABILITIES AND DEVELOP A CYBERSECURITY PLAN.~~

Article – Public Safety

14-104.1.

(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;

4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY STAFF TRAINING;

5. CONDUCTING CYBERSECURITY VULNERABILITY ASSESSMENTS;

6. ADDRESSING HIGH-RISK CYBERSECURITY VULNERABILITIES IDENTIFIED BY VULNERABILITY ASSESSMENTS;

7. IMPLEMENTING AND MAINTAINING INTEGRATORS AND OTHER SIMILAR INTELLIGENCE SHARING INFRASTRUCTURE THAT ENABLE CONNECTION WITH THE INFORMATION SHARING AND ANALYSIS CENTER IN THE DEPARTMENT OF INFORMATION TECHNOLOGY; AND

8. SUPPORTING THE SECURITY OF LOCAL WASTEWATER TREATMENT PLANTS, INCLUDING BICOUNTY, COUNTY, AND MUNICIPAL PLANTS, BY ACQUIRING OR IMPLEMENTING CYBERSECURITY-RELATED UPGRADES TO THE PLANTS; 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;

4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY STAFF TRAINING;

5. CONDUCTING CYBERSECURITY VULNERABILITY ASSESSMENTS;

6. ADDRESSING HIGH-RISK CYBERSECURITY VULNERABILITIES IDENTIFIED BY VULNERABILITY ASSESSMENTS;

7. IMPLEMENTING OR MAINTAINING INTEGRATORS AND OTHER SIMILAR INTELLIGENCE SHARING INFRASTRUCTURE THAT ENABLE CONNECTION WITH THE INFORMATION SHARING AND ANALYSIS CENTER IN THE DEPARTMENT OF INFORMATION TECHNOLOGY; AND

8. SUPPORTING THE SECURITY OF LOCAL WASTEWATER TREATMENT PLANTS, INCLUDING BICOUNTY, COUNTY, AND MUNICIPAL PLANTS, BY

ACQUIRING OR IMPLEMENTING CYBERSECURITY-RELATED UPGRADES TO THE PLANTS;

(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:

(1) PROVIDE PROOF TO THE DEPARTMENT OF INFORMATION TECHNOLOGY THAT THE LOCAL GOVERNMENT CONDUCTED A CYBERSECURITY PREPAREDNESS ASSESSMENT IN THE PREVIOUS 12 MONTHS; OR

(2) WITHIN 12 MONTHS UNDERGO A CYBERSECURITY PREPAREDNESS ASSESSMENT PROVIDED BY, IN ACCORDANCE WITH THE PREFERENCE OF THE LOCAL GOVERNMENT:

(I) THE DEPARTMENT OF INFORMATION TECHNOLOGY AT A COST TO THE LOCAL GOVERNMENT THAT DOES NOT EXCEED THE COST TO THE DEPARTMENT OF INFORMATION TECHNOLOGY OF PROVIDING THE ASSESSMENT; OR

(II) A VENDOR AUTHORIZED BY THE DEPARTMENT OF INFORMATION TECHNOLOGY TO COMPLETE CYBERSECURITY PREPAREDNESS ASSESSMENTS.

~~Article — Economic Development~~

~~10-628.~~

~~(a) Except as provided in subsections (b) [and], (c), AND (D) of this section and subject to the prior approval of the Board of Public Works, the Authority may issue bonds~~

~~at any time for any corporate purpose of the Authority, including the establishment of reserves and the payment of interest.~~

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

~~10-650.1.~~

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

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

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

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

~~(H) 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-101.

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

(b) “CLOUD COMPUTING SERVICE” MEANS A SERVICE THAT ENABLES ON-DEMAND SELF-SERVICE NETWORK ACCESS TO A SHARED POOL OF CONFIGURABLE COMPUTER RESOURCES, INCLUDING DATA STORAGE, ANALYTICS, COMMERCE, STREAMING, E-MAIL, DOCUMENT SHARING, AND DOCUMENT EDITING.

(c) *“Department” means the Department of Information Technology.*

~~[(c)] (D)~~ “Secretary” means the Secretary of Information Technology.

~~[(d)] (E)~~ “Telecommunication” means the transmission of information, images, pictures, voice, or data by radio, video, or other electronic or impulse means.

~~[(e)] (F)~~ “Unit of State government” means an agency or unit of the Executive Branch of State government.

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]~~

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

(9) UPGRADING INFORMATION TECHNOLOGY AND CYBERSECURITY-RELATED STATE GOVERNMENT INFRASTRUCTURE; AND

(10) ANNUALLY EVALUATING:

(I) THE FEASIBILITY OF UNITS OF STATE GOVERNMENT PROVIDING PUBLIC SERVICES USING ARTIFICIAL INTELLIGENCE, MACHINE LEARNING, COMMERCIAL CLOUD COMPUTING SERVICES, DEVICE-AS-A-SERVICE PROCUREMENT MODELS, AND OTHER EMERGING TECHNOLOGIES; AND

(II) THE DEVELOPMENT OF DATA ANALYTICS CAPABILITIES TO ENABLE DATA-DRIVEN POLICYMAKING BY UNITS OF STATE GOVERNMENT.

3A-315.

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

~~(2) “CITIZEN ADVOCACY GROUP” MEANS AN ORGANIZATION WHOSE MISSION IS TO PROVIDE SUPPORT FOR INFORMATION TECHNOLOGY AND CYBERSECURITY POLICIES.~~

~~(3) (2) “COMMISSION” MEANS THE STATEWIDE REPORTING FRAMEWORK AND MODERNIZE MARYLAND OVERSIGHT COMMISSION.~~

~~(4)~~ (3) “CRITICAL SYSTEM” MEANS AN INFORMATION TECHNOLOGY OR CYBERSECURITY SYSTEM THAT IS SEVERELY OUTDATED, AS DETERMINED BY THE DEPARTMENT.

(B) THERE IS ~~A STATEWIDE REPORTING FRAMEWORK AND AN INDEPENDENT MODERNIZE MARYLAND OVERSIGHT COMMISSION IN THE DEPARTMENT.~~

(C) THE PURPOSE OF THE COMMISSION IS TO:

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

~~(2) DETERMINE~~ ADVISE THE SECRETARY AND STATE CHIEF INFORMATION SECURITY OFFICER ON:

(I) THE APPROPRIATE INFORMATION TECHNOLOGY AND CYBERSECURITY INVESTMENTS AND UPGRADES;

(II) THE FUNDING SOURCES FOR THE APPROPRIATE INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES; AND

(III) FUTURE MECHANISMS FOR THE PROCUREMENT OF APPROPRIATE INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES, INCLUDING WAYS TO INCREASE THE EFFICIENCY OF PROCUREMENTS MADE FOR INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES.

(D) THE COMMISSION CONSISTS OF THE FOLLOWING MEMBERS:

(1) THE SECRETARY;

(2) THE STATE CHIEF INFORMATION SECURITY OFFICER;

~~(3) THE STATE TREASURER;~~

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

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

~~(6)~~ (4) ~~FOUR~~ ONE INFORMATION TECHNOLOGY ~~EXPERTS~~ IN MODERNIZATION EXPERT WITH EXPERIENCE IN THE PRIVATE SECTOR, APPOINTED BY THE GOVERNOR;

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

~~(8)~~ (6) ~~TWO REPRESENTATIVES FROM CITIZEN ADVOCACY GROUPS IN THE STATE, APPOINTED BY THE GOVERNOR; INDIVIDUALS WHO ARE END USERS OF STATE INFORMATION TECHNOLOGY SYSTEMS, ONE APPOINTED BY THE PRESIDENT OF THE SENATE AND ONE APPOINTED BY THE SPEAKER OF THE HOUSE APPOINTED BY THE GOVERNOR;~~

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

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

(7) ONE REPRESENTATIVE FROM THE CYBERSECURITY ASSOCIATION OF MARYLAND; AND

(8) ONE INDIVIDUAL WHO IS EITHER AN INSTRUCTOR OR A PROFESSIONAL IN THE ACADEMIC FIELD OF CYBERSECURITY AT A COLLEGE OR UNIVERSITY IN THE STATE, APPOINTED BY THE GOVERNOR.

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

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

(1) ~~DEVELOP~~ ADVISE THE SECRETARY ON A STRATEGIC ROADMAP WITH A TIMELINE AND BUDGET THAT WILL:

(I) REQUIRE THE UPDATES AND INVESTMENTS OF CRITICAL INFORMATION TECHNOLOGY AND CYBERSECURITY SYSTEMS IDENTIFIED BY THE COMMISSION IN THE FIRST RECOMMENDATIONS REPORTED UNDER PARAGRAPH (2) OF THIS SUBSECTION TO BE COMPLETED ON OR BEFORE DECEMBER 31, 2025; AND

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

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

(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

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

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

3A-316.

(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;

(8) THE OFFICE OF THE ATTORNEY GENERAL;

(9) THE COMPTROLLER; OR

(10) THE STATE TREASURER.

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

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

(II) AT LEAST ONCE EVERY 3 2 YEARS, IN ACCORDANCE WITH THE FRAMEWORK, ~~ANNUALLY~~ ASSESS THE CYBERSECURITY AND INFORMATION TECHNOLOGY SYSTEMS IN EACH UNIT OF STATE GOVERNMENT.

(2) THE FRAMEWORK SHALL INCLUDE THE FOLLOWING CRITERIA:

(I) SECURITY RISKS TO THE SYSTEM;

(II) SYSTEM PERFORMANCE;

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

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

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

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

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

(VIII) THE SPEED OF GOVERNMENT RESPONSE TIME;

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

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

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

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

~~(C)~~ (D) (1) ~~EACH YEAR, THE~~ EVERY 2 YEARS, A CONTRACTOR SHALL PROVIDE THE RESULTS OF THE ASSESSMENTS TO:

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

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

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

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

~~3A-317.~~

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

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

~~(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.~~

6-226.

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

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

[and] 144. the Health Equity Resource Community Reserve Fund;

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

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

~~11-101.~~

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

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

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

~~(m) "Primary procurement units" means:~~

~~(1) the State Treasurer;~~

~~(2) the Department of General Services;~~

~~(3) the Department of Transportation;~~

~~(4) the University System of Maryland;~~

~~(5) the Maryland Port Commission;~~

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

~~(7) the St. Mary's College of Maryland; AND~~

~~(8) THE DEPARTMENT OF INFORMATION TECHNOLOGY~~

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 GENERAL SERVICES 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 GENERAL SERVICES 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 METHOD OF PROCUREMENT UTILIZED;

(5) THE NUMBER OF BIDDERS WHO BID ON THE PROCUREMENT; AND

(4) (6) THE CONTRACT TERM.

12-107.

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

~~(2) the Department of General Services may:~~

~~(i) engage in or control procurement of:~~

~~8. construction and construction related services for State correctional facilities; AND~~

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

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

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

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

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

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

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

(5) THE DEPARTMENT OF ~~INFORMATION TECHNOLOGY~~ GENERAL SERVICES, WITHOUT THE APPROVAL OF ANY OTHER PRIMARY PROCUREMENT UNIT, MAY ENGAGE IN OR CONTROL PROCUREMENT OF:

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

(II) INFORMATION TECHNOLOGY SYSTEM ~~AND~~ 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) CYBERSECURITY UPGRADES AND MODERNIZATION, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE.

15-112.

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

1. construction;

2. **INFORMATION PROCESSING EQUIPMENT, CLOUD COMPUTING EQUIPMENT SERVICES**, AND ASSOCIATED SERVICES; AND

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

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

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

- ~~1. determine the actual quantity used to complete the contract; and~~
- ~~2. if necessary, issue a final adjustment change order to the contractor.~~

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

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

SECTION 2. 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 3. AND BE IT FURTHER ENACTED, That for fiscal year 2024, the Governor shall include in the annual budget bill an appropriation in an amount that is not less than 20% of the aggregated amount appropriated for information technology and cybersecurity resources in the annual budget bill for fiscal year 2023 for the Dedicated Purpose Account for cybersecurity.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) On or before December 1, 2023, a public or private water or sewer system that serves 10,000 or more users and receives financial assistance from the State shall:

- (1) assess its vulnerability to a cyber attack;
- (2) if appropriate, develop a cybersecurity plan; and

(3) submit a report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the findings of the assessment conducted under this subsection and any recommendations for statutory changes needed for the system to appropriately address its cybersecurity.

(b) The Maryland Water Quality Financing Administration may provide financial assistance to a public water or wastewater system to assess system cybersecurity vulnerabilities and develop a cybersecurity plan.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, May 12, 2022.