

HOUSE BILL 1188

S1

4lr2831
CF SB 982

By: ~~Delegate Kaiser~~ Delegates Kaiser, Alston, Bagnall, Bhandari, Chisholm, Cullison, Guzzone, Hill, Hutchinson, S. Johnson, Kerr, Kipke, R. Lewis, Lopez, Martinez, M. Morgan, Pena-Melnyk, Reilly, Rosenberg, Szeliga, Taveras, White Holland, and Woods

Introduced and read first time: February 8, 2024

Assigned to: Health and Government Operations and Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 24, 2024

CHAPTER _____

1 AN ACT concerning

2 **Information Technology – Modernization of Information Technology Projects**

3 FOR the purpose of altering the duties of the Secretary of Information Technology related
4 to modernization of information technology systems; ~~altering the authority of the~~
5 ~~Board of Public Works over certain information technology projects; establishing the~~
6 ~~Information Technology Investment Fund as a special, nonlapsing fund and the~~
7 ~~Technology Investment Board; renaming the Major Information Technology~~
8 ~~Development Fund; requiring a certain amount of the Fund to be set aside for certain~~
9 ~~projects each fiscal year; requiring the Board of Public Works to expedite the~~
10 ~~placement on an agenda and approval of certain contracts; altering the ~~duties~~ name,~~
11 ~~duties,~~ and membership of the Modernize Maryland Oversight Commission;
12 ~~providing for the terms of certain Commission members; and generally relating to~~
13 information technology modernization.

14 BY repealing and reenacting, with amendments,

15 Article – State Finance and Procurement

16 Section ~~3.5-303(a)(4), 3.5-307, 3.5-316, and 12-101~~ 3.5-201, 3.5-301, 3.5-307,
17 3.5-308, 3.5-309, and 3.5-316

18 Annotated Code of Maryland

19 (2021 Replacement Volume and 2023 Supplement)

20 BY adding to

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 Article – State Finance and Procurement
2 Section ~~3.5–300.1~~ and ~~3.5–300.2~~ 12–101(d)
3 Annotated Code of Maryland
4 (2021 Replacement Volume and 2023 Supplement)

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

7 **Article – State Finance and Procurement**

8 3.5–201.

9 (A) There is a Department of Information Technology established as a principal
10 department of State government.

11 (B) SUBJECT TO THE PROVISIONS OF § 3.5–302 OF THIS TITLE, IT IS THE
12 INTENT OF THE GENERAL ASSEMBLY THAT RESPONSIBILITY AND OVERSIGHT OF
13 THE INFORMATION TECHNOLOGY PROJECTS FOR UNITS OF STATE GOVERNMENT BE
14 CENTRALIZED AT THE DEPARTMENT AND THAT PRIORITY BE GIVEN TO FUNDING
15 INFORMATION TECHNOLOGY PROJECTS THAT ADDRESS THE NEEDS FOR THE
16 PUBLIC HEALTH, EDUCATION, SAFETY, OR FINANCIAL WELL-BEING OF THE
17 RESIDENTS OF MARYLAND.

18 3.5–301.

19 (a) In this subtitle the following words have the meanings indicated.

20 (b) “Cybersecurity” means processes or capabilities wherein systems,
21 communications, and information are protected and defended against damage,
22 unauthorized use or modification, and exploitation.

23 (c) “Cybersecurity strategy” means a vision, a plan of action, or guiding
24 principles.

25 (d) (1) “Development” means all expenditures for a new information
26 technology system or an enhancement to an existing system including system:

27 (i) planning;

28 (ii) creation;

29 (iii) installation;

30 (iv) testing; and

31 (v) initial training.

1 (2) “Development” does not include:

2 (i) ongoing operating costs, software or hardware maintenance,
3 routine upgrades, or modifications that merely allow for a continuation of the existing level
4 of functionality; or

5 (ii) expenditures made after a new or enhanced system has been
6 legally accepted by the user and is being used for the business process for which it was
7 intended.

8 (e) “EXPEDITED PROJECT” MEANS A PROJECT THAT IS NOT A MAJOR
9 INFORMATION TECHNOLOGY DEVELOPMENT PROJECT THAT RECEIVES MONEY
10 FROM THE FUND IN A MANNER THAT ALLOWS FOR MODERNIZATION PROJECTS
11 CONSISTENT WITH THE STATE MODERNIZATION PLAN TO MOVE FORWARD IN A
12 NIMBLE AND EXPEDITED MANNER.

13 (F) “Fund” means the [Major Information Technology Development Project Fund]
14 INFORMATION TECHNOLOGY INVESTMENT FUND.

15 [(f)] (G) “Information technology” means all electronic information processing,
16 including:

17 (1) maintenance;

18 (2) NETWORKING;

19 (3) telecommunications;

20 [(3)] (4) hardware;

21 [(4)] (5) software AND APPLICATIONS; and

22 [(5)] (6) associated services.

23 [(g)] (H) “Information technology services” means information provided by
24 electronic means by or on behalf of a unit of State government.

25 (I) “LEGACY SYSTEM” MEANS A HARDWARE OR SOFTWARE SYSTEM THAT IS
26 END OF SUPPORT OR END OF LIFE.

27 [(h)] (J) (1) “Major information technology development project” means any
28 information technology development project that meets one or more of the following
29 criteria:

1 [(1)] (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
 2 SUBSECTION, the estimated total cost of development equals or exceeds [\$1,000,000]
 3 \$5,000,000;

4 [(2)] (II) the project is undertaken to support a critical business function
 5 associated with the public health, education, safety, or financial well-being of the [citizens]
 6 RESIDENTS of Maryland; or

7 [(3)] (III) the Secretary determines that the project requires the special
 8 attention and consideration given to a major information technology development project
 9 due to:

10 [(i)] 1. The significance of the project's potential benefits or risks;

11 [(ii)] 2. The impact of the project on the public or local
 12 governments;

13 [(iii)] 3. The public visibility of the project; or

14 [(iv)] 4. Other reasons as determined by the Secretary.

15 (2) "MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT"
 16 DOES NOT INCLUDE:

17 (I) TECHNOLOGY THAT IS REOCCURRING, STANDARD
 18 OPERATING TECHNOLOGY AS DETERMINED BY THE SECRETARY AND SUBMITTED TO
 19 THE LEGISLATIVE POLICY COMMITTEE FOR A 30-DAY REVIEW AND COMMENT
 20 PERIOD; OR

21 (II) A PROJECT WITH AN ESTIMATED TOTAL COST OF
 22 DEVELOPMENT THAT IS:

23 1. LESS THAN \$5,000,000 AND IS FUNDED WITH MONEY
 24 SET ASIDE FOR EXPEDITED PROJECTS IN THE FUND; OR

25 2. MORE THAN \$5,000,000 AND IS FUNDED WITH THE
 26 MONEY SET ASIDE FOR EXPEDITED PROJECTS IN THE FUND IF THE SECRETARY
 27 DETERMINES THAT:

28 A. THE UNIT OF STATE GOVERNMENT HAS SUFFICIENT
 29 IMPLEMENTATION RESOURCES, INCLUDING HUMAN CAPITAL, SUBJECT MATTER
 30 EXPERTISE, AND TECHNOLOGICAL INFRASTRUCTURE, OR HAS THE MEANS TO
 31 OBTAIN THESE RESOURCES BEFORE PROJECT INITIATION;

1 B. THERE IS NO SUFFICIENT ALTERNATIVE WITHIN THE
 2 STATE'S INFORMATION TECHNOLOGY INVENTORY; AND

3 C. THE PROJECT WILL RESULT IN A COMPREHENSIVE
 4 SOLUTION DESIGNED TO MEET A COHESIVE SET OF BUSINESS AND TECHNOLOGICAL
 5 OBJECTIVES.

6 [(i)] (K) "Master plan" means the statewide information technology master plan
 7 and statewide cybersecurity strategy.

8 [(j)] (L) "Nonvisual access" means the ability, through keyboard control,
 9 synthesized speech, Braille, or other methods not requiring sight to receive, use, and
 10 manipulate information and operate controls necessary to access information technology in
 11 accordance with standards adopted under § 3.5–303(b) of this subtitle.

12 [(k)] (M) "Resource sharing" means the utilization of a State resource by private
 13 industry in exchange for the provision to the State of a communication service or other
 14 consideration.

15 (N) "STATE MODERNIZATION PLAN" MEANS THE PLAN DEVELOPED AND
 16 ADOPTED BY THE SECRETARY TO MODERNIZE STATE INFORMATION TECHNOLOGY.

17 [(l)] (O) "Systems development life cycle plan" means a plan that defines all
 18 actions, functions, or activities to be performed by a unit of State government in the
 19 definition, planning, acquisition, development, testing, implementation, operation,
 20 enhancement, and modification of information technology systems.

21 ~~3.5–303.~~

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

23 ~~(4) developing and maintaining a statewide information technology master~~
 24 ~~plan that will:~~

25 ~~(i) IN CONSULTATION WITH THE MODERNIZE MARYLAND~~
 26 ~~OVERSIGHT COMMISSION ESTABLISHED UNDER § 3.5 316 OF THIS SUBTITLE,~~
 27 ~~centralize the management and direction of information technology policy within the~~
 28 ~~Executive Branch of State government under the control of the Department;~~

29 ~~(ii) include all aspects of State information technology including~~
 30 ~~telecommunications, security, data processing, and information management;~~

31 ~~(iii) consider interstate transfers as a result of federal legislation and~~
 32 ~~regulation;~~

~~(iv) ensure that the State information technology plan and related policies and standards are consistent with State goals, objectives, and resources, and represent a long range vision for using information technology to improve the overall effectiveness of State government;~~

~~(v) include standards to assure nonvisual access to the information and services made available to the public over the Internet; and~~

~~(vi) allows a State agency to maintain the agency's own information technology unit that provides for information technology services to support the mission of the agency;~~

3.5–307.

(a) (1) A unit of State government may not purchase, lease, or rent information technology unless consistent with the master plan, **AS DETERMINED BY THE SECRETARY**.

(2) A unit of State government other than a public institution of higher education may not make expenditures for major information technology development projects or cybersecurity projects except as provided in § 3.5–308 of this subtitle.

(b) The Secretary may review any information technology project or cybersecurity project for consistency with the master plan.

(c) (1) A unit of State government shall advise the Secretary of any information technology proposal involving:

(i) resource sharing;

(ii) the exchange of goods or services;

(iii) a gift, contribution, or grant of real or personal property; or

(iv) the sale, lease, exchange, or other disposition of communications facilities or communications frequencies.

(2) The Secretary shall determine if the value of the resources, services, property, or other consideration to be obtained by the State under the terms of any proposal submitted in accordance with paragraph (1) of this subsection equals or exceeds \$100,000.

(3) If the value of any proposal submitted in accordance with this subsection equals or exceeds \$100,000 and the Secretary and unit agree to proceed with the proposal, information on the proposal shall be:

(i) advertised for a period of at least 30 days in the eMaryland Marketplace; and

1 (ii) submitted, simultaneously with the advertisement, to the
2 Legislative Policy Committee for a 60-day review and comment period, during which time
3 the Committee may recommend that the proposal be treated as a procurement contract
4 under Division II of this article.

5 (4) ~~(i) [Following] EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OF~~
6 ~~THIS PARAGRAPH, FOLLOWING~~ the period for review and comment by the Legislative
7 Policy Committee under paragraph (3) of this subsection, the proposal is subject to approval
8 by the Board of Public Works.

9 ~~(ii) A PROPOSAL TO MODERNIZE AN INFORMATION~~
10 ~~TECHNOLOGY SYSTEM SHALL BE EXEMPT FROM APPROVAL BY THE BOARD OF~~
11 ~~PUBLIC WORKS AS PROVIDED IN § 12-101 OF THIS ARTICLE.~~

12 (5) This subsection may not be construed as authorizing an exception from
13 the requirements of Division II of this article for any contract that otherwise would be
14 subject to the State procurement process.

15 ~~(6) THE DEPARTMENT SHALL HIRE A CONTRACTOR TO ASSESS THE~~
16 ~~PROCUREMENT PROCESS FOR INFORMATION TECHNOLOGY PROJECTS INVOLVING~~
17 ~~MODERNIZATION.~~

18 (D) (1) THE DEPARTMENT OF GENERAL SERVICES, IN CONSULTATION
19 WITH THE DEPARTMENT, SHALL HIRE A CONSULTANT TO ASSESS THE
20 PROCUREMENT PROCESS FOR INFORMATION TECHNOLOGY PROJECTS INVOLVING
21 MODERNIZATION AND MAKE RECOMMENDATIONS TO INCREASE THE STATE'S
22 ABILITY TO PROCEED WITH A MODERNIZATION PROJECT IN A RAPID AND
23 RESPONSIVE MANNER.

24 (2) (i) ON OR BEFORE JULY 1, 2025, THE DEPARTMENT SHALL
25 INVENTORY AND ASSESS THE STATE'S LEGACY SYSTEMS AND PRIORITIZE
26 MODERNIZATION.

27 (ii) ON OR BEFORE JANUARY 1, 2026, AND EVERY OTHER
28 JANUARY 1 THEREAFTER, THE DEPARTMENT, IN CONSULTATION WITH EACH UNIT
29 OF STATE GOVERNMENT, SHALL SUBMIT A REPORT TO THE GOVERNOR, THE
30 SECRETARY, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT
31 ARTICLE, THE GENERAL ASSEMBLY THAT PROVIDES:

32 1. AN ESTIMATE OF THE FUNDING REQUIRED TO
33 MODERNIZE EACH LEGACY SYSTEM IN THE UNIT; AND

34 2. A 5-YEAR PROJECTION OF FUNDING REQUIRED TO
35 MODERNIZE EACH LEGACY SYSTEM.

1 3.5-308.

2 (a) This section does not apply to a public institution of higher education.

3 (b) [In] BEFORE submitting its information technology project requests, a unit
4 of State government shall [designate projects which are major information technology
5 development projects] **SUBMIT INFORMATION IN SUPPORT OF THE REQUEST**
6 **REQUIRED BY THE SECRETARY FOR REVIEW AND DETERMINATION CONSISTENT**
7 **WITH § 3.5-301(J) OF THIS SUBTITLE.**

8 (c) In reviewing information technology project requests, the Secretary may
9 change a unit's designation of a major information technology development project.

10 (d) The Secretary shall review and, with the advice of the Secretary of Budget and
11 Management, approve major information technology development projects and
12 specifications for consistency with all statewide plans, policies, and standards, including a
13 systems development life cycle plan.

14 (e) The Secretary shall be responsible for overseeing the implementation of major
15 information technology development projects, regardless of fund source.

16 (f) (1) With the advice of the Secretary of Budget and Management,
17 expenditures for major information technology development projects shall be subject to the
18 approval of the Secretary who shall approve expenditures only when those projects are
19 consistent with statewide plans, policies, and standards.

20 (2) THE SECRETARY SHALL MAKE A RECOMMENDATION TO THE
21 SECRETARY OF BUDGET AND MANAGEMENT THAT PROJECT FUNDS, REGARDLESS
22 OF FUND SOURCE, BE WITHHELD IF:

23 (I) A UNIT OF STATE GOVERNMENT IS NOT CONSISTENTLY
24 REPORTING ON THE STATUS OF A PROJECT OR PROJECTS TO THE DEPARTMENT IN
25 THE FORM AND MANNER REQUIRED BY THE DEPARTMENT; OR

26 (II) THE DEPARTMENT DETERMINES THAT PROJECT
27 IMPLEMENTATION ISSUES EXIST, INCLUDING PROJECT TIMELINE DELAYS,
28 SIGNIFICANT COST INCREASES, VENDOR NONPERFORMANCE, DECREASED AGENCY
29 CAPACITY, OR OTHER ISSUES THAT INDICATE ISSUES OF CONCERN THAT COULD
30 JEOPARDIZE SUCCESSFUL IMPLEMENTATION.

31 (g) (1) The Secretary shall approve funding for major information technology
32 development projects, **EXPEDITED PROJECTS, AND OTHER EXPENDITURES FROM THE**
33 **FUND** only when [those]:

1 **(I) THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT**
2 **PROJECTS OR THE EXPEDITED PROJECTS ARE IN COMPLIANCE WITH STATEWIDE**
3 **PLANS, POLICIES, AND STANDARDS, AS DETERMINED BY THE SECRETARY; AND**

4 **(II) THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT**
5 **projects are supported by an approved systems development life cycle plan.**

6 **(2) An approved systems development life cycle plan shall include**
7 **submission of:**

8 **(i) a project planning request that details initial planning for the**
9 **project, including:**

10 1. **the project title, appropriation code, and summary;**

11 2. **a description of:**

12 A. **the [needs addressed by the project] BUSINESS AND**
13 **TECHNOLOGY OUTCOMES TO BE ACHIEVED BY THE PROJECT;**

14 B. **THE FEATURES AVAILABLE TO THE END USER ON**
15 **COMPLETION, INCLUDING USER ACCEPTANCE TESTING AND ACCESSIBILITY PLANS;**

16 C. **the potential risks associated with the project;**

17 **[C.] D. possible alternatives; and**

18 **[D.] E. the scope and complexity of the project; and**

19 3. **an estimate of:**

20 A. **the total costs required to complete through planning; and**

21 B. **the fund sources available to support planning costs; and**

22 **(ii) a project implementation request to begin full design,**
23 **development, and implementation of the project after the completion of planning, including:**

24 1. **the project title, appropriation code, and summary;**

25 2. **a description of:**

26 A. **the [needs addressed by the project] BUSINESS AND**
27 **TECHNOLOGY OUTCOMES TO BE ACHIEVED BY THE PROJECT AND THE METRICS BY**
28 **WHICH THE SUCCESS OF THOSE OUTCOMES WILL BE MEASURED;**

1 B. THE FEATURES AVAILABLE TO THE END USER ON
 2 COMPLETION, INCLUDING USER ACCEPTANCE TESTING AND ACCESSIBILITY PLANS;

3 C. the potential risks associated with the project;

4 [C.] D. possible alternatives;

5 [D.] E. the scope and complexity of the project; and

6 [E.] F. how the project meets the goals of the statewide
 7 master plan; and

8 3. an estimate of:

9 A. the total project cost, BY PHASE; and

10 B. the fund sources [available] TO BE UTILIZED.

11 (3) The Secretary may approve funding incrementally, consistent with the
 12 systems development life cycle plan.

13 (H) THE DEPARTMENT, IN CONSULTATION WITH THE MODERNIZE
 14 MARYLAND COMMISSION ESTABLISHED UNDER § 3.5-316 OF THIS SUBTITLE,
 15 SHALL:

16 (1) DEVELOP STANDARDS FOR UNITS OF STATE GOVERNMENT TO
 17 ASSIST IN IDENTIFYING LEGACY SYSTEMS THAT REQUIRE MODERNIZATION
 18 PROJECTS APPROPRIATE TO BE FINANCED AS AN EXPEDITED PROJECT THROUGH
 19 THE FUND;

20 (2) ADOPT AN INFORMATION TECHNOLOGY INVESTMENT MATURITY
 21 MODEL THAT INCLUDES:

22 (I) CRITERIA TO INFORM AND PRIORITIZE INVESTMENT
 23 DECISIONS;

24 (II) PROCESSES TO DEVELOP THE INFORMATION REQUIRED TO
 25 EVALUATE INVESTMENT PROPOSALS AGAINST THE CRITERIA UNDER ITEM (I) OF
 26 THIS ITEM; AND

27 (III) MANAGEMENT PROCESSES TO MONITOR THE
 28 IMPLEMENTATION OF APPROVED MODERNIZATION PROJECTS; AND

29 (3) DEVELOP A STATE MODERNIZATION PLAN.

1 3.5–309.

2 (a) There is [a Major Information Technology Development Project Fund] AN
3 INFORMATION TECHNOLOGY INVESTMENT FUND.

4 (b) The purpose of the Fund is to support major information technology
5 development projects AND EXPEDITED PROJECTS.

6 (c) The Secretary:

7 (1) shall administer the Fund in accordance with this section; and

8 (2) subject to the provisions of § 2–201 of this article and § 3.5–307 of this
9 subtitle, may receive and accept contributions, grants, or gifts of money or property.

10 (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
11 this article.

12 (2) The State Treasurer shall hold the Fund separately and the
13 Comptroller shall account for the Fund.

14 (3) The State Treasurer shall invest and reinvest the money of the Fund in
15 the same manner as other State money may be invested.

16 (4) Any investment earnings of the Fund shall be paid into the Fund.

17 (e) Except as provided in subsection (f) of this section, the Fund consists of:

18 (1) money appropriated in the State budget to the Fund;

19 (2) as approved by the Secretary, money received from:

20 (i) the sale, lease, or exchange of communication sites,
21 communication facilities, or communication frequencies for information technology
22 purposes; or

23 (ii) an information technology agreement involving resource
24 sharing;

25 (3) that portion of money earned from pay phone commissions to the extent
26 that the commission rates exceed those in effect in December 1993;

27 (4) money received and accepted as contributions, grants, or gifts as
28 authorized under subsection (c) of this section;

1 (5) general funds appropriated for major information technology
2 development projects of any unit of State government other than a public institution of
3 higher education that:

4 (i) are unencumbered and unexpended at the end of a fiscal year;

5 (ii) have been abandoned; or

6 (iii) have been withheld by the General Assembly or the Secretary;

7 (6) any investment earnings; and

8 (7) any other money from any source accepted for the benefit of the Fund.

9 (f) The Fund does not include any money:

10 (1) received by the Department of Transportation, the Maryland
11 Transportation Authority, Baltimore City Community College, or the Maryland Public
12 Broadcasting Commission;

13 (2) received by the Judicial or Legislative branches of State government; or

14 (3) generated from pay phone commissions that are credited to other
15 accounts or funds in accordance with other provisions of law or are authorized for other
16 purposes in the State budget or through an approved budget amendment.

17 (g) The Governor shall submit with the State budget:

18 (1) a summary showing the unencumbered balance in the Fund as of the
19 close of the prior fiscal year and a listing of any encumbrances;

20 (2) an estimate of projected revenue from each of the sources specified in
21 subsection (e) of this section for the fiscal year for which the State budget is submitted;
22 [and]

23 (3) a descriptive listing of MAJOR INFORMATION TECHNOLOGY
24 DEVELOPMENT projects reflecting projected costs for the fiscal year for which the State
25 budget is submitted and any estimated future year costs; AND

26 (4) THE AMOUNT PROPOSED TO BE SET ASIDE FOR EXPEDITED
27 PROJECTS.

28 (h) Expenditures from the Fund shall be made only:

29 (1) in accordance with an appropriation approved by the General Assembly
30 in the annual State budget; [or]

1 (2) through an approved State budget amendment under Title 7, Subtitle
2 2, Part II of this article, provided that a State budget amendment for any project not
3 requested as part of the State budget submission or for any project for which the scope or
4 cost has increased by more than 5% or \$250,000 shall be submitted to the budget
5 committees allowing a 30-day period for their review and comment; OR

6 **(3) FOR EXPEDITED PROJECT CONTRACTS APPROVED FOR FUNDING**
7 **BY THE SECRETARY AND APPROVED BY THE BOARD OF PUBLIC WORKS AS**
8 **PROVIDED IN § 12-101 OF THIS ARTICLE.**

9 (i) The Fund may be used:

10 (1) for major information technology development projects;

11 (2) as provided in subsections (j) and [(l)] (M) of this section; [or]

12 (3) notwithstanding § 3.5-301(b)(2) of this subtitle, for the costs of the first
13 12 months of operation and maintenance of a major information technology development
14 project;

15 **(4) FOR EXPEDITED PROJECTS; OR**

16 **(5) FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT**
17 **PROJECTS AND EXPEDITED PROJECTS THROUGH A REVOLVING LOAN PROCESS**
18 **THROUGH WHICH AN AGENCY MAY REIMBURSE THE FUND IN FUTURE FISCAL YEARS**
19 **AS ESTABLISHED BY THE SECRETARY IN REGULATION.**

20 (j) Notwithstanding subsection (b) of this section and except for the cost incurred
21 in administering the Fund, each fiscal year up to \$1,000,000 of this Fund may be used for:

22 (1) educationally related information technology projects;

23 (2) application service provider initiatives as provided for in Title 9,
24 Subtitle 22 of the State Government Article; or

25 (3) information technology projects, including:

26 (i) pilots; and

27 (ii) prototypes.

28 (k) A unit of State government or local government may submit a request to the
29 Secretary to support the cost of an information technology project with money under
30 subsection (j) of this section.

1 **(L) (1) EACH FISCAL YEAR, AT LEAST 20% OF THE AMOUNT INCLUDED IN**
 2 **THE GOVERNOR'S ALLOWANCE AND APPROPRIATED TO THE FUND SHALL BE SET**
 3 **ASIDE TO BE USED FOR EXPEDITED PROJECTS.**

4 **(2) ANY AMOUNT SET ASIDE UNDER PARAGRAPH (1) OF THIS**
 5 **SUBSECTION THAT IS NOT USED IN THE FISCAL YEAR THAT IT IS SET ASIDE SHALL**
 6 **REMAIN SET ASIDE IN THE FUND AND AVAILABLE TO BE USED FOR FUTURE**
 7 **EXPEDITED PROJECTS.**

8 ~~(L)~~ **(M)** (1) Notwithstanding subsection (b) of this section and in accordance
 9 with paragraph (2) of this subsection, money paid into the Fund under subsection (e)(2) of
 10 this section shall be used to support:

11 (i) the State telecommunication and computer network established
 12 under § 3.5-404 of this title, including program development for these activities; and

13 (ii) the Statewide Public Safety Interoperability Radio System, also
 14 known as Maryland First (first responder interoperable radio system team), under Title 1,
 15 Subtitle 5 of the Public Safety Article.

16 (2) The Secretary may determine the portion of the money paid into the
 17 Fund that shall be allocated to each program described in paragraph (1) of this subsection.

18 ~~(m)~~ **(N)** (1) On or before November 1 of each year, the Secretary shall report
 19 to the Governor[,] AND the Secretary of Budget and Management[, and to the budget
 20 committees of the General Assembly and submit a copy of the report to the General
 21 Assembly,] AND, in accordance with § 2-1257 of the State Government Article, TO THE
 22 **SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE COMMITTEE ON**
 23 **EDUCATION, ENERGY, AND THE ENVIRONMENT, THE HOUSE APPROPRIATIONS**
 24 **COMMITTEE, THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE,**
 25 **AND THE JOINT COMMITTEE ON CYBERSECURITY, INFORMATION TECHNOLOGY,**
 26 **AND BIOTECHNOLOGY.**

27 (2) The report shall include:

28 (i) the financial status of the Fund and a summary of its operations
 29 for the preceding fiscal year;

30 (ii) an accounting for the preceding fiscal year of all money from each
 31 of the revenue sources specified in subsection (e) of this section, including any expenditures
 32 made from the Fund; and

33 (iii) for each project receiving money from the Fund in the preceding
 34 fiscal year and for each major information technology development project OR EXPEDITED

1 PROJECT receiving funding from any source other than the Fund in the preceding fiscal
 2 year:

3 1. the status of the project AND PROJECT FUNDING
 4 DECISIONS;

5 2. a comparison of estimated and actual costs of the project;

6 3. any known or anticipated changes in scope or costs of the
 7 project;

8 4. an evaluation of whether the project is using best
 9 practices; and

10 5. a summary of any monitoring and oversight of the project
 11 from outside the agency in which the project is being developed, including a description of
 12 any problems identified by any external review and any corrective actions taken.

13 [(n)] (O) On or before January 15 of each year, for each major information
 14 technology development project OR EXPEDITED PROJECT currently in development or for
 15 which operations and maintenance funding is being provided in accordance with subsection
 16 (i)(3) of this section, subject to § 2-1257 of the State Government Article, the Secretary
 17 shall provide a summary report to the Department of Legislative Services with the most
 18 up-to-date project information including:

19 (1) project FUNDING DECISIONS AND PROJECT status;

20 (2) any schedule, cost, and scope changes since the last annual report;

21 (3) a risk assessment including any problems identified by any internal or
 22 external review and any corrective actions taken; and

23 (4) any change in the monitoring or oversight status.

24 (P) (1) THE SECRETARY MAY ADOPT REGULATIONS NECESSARY TO
 25 CARRY OUT THIS SECTION.

26 (2) THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO
 27 ESTABLISH A PROCESS FOR UNITS OF STATE GOVERNMENT TO REQUEST AND
 28 RECEIVE FUNDING FOR AN EXPEDITED PROJECT ALIGNED WITH THE STATE
 29 MODERNIZATION PLAN THAT SHALL:

30 (I) ALLOW UNITS OF STATE GOVERNMENT TO APPLY FOR
 31 PROJECT FUNDING BIANNUALLY;

1 (II) BE CONSISTENT WITH THE GOALS AND PREFERENCES
 2 ESTABLISHED UNDER TITLE 14 OF THIS ARTICLE AND ENCOURAGE SMALL AND
 3 MINORITY BUSINESS ENTERPRISE VENDORS; AND

4 (III) PROVIDE MEASURES THAT ENSURE COMPLIANCE WITH THIS
 5 SUBTITLE AND THE DEPARTMENT'S REGULATIONS BY BOTH VENDORS AND UNITS OF
 6 STATE GOVERNMENT.

7 ~~3.5 309.1.~~

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

10 (2) ~~"FUND" MEANS THE INFORMATION TECHNOLOGY INVESTMENT~~
 11 ~~FUND.~~

12 (3) ~~"LEGACY SYSTEM" MEANS A HARDWARE OR SOFTWARE SYSTEM~~
 13 ~~THAT IS OUTMODED OR OBSOLETE.~~

14 (B) ~~THERE IS AN INFORMATION TECHNOLOGY INVESTMENT FUND.~~

15 (C) (1) ~~THE PURPOSE OF THE FUND IS TO ASSESS AND REPLACE LEGACY~~
 16 ~~SYSTEMS.~~

17 (2) ~~THE DEPARTMENT SHALL HIRE A CONSULTANT TO ASSESS A~~
 18 ~~LEGACY SYSTEM, PRIORITIZED BASED ON THE SECURITY RISK OF THE SYSTEM.~~

19 (D) ~~THE SECRETARY SHALL ADMINISTER THE FUND.~~

20 (E) ~~THE DEPARTMENT, IN CONSULTATION WITH EACH UNIT OF STATE~~
 21 ~~GOVERNMENT, SHALL DETERMINE THE FUNDING REQUIRED TO ASSESS EACH~~
 22 ~~LEGACY SYSTEM IN THE UNIT AND A 5-YEAR PROJECTION OF FUNDING REQUIRED~~
 23 ~~TO MODERNIZE THE LEGACY SYSTEM.~~

24 (F) (1) ~~THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT~~
 25 ~~SUBJECT TO § 7-302 OF THIS ARTICLE.~~

26 (2) ~~THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,~~
 27 ~~AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.~~

28 (G) ~~THE FUND CONSISTS OF:~~

29 (1) ~~TO THE EXTENT PRACTICABLE, MONEY RECEIVED FROM THE SALE~~
 30 ~~OF STATE GENERAL OBLIGATION BONDS; AND~~

1 ~~(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND.~~

2 ~~(H) THE FUND MAY BE USED FOR LEGACY SYSTEM ASSESSMENTS AND~~
3 ~~REPLACEMENTS.~~

4 ~~(I) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND~~
5 ~~IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.~~

6 ~~(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO~~
7 ~~THE GENERAL FUND OF THE STATE.~~

8 ~~(J) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE~~
9 ~~WITH THE STATE BUDGET.~~

10 ~~(K) (1) BEGINNING IN FISCAL YEAR 2026 AND EACH FISCAL YEAR~~
11 ~~THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN~~
12 ~~APPROPRIATION TO THE FUND.~~

13 ~~(2) IN FISCAL YEAR 2026, THE APPROPRIATION MADE UNDER~~
14 ~~PARAGRAPH (1) OF THIS SUBSECTION SHALL BE GREATER THAN THE~~
15 ~~DEPARTMENT'S BUDGET FOR FISCAL YEAR 2025 FOR MAJOR INFORMATION~~
16 ~~TECHNOLOGY DEVELOPMENT PROJECTS.~~

17 ~~(L) ON OR BEFORE JANUARY 1, 2028, THE DEPARTMENT SHALL:~~

18 ~~(1) ESTABLISH A PROCESS THROUGH WHICH THE PROCESS TO ASSESS~~
19 ~~AND REPLACE LEGACY SYSTEMS IS REPLACED WITH THE PROCESS FOR APPROVING~~
20 ~~AND REVIEWING MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS~~
21 ~~UNDER § 3.5-308 OF THIS SUBTITLE, INCLUDING GUARDRAILS TO ENSURE~~
22 ~~COMPLIANCE WITH THE PROCESS; AND~~

23 ~~(2) SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE~~
24 ~~WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY~~
25 ~~ON THE PROCESS ESTABLISHED UNDER ITEM (1) OF THIS SUBSECTION.~~

26 ~~3.5-309.2.~~

27 ~~(A) IN THIS SECTION, "BOARD" MEANS THE TECHNOLOGY INVESTMENT~~
28 ~~BOARD.~~

29 ~~(B) THERE IS A TECHNOLOGY INVESTMENT BOARD IN THE DEPARTMENT.~~

30 ~~(C) THE BOARD CONSISTS OF:~~

- 1 ~~(1) THE SECRETARY, OR THE SECRETARY'S DESIGNEE;~~
2 ~~(2) THE COMPTROLLER, OR THE COMPTROLLER'S DESIGNEE;~~
3 ~~(3) THE STATE TREASURER, OR THE STATE TREASURER'S DESIGNEE;~~
4 ~~(4) THE GOVERNOR, OR THE GOVERNOR'S DESIGNEE;~~
5 ~~(5) A MEMBER OF THE PUBLIC, APPOINTED BY THE GOVERNOR; AND~~
6 ~~(6) ANY OTHER MEMBERS THE GOVERNOR DETERMINES ARE~~
7 ~~APPROPRIATE.~~

8 ~~(D) THE SECRETARY OR THE SECRETARY'S DESIGNEE SHALL SERVE AS~~
9 ~~CHAIR OF THE BOARD.~~

10 ~~(E) THE DEPARTMENT SHALL PROVIDE STAFF FOR THE BOARD.~~

11 ~~(F) THE BOARD SHALL:~~

12 ~~(1) DEVELOP ENTERPRISE ARCHITECTURE STANDARDS FOR UNITS~~
13 ~~OF STATE GOVERNMENT TO ASSIST IN IDENTIFYING LEGACY SYSTEMS THAT~~
14 ~~REQUIRE MODERNIZATION;~~

15 ~~(2) BEGINNING JANUARY 1, 2028, EVALUATE AND APPROVE ALL~~
16 ~~MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS INVOLVING THE~~
17 ~~MODERNIZATION OF INFORMATION TECHNOLOGY AND LEGACY SYSTEMS; AND~~

18 ~~(3) ADOPT AN INFORMATION TECHNOLOGY INVESTMENT MATURITY~~
19 ~~MODEL THAT INCLUDES:~~

20 ~~(I) CRITERIA TO INFORM INVESTMENT DECISIONS;~~

21 ~~(H) PROCESSES TO DEVELOP THE INFORMATION REQUIRED TO~~
22 ~~EVALUATE INVESTMENT PROPOSALS AGAINST THE CRITERIA UNDER ITEM (I) OF~~
23 ~~THIS ITEM; AND~~

24 ~~(II) MANAGEMENT PROCESSES TO MONITOR THE~~
25 ~~IMPLEMENTATION OF APPROVED MODERNIZATION PROJECTS.~~

26 ~~(G) ON OR BEFORE DECEMBER 1 EACH YEAR, THE BOARD SHALL REPORT~~
27 ~~FUNDING DECISIONS MADE UNDER SUBSECTION (F) OF THIS SECTION TO THE~~
28 ~~BOARD OF PUBLIC WORKS.~~

1 3.5–316.

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) “Commission” means the Modernize Maryland ~~Oversight~~ Commission.

4 (3) “Critical system” means an information technology or cybersecurity
5 system that is severely outdated, as determined by the Department.

6 ~~(4) “LEGACY SYSTEM” HAS THE MEANING STATED IN § 3.5–309.1 OF~~
7 ~~THIS SUBTITLE.~~

8 (b) There is an independent Modernize Maryland ~~Oversight~~ Commission.

9 (c) The purpose of the Commission is to[:

10 (1) ensure the confidentiality, integrity, and availability of information
11 held by the State concerning State residents; and

12 (2) advise the Secretary and State Chief Information Security Officer on:

13 (i) the appropriate information technology and cybersecurity
14 investments and upgrades;

15 (ii) the funding sources for the appropriate information technology
16 and cybersecurity upgrades; and

17 (iii) future mechanisms for the procurement of appropriate
18 information technology and cybersecurity upgrades, including ways to increase the
19 efficiency of procurements made for information technology and cybersecurity upgrades]
20 ~~ENSURE RECOMMEND BEST PRACTICES RELATED TO THE MODERNIZATION AND THE~~
21 ~~REPLACEMENT OF LEGACY SYSTEMS.~~

22 (d) The Commission consists of the following members:

23 (1) the Secretary, OR THE SECRETARY’S DESIGNEE;

24 (2) the State Chief Information Security Officer, OR THE CHIEF
25 INFORMATION SECURITY OFFICER’S DESIGNEE;

26 (3) three chief information security officers representing different units of
27 State government, appointed by the Governor;

28 (4) one information technology modernization expert with experience in
29 the private sector, appointed by the Governor;

1 (5) one representative ~~from~~ RECOMMENDED BY the Maryland Chamber
2 of Commerce with knowledge of cybersecurity issues, APPOINTED BY THE GOVERNOR;

3 (6) two individuals who are end users of State information technology
4 systems, appointed by the Governor;

5 (7) one representative ~~from~~ RECOMMENDED BY the Cybersecurity
6 Association of Maryland, APPOINTED BY THE GOVERNOR; [and]

7 (8) one individual who is either an instructor or a professional in the
8 academic field of cybersecurity at a college or university in the State, appointed by the
9 Governor; AND

10 ~~(9) ONE EMPLOYEE OF THE OFFICE OF LEGISLATIVE AUDITS,~~
11 ~~APPOINTED BY THE LEGISLATIVE AUDITOR~~ ONE REPRESENTATIVE OF THE
12 INFORMATION TECHNOLOGY INDUSTRY, APPOINTED BY THE GOVERNOR.

13 (e) The cochairs of the Joint Committee on Cybersecurity, Information
14 Technology, and Biotechnology shall serve as advisory, nonvoting members of the
15 Commission.

16 ~~(F) THE UNIVERSITY OF MARYLAND GLOBAL CAMPUS SHALL STAFF THE~~
17 ~~COMMISSION.~~

18 (F) A MEMBER OF THE COMMISSION:

19 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
20 COMMISSION; BUT

21 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
22 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

23 (G) (1) THE TERM OF AN APPOINTED MEMBER IS 3 YEARS.

24 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
25 TERMS PROVIDED FOR MEMBERS OF THE COMMISSION ON JULY 1, 2024.

26 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL
27 A SUCCESSOR IS APPOINTED AND QUALIFIES.

28 (H) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT
29 OF LEGISLATIVE SERVICES, SHALL PROVIDE STAFF TO THE COMMISSION.

30 (2) THE SECRETARY OR THE SECRETARY'S DESIGNEE IS THE CHAIR
31 OF THE COMMISSION.

1 **[(f)] ~~(e)~~ (1)** The Commission shall:

2 **[(1)** advise the Secretary on a strategic roadmap with a timeline and budget
3 that will:

4 (i) require the updates and investments of critical information
5 technology and cybersecurity systems identified by the Commission in the first
6 recommendations reported under paragraph (2) of this subsection to be completed on or
7 before December 31, 2025; and

8 (ii) require all updates and investments of information technology
9 and cybersecurity to be made on or before December 31, 2030;

10 (2) make periodic recommendations on investments in State information
11 technology structures based on the assessments completed in accordance with the
12 framework developed in § 3.5–317 of this subtitle;

13 (3) review and provide recommendations on the Department’s basic
14 security standards for use of the network established under § 3.5–404(b) of this title; and

15 (4) each year, in accordance with § 2–1257 of the State Government Article,
16 report its findings and recommendations to the Senate Budget and Taxation Committee,
17 the Senate Education, Health, and Environmental Affairs Committee, the House
18 Appropriations Committee, the House Health and Government Operations Committee, and
19 the Joint Committee on Cybersecurity, Information Technology, and Biotechnology.]

20 **(1) IDENTIFY BEST PRACTICES FOR INFORMATION TECHNOLOGY
21 MODERNIZATION AND THE REPLACEMENT OF LEGACY SYSTEMS;**

22 **(2) PROVIDE RECOMMENDATIONS FOR MODERNIZATION OF
23 INFORMATION TECHNOLOGY SYSTEMS TO ~~EACH UNIT OF STATE GOVERNMENT~~ THE
24 GOVERNOR, THE SECRETARY, AND THE GENERAL ASSEMBLY;**

25 **(3) PROVIDE RECOMMENDATIONS TO PROMOTE TRANSPARENCY IN
26 MODERNIZATION EFFORTS IN UNITS OF STATE GOVERNMENT; AND**

27 **(4) EACH YEAR, IN ACCORDANCE WITH § 2–1257 OF THE STATE
28 GOVERNMENT ARTICLE, REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE
29 GOVERNOR, THE SECRETARY, THE SENATE BUDGET AND TAXATION COMMITTEE,
30 THE SENATE COMMITTEE ON EDUCATION, ENERGY, AND THE ENVIRONMENT, THE
31 HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE HEALTH AND GOVERNMENT
32 OPERATIONS COMMITTEE, AND THE JOINT COMMITTEE ON CYBERSECURITY,
33 INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY.**

1 [(g)] ~~(H)~~ (J) The report submitted under subsection [(f)(4)] ~~(G)(4)~~ (I)(4) of this
2 section may not contain information about the security of an information system.

3 ~~12-101.~~

4 (a) ~~(1)~~ This section does not apply to:

5 ~~[(1)] (I)~~ capital expenditures by the Department of Transportation or the
6 Maryland Transportation Authority, in connection with State roads, bridges, or highways,
7 as provided in § 12-202 of this title; ~~[or]~~

8 ~~[(2)] (H)~~ procurements by the Department of General Services for the
9 purpose of modernizing cybersecurity infrastructure for the State valued below \$1,000,000;
10 ~~OR~~

11 ~~(III) PROCUREMENTS BY THE DEPARTMENT OF INFORMATION~~
12 ~~TECHNOLOGY TO MODERNIZE AN INFORMATION TECHNOLOGY SYSTEM.~~

13 ~~(2) THE AMOUNT IN PARAGRAPH (1)(H) OF THIS SUBSECTION MAY BE~~
14 ~~ADJUSTED BY THE DEPARTMENT OF INFORMATION TECHNOLOGY EACH YEAR FOR~~
15 ~~INFLATION.~~

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

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

18 ~~(i)~~ set policy;

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

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

23 ~~(3)~~ The Board shall ensure that the regulations of the primary
24 procurement units provide for procedures that are consistent with this Division II and Title
25 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the
26 circumstances of a particular type of procurement or a particular unit do not require
27 otherwise, are substantially the same.

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

31 ~~(5)~~ Except as limited by the Maryland Constitution, the Board may
32 exercise any control authority conferred on a primary procurement unit by this Division II

1 ~~and, to the extent that its action conflicts with the action of the primary procurement unit,~~
2 ~~the action of the Board shall prevail.~~

3 ~~(e) On or before December 1 each year, the Department of General Services shall~~
4 ~~submit a report to the Board on procurements made under subsection (a)(2) of this section~~
5 ~~that shall include for each procurement:~~

6 ~~(1) the purpose of the procurement;~~

7 ~~(2) the name of the contractor;~~

8 ~~(3) the contract amount;~~

9 ~~(4) the method of procurement utilized;~~

10 ~~(5) the number of bidders who bid on the procurement; and~~

11 ~~(6) the contract term.~~

12 ~~SECTION 2. AND BE IT FURTHER ENACTED, That on or before December 1,~~
13 ~~2024, the Secretary of Information Technology shall:~~

14 ~~(1) develop a strategic plan that includes modernization efforts and~~
15 ~~proposed modernization investments of information technology systems that are:~~

16 ~~(i) specific;~~

17 ~~(ii) measurable;~~

18 ~~(iii) achievable;~~

19 ~~(iv) relevant; and~~

20 ~~(v) time bound;~~

21 ~~(2) develop a strategy for centralization of information technology~~
22 ~~management across the Executive Branch of State government under the Department of~~
23 ~~Information Technology; and~~

24 ~~(3) submit the strategic plan and centralization strategy to the Governor~~
25 ~~and, in accordance with § 2-1257 of the State Government Article, the General Assembly.~~

26 12-101.

27 (D) A CONTRACT TO MODERNIZE AN INFORMATION TECHNOLOGY SYSTEM
28 OR TO PROCEED WITH AN EXPEDITED PROJECT AS DEFINED IN § 3.5-301 OF THIS

1 ARTICLE SHALL BE EXPEDITED FOR APPROVAL BY THE BOARD AND PLACED ON THE
2 AGENDA OF THE BOARD AS SOON AS PRACTICABLE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That on or before December 1,
4 2025, the Secretary of Information Technology shall:

5 (1) develop a State Modernization Plan that includes:

6 (i) identification of technical debt and legacy systems, including
7 their criticality, complexity, and risk to the State;

8 (ii) designation of priority systems and applications for
9 modernization including rehosting, rebuilding, replacing, or retiring;

10 (iii) in consultation with the Comptroller, specific recommendations
11 for a process to remove State agencies from the Annapolis Data Center mainframes
12 consistent with the January 1, 2029, sunset goal of the Comptroller;

13 (iv) high level timeframe and cost estimates;

14 (v) identification of funding sources for the appropriate information
15 technology and cybersecurity upgrades; and

16 (vi) plans to train and uptrain existing employees to be able to fully
17 utilize technology as part of a modernization project.

18 (2) develop a strategy for centralization of information technology
19 management across the Executive Branch of State government under the Department of
20 Information Technology;

21 (3) identify positions in the Department of Information Technology that
22 would be suitable for independent salary setting authority or greater flexibility in position
23 classification to ensure the Department can recruit and retain the necessary staff to meet
24 the mission of the Department; and

25 (4) submit the strategic plan and centralization strategy to the Governor
26 and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

27 SECTION 3. AND BE IT FURTHER ENACTED, That, beginning in fiscal year 2026,
28 the Governor shall include in the annual budget bill two position identification numbers
29 and an appropriation in an amount sufficient to create two positions within the Department
30 of Information Technology to carry out duties as follows:

31 (1) one shall assist in administering the process for units of State
32 government to apply for expedited projects under this Act; and

1 (2) one position shall be a grants administrator responsible for aggressively
2 seeking all possible federal or private grant funding to support major information
3 technology projects or expedited projects under this Act.

4 SECTION 4. AND BE IT FURTHER ENACTED, That, on or before December 1,
5 2024, the Joint Audit and Evaluation Committee, in consultation with the Joint Committee
6 on Cybersecurity, Information Technology, and Biotechnology, shall study and make
7 recommendations for any statutory and operational changes necessary to address the
8 findings of the audit issued on April 2, 2024, by the Office of Legislative Audits in the
9 Department of Legislative Services and shall report on any recommendations for statutory
10 changes to the Governor and, in accordance with § 2-1257 of the State Government Article,
11 the General Assembly, including the Senate Budget and Taxation Committee, the Senate
12 Committee on Education, Energy, and the Environment, the House Appropriations
13 Committee, and the House Health and Government Operations Committee.

14 SECTION 5. AND BE IT FURTHER ENACTED, That the terms of the appointed
15 members of the Modernize Maryland Commission shall expire as follows:

16 (1) two members on July 1, 2024, as determined by the Governor;

17 (2) two members on July 1, 2025, as determined by the Governor; and

18 (3) the remaining appointed member on July 1, 2026.

19 SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 ~~October~~ July 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.