SENATE BILL 491

Unofficial Copy 2002 Regular Session
P1 (2lr1838)

ENROLLED BILL

-- Budget and Taxation and Finance/Commerce and Government Matters and Appropriations --

Introduced by **Senators Hoffman, Currie, Hogan, Kasemeyer, Kittleman, Lawlah, McFadden, Middleton, Munson, Neall, Ruben, Stoltzfus, Teitelbaum, and Van Hollen**

Read and Examined by Proofreaders:

_____
Proofreader.

_____
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____M.

_____
President.

CHAPTER 467

AN ACT concerning

Department of Budget and Management - Major Information Technology Development Projects

FOR the purpose of prohibiting ~~an agency or~~ a unit of State government from making certain expenditures except under certain circumstances; requiring ~~an agency or~~ a unit of State government to designate certain projects in submitting certain requests; authorizing the Chief to change a certain designation by ~~an agency or~~ a unit of State government; requiring the Chief to review and approve certain projects; ~~requiring funding for major information technology development projects to be provided only through a certain fund;~~ creating the Major Information Technology Development Project Fund; specifying the purpose of the Fund and the authorized uses of the Fund; requiring the Governor to submit a certain summary with the budget; authorizing the Chief of Information Technology to review certain projects and specifications for consistency with the statewide information technology master plan; *specifying the source of moneys in*

the Fund; repealing the Information Technology Investment Fund; providing that, effective on a certain date, any unencumbered balance in the Information Technology Investment Fund shall be transferred to the Major Information Technology Development Project Fund; providing that certain existing projects in the Governor's Fiscal 2003 Operating Budget are subject to the provisions of this Act; providing that certain information technology projects may not be implemented without the approval of the Chief and the Secretary of the Department of Budget and Management; requiring the Chief to provide certain assistance, advice, and recommendations to certain units of State government; requiring the Department to submit a certain report by a certain date each year; authorizing the Department of Budget and Management to conduct emergency procurements under certain circumstances; authorizing the Secretary of Budget and Management to create new programs to implement the provisions of this Act; defining certain terms; and generally relating to the Department of Budget and Management and major information technology development projects.

BY repealing and reenacting, with amendments,
Article - State Finance and Procurement
Section *3-401(b)*, 3-402, 3-405, and 3-410
Annotated Code of Maryland
(2001 Replacement Volume)

BY adding to
Article - State Finance and Procurement
Section 3-410.1 and 3-410.2
Annotated Code of Maryland
(2001 Replacement Volume)

BY repealing
Article - State Finance and Procurement
Section 7-316
Annotated Code of Maryland
(2001 Replacement Volume)

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

Article - State Finance and Procurement

3-401.

(b) Notwithstanding any other provision of law, except as provided in subsection (a) of this section and [§ 3-403(c)] §§ 3-403(C), 3-405(A)(2), 3-410.1, AND 3-410.2 of this subtitle, this subtitle applies to all units of the Executive Branch of State government including public institutions of higher education other than the University System of Maryland.

3-402.

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

(b) "Board" means the Information Technology Board.

(c) "Chief" means the Chief of Information Technology.

(D) (1) "DEVELOPMENT" MEANS ALL EXPENDITURES FOR A NEW INFORMATION TECHNOLOGY SYSTEM OR AN ENHANCEMENT TO AN EXISTING SYSTEM INCLUDING SYSTEM:

(I) PLANNING;

(II) PROCUREMENT;

(III) CREATION;

(IV) INSTALLATION;

(V) TESTING; AND

(VI) INITIAL TRAINING.

(2) "DEVELOPMENT" DOES NOT INCLUDE:

(I) ONGOING OPERATING COSTS, SOFTWARE OR HARDWARE MAINTENANCE, ROUTINE UPGRADES, OR~~,~~ MODIFICATIONS THAT MERELY ALLOW FOR A CONTINUATION OF THE EXISTING LEVEL OF FUNCTIONALITY; OR

(II) EXPENDITURES MADE AFTER A NEW OR ENHANCED SYSTEM HAS BEEN LEGALLY ACCEPTED BY THE USER AND IS BEING USED FOR THE BUSINESS PROCESS FOR WHICH IT WAS INTENDED.

(E) "FUND" MEANS THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND.

[(d)] (F) "Information technology" means all electronic information processing hardware and software, including:

(1) maintenance;

(2) telecommunications; and

(3) associated consulting services.

[(e)] (G) "Information technology services" means information provided by electronic means by or on behalf of a unit of State government.

(H) "MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT" MEANS ANY INFORMATION TECHNOLOGY DEVELOPMENT PROJECT THAT MEETS ONE OR MORE OF THE FOLLOWING CRITERIA:

(1) THE ESTIMATED TOTAL COST OF DEVELOPMENT EQUALS OR EXCEEDS $1 MILLION;

(2) THE PROJECT IS UNDERTAKEN TO SUPPORT A CRITICAL BUSINESS FUNCTION ASSOCIATED WITH THE PUBLIC HEALTH, EDUCATION, SAFETY, OR FINANCIAL WELL-BEING OF THE CITIZENS OF MARYLAND; OR

(3) THE SECRETARY DETERMINES THAT THE PROJECT REQUIRES THE SPECIAL ATTENTION AND CONSIDERATION GIVEN TO A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT DUE TO:

(I) THE SIGNIFICANCE OF THE PROJECT'S POTENTIAL BENEFITS OR RISKS;

(II) THE IMPACT OF THE PROJECT ON THE PUBLIC OR LOCAL GOVERNMENTS;

(III) THE PUBLIC VISIBILITY OF THE PROJECT; OR

(IV) OTHER REASONS AS DETERMINED BY THE SECRETARY.

[(f)] (I) "Nonvisual access" means the ability, through keyboard control, synthesized speech, Braille, or other methods not requiring sight, to receive, use and manipulate information, and operate controls necessary to access information technology.

(J) "SYSTEMS DEVELOPMENT LIFE CYCLE PLAN" MEANS A PLAN WHICH DEFINES ALL ACTIONS, FUNCTIONS, OR ACTIVITIES TO BE PERFORMED BY ~~AN AGENCY OR~~ A UNIT OF STATE GOVERNMENT IN THE DEFINITION, PLANNING, ACQUISITION, DEVELOPMENT, TESTING, IMPLEMENTATION, OPERATION, ENHANCEMENT, AND MODIFICATION OF INFORMATION TECHNOLOGY SYSTEMS.

[(g)] (K) "Telecommunications" has the meaning provided in § 3-701 of this title.

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

(M) ~~(1)~~ "UNIT" MEANS AN AGENCY OR UNIT *OF STATE GOVERNMENT* OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

~~(2) "UNIT" DOES NOT INCLUDE STATE INSTITUTIONS OF HIGHER EDUCATION.~~

3-405.

(a) (1) A unit of ~~the Executive Branch of the~~ State government may not purchase, lease, or rent information technology unless consistent with the statewide information technology master plan.

(2) ~~AN AGENCY OR~~ A UNIT OF ~~THE EXECUTIVE BRANCH OF THE~~ STATE GOVERNMENT *OTHER THAN A PUBLIC INSTITUTION OF HIGHER EDUCATION* MAY NOT MAKE EXPENDITURES FOR ~~THE DEVELOPMENT OF~~ MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS EXCEPT AS PROVIDED IN ~~§§ 3-410.1 AND 3-410.2~~ § 3-410.1 OF THIS SUBTITLE.

(b) (1) The [Secretary] CHIEF may review any information technology project for consistency with the statewide information technology master plan.

(2) Any information technology project selected for review may not be implemented without the [Secretary's] approval OF THE CHIEF AND THE SECRETARY.

(c) (1) A unit ~~of government in the Executive Branch~~ of State government shall advise the Chief of any information technology proposal involving resource sharing, the exchange of goods or services, or a gift, contribution, or grant of real or personal property.

(2) The Chief shall determine if the value of the resources, services, and property to be obtained by the State under the terms of any proposal submitted in accordance with the provisions of 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 "Contract Weekly", as published by the Office of the Secretary of State; and

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

(4) Following the period for review and comment by the Legislative Policy Committee under paragraph (3) of this subsection, the proposal is subject to approval by the Board of Public Works.

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

3-410.

(a) The Chief of Information Technology is established within the Department.

(b) The Chief shall be appointed by the Secretary and serves at the Secretary's pleasure.

(c) The Chief shall be provided appropriate professional and administrative staff by the Secretary as provided in the budget.

(d) The Chief is responsible to the Secretary in carrying out the following duties:

(1) developing, maintaining, and enforcing statewide information technology standards, policies, and procedures;

(2) providing technical assistance, advice, and recommendations to the Secretary AND ANY ~~AGENCY OR~~ UNIT OF ~~THE~~ STATE GOVERNMENT concerning information technology matters;

(3) [reviewing major information technology projects for consistency with statewide plans, policies, and standards;

(4)] reviewing each unit's annual project plan to make information and services available to the public over the Internet;

[(5)] (4) developing and maintaining a statewide information technology master plan that will:

(i) be the basis for the management and direction of information technology within the Executive Branch of State government;

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

(iii) consider interstate transfers due to federal legislation and regulation;

(iv) ensure that information technology plans and budgets are consistent;

(v) ensure that State information technology plans, 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; and

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

[(6)] (5) adopting by regulation and enforcing nonvisual access standards to be used in the procurement of information technology and the provision of information technology services by or on behalf of units of State government.

3-410.1.

(A) THIS SECTION DOES NOT APPLY TO A PUBLIC INSTITUTION OF HIGHER EDUCATION.

~~(A)~~ *(B)* IN SUBMITTING ~~THEIR~~ ITS INFORMATION TECHNOLOGY PROJECT REQUESTS, ~~AN AGENCY OR~~ A UNIT OF STATE GOVERNMENT SHALL DESIGNATE ~~IF THEY~~ PROJECTS WHICH ARE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.

~~(B)~~ *(C)* IN REVIEWING ~~AGENCY~~ INFORMATION TECHNOLOGY ~~PROJECTS~~ PROJECT REQUESTS, THE CHIEF MAY CHANGE ~~AN AGENCY'S OR~~ A UNIT'S DESIGNATION OF A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT.

~~(C)~~ *(D)* THE CHIEF SHALL REVIEW AND APPROVE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS AND SPECIFICATIONS FOR CONSISTENCY WITH STATEWIDE PLANS, POLICIES, AND STANDARDS, INCLUDING A SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

~~(D)~~ *(E)* ~~FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS SHALL BE PROVIDED ONLY THROUGH THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND~~ THE CHIEF SHALL BE RESPONSIBLE FOR OVERSEEING THE IMPLEMENTATION OF MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS, REGARDLESS OF FUND SOURCE.

~~(E)~~ *(F)* EXPENDITURES FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS SHALL BE SUBJECT TO THE APPROVAL OF THE CHIEF WHO SHALL APPROVE EXPENDITURES ONLY WHEN THOSE PROJECTS ARE CONSISTENT WITH STATEWIDE PLANS, POLICIES, AND STANDARDS.

~~(F)~~ *(G)* (1) THE CHIEF SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS ONLY WHEN THOSE PROJECTS ARE SUPPORTED BY AN APPROVED SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

(2) THE CHIEF MAY APPROVE FUNDING INCREMENTALLY, CONSISTENT WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.

3-410.2.

(A) IN THIS SECTION, "FUND" MEANS THE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND.

(B) THERE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND.

(C) THE PURPOSE OF THE FUND IS TO SUPPORT MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.

(D) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT SUBJECT TO § 7-302 OF THIS ARTICLE.

(E) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUND CONSISTS OF:

(1) ALL MONEYS APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) MONEYS RECEIVED FROM THE SALE, LEASE, OR EXCHANGE OF COMMUNICATION SITES OR COMMUNICATION FREQUENCIES FOR INFORMATION TECHNOLOGY PURPOSES AS DETERMINED BY THE CHIEF AND AS APPROVED BY THE SECRETARY;

(3) MONEYS RECEIVED AS COMMISSIONS, REBATES, REFUNDS, RATE REDUCTIONS, OR TELECOMMUNICATION BYPASS AGREEMENTS RESULTING FROM INFORMATION TECHNOLOGY SERVICES OR PURCHASES;

(4) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THAT PORTION OF MONEYS EARNED FROM PAY PHONE COMMISSIONS TO THE EXTENT THAT THE COMMISSION RATES EXCEED THOSE IN EFFECT IN DECEMBER 1993; ~~AND~~

(5) ANY MONEYS RECEIVED AND ACCEPTED AS GIFTS, CONTRIBUTIONS, OR GRANTS AS AUTHORIZED UNDER SUBSECTION (H) OF THIS SECTION; AND

(6) GENERAL FUNDS APPROPRIATED FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS OF ANY UNIT *OF STATE GOVERNMENT OTHER THAN A PUBLIC INSTITUTION OF HIGHER EDUCATION* THAT:

(I) ARE UNENCUMBERED AND UNEXPENDED AT THE END OF A FISCAL YEAR;

(II) HAVE BEEN ABANDONED; OR

(III) HAVE BEEN WITHHELD BY THE GENERAL ASSEMBLY OR THE SECRETARY.

(F) THE FUND DOES NOT INCLUDE ANY MONEYS:

(1) RECEIVED BY THE DEPARTMENT OF TRANSPORTATION, MARYLAND TRANSPORTATION AUTHORITY, OR MARYLAND PUBLIC BROADCASTING COMMISSION;

(2) RECEIVED BY THE JUDICIAL OR LEGISLATIVE BRANCHES OF STATE GOVERNMENT; OR

(3) GENERATED FROM PAY PHONE COMMISSIONS THAT ARE CREDITED TO OTHER ACCOUNTS OR FUNDS IN ACCORDANCE WITH OTHER PROVISIONS OF LAW OR ARE AUTHORIZED FOR OTHER PURPOSES IN THE BUDGET OR THROUGH AN APPROVED BUDGET AMENDMENT.

(G) (1) THE STATE TREASURER SHALL HOLD AND THE STATE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(2) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME MANNER AS OTHER STATE FUNDS.

(3) INVESTMENT EARNINGS SHALL ACCRUE TO THE CREDIT OF THE FUND.

(H) THE CHIEF:

(1) SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS SECTION; AND

(2) SUBJECT TO THE PROVISIONS OF §§ 2-201 AND 3-405 OF THIS ARTICLE, MAY RECEIVE AND ACCEPT CONTRIBUTIONS, GRANTS, OR GIFTS OF MONEY OR PROPERTY~~;~~.

~~(3) SHALL BE RESPONSIBLE FOR OVERSEEING THE IMPLEMENTATION OF PROJECTS FUNDED BY MONEYS FROM THE FUND;~~

~~(4) SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY PROJECTS ONLY WHEN THOSE PROJECTS ARE CONSISTENT WITH STATEWIDE PLANS, POLICIES, AND STANDARDS; AND~~

~~(5) SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY PROJECTS ONLY WHEN THOSE PROJECTS ARE SUPPORTED BY AN APPROVED SYSTEMS DEVELOPMENT LIFE CYCLE PLAN. THE CHIEF MAY APPROVE FUNDING INCREMENTALLY CONSISTENT WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.~~

(I) THE GOVERNOR SHALL SUBMIT WITH THE BUDGET:

(1) A SUMMARY SHOWING THE UNENCUMBERED BALANCE IN THE FUND AS OF THE CLOSE OF THE PRIOR FISCAL YEAR AND A LISTING OF ANY ENCUMBRANCES;

(2) AN ESTIMATE OF PROJECTED REVENUE FROM EACH OF THE SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION FOR THE FISCAL YEAR FOR WHICH THE BUDGET IS SUBMITTED; AND

(3) A DESCRIPTIVE LISTING OF PROJECTS REFLECTING PROJECTED COSTS FOR THE FISCAL YEAR FOR WHICH THE BUDGET IS SUBMITTED AND ANY ESTIMATED FUTURE YEAR COSTS.

(J) EXPENDITURES FROM THE FUND SHALL BE MADE ONLY:

(1) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET; OR

(2) THROUGH AN APPROVED BUDGET AMENDMENT UNDER ~~PART II OF SUBTITLE 2 OF THIS TITLE~~ *TITLE 7, SUBTITLE 2, PART II OF THIS ARTICLE*, PROVIDED THAT~~:~~

~~(I)~~ A BUDGET AMENDMENT ~~IS SUBMITTED~~ FOR ANY PROJECT NOT REQUESTED AS PART OF THE BUDGET SUBMISSION OR FOR ANY PROJECT ~~WHERE~~ FOR WHICH THE SCOPE OR COST HAS INCREASED BY MORE THAN 5% OR $250,000 ~~FOR A PROJECT THAT WAS REQUESTED AS PART OF THE BUDGET SUBMISSION; AND~~

~~(II) THE BUDGET AMENDMENT AND SUPPORTING DOCUMENTATION HAVE BEEN~~ SHALL BE SUBMITTED TO THE BUDGET COMMITTEES ALLOWING A ~~60-DAY~~ 30-DAY PERIOD FOR THEIR REVIEW AND COMMENT.

(K) THE FUND MAY BE USED FOR:

(1) MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS; OR

(2) AS PROVIDED IN SUBSECTION (L) OF THIS SECTION.

(L) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION AND EXCEPT FOR THE COST INCURRED IN ADMINISTERING THE FUND, EACH FISCAL YEAR UP TO $1 MILLION OF THIS FUND MAY BE USED FOR:

(1) EDUCATIONALLY RELATED INFORMATION TECHNOLOGY PROJECTS;

(2) APPLICATION SERVICE PROVIDER INITIATIVES AS PROVIDED FOR IN TITLE 9, SUBTITLE 22 OF THE STATE GOVERNMENT ARTICLE; AND

(3) INFORMATION TECHNOLOGY PROJECTS, INCLUDING:

(I) PILOTS; AND

(II) PROTOTYPES.

~~(L)~~ (M) ~~ANY AGENCY,~~ A UNIT OF STATE GOVERNMENT~~,~~ OR LOCAL GOVERNMENT MAY SUBMIT A REQUEST TO THE CHIEF TO SUPPORT THE COST OF AN INFORMATION TECHNOLOGY PROJECT WITH MONEYS UNDER SUBSECTION ~~(K)~~ (L) OF THIS SECTION.

~~(M)~~ (N) (1) ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE CHIEF SHALL REPORT TO THE GOVERNOR AND TO THE BUDGET COMMITTEES OF THE GENERAL ASSEMBLY AND SUBMIT A COPY OF THE REPORT TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

(2) THE REPORT SHALL INCLUDE:

(I) THE FINANCIAL STATUS OF THE FUND AND A SUMMARY OF ITS OPERATIONS FOR THE PRECEDING FISCAL YEAR;

(II) AN ACCOUNTING FOR THE PRECEDING FISCAL YEAR OF ALL MONEYS FROM EACH OF THE REVENUE SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION, INCLUDING ANY EXPENDITURES MADE FROM THE FUND; AND

(III) A DESCRIPTION OF PROJECTS RECEIVING MONEYS FROM THE FUND IN THE PRECEDING FISCAL YEAR AND THE STATUS OF EACH PROJECT WITH A COMPARISON OF ESTIMATED AND ACTUAL COSTS AND ANY KNOWN OR ANTICIPATED CHANGES IN SCOPE OR COSTS.

[7-316.

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

(2) "Chief of Information Technology" means the Chief of Information Technology within the Department of Budget and Management.

(3) "Fund" means the Information Technology Investment Fund.

(4) "Information technology" has the meaning provided in § 3-402 of this article.

(5) "Secretary" means the Secretary of Budget and Management.

(b) There is an Information Technology Investment Fund.

(c) (1) The Fund is established to encourage State agencies to be more effective in their use of information technology and to fund information technology initiatives in accordance with the provisions of this section.

(2) It is the policy of the State that State agencies use their resources to promote the advancement of information technology. It is the intent of the State that private use of a State resource should further a legitimate public purpose and not be used as a means to compete with the private sector.

(d) The Fund is a continuing, nonlapsing special fund that is not subject to § 7-302 of this subtitle.

(e) Except as provided in subsection (f) of this section and subject to the limitations of subsection (h) of this section, the Fund consists of:

(1) all moneys appropriated in the State budget to the Fund;

(2) moneys received from the sale, lease, or exchange of communication sites or communication frequencies for information technology purposes as determined by the Chief of Information Technology and as approved by the Secretary;

(3) moneys received as commissions, rebates, refunds, rate reductions, or telecommunication bypass agreements resulting from information technology services or purchases;

(4) except as provided in subsection (f) of this section, that portion of moneys earned from pay phone commissions to the extent that the commission rates exceed those in effect in December 1993; and

(5) any moneys received and accepted as gifts, contributions, or grants as authorized under subsection (i) of this section.

(f) The Fund does not include any moneys:

(1) received by the Department of Transportation, Maryland Transportation Authority, or Maryland Public Broadcasting Commission;

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

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

(g) (1) The State Treasurer shall hold and the State Comptroller shall account for the Fund.

(2) The Fund shall be invested and reinvested in the same manner as other State funds.

(3) Investment earnings shall accrue to the credit of the Fund.

(h) (1) The Fund is subject to a ceiling on the amount of moneys that may be credited to the Fund for the fiscal year for which the budget is submitted.

(2) The Governor shall include in the annual State budget a proposed ceiling for the Fund.

(3) The ceiling on the Fund is set as enacted in the annual State budget bill.

(4) Any revenues earned in excess of the ceiling on the amount of moneys that may be credited to the Fund in a fiscal year shall be credited to the General Fund of the State.

(i) The Chief of Information Technology:

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

(2) subject to the provisions of §§ 2-201 and 3-405 of this article, may receive and accept contributions, grants, or gifts of money or property; and

(3) shall be responsible for overseeing the implementation of projects funded by moneys from the Fund.

(j) The Governor shall submit with the budget:

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

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

(3) a descriptive listing of projects reflecting projected costs for the fiscal year for which the budget is submitted and any estimated future year costs.

(k) (1) Expenditures from the Fund shall be made only:

(i) in accordance with an appropriation approved by the General Assembly in the annual State budget; or

(ii) through an approved budget amendment under Part II of Subtitle 2 of this title, provided that:

1. a budget amendment is submitted for any project not requested as part of the budget submission or for any project where the scope or cost has increased for a project that was requested as part of the budget submission; and

2. the budget amendment and supporting documentation have been submitted to the budget committees allowing a 60-day period for their review and comment.

(2) The ceiling imposed on the Fund, as provided under subsection (h) of this section, may not be increased by budget amendment.

(l) Subject to the provisions of subsection (n) of this section and except for the cost incurred in administering the Fund, the Fund may be used for:

(1) educationally related information technology projects;

(2) State information technology projects, including:

(i) pilots;

(ii) prototypes;

(iii) kiosk systems;

(iv) graphical user interface for citizen access to governmental services;

(v) document imaging systems;

(vi) State and campuswide networks; and

(vii) the Maryland electronic capital; and

(3) application service provider initiatives as provided for in Title 9, Subtitle 22 of the State Government Article.

(m) (1) There is an application service provider account in the Fund.

(2) The account consists of:

(i) moneys dedicated from the Fund for application service provider initiatives;

(ii) moneys received as a direct result of application service provider projects, including reimbursements, repayments, interest, or other revenue; and

(iii) moneys made available to the account through appropriate federal programs or private contributions.

(3) Expenditures from the account shall be made in accordance with subsections (j) and (k) of this section.

(n) (1) Any agency or unit of State government may submit a request to the Chief of Information Technology to support the cost of an information technology project with moneys from the Fund.

(2) In consultation with the Information Technology Board, established under § 3-406 of this article and subject to the final approval of the Secretary, the Chief of Information Technology shall approve a project as eligible for funding only if the project is consistent with the State information technology master plan.

(3) As part of the budget submission required under subsection (j) of this section, the Governor may request use of moneys from the Fund to support any project approved in accordance with this subsection.

(o) (1) By November 1 of each year, the Chief of Information Technology shall report to the Governor and to the budget committees of the General Assembly and submit a copy of the report to the General Assembly in accordance with § 2-1246 of the State Government Article.

(2) The report shall include:

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

(ii) an accounting for the preceding fiscal year of all moneys from each of the revenue sources specified in subsection (e) of this section, including any revenues in excess of the annual limit that are credited to the General Fund, and expenditures made from the Fund; and

(iii) a description of information technology projects receiving moneys from the Fund in the preceding fiscal year and the status of each project with

a comparison of estimated and actual costs and any known or anticipated changes in scope or costs.]

SECTION 2. AND BE IT FURTHER ENACTED, That, effective July 1, 2002, the unencumbered balance in the Information Technology Investment Fund shall be transferred to the Major Information Technology Development Project Fund.

SECTION 3. AND BE IT FURTHER ENACTED, That all projects listed in Volume V of the Governor's Fiscal 2003 Operating Budget are subject to the provisions of this Act. These projects, listed by appropriation and subprogram code are: E00A0402/0001; F10A0406/P001; M00C0105/B501; M00C0105/B502; M00Q0108/T801; N00F0002/6B01; N00F0002/6B02; N00F0002/6B03; K00A0107/a134; Q00A0107/1720; Q00A0107/1730; Q00A0107/1740; Q00A0107/1750; Q00A0107/1760; U00A0502/5201; R62I0034/1201; D80Z0102/1100; D80Z0102/1200; G20J0102/2300; R00A0106/f1xx; and C98F0002/2000.

SECTION 4. AND BE IT FURTHER ENACTED, That the Department of Budget and Management is authorized to conduct emergency procurements to obtain the necessary resources to implement the provisions of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management may create new programs to implement the provisions of this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2002.