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Education, Energy, and
Environment Committee

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Chair, Joint Committee on
Cybersecurity, Information Technology
and Biotechnology

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Testimony in Support of SB0982 - Information Technology - Modernization of Information Technology Projects

March 28, 2024

Chair Peña-Melnyk, Vice-Chair Cullison, and members of the Health and Government Operations Committee:

Thank you for your consideration of Senate Bill 982, which will establish the Information Technology Investment Fund to accelerate the modernization of our State's Information Technology.

This Committee has heard the cross-file of this bill, HB 1188, sponsored by Delegate Kaiser, who Co-Chairs the Joint Committee on Cybersecurity, Information Technology, and Biotechnology with me. However, SB 982 is heavily amended and has incorporated components of two related departmental bills, HB 227 and SB 247. This combined bill is the product of a workgroup convened at the request of Chair Feldman, which included: members from the Senate Education, Energy, and the Environment Committee, the Senate Budget and Tax Committee, the Department of Legislative Services, the Department of Information Technology, the Comptroller's Office, the Treasurer's Office, and the Department of General Services. All members of the workgroup were supportive of the end product when it passed the Senate unanimously.

In addition, the bill as amended has a dramatically reduced fiscal note, on which I would be happy to answer questions. Furthermore, there is funding in the Dedicated Purpose Account (DPA) for the Department of Information Technology to complete a statewide asset inventory, including legacy systems and a State data inventory.

Broadly speaking, SB 982, as amended, is now an excellent package of changes that will streamline our state's Information Technology modernization process. Specifically, as amended the legislation:

- Renames the Major Information Technology Development Fund to the Information Technology Investment Fund (ITIF) and provides that 20% of the monies appropriated to the Fund will be set aside for "Expedited Projects"
- Authorizes the Secretary of DoIT to fund Major Information Technology Development Projects and Expedited Projects through a revolving loan process.
- Requires the Secretary to establish a process for agencies to apply for funds twice a year in a competitive manner that encourages small and minority business enterprise vendors.
- Requires the Department to inventory and assess the State's Legacy systems, report each year with estimated funding needed to modernize each legacy system, and hire a consultant to assess the State's Information Technology procurement process.
- Alters the Modernize Maryland Oversight Commission to advise on best practices and adds one member representing the Information Technology industry
- Requires, with uncodified language, the Department to develop a State Modernization Plan and mandates the creation of two positions: one to assist in administering the process for Expedited Projects as required under the bill and one to serve as a grants administrator to seek all possible federal and private grant funds to support major Information Technology development projects or Expedited Projects.

I have submitted a more detailed summary along with my testimony.

In summary, this bill provides a significant opportunity to accelerate and improve the efficiency of updating our legacy systems. The amended bill has the support of all members of the workgroup and passed the EEE Committee and the Senate unanimously. **For these reasons, I respectfully request a favorable report on SB0982 as amended.**

Sincerely,

Senator Katie Fry Hester
Howard and Montgomery Counties
Chair of the Joint Committee on Cybersecurity, Information Technology, and Biotechnology