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By: Delegates Rawlings, Cadden, and W. Baker

Introduced and read first time: February 7, 2002

Assigned to: Commerce and Government Matters and Appropriations

A BILL ENTITLED

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1	ΔN	A("I	concerning

2	Department of Budget and Management - Major Information Technology
3	Development Projects

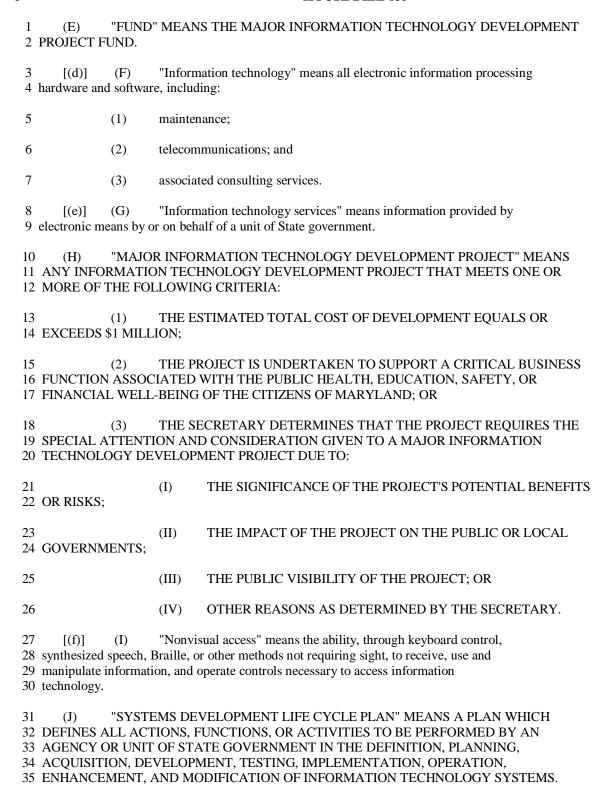
- 4 FOR the purpose of prohibiting an agency or unit of State government from making
- 5 certain expenditures except under certain circumstances; requiring an agency or
- 6 unit of State government to designate certain projects in submitting certain
- 7 requests; authorizing the Chief to change a certain designation by an agency or
- 8 unit of State government; requiring the Chief to review and approve certain
- 9 projects; requiring funding for major information technology development
- projects to be provided only through a certain fund; creating the Major
- 11 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
- 14 Technology to review certain projects for consistency with the statewide
- information technology master plan; repealing the Information Technology
- 16 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
- 19 certain existing projects in the Governor's Fiscal 2003 Operating Budget are
- subject to the provisions of this Act; providing that certain information
- 21 technology projects may not be implemented without the approval of the Chief
- 22 and the Secretary of the Department of Budget and Management; requiring the
- 23 Chief to provide certain assistance, advice, and recommendations to certain
- 24 units of State government; requiring the Department to submit a certain report
- by a certain date each year; defining certain terms; and generally relating to the
- 26 Department of Budget and Management and major information technology
- 27 development projects.
- 28 BY repealing and reenacting, with amendments,
- 29 Article State Finance and Procurement
- 30 Section 3-402, 3-405, and 3-410
- 31 Annotated Code of Maryland
- 32 (2001 Replacement Volume)

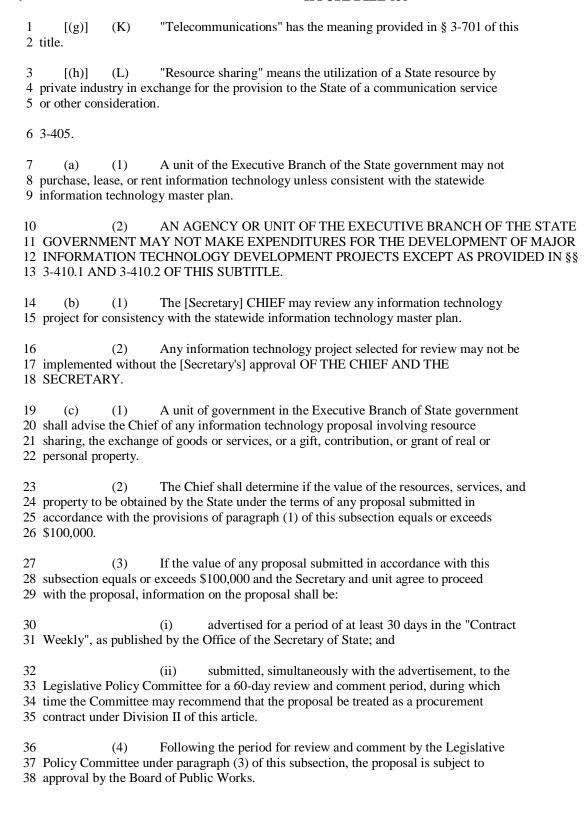
33 BY adding to

1 Article - State Finance and Procurement 2 Section 3-410.1 and 3-410.2 3 Annotated Code of Maryland (2001 Replacement Volume) 4 5 BY repealing Article - State Finance and Procurement 6 7 Section 7-316 Annotated Code of Maryland 8 (2001 Replacement Volume) 9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 10 11 MARYLAND, That the Laws of Maryland read as follows: 12 **Article - State Finance and Procurement** 13 3-402. 14 In this subtitle the following words have the meanings indicated. (a) 15 (b) "Board" means the Information Technology Board. 16 "Chief" means the Chief of Information Technology. (c) 17 "DEVELOPMENT" MEANS ALL EXPENDITURES FOR A NEW (D) (1) 18 INFORMATION TECHNOLOGY SYSTEM OR AN ENHANCEMENT TO AN EXISTING 19 SYSTEM INCLUDING SYSTEM: 20 (I) PLANNING; 21 (II)PROCUREMENT; 22 (III)CREATION; 23 (IV) INSTALLATION; TESTING; AND 24 (V) INITIAL TRAINING. 25 (VI) 26 "DEVELOPMENT" DOES NOT INCLUDE: (2) 27 ONGOING OPERATING COSTS, SOFTWARE OR HARDWARE (I) 28 MAINTENANCE, ROUTINE UPGRADES, OR, MODIFICATIONS THAT MERELY ALLOW 29 FOR A CONTINUATION OF THE EXISTING LEVEL OF FUNCTIONALITY; OR 30 (II)EXPENDITURES MADE AFTER A NEW OR ENHANCED SYSTEM

31 HAS BEEN LEGALLY ACCEPTED BY THE USER AND IS BEING USED FOR THE BUSINESS

32 PROCESS FOR WHICH IT WAS INTENDED.





	(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.
4	3-410.
5	(a) The Chief of Information Technology is established within the Department.
6 7	(b) The Chief shall be appointed by the Secretary and serves at the Secretary's pleasure.
8 9	(c) The Chief shall be provided appropriate professional and administrative staff by the Secretary as provided in the budget.
10 11	(d) The Chief is responsible to the Secretary in carrying out the following duties:
12 13	(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;
17 18	(3) [reviewing major information technology projects for consistency with statewide plans, policies, and standards;
19 20	(4)] reviewing each unit's annual project plan to make information and services available to the public over the Internet;
21 22	[(5)] (4) developing and maintaining a statewide information technolog master plan that will:
23 24	(i) be the basis for the management and direction of information technology within the Executive Branch of State government;
25 26	(ii) include all aspects of State information technology including telecommunications, data processing, and information management;
27 28	(iii) consider interstate transfers due to federal legislation and regulation;
29 30	(iv) ensure that information technology plans and budgets are consistent;
33	(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

- 1 (vi) include standards to assure nonvisual access to the information 2 and services made available to the public over the Internet; and
- 3 [(6)] (5) adopting by regulation and enforcing nonvisual access
- 4 standards to be used in the procurement of information technology and the provision
- 5 of information technology services by or on behalf of units of State government.
- 6 3-410.1.
- 7 (A) IN SUBMITTING THEIR INFORMATION TECHNOLOGY PROJECT REQUESTS,
- 8 AN AGENCY OR UNIT OF STATE GOVERNMENT SHALL DESIGNATE IF THEY ARE
- 9 MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.
- 10 (B) IN REVIEWING AGENCY INFORMATION TECHNOLOGY PROJECTS
- 11 REQUESTS, THE CHIEF MAY CHANGE AN AGENCY'S OR UNIT'S DESIGNATION OF A
- 12 MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT.
- 13 (C) THE CHIEF SHALL REVIEW AND APPROVE MAJOR INFORMATION
- 14 TECHNOLOGY DEVELOPMENT PROJECTS FOR CONSISTENCY WITH STATEWIDE
- 15 PLANS, POLICIES, AND STANDARDS, INCLUDING A SYSTEMS DEVELOPMENT LIFE
- 16 CYCLE PLAN.
- 17 (D) FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT
- 18 PROJECTS SHALL BE PROVIDED ONLY THROUGH THE MAJOR INFORMATION
- 19 TECHNOLOGY DEVELOPMENT PROJECT FUND.
- 20 3-410.2.
- 21 (A) IN THIS SECTION, "FUND" MEANS THE MAJOR INFORMATION
- 22 TECHNOLOGY PROJECT FUND.
- 23 (B) THERE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT
- 24 FUND.
- 25 (C) THE PURPOSE OF THE FUND IS TO SUPPORT MAJOR INFORMATION
- 26 TECHNOLOGY DEVELOPMENT PROJECTS.
- 27 (D) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT
- 28 SUBJECT TO § 7-302 OF THIS ARTICLE.
- 29 (E) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUND
- 30 CONSISTS OF:
- 31 (1) ALL MONEYS APPROPRIATED IN THE STATE BUDGET TO THE FUND:
- 32 (2) MONEYS RECEIVED FROM THE SALE, LEASE, OR EXCHANGE OF
- 33 COMMUNICATION SITES OR COMMUNICATION FREQUENCIES FOR INFORMATION
- 34 TECHNOLOGY PURPOSES AS DETERMINED BY THE CHIEF AND AS APPROVED BY THE
- 35 SECRETARY;

- 1 (3) MONEYS RECEIVED AS COMMISSIONS, REBATES, REFUNDS, RATE 2 REDUCTIONS, OR TELECOMMUNICATION BYPASS AGREEMENTS RESULTING FROM
- 3 INFORMATION TECHNOLOGY SERVICES OR PURCHASES;
- 4 (4) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THAT
- 5 PORTION OF MONEYS EARNED FROM PAY PHONE COMMISSIONS TO THE EXTENT
- 6 THAT THE COMMISSION RATES EXCEED THOSE IN EFFECT IN DECEMBER 1993; AND
- 7 (5) ANY MONEYS RECEIVED AND ACCEPTED AS GIFTS, CONTRIBUTIONS, 8 OR GRANTS AS AUTHORIZED UNDER SUBSECTION (H) OF THIS SECTION.
- 9 (F) THE FUND DOES NOT INCLUDE ANY MONEYS:
- 10 (1) RECEIVED BY THE DEPARTMENT OF TRANSPORTATION, MARYLAND 11 TRANSPORTATION AUTHORITY, OR MARYLAND PUBLIC BROADCASTING COMMISSION;
- 12 (2) RECEIVED BY THE JUDICIAL OR LEGISLATIVE BRANCHES OF STATE 13 GOVERNMENT; OR
- 14 (3) GENERATED FROM PAY PHONE COMMISSIONS THAT ARE CREDITED
- 15 TO OTHER ACCOUNTS OR FUNDS IN ACCORDANCE WITH OTHER PROVISIONS OF LAW
- 16 OR ARE AUTHORIZED FOR OTHER PURPOSES IN THE BUDGET OR THROUGH AN
- 17 APPROVED BUDGET AMENDMENT.
- 18 (G) (1) THE STATE TREASURER SHALL HOLD AND THE STATE
- 19 COMPTROLLER SHALL ACCOUNT FOR THE FUND.
- 20 (2) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME
- 21 MANNER AS OTHER STATE FUNDS.
- 22 (3) INVESTMENT EARNINGS SHALL ACCRUE TO THE CREDIT OF THE
- 23 FUND.
- 24 (H) THE CHIEF:
- 25 (1) SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS
- 26 SECTION;
- 27 (2) SUBJECT TO THE PROVISIONS OF §§ 2-201 AND 3-405 OF THIS
- 28 ARTICLE, MAY RECEIVE AND ACCEPT CONTRIBUTIONS, GRANTS, OR GIFTS OF MONEY
- 29 OR PROPERTY;
- 30 (3) SHALL BE RESPONSIBLE FOR OVERSEEING THE IMPLEMENTATION
- 31 OF PROJECTS FUNDED BY MONEYS FROM THE FUND:
- 32 (4) SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY
- 33 PROJECTS ONLY WHEN THOSE PROJECTS ARE CONSISTENT WITH STATEWIDE PLANS,
- 34 POLICIES, AND STANDARDS; AND
- 35 (5) SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY
- 36 PROJECTS ONLY WHEN THOSE PROJECTS ARE SUPPORTED BY AN APPROVED

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HOUSE BILL 835

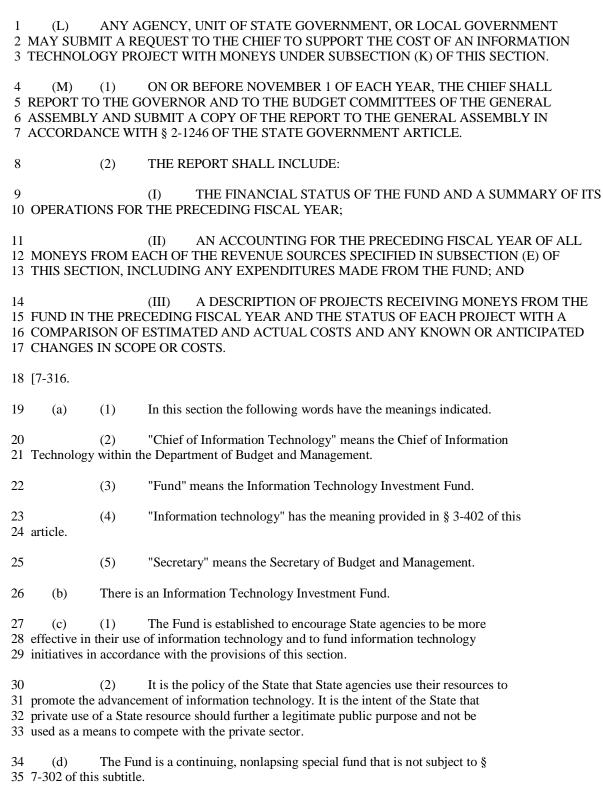
1 SYSTEMS DEVELOPMENT LIFE CYCLE PLAN. THE CHIEF MAY APPROVE FUNDING 2 INCREMENTALLY CONSISTENT WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE 3 PLAN. 4 (I) THE GOVERNOR SHALL SUBMIT WITH THE BUDGET: A SUMMARY SHOWING THE UNENCUMBERED BALANCE IN THE FUND 6 AS OF THE CLOSE OF THE PRIOR FISCAL YEAR AND A LISTING OF ANY 7 ENCUMBRANCES; AN ESTIMATE OF PROJECTED REVENUE FROM EACH OF THE (2) 9 SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION FOR THE FISCAL YEAR 10 FOR WHICH THE BUDGET IS SUBMITTED: AND 11 A DESCRIPTIVE LISTING OF PROJECTS REFLECTING PROJECTED 12 COSTS FOR THE FISCAL YEAR FOR WHICH THE BUDGET IS SUBMITTED AND ANY 13 ESTIMATED FUTURE YEAR COSTS. 14 (J) EXPENDITURES FROM THE FUND SHALL BE MADE ONLY: IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE 15 (1) 16 GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET: OR THROUGH AN APPROVED BUDGET AMENDMENT UNDER PART II OF 17 18 SUBTITLE 2 OF THIS TITLE. PROVIDED THAT: 19 A BUDGET AMENDMENT IS SUBMITTED FOR ANY PROJECT NOT (I) 20 REQUESTED AS PART OF THE BUDGET SUBMISSION OR FOR ANY PROJECT WHERE 21 THE SCOPE OR COST HAS INCREASED FOR A PROJECT THAT WAS REQUESTED AS 22 PART OF THE BUDGET SUBMISSION; AND 23 THE BUDGET AMENDMENT AND SUPPORTING (II)24 DOCUMENTATION HAVE BEEN SUBMITTED TO THE BUDGET COMMITTEES ALLOWING 25 A 60-DAY PERIOD FOR THEIR REVIEW AND COMMENT. NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION AND EXCEPT FOR 26 (K) 27 THE COST INCURRED IN ADMINISTERING THE FUND, EACH FISCAL YEAR UP TO \$1 28 MILLION OF THIS FUND MAY BE USED FOR: 29 EDUCATIONALLY RELATED INFORMATION TECHNOLOGY PROJECTS; (1) 30 APPLICATION SERVICE PROVIDER INITIATIVES AS PROVIDED FOR IN (2) 31 TITLE 9, SUBTITLE 22 OF THE STATE GOVERNMENT ARTICLE; AND INFORMATION TECHNOLOGY PROJECTS, INCLUDING: 32 (3)

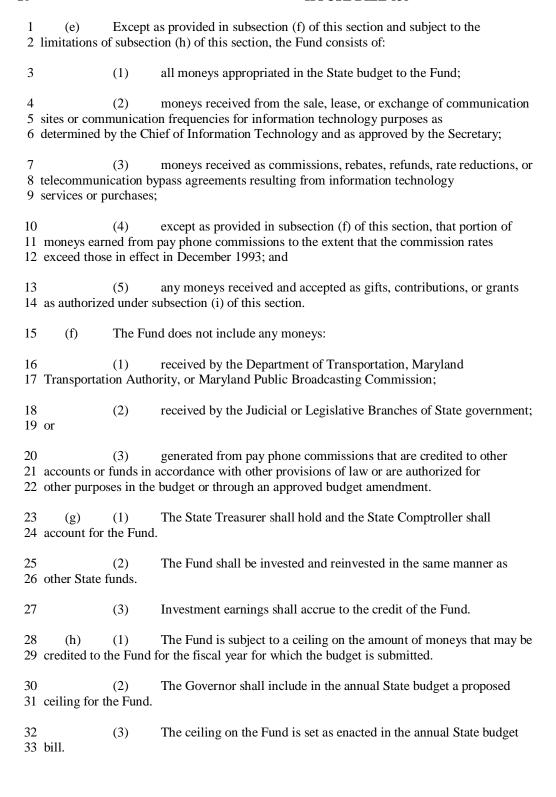
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PROTOTYPES.

(I)

(II)





	that may be of the State.	(4) credited t	Any revenues earned in excess of the ceiling on the amount of moneys of the Fund in a fiscal year shall be credited to the General Fund
4	(i)	The Chi	ef of Information Technology:
5		(1)	shall administer the Fund in accordance with this section;
6 7	receive and a	(2) accept con	subject to the provisions of §§ 2-201 and 3-405 of this article, may ntributions, grants, or gifts of money or property; and
8 9	funded by m	(3) oneys fro	shall be responsible for overseeing the implementation of projects om the Fund.
10	(j)	The Gov	vernor shall submit with the budget:
11 12	close of the	(1) prior fisc	a summary showing the unencumbered balance in the Fund as of the al year and a listing of any encumbrances;
13 14		(2) e) of this	an estimate of projected revenue from each of the sources specified in section for the fiscal year for which the budget is submitted; and
15 16		(3) ich the bu	a descriptive listing of projects reflecting projected costs for the fiscal dget is submitted and any estimated future year costs.
17	(k)	(1)	Expenditures from the Fund shall be made only:
18 19		n the annı	(i) in accordance with an appropriation approved by the General nal State budget; or
20 21		f this title	(ii) through an approved budget amendment under Part II of , provided that:
	requested as		1. a budget amendment is submitted for any project not he budget submission or for any project where the scope or cost roject that was requested as part of the budget submission; and
			2. the budget amendment and supporting documentation to the budget committees allowing a 60-day period for their .
28 29		(2) may not	The ceiling imposed on the Fund, as provided under subsection (h) of be increased by budget amendment.
30 31	· /		to the provisions of subsection (n) of this section and except for the nistering the Fund, the Fund may be used for:
32		(1)	educationally related information technology projects;
33		(2)	State information technology projects, including:

By November 1 of each year, the Chief of Information Technology

33 shall report to the Governor and to the budget committees of the General Assembly

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- 1 and submit a copy of the report to the General Assembly in accordance with § 2-1246 2 of the State Government Article.
- 3 (2) The report shall include:
- 4 (i) the financial status of the Fund and a summary of its 5 operations for the preceding fiscal year;
- 6 (ii) an accounting for the preceding fiscal year of all moneys from
- 7 each of the revenue sources specified in subsection (e) of this section, including any
- 8 revenues in excess of the annual limit that are credited to the General Fund, and
- 9 expenditures made from the Fund; and
- 10 (iii) a description of information technology projects receiving
- 11 moneys from the Fund in the preceding fiscal year and the status of each project with
- 12 a comparison of estimated and actual costs and any known or anticipated changes in
- 13 scope or costs.]
- 14 SECTION 2. AND BE IT FURTHER ENACTED, That, effective July 1, 2002,
- 15 the unencumbered balance in the Information Technology Investment Fund shall be
- 16 transferred to the Major Information Technology Development Project Fund.
- 17 SECTION 3. AND BE IT FURTHER ENACTED, That all projects listed in
- 18 Volume V of the Governor's Fiscal 2003 Operating Budget are subject to the
- 19 provisions of this Act. These projects, listed by appropriation and subprogram code
- 20 are: E00A0402/0001; F10A0406/P001; M00C0105/B501; M00C0105/B502;
- 21 M00Q0108/T801; N00F0002/6B01; N00F0002/6B02; N00F0002/6B03;
- 22 K00A0107/a134; Q00A0107/1720; Q00A0107/1730; Q00A0107/1740; Q00A0107/1750;
- 23 Q00A0107/1760; U00A0502/5201; R62I0034/1201; D80Z0102/1100; D80Z0102/1200;
- 24 G20J0102/2300; R00A0106/f1xx; and C98F0002/2000.
- 25 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 26 June 1, 2002.