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2002 Regular Session (2lr1838)

ENROLLED BILL

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

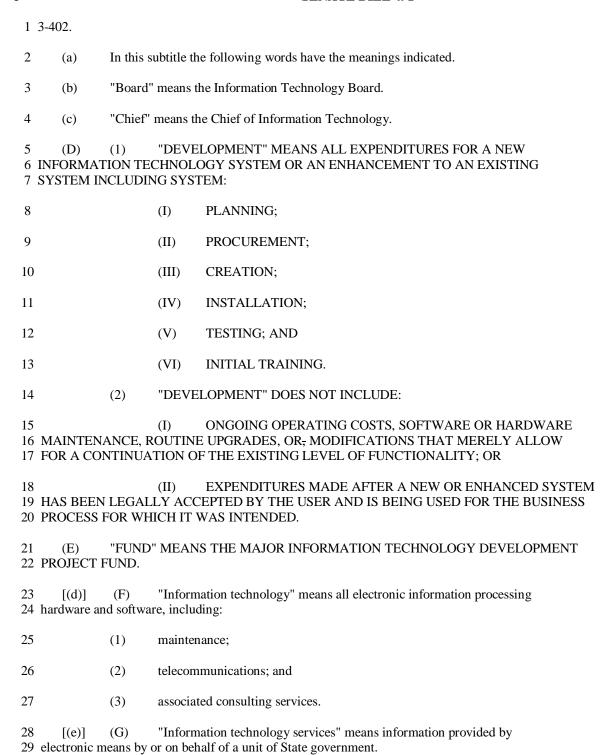
Introduced by Senators Hoffman, Currie, Hogan, Kasemeyer, Kittleman, Lawlah, McFadden, Middleton, Munson, Neall, Ruben, Stoltzfus, Teitelbaum, and Van Hollen

	Read and Examined by Proofreaders:						
		Proofreader.					
Seale	ed with the Great Seal and presented to the Governor, for his approval this day of at o'clock, M.	Proofreader.					
		President.					
	CHAPTER						
1 A	AN ACT concerning						
2 3							
5 6 7 8 9 10 11	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						
13 14 15	a certain summary with the budget; authorizing the Chief of Information Technology to review certain projects <u>and specifications</u> for consistency with the statewide information technology master plan; <u>specifying the source of moneys in</u>						

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1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	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.
16 17 18 19 20	BY repealing and reenacting, with amendments, Article - State Finance and Procurement Section <u>3-401(b)</u> , 3-402, 3-405, and 3-410 Annotated Code of Maryland (2001 Replacement Volume)
21 22 23 24 25	BY adding to Article - State Finance and Procurement Section 3-410.1 and 3-410.2 Annotated Code of Maryland (2001 Replacement Volume)
26 27 28 29 30	BY repealing Article - State Finance and Procurement Section 7-316 Annotated Code of Maryland (2001 Replacement Volume)
31 32	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
33	Article - State Finance and Procurement
34	<u>3-401.</u>
	(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

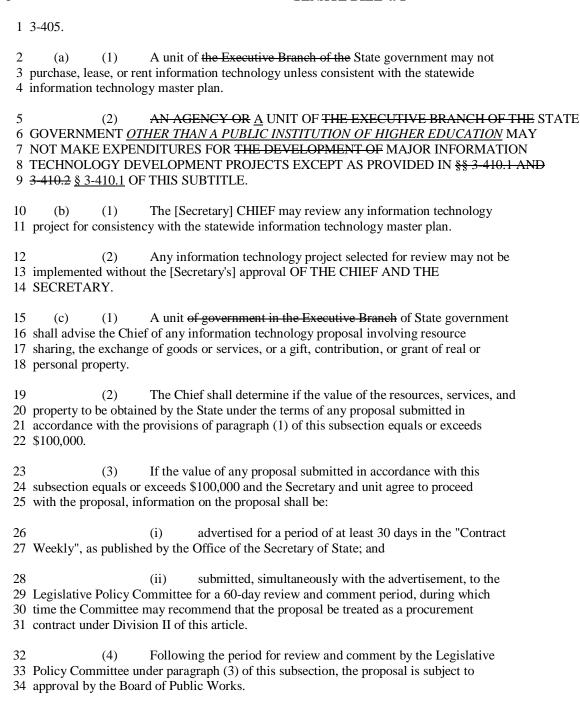
38 government including public institutions of higher education other than the University

39 System of Maryland.



1 (H)"MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT" MEANS 2 ANY INFORMATION TECHNOLOGY DEVELOPMENT PROJECT THAT MEETS ONE OR 3 MORE OF THE FOLLOWING CRITERIA: THE ESTIMATED TOTAL COST OF DEVELOPMENT EQUALS OR (1)5 EXCEEDS \$1 MILLION; THE PROJECT IS UNDERTAKEN TO SUPPORT A CRITICAL BUSINESS 6 (2) 7 FUNCTION ASSOCIATED WITH THE PUBLIC HEALTH, EDUCATION, SAFETY, OR 8 FINANCIAL WELL-BEING OF THE CITIZENS OF MARYLAND: OR 9 THE SECRETARY DETERMINES THAT THE PROJECT REQUIRES THE (3) 10 SPECIAL ATTENTION AND CONSIDERATION GIVEN TO A MAJOR INFORMATION 11 TECHNOLOGY DEVELOPMENT PROJECT DUE TO: 12 (I) THE SIGNIFICANCE OF THE PROJECT'S POTENTIAL BENEFITS 13 OR RISKS: 14 THE IMPACT OF THE PROJECT ON THE PUBLIC OR LOCAL (II)15 GOVERNMENTS; THE PUBLIC VISIBILITY OF THE PROJECT; OR 16 (III)17 (IV) OTHER REASONS AS DETERMINED BY THE SECRETARY. 18 [(f)]"Nonvisual access" means the ability, through keyboard control, 19 synthesized speech, Braille, or other methods not requiring sight, to receive, use and 20 manipulate information, and operate controls necessary to access information 21 technology. "SYSTEMS DEVELOPMENT LIFE CYCLE PLAN" MEANS A PLAN WHICH 22 **(J)** 23 DEFINES ALL ACTIONS, FUNCTIONS, OR ACTIVITIES TO BE PERFORMED BY AN 24 AGENCY OR A UNIT OF STATE GOVERNMENT IN THE DEFINITION, PLANNING. 25 ACQUISITION, DEVELOPMENT, TESTING, IMPLEMENTATION, OPERATION, 26 ENHANCEMENT, AND MODIFICATION OF INFORMATION TECHNOLOGY SYSTEMS. 27 [(g)](K) "Telecommunications" has the meaning provided in § 3-701 of this 28 title. "Resource sharing" means the utilization of a State resource by 29 (L) [(h)]30 private industry in exchange for the provision to the State of a communication service 31 or other consideration. "UNIT" MEANS AN AGENCY OR UNIT OF STATE GOVERNMENT OF THE 32 (1)33 EXECUTIVE BRANCH OF STATE GOVERNMENT. "UNIT" DOES NOT INCLUDE STATE INSTITUTIONS OF HIGHER 35 EDUCATION.

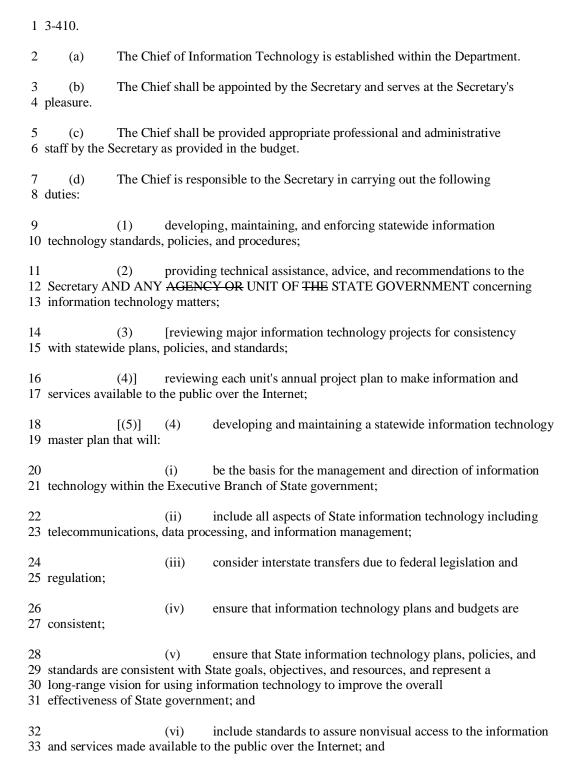
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This subsection may not be construed as authorizing an exception

36 from the requirements of Division II of this article for any contract that otherwise

37 would be subject to the State procurement process.



- 1 [(6)] (5) adopting by regulation and enforcing nonvisual access
- 2 standards to be used in the procurement of information technology and the provision
- 3 of information technology services by or on behalf of units of State government.
- 4 3-410.1.
- 5 (A) THIS SECTION DOES NOT APPLY TO A PUBLIC INSTITUTION OF HIGHER 6 EDUCATION.
- 7 (A) (B) IN SUBMITTING THEIR ITS INFORMATION TECHNOLOGY PROJECT
- 8 REQUESTS, AN AGENCY OR A UNIT OF STATE GOVERNMENT SHALL DESIGNATE IF
- 9 THEY PROJECTS WHICH ARE MAJOR INFORMATION TECHNOLOGY DEVELOPMENT
- 10 PROJECTS.
- 11 (B) (C) IN REVIEWING AGENCY INFORMATION TECHNOLOGY PROJECTS
- 12 PROJECT REQUESTS, THE CHIEF MAY CHANGE AN AGENCY'S OR A UNIT'S
- 13 DESIGNATION OF A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT.
- 14 (C) (D) THE CHIEF SHALL REVIEW AND APPROVE MAJOR INFORMATION
- 15 TECHNOLOGY DEVELOPMENT PROJECTS AND SPECIFICATIONS FOR CONSISTENCY
- 16 WITH STATEWIDE PLANS, POLICIES, AND STANDARDS, INCLUDING A SYSTEMS
- 17 DEVELOPMENT LIFE CYCLE PLAN.
- 18 (D) (E) FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT
- 19 PROJECTS SHALL BE PROVIDED ONLY THROUGH THE MAJOR INFORMATION
- 20 TECHNOLOGY DEVELOPMENT PROJECT FUND THE CHIEF SHALL BE RESPONSIBLE
- 21 FOR OVERSEEING THE IMPLEMENTATION OF MAJOR INFORMATION TECHNOLOGY
- 22 DEVELOPMENT PROJECTS, REGARDLESS OF FUND SOURCE.
- 23 (E) (F) EXPENDITURES FOR MAJOR INFORMATION TECHNOLOGY
- 24 <u>DEVELOPMENT PROJECTS SHALL BE SUBJECT TO THE APPROVAL OF THE CHIEF</u>
- 25 WHO SHALL APPROVE EXPENDITURES ONLY WHEN THOSE PROJECTS ARE
- 26 CONSISTENT WITH STATEWIDE PLANS, POLICIES, AND STANDARDS.
- 27 (F) (G) (1) THE CHIEF SHALL APPROVE FUNDING FOR MAJOR
- 28 INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS ONLY WHEN THOSE
- 29 PROJECTS ARE SUPPORTED BY AN APPROVED SYSTEMS DEVELOPMENT LIFE CYCLE
- 30 PLAN.
- 31 (2) THE CHIEF MAY APPROVE FUNDING INCREMENTALLY, CONSISTENT
- 32 WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE PLAN.
- 33 3-410.2.
- 34 (A) IN THIS SECTION, "FUND" MEANS THE MAJOR INFORMATION
- 35 TECHNOLOGY DEVELOPMENT PROJECT FUND.
- 36 (B) THERE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT
- 37 FUND.

- 1 (C) THE PURPOSE OF THE FUND IS TO SUPPORT MAJOR INFORMATION 2 TECHNOLOGY DEVELOPMENT PROJECTS.
- 3 (D) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT 4 SUBJECT TO § 7-302 OF THIS ARTICLE.
- 5 (E) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUND 6 CONSISTS OF:
- 7 (1) ALL MONEYS APPROPRIATED IN THE STATE BUDGET TO THE FUND;
- 8 (2) MONEYS RECEIVED FROM THE SALE, LEASE, OR EXCHANGE OF
- 9 COMMUNICATION SITES OR COMMUNICATION FREQUENCIES FOR INFORMATION
- $10\,$ TECHNOLOGY PURPOSES AS DETERMINED BY THE CHIEF AND AS APPROVED BY THE
- 11 SECRETARY;
- 12 (3) MONEYS RECEIVED AS COMMISSIONS, REBATES, REFUNDS, RATE
- 13 REDUCTIONS, OR TELECOMMUNICATION BYPASS AGREEMENTS RESULTING FROM
- 14 INFORMATION TECHNOLOGY SERVICES OR PURCHASES;
- 15 (4) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THAT
- 16 PORTION OF MONEYS EARNED FROM PAY PHONE COMMISSIONS TO THE EXTENT
- 17 THAT THE COMMISSION RATES EXCEED THOSE IN EFFECT IN DECEMBER 1993; AND
- 18 (5) ANY MONEYS RECEIVED AND ACCEPTED AS GIFTS, CONTRIBUTIONS,
- 19 OR GRANTS AS AUTHORIZED UNDER SUBSECTION (H) OF THIS SECTION; AND
- 20 (6) GENERAL FUNDS APPROPRIATED FOR MAJOR INFORMATION
- 21 TECHNOLOGY DEVELOPMENT PROJECTS OF ANY UNIT OF STATE GOVERNMENT
- 22 OTHER THAN A PUBLIC INSTITUTION OF HIGHER EDUCATION THAT:
- 23 (I) ARE UNENCUMBERED AND UNEXPENDED AT THE END OF A
- 24 FISCAL YEAR;
- 25 <u>(II) HAVE BEEN ABANDONED; OR</u>
- 26 (III) HAVE BEEN WITHHELD BY THE GENERAL ASSEMBLY OR THE
- 27 SECRETARY.
- 28 (F) THE FUND DOES NOT INCLUDE ANY MONEYS:
- 29 (1) RECEIVED BY THE DEPARTMENT OF TRANSPORTATION, MARYLAND
- 30 TRANSPORTATION AUTHORITY, OR MARYLAND PUBLIC BROADCASTING COMMISSION;
- 31 (2) RECEIVED BY THE JUDICIAL OR LEGISLATIVE BRANCHES OF STATE
- 32 GOVERNMENT; OR
- 33 (3) GENERATED FROM PAY PHONE COMMISSIONS THAT ARE CREDITED
- 34 TO OTHER ACCOUNTS OR FUNDS IN ACCORDANCE WITH OTHER PROVISIONS OF LAW
- 35 OR ARE AUTHORIZED FOR OTHER PURPOSES IN THE BUDGET OR THROUGH AN
- 36 APPROVED BUDGET AMENDMENT.

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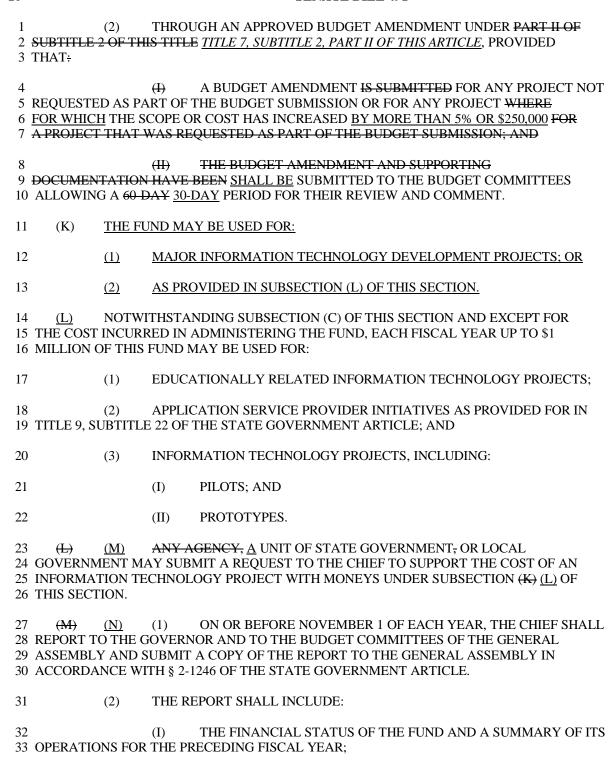
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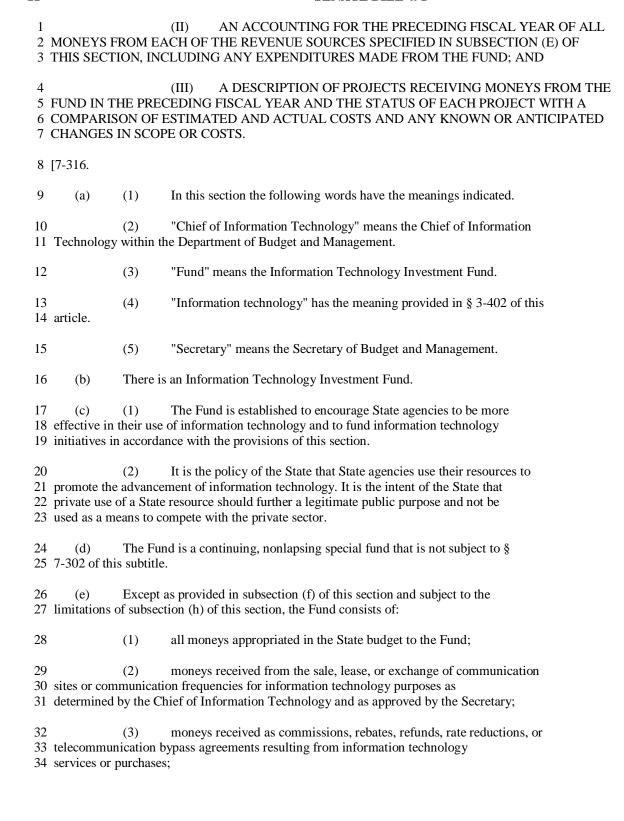
SENATE BILL 491 1 (G) THE STATE TREASURER SHALL HOLD AND THE STATE (1) 2 COMPTROLLER SHALL ACCOUNT FOR THE FUND. THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME 4 MANNER AS OTHER STATE FUNDS. (3) INVESTMENT EARNINGS SHALL ACCRUE TO THE CREDIT OF THE 6 FUND. THE CHIEF: 7 (H)SHALL ADMINISTER THE FUND IN ACCORDANCE WITH THIS 8 (1) 9 SECTION; AND 10 SUBJECT TO THE PROVISIONS OF §§ 2-201 AND 3-405 OF THIS 11 ARTICLE, MAY RECEIVE AND ACCEPT CONTRIBUTIONS, GRANTS, OR GIFTS OF MONEY 12 OR PROPERTY; SHALL BE RESPONSIBLE FOR OVERSEEING THE IMPLEMENTATION 13 (3)14 OF PROJECTS FUNDED BY MONEYS FROM THE FUND; SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY 15 16 PROJECTS ONLY WHEN THOSE PROJECTS ARE CONSISTENT WITH STATEWIDE PLANS. 17 POLICIES, AND STANDARDS; AND SHALL APPROVE FUNDING FOR MAJOR INFORMATION TECHNOLOGY 18 19 PROJECTS ONLY WHEN THOSE PROJECTS ARE SUPPORTED BY AN APPROVED 20 SYSTEMS DEVELOPMENT LIFE CYCLE PLAN. THE CHIEF MAY APPROVE FUNDING 21 INCREMENTALLY CONSISTENT WITH THE SYSTEMS DEVELOPMENT LIFE CYCLE 22 PLAN. 23 (I) THE GOVERNOR SHALL SUBMIT WITH THE BUDGET: A SUMMARY SHOWING THE UNENCUMBERED BALANCE IN THE FUND 24 (1) 25 AS OF THE CLOSE OF THE PRIOR FISCAL YEAR AND A LISTING OF ANY 26 ENCUMBRANCES; AN ESTIMATE OF PROJECTED REVENUE FROM EACH OF THE 28 SOURCES SPECIFIED IN SUBSECTION (E) OF THIS SECTION FOR THE FISCAL YEAR 29 FOR WHICH THE BUDGET IS SUBMITTED; AND A DESCRIPTIVE LISTING OF PROJECTS REFLECTING PROJECTED 30 31 COSTS FOR THE FISCAL YEAR FOR WHICH THE BUDGET IS SUBMITTED AND ANY 32 ESTIMATED FUTURE YEAR COSTS.

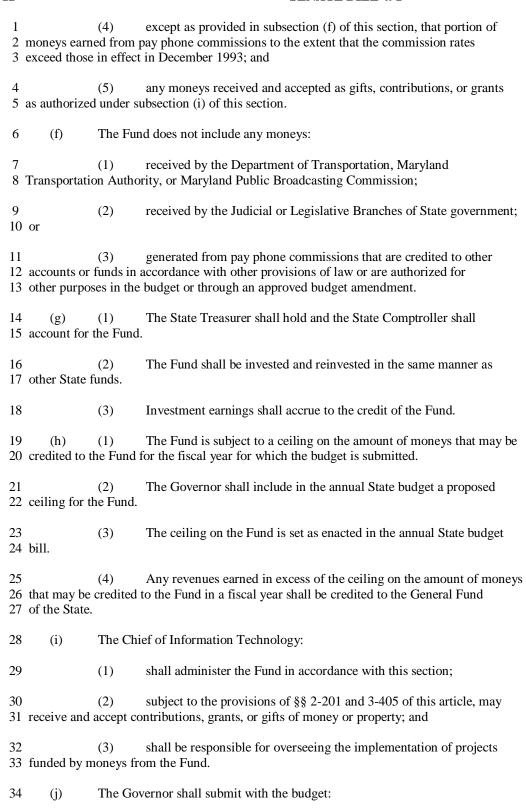
EXPENDITURES FROM THE FUND SHALL BE MADE ONLY:

35 GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET; OR

IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE







1 2	(1) close of the prior fis		ary showing the unencumbered balance in the Fund as of the nd a listing of any encumbrances;				
3 4	(2) subsection (e) of thi	an estimate of projected revenue from each of the sources specified in section for the fiscal year for which the budget is submitted; and					
5 6	(3) year for which the b	a descriptive listing of projects reflecting projected costs for the fiscal udget is submitted and any estimated future year costs.					
7	(k) (1)	Expend	itures from the Fund shall be made only:				
8 9	Assembly in the ann	(i) nual State l	11 1 11 7				
10 11	Subtitle 2 of this tit	(ii) le, provide	through an approved budget amendment under Part II of ed 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.						
18 19	(2) this section, may no		ling imposed on the Fund, as provided under subsection (h) of ased by budget amendment.				
20 21	0 (l) Subject to the provisions of subsection (n) of this section and except for the 1 cost incurred in administering the Fund, the Fund may be used for:						
22	(1)	educatio	onally related information technology projects;				
23	(2)	State in	formation technology projects, including:				
24		(i)	pilots;				
25		(ii)	prototypes;				
26		(iii)	kiosk systems;				
27 28	services;	(iv)	graphical user interface for citizen access to governmental				
29		(v)	document imaging systems;				
30		(vi)	State and campuswide networks; and				
31		(vii)	the Maryland electronic capital; and				

1 2	Subtitle 22 o	(3) of the Stat	application service provider initiatives as provided for in Title 9, te Government Article.			
3	(m)	(1)	There is	an application service provider account in the Fund.		
4		(2)	The acco	ount consists of:		
5 6	provider init	iatives;	(i)	moneys dedicated from the Fund for application service		
	provider pro	jects, incl	(ii) luding rei	moneys received as a direct result of application service mbursements, repayments, interest, or other revenue;		
10 11	federal prog	rams or p	(iii) orivate co	moneys made available to the account through appropriate ntributions.		
12 13	subsections	(3) (j) and (k		tures from the account shall be made in accordance with 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.					
19	under § 3-40 Chief of Info	ormation	article ar Technolo	altation with the Information Technology Board, established and subject to the final approval of the Secretary, the ogy shall approve a project as eligible for funding only if the State information technology master plan.		
			r may req	of the budget submission required under subsection (j) of this uest use of moneys from the Fund to support any e with this subsection.		
26	(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.					
28		(2)	The repo	ort shall include:		
29 30	operations f	or the pre	(i) eceding fi	the financial status of the Fund and a summary of its scal year;		
33		excess of	the annu	an accounting for the preceding fiscal year of all moneys from pecified in subsection (e) of this section, including any hal limit that are credited to the General Fund, and hund; and		
35 36		n the Fun	(iii) id in the p	a description of information technology projects receiving preceding fiscal year and the status of each project with		

- 1 a comparison of estimated and actual costs and any known or anticipated changes in 2 scope or costs.]
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That, effective July 1, 2002,
- 4 the unencumbered balance in the Information Technology Investment Fund shall be
- 5 transferred to the Major Information Technology Development Project Fund.
- 6 SECTION 3. AND BE IT FURTHER ENACTED, That all projects listed in
- 7 Volume V of the Governor's Fiscal 2003 Operating Budget are subject to the
- 8 provisions of this Act. These projects, listed by appropriation and subprogram code
- 9 are: E00A0402/0001; F10A0406/P001; M00C0105/B501; M00C0105/B502;
- 10 M00Q0108/T801; N00F0002/6B01; N00F0002/6B02; N00F0002/6B03;
- 11 K00A0107/a134; Q00A0107/1720; Q00A0107/1730; Q00A0107/1740; Q00A0107/1750;
- 12 Q00A0107/1760; U00A0502/5201; R62I0034/1201; D80Z0102/1100; D80Z0102/1200;
- 13 G20J0102/2300; R00A0106/f1xx; and C98F0002/2000.
- 14 SECTION 4. AND BE IT FURTHER ENACTED, That the Department of
- 15 Budget and Management is authorized to conduct emergency procurements to obtain
- 16 the necessary resources to implement the provisions of this Act.
- 17 SECTION 5. AND BE IT FURTHER ENACTED, That the Secretary of Budget
- 18 and Management may create new programs to implement the provisions of this Act.
- 19 <u>SECTION 6.</u> AND BE IT FURTHER ENACTED, That this Act shall take
- 20 effect June 1, 2002.