

SENATE BILL 491

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2002 Regular Session
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By: **Senators Hoffman, Currie, Hogan, Kasemeyer, Kittleman, Lawlah,
McFadden, Middleton, Munson, Neall, Ruben, Stoltzfus, and Van Hollen**

Introduced and read first time: February 1, 2002

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT 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
10 projects to be provided only through a certain fund; creating the Major
11 Information Technology Development Project Fund; specifying the purpose of
12 the Fund and the authorized uses of the Fund; requiring the Governor to submit
13 a certain summary with the budget; authorizing the Chief of Information
14 Technology to review certain projects for consistency with the statewide
15 information technology master plan; repealing the Information Technology
16 Investment Fund; providing that, effective on a certain date, any unencumbered
17 balance in the Information Technology Investment Fund shall be transferred to
18 the Major Information Technology Development Project Fund; providing that
19 certain existing projects in the Governor's Fiscal 2003 Operating Budget are
20 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
25 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)

1 BY adding to
2 Article - State Finance and Procurement
3 Section 3-410.1 and 3-410.2
4 Annotated Code of Maryland
5 (2001 Replacement Volume)

6 BY repealing
7 Article - State Finance and Procurement
8 Section 7-316
9 Annotated Code of Maryland
10 (2001 Replacement Volume)

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

13 **Article - State Finance and Procurement**

14 3-402.

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

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

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

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

21 (I) PLANNING;

22 (II) PROCUREMENT;

23 (III) CREATION;

24 (IV) INSTALLATION;

25 (V) TESTING; AND

26 (VI) INITIAL TRAINING.

27 (2) "DEVELOPMENT" DOES NOT INCLUDE:

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

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

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

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

8 (1) maintenance;

9 (2) telecommunications; and

10 (3) associated consulting services.

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

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

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

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

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

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

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

28 (III) THE PUBLIC VISIBILITY OF THE PROJECT; OR

29 (IV) OTHER REASONS AS DETERMINED BY THE SECRETARY.

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

34 (J) "SYSTEMS DEVELOPMENT LIFE CYCLE PLAN" MEANS A PLAN WHICH
35 DEFINES ALL ACTIONS, FUNCTIONS, OR ACTIVITIES TO BE PERFORMED BY AN

1 AGENCY OR UNIT OF STATE GOVERNMENT IN THE DEFINITION, PLANNING,
2 ACQUISITION, DEVELOPMENT, TESTING, IMPLEMENTATION, OPERATION,
3 ENHANCEMENT, AND MODIFICATION OF INFORMATION TECHNOLOGY SYSTEMS.

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

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

9 3-405.

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

13 (2) AN AGENCY OR UNIT OF THE EXECUTIVE BRANCH OF THE STATE
14 GOVERNMENT MAY NOT MAKE EXPENDITURES FOR THE DEVELOPMENT OF MAJOR
15 INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS EXCEPT AS PROVIDED IN §§
16 3-410.1 AND 3-410.2 OF THIS SUBTITLE.

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

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

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

26 (2) The Chief shall determine if the value of the resources, services, and
27 property to be obtained by the State under the terms of any proposal submitted in
28 accordance with the provisions of paragraph (1) of this subsection equals or exceeds
29 \$100,000.

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

33 (i) advertised for a period of at least 30 days in the "Contract
34 Weekly", as published by the Office of the Secretary of State; and

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

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

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

7 3-410.

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

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

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

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

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

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

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

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

24 [(5)] (4) developing and maintaining a statewide information technology
25 master plan that will:

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

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

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

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

34 (v) ensure that State information technology plans, policies, and
35 standards are consistent with State goals, objectives, and resources, and represent a

1 long-range vision for using information technology to improve the overall
2 effectiveness of State government; and

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

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

8 3-410.1.

9 (A) IN SUBMITTING THEIR INFORMATION TECHNOLOGY PROJECT REQUESTS,
10 AN AGENCY OR UNIT OF STATE GOVERNMENT SHALL DESIGNATE IF THEY ARE
11 MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS.

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

15 (C) THE CHIEF SHALL REVIEW AND APPROVE MAJOR INFORMATION
16 TECHNOLOGY DEVELOPMENT PROJECTS FOR CONSISTENCY WITH STATEWIDE
17 PLANS, POLICIES, AND STANDARDS, INCLUDING A SYSTEMS DEVELOPMENT LIFE
18 CYCLE PLAN.

19 (D) FUNDING FOR MAJOR INFORMATION TECHNOLOGY DEVELOPMENT
20 PROJECTS SHALL BE PROVIDED ONLY THROUGH THE MAJOR INFORMATION
21 TECHNOLOGY DEVELOPMENT PROJECT FUND.

22 3-410.2.

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

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

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

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

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

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

34 (2) MONEYS RECEIVED FROM THE SALE, LEASE, OR EXCHANGE OF
35 COMMUNICATION SITES OR COMMUNICATION FREQUENCIES FOR INFORMATION

1 TECHNOLOGY PURPOSES AS DETERMINED BY THE CHIEF AND AS APPROVED BY THE
2 SECRETARY;

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

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

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

11 (F) THE FUND DOES NOT INCLUDE ANY MONEYS:

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

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

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

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

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

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

26 (H) THE CHIEF:

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

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

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

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

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

6 (I) THE GOVERNOR SHALL SUBMIT WITH THE BUDGET:

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

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

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

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

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

19 (2) THROUGH AN APPROVED BUDGET AMENDMENT UNDER PART II OF
20 SUBTITLE 2 OF THIS TITLE, PROVIDED THAT:

21 (I) A BUDGET AMENDMENT IS SUBMITTED FOR ANY PROJECT NOT
22 REQUESTED AS PART OF THE BUDGET SUBMISSION OR FOR ANY PROJECT WHERE
23 THE SCOPE OR COST HAS INCREASED FOR A PROJECT THAT WAS REQUESTED AS
24 PART OF THE BUDGET SUBMISSION; AND

25 (II) THE BUDGET AMENDMENT AND SUPPORTING
26 DOCUMENTATION HAVE BEEN SUBMITTED TO THE BUDGET COMMITTEES ALLOWING
27 A 60-DAY PERIOD FOR THEIR REVIEW AND COMMENT.

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

31 (1) EDUCATIONALLY RELATED INFORMATION TECHNOLOGY PROJECTS;

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

34 (3) INFORMATION TECHNOLOGY PROJECTS, INCLUDING:

35 (I) PILOTS; AND

36 (II) PROTOTYPES.

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

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

8 (2) THE REPORT SHALL INCLUDE:

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

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

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

18 [7-316.

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

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

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

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

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

26 (b) There is an Information Technology Investment Fund.

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

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

34 (d) The Fund is a continuing, nonlapsing special fund that is not subject to §
35 7-302 of this subtitle.

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

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

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

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

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

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

15 (f) The Fund does not include any moneys:

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

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

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

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

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

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

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

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

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

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

4 (i) The Chief of Information Technology:

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

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

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

10 (j) The Governor shall submit with the budget:

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

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

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

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

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

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

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

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

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

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

32 (1) educationally related information technology projects;

33 (2) State information technology projects, including:

- 1 (i) pilots;
- 2 (ii) prototypes;
- 3 (iii) kiosk systems;
- 4 (iv) graphical user interface for citizen access to governmental
5 services;
- 6 (v) document imaging systems;
- 7 (vi) State and campuswide networks; and
- 8 (vii) the Maryland electronic capital; and

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

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

12 (2) The account consists of:

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

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

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

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

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

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

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

32 (o) (1) 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

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.