

# HOUSE BILL 1183

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By: **Chair, Health and Government Operations Committee (By Request – Departmental – Information Technology)**

Introduced and read first time: February 7, 2020

Assigned to: Health and Government Operations

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Committee Report: Favorable

House action: Adopted

Read second time: March 10, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Government – Information Technology – Cybersecurity**

3 FOR the purpose of codifying the establishment of the Office of Security Management  
4 within the Department of Information Technology, the position of State Chief  
5 Information Security Officer, and the Maryland Cybersecurity Coordinating Council;  
6 altering the membership of the Council; requiring each unit of the Legislative or  
7 Judicial Branch of State government that uses a certain network to certify certain  
8 compliance to the Department on or before a certain date each year; defining certain  
9 terms; requiring each agency and unit of the Executive Branch of State government  
10 to submit a certain report to the Governor on or before a certain date; making  
11 conforming changes; and generally relating to information technology.

12 BY renumbering

13 Article – State Finance and Procurement

14 Section 3A–101 through 3A–702, respectively, and the title “Title 3A. Department of  
15 Information Technology”

16 to be Section 3.5–101 through 3.5–702, respectively, and the title “Title 3.5.  
17 Department of Information Technology”

18 Annotated Code of Maryland

19 (2015 Replacement Volume and 2019 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Criminal Procedure

22 Section 10–221(b)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 Annotated Code of Maryland  
2 (2018 Replacement Volume and 2019 Supplement)
- 3 BY repealing and reenacting, with amendments,  
4 Article – Health – General  
5 Section 21–2C–03(h)(2)(i)  
6 Annotated Code of Maryland  
7 (2019 Replacement Volume)
- 8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 31–103(a)(2)(i) and (b)(2)  
11 Annotated Code of Maryland  
12 (2017 Replacement Volume and 2019 Supplement)
- 13 BY repealing and reenacting, with amendments,  
14 Article – Natural Resources  
15 Section 1–403(c)  
16 Annotated Code of Maryland  
17 (2018 Replacement Volume and 2019 Supplement)
- 18 BY repealing and reenacting, without amendments,  
19 Article – State Finance and Procurement  
20 Section 3.5–101(a) and (e) and 3.5–301(a)  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2019 Supplement)  
23 (As enacted by Section 1 of this Act)
- 24 BY adding to  
25 Article – State Finance and Procurement  
26 Section 3.5–2A–01 through 3.5–2A–05 to be under the new subtitle “Subtitle 2A.  
27 Office of Security Management”  
28 Annotated Code of Maryland  
29 (2015 Replacement Volume and 2019 Supplement)
- 30 BY repealing and reenacting, with amendments,  
31 Article – State Finance and Procurement  
32 Section 3.5–301(h), 3.5–302(c), 3.5–303(b)(2)(ii)2., 3.5–307(a)(2), 3.5–309(c)(2), (i)(3),  
33 and (l), 3.5–311(a)(2)(i), 3.5–404, 3.5–506(a), (b)(1), (c)(1), (d)(1) and (2)(i), and  
34 (g)(1), and 3.5–602(a)  
35 Annotated Code of Maryland  
36 (2015 Replacement Volume and 2019 Supplement)  
37 (As enacted by Section 1 of this Act)
- 38 BY repealing and reenacting, with amendments,  
39 Article – State Finance and Procurement  
40 Section 12–107(b)(2)(i)10. and 11.

1 Annotated Code of Maryland  
2 (2015 Replacement Volume and 2019 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
4 That Section(s) 3A–101 through 3A–702, respectively, and the title “Title 3A. Department  
5 of Information Technology” of Article – State Finance and Procurement of the Annotated  
6 Code of Maryland be renumbered to be Section(s) 3.5–101 through 3.5–702, respectively,  
7 and the title “Title 3.5. Department of Information Technology”.

8 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
9 as follows:

10 **Article – Criminal Procedure**

11 10–221.

12 (b) Subject to Title [3A] 3.5, Subtitle 3 of the State Finance and Procurement  
13 Article, the regulations adopted by the Secretary under subsection (a)(1) of this section and  
14 the rules adopted by the Court of Appeals under subsection (a)(2) of this section shall:

15 (1) regulate the collection, reporting, and dissemination of criminal history  
16 record information by a court and criminal justice units;

17 (2) ensure the security of the criminal justice information system and  
18 criminal history record information reported to and collected from it;

19 (3) regulate the dissemination of criminal history record information in  
20 accordance with Subtitle 1 of this title and this subtitle;

21 (4) regulate the procedures for inspecting and challenging criminal history  
22 record information;

23 (5) regulate the auditing of criminal justice units to ensure that criminal  
24 history record information is:

25 (i) accurate and complete; and

26 (ii) collected, reported, and disseminated in accordance with Subtitle  
27 1 of this title and this subtitle;

28 (6) regulate the development and content of agreements between the  
29 Central Repository and criminal justice units and noncriminal justice units; and

30 (7) regulate the development of a fee schedule and provide for the collection  
31 of the fees for obtaining criminal history record information for other than criminal justice  
32 purposes.

1 **Article – Health – General**

2 21–2C–03.

3 (h) (2) The Board is subject to the following provisions of the State Finance  
4 and Procurement Article:

5 (i) Title [3A] 3.5, Subtitle 3 (Information Processing), to the extent  
6 that the Secretary of Information Technology determines that an information technology  
7 project of the Board is a major information technology development project;

8 **Article – Insurance**

9 31–103.

10 (a) The Exchange is subject to:

11 (2) the following provisions of the State Finance and Procurement Article:

12 (i) Title [3A] 3.5, Subtitle 3 (Information Processing), to the extent  
13 that the Secretary of Information Technology determines that an information technology  
14 project of the Exchange is a major information technology development project;

15 (b) The Exchange is not subject to:

16 (2) Title [3A] 3.5, Subtitle 3 (Information Processing), except to the extent  
17 determined by the Secretary of Information Technology under subsection (a)(1)(i) of this  
18 section;

19 **Article – Natural Resources**

20 1–403.

21 (c) The Department shall develop the electronic system consistent with the  
22 statewide information technology master plan developed under Title [3A] 3.5, Subtitle 3 of  
23 the State Finance and Procurement Article.

24 **Article – State Finance and Procurement**

25 3.5–101.

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

27 (e) “Unit of State government” means an agency or unit of the Executive Branch  
28 of State government.

29 **SUBTITLE 2A. OFFICE OF SECURITY MANAGEMENT.**

1 **3.5-2A-01.**

2 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (B) "COUNCIL" MEANS THE MARYLAND CYBERSECURITY COORDINATING  
5 COUNCIL.

6 (C) "OFFICE" MEANS THE OFFICE OF SECURITY MANAGEMENT.

7 **3.5-2A-02.**

8 THERE IS AN OFFICE OF SECURITY MANAGEMENT WITHIN THE DEPARTMENT.

9 **3.5-2A-03.**

10 (A) THE HEAD OF THE OFFICE IS THE STATE CHIEF INFORMATION  
11 SECURITY OFFICER.

12 (B) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL:

13 (1) BE APPOINTED BY AND SERVE AT THE PLEASURE OF THE  
14 GOVERNOR;

15 (2) BE SUPERVISED BY THE SECRETARY; AND

16 (3) SERVE AS THE CHIEF INFORMATION SECURITY OFFICER OF THE  
17 DEPARTMENT.

18 (C) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL PROVIDE  
19 CYBERSECURITY ADVICE AND RECOMMENDATIONS TO THE GOVERNOR ON  
20 REQUEST.

21 **3.5-2A-04.**

22 (A) THE OFFICE IS RESPONSIBLE FOR THE DIRECTION, COORDINATION,  
23 AND IMPLEMENTATION OF THE OVERALL CYBERSECURITY STRATEGY AND POLICY  
24 FOR UNITS OF STATE GOVERNMENT.

25 (B) THE OFFICE SHALL:

26 (1) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION

1 COLLECTED OR MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE  
2 GOVERNMENT;

3 (2) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION  
4 SYSTEMS MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE GOVERNMENT;

5 (3) DEVELOP GUIDELINES GOVERNING THE TYPES OF INFORMATION  
6 AND INFORMATION SYSTEMS TO BE INCLUDED IN EACH CATEGORY;

7 (4) ESTABLISH SECURITY REQUIREMENTS FOR INFORMATION AND  
8 INFORMATION SYSTEMS IN EACH CATEGORY;

9 (5) ASSESS THE CATEGORIZATION OF INFORMATION AND  
10 INFORMATION SYSTEMS AND THE ASSOCIATED IMPLEMENTATION OF THE SECURITY  
11 REQUIREMENTS ESTABLISHED UNDER ITEM (4) OF THIS SUBSECTION;

12 (6) IF THE STATE CHIEF INFORMATION SECURITY OFFICER  
13 DETERMINES THAT THERE ARE SECURITY VULNERABILITIES OR DEFICIENCIES IN  
14 THE IMPLEMENTATION OF THE SECURITY REQUIREMENTS ESTABLISHED UNDER  
15 ITEM (4) OF THIS SUBSECTION, DETERMINE WHETHER AN INFORMATION SYSTEM  
16 SHOULD BE ALLOWED TO CONTINUE TO OPERATE OR BE CONNECTED TO THE  
17 NETWORK ESTABLISHED IN ACCORDANCE WITH § 3.5-404 OF THIS TITLE;

18 (7) MANAGE SECURITY AWARENESS TRAINING FOR ALL  
19 APPROPRIATE EMPLOYEES OF UNITS OF STATE GOVERNMENT;

20 (8) ASSIST IN THE DEVELOPMENT OF DATA MANAGEMENT, DATA  
21 GOVERNANCE, AND DATA SPECIFICATION STANDARDS TO PROMOTE  
22 STANDARDIZATION AND REDUCE RISK; AND

23 (9) ASSIST IN THE DEVELOPMENT OF A DIGITAL IDENTITY STANDARD  
24 AND SPECIFICATION APPLICABLE TO ALL PARTIES COMMUNICATING, INTERACTING,  
25 OR CONDUCTING BUSINESS WITH OR ON BEHALF OF A UNIT OF STATE GOVERNMENT.

26 3.5-2A-05.

27 (A) THERE IS A MARYLAND CYBERSECURITY COORDINATING COUNCIL.

28 (B) THE COUNCIL CONSISTS OF THE FOLLOWING MEMBERS:

29 (1) THE SECRETARY OF BUDGET AND MANAGEMENT, OR THE  
30 SECRETARY'S DESIGNEE;

1           **(2) THE SECRETARY OF GENERAL SERVICES, OR THE SECRETARY'S**  
2 **DESIGNEE;**

3           **(3) THE SECRETARY OF HEALTH, OR THE SECRETARY'S DESIGNEE;**

4           **(4) THE SECRETARY OF HUMAN SERVICES, OR THE SECRETARY'S**  
5 **DESIGNEE;**

6           **(5) THE SECRETARY OF PUBLIC SAFETY AND CORRECTIONAL**  
7 **SERVICES, OR THE SECRETARY'S DESIGNEE;**

8           **(6) THE SECRETARY OF TRANSPORTATION, OR THE SECRETARY'S**  
9 **DESIGNEE;**

10           **(7) THE STATE CHIEF INFORMATION SECURITY OFFICER;**

11           **(8) THE ADJUTANT GENERAL OF THE MARYLAND NATIONAL GUARD,**  
12 **OR THE ADJUTANT GENERAL'S DESIGNEE;**

13           **(9) THE DIRECTOR OF THE MARYLAND EMERGENCY MANAGEMENT**  
14 **AGENCY, OR THE DIRECTOR'S DESIGNEE;**

15           **(10) THE SUPERINTENDENT OF STATE POLICE, OR THE**  
16 **SUPERINTENDENT'S DESIGNEE; AND**

17           **(11) THE DIRECTOR OF THE GOVERNOR'S OFFICE OF HOMELAND**  
18 **SECURITY, OR THE DIRECTOR'S DESIGNEE.**

19           **(C) THE CHAIR OF THE COUNCIL IS THE STATE CHIEF INFORMATION**  
20 **SECURITY OFFICER.**

21           **(D) THE COUNCIL SHALL MEET AT LEAST QUARTERLY AT THE REQUEST OF**  
22 **THE CHAIR.**

23           **(E) THE COUNCIL SHALL PROVIDE ADVICE AND RECOMMENDATIONS TO**  
24 **THE STATE CHIEF INFORMATION SECURITY OFFICER REGARDING:**

25           **(1) THE STRATEGY AND IMPLEMENTATION OF CYBERSECURITY**  
26 **INITIATIVES AND RECOMMENDATIONS; AND**

27           **(2) BUILDING AND SUSTAINING THE CAPABILITY OF THE STATE TO**  
28 **IDENTIFY AND MITIGATE CYBERSECURITY RISK AND RESPOND TO AND RECOVER**  
29 **FROM CYBERSECURITY-RELATED INCIDENTS.**

1 (F) IN CARRYING OUT THE DUTIES OF THE COUNCIL, THE COUNCIL MAY  
2 CONSULT WITH OUTSIDE EXPERTS, INCLUDING EXPERTS IN THE PRIVATE SECTOR,  
3 GOVERNMENT AGENCIES, AND INSTITUTIONS OF HIGHER EDUCATION.

4 3.5–301.

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

6 (h) “Nonvisual access” means the ability, through keyboard control, synthesized  
7 speech, Braille, or other methods not requiring sight to receive, use, and manipulate  
8 information and operate controls necessary to access information technology in accordance  
9 with standards adopted under [§ 3A–303(b)] **§ 3.5–303(B)** of this subtitle.

10 3.5–302.

11 (c) Notwithstanding any other provision of law, except as provided in subsection  
12 (a) of this section and [§§ 3A–307(a)(2), 3A–308, and 3A–309] **§§ 3.5–307(A)(2), 3.5–308,**  
13 **AND 3.5–309** of this subtitle, this subtitle applies to all units of the Executive Branch of  
14 State government including public institutions of higher education other than Morgan  
15 State University, the University System of Maryland, and St. Mary’s College of Maryland.

16 3.5–303.

17 (b) On or before January 1, 2020, the Secretary, or the Secretary’s designee, shall:

18 (2) establish a process for the Secretary or the Secretary’s designee to:

19 (ii) 2. for information technology procured by a State unit on or  
20 after January 1, 2020, enforce the nonvisual access clause developed under [§ 3A–311] **§**  
21 **3.5–311** of this subtitle, including the enforcement of the civil penalty described in [§  
22 3A–311(a)(2)(iii)1] **§ 3.5–311(A)(2)(III)1.** of this subtitle.

23 3.5–307.

24 (a) (2) A unit of State government other than a public institution of higher  
25 education may not make expenditures for major information technology development  
26 projects except as provided in [§ 3A–308] **§ 3.5–308** of this subtitle.

27 3.5–309.

28 (c) The Secretary:

29 (2) subject to the provisions of § 2–201 of this article and [§ 3A–307] **§**  
30 **3.5–307** of this subtitle, may receive and accept contributions, grants, or gifts of money or  
31 property.

1 (i) The Fund may be used:

2 (3) notwithstanding [§ 3A-301(b)(2)] **§ 3.5-301(B)(2)** of this subtitle, for  
3 the costs of the first 12 months of operation and maintenance of a major information  
4 technology development project.

5 (l) Notwithstanding subsection (b) of this section, money paid into the Fund  
6 under subsection (e)(2) of this section may be used to support the State telecommunication  
7 and computer network established under [§ 3A-404] **§ 3.5-404** of this title, including  
8 program development for these activities.

9 3.5-311.

10 (a) (2) On or after January 1, 2020, the nonvisual access clause developed in  
11 accordance with paragraph (1) of this subsection shall include a statement that:

12 (i) within 18 months after the award of the procurement, the  
13 Secretary, or the Secretary's designee, will determine whether the information technology  
14 meets the nonvisual access standards adopted in accordance with [§ 3A-303(b)] **§**  
15 **3.5-303(B)** of this subtitle;

16 3.5-404.

17 (a) The General Assembly declares that:

18 (1) it is the policy of the State to foster telecommunication and computer  
19 networking among State and local governments, their agencies, and educational  
20 institutions in the State;

21 (2) there is a need to improve access, especially in rural areas, to efficient  
22 telecommunication and computer network connections;

23 (3) improvement of telecommunication and computer networking for State  
24 and local governments and educational institutions promotes economic development,  
25 educational resource use and development, and efficiency in State and local administration;

26 (4) rates for the intrastate inter-LATA telephone communications needed  
27 for effective integration of telecommunication and computer resources are prohibitive for  
28 many smaller governments, agencies, and institutions; and

29 (5) the use of improved State telecommunication and computer networking  
30 under this section is intended not to compete with commercial access to advanced network  
31 technology, but rather to foster fundamental efficiencies in government and education for  
32 the public good.

33 (b) (1) The Department shall establish a telecommunication and computer

1 network in the State.

2 (2) The network shall consist of:

3 (i) one or more connection facilities for telecommunication and  
4 computer connection in each local access transport area (LATA) in the State; and

5 (ii) facilities, auxiliary equipment, and services required to support  
6 the network in a reliable and secure manner.

7 (c) The network shall be accessible through direct connection and through local  
8 intra-LATA telecommunications to State and local governments and public and private  
9 educational institutions in the State.

10 (D) ON OR BEFORE DECEMBER 1 EACH YEAR, EACH UNIT OF THE  
11 LEGISLATIVE OR JUDICIAL BRANCH OF STATE GOVERNMENT THAT USES THE  
12 NETWORK ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION SHALL CERTIFY  
13 TO THE DEPARTMENT THAT THE UNIT IS IN COMPLIANCE WITH THE DEPARTMENT'S  
14 MINIMUM SECURITY STANDARDS.

15 3.5-506.

16 (a) (1) Subject to paragraph (2) of this subsection, the programs under [§  
17 3A-504(a)] § 3.5-504(A) of this subtitle and [§§ 3A-602(a) and 3A-702] §§ 3.5-602(A)  
18 AND 3.5-702 of this title shall be funded as provided in the State budget.

19 (2) For fiscal year 2019 and each fiscal year thereafter, the program under  
20 [§ 3A-702] § 3.5-702 of this title shall be funded at an amount that:

21 (i) is equal to the cost that the Department of Aging is expected to  
22 incur for the upcoming fiscal year to provide the service and administer the program; and

23 (ii) does not exceed 5 cents per month for each account out of the  
24 surcharge amount authorized under subsection (c) of this section.

25 (b) (1) There is a Universal Service Trust Fund created for the purpose of  
26 paying the costs of maintaining and operating the programs under:

27 (i) [§ 3A-504(a)] § 3.5-504(A) of this subtitle, subject to the  
28 limitations and controls provided in this subtitle;

29 (ii) [§ 3A-602(a)] § 3.5-602(A) of this title, subject to the limitations  
30 and controls provided in Subtitle 6 of this title; and

31 (iii) [§ 3A-702] § 3.5-702 of this title, subject to the limitations and  
32 controls provided in Subtitle 7 of this title.

1 (c) (1) The costs of the programs under [§ 3A-504(a)] **§ 3.5-504(A)** of this  
2 subtitle and [§§ 3A-602(a) and 3A-702] **§§ 3.5-602(A) AND 3.5-702** of this title shall be  
3 funded by revenues generated by:

4 (i) a surcharge to be paid by the subscribers to a communications  
5 service; and

6 (ii) other funds as provided in the State budget.

7 (d) (1) The Secretary shall annually certify to the Public Service Commission  
8 the costs of the programs under [§ 3A-504(a)] **§ 3.5-504(A)** of this subtitle and [§§  
9 3A-602(a) and 3A-702] **§§ 3.5-602(A) AND 3.5-702** of this title to be paid by the Universal  
10 Service Trust Fund for the following fiscal year.

11 (2) (i) The Public Service Commission shall determine the surcharge  
12 for the following fiscal year necessary to fund the programs under [§ 3A-504(a)] **§**  
13 **3.5-504(A)** of this subtitle and [§§ 3A-602(a) and 3A-702] **§§ 3.5-602(A) AND 3.5-702**  
14 of this title.

15 (g) (1) The Legislative Auditor may conduct postaudits of a fiscal and  
16 compliance nature of the Universal Service Trust Fund and the expenditures made for  
17 purposes of [§ 3A-504(a)] **§ 3.5-504(A)** of this subtitle and [§§ 3A-602(a) and 3A-702] **§§**  
18 **3.5-602(A) AND 3.5-702** of this title.

19 3.5-602.

20 (a) In accordance with the State budget and [§ 3A-506] **§ 3.5-506** of this title,  
21 the Department, in consultation with the Board and the Department of Disabilities, shall  
22 establish and administer a program:

23 (1) to provide specialized customer telephone equipment to eligible  
24 program participants; and

25 (2) to provide reimbursement of costs under [§ 3A-606] **§ 3.5-606** of this  
26 subtitle.

27 12-107.

28 (b) Subject to the authority of the Board, jurisdiction over procurement is as  
29 follows:

30 (2) the Department of General Services may:

31 (i) engage in or control procurement of:

1                                   10. information processing equipment and associated  
2 services, as provided in Title [3A] 3.5, Subtitle 3 of this article; and

3                                   11. telecommunication equipment, systems, or services, as  
4 provided in Title [3A] 3.5, Subtitle 4 of this article;

5           SECTION 3. AND BE IT FURTHER ENACTED, That, on or before April 1, 2021,  
6 each agency and unit of the Executive Branch of State government shall submit a report to  
7 the Governor that includes:

8                   (1) an inventory of all information systems and applications used or  
9 maintained by the agency or unit;

10                   (2) a full data inventory of the agency or unit;

11                   (3) a list of all cloud or statistical analysis system solutions used by the  
12 agency or unit; and

13                   (4) a list of all permanent and transient vendor interconnections that are  
14 in place.

15           SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 2020.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.