

SB0811/393321/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 811
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, at the top of the page, insert “EMERGENCY BILL”; in the sponsor line, strike “**Senator Hester**” and substitute “**Senators Hester, Corderman, Eckardt, Edwards, Elfreth, Griffith, Jackson, King, McCray, Rosapepe, Salling, Young, and Zucker**”; in line 5, after “of” insert “requiring a certain water or sewer system to assess its vulnerability to a cyber attack; authorizing the Maryland Water Quality Financing Administration to provide financial assistance to a public water or wastewater system to assess system cybersecurity vulnerabilities and develop a cybersecurity plan;”; strike beginning with “authorizing” in line 5 down through “Infrastructure” in line 9 and substitute “establishing the Local Cybersecurity Support”; in line 10, after “Fund;” insert “establishing certain eligibility requirements to receive assistance from the Fund;”; in line 11, strike “a Statewide Reporting Framework and” and substitute “an independent Modernize Maryland”; in line 12, strike “in the Department”; in the same line, strike “an”; in line 13, strike “contractor” and substitute “contractors”; in the same line, strike “annually” and substitute “periodically”; in line 14, strike “each unit” and substitute “certain units”; in line 15, strike beginning with “specifying” through “bonds;” and substitute “exempting certain procurements by the Department of General Services from oversight by the Board of Public Works;”; strike beginning with “establishing” in line 15 down through “order” in line 18 and substitute “applying certain change order requirements to State procurement contracts for certain equipment, services, and upgrades; authorizing funds to be transferred by budget amendment from the Dedicated Purpose Account in a certain fiscal year to implement this Act”; and after line 20, insert:

“BY repealing and reenacting, with amendments,

Article - Environment

Section 9-1604(c)

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Annotated Code of Maryland
(2014 Replacement Volume and 2021 Supplement)

BY adding to

Article - Public Safety

Section 14-104.1

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)".

On pages 1 and 2, strike in their entirety the lines beginning with line 21 on page 1 through line 1 on page 2, inclusive.

On page 2, in line 4, after "Section" insert "3A-101"; in the same line, strike "11-101(m)" and substitute "12-101"; strike line 5 in its entirety and substitute "12-107(b)(3)(vi) and (4)(v), and 15-112(a)(1)(i)"; in line 10, after "3A-303(a)(9)" insert "and (10)"; in the same line, strike "through 3A-317" and substitute ", 3A-316"; in the same line, strike "12-107(b)(5), and" and substitute "and 12-107(b)(5)"; in line 11, strike "15-112(b)(4)"; in line 16, strike beginning with the first comma through "15-112(b)(3)"; and strike in their entirety lines 19 through 23, inclusive.

AMENDMENT NO. 2

On page 2, in line 26, strike "**Economic Development**" and substitute "**Environment**

9-1604.

(c) (1) This subsection applies to financial assistance provided by the Administration under:

(i) The Water Quality Fund;

(ii) The Bay Restoration Fund;

- (iii) The Biological Nutrient Removal Program; and
- (iv) The Supplemental Assistance Program.

(2) The Administration shall ensure the fair and equitable distribution of financial assistance among wastewater treatment facilities with a design capacity of less than 500,000 gallons per day and wastewater treatment facilities with a design capacity of 500,000 gallons or more per day.

(3) A PUBLIC OR PRIVATE WATER OR SEWER SYSTEM THAT SERVES 10,000 OR MORE USERS AND RECEIVES FINANCIAL ASSISTANCE FROM THE STATE SHALL:

- (i) ASSESS ITS VULNERABILITY TO A CYBER ATTACK; AND**
- (ii) IF APPROPRIATE, DEVELOP A CYBERSECURITY PLAN.**

(4) THE ADMINISTRATION MAY PROVIDE FINANCIAL ASSISTANCE TO A PUBLIC WATER OR WASTEWATER SYSTEM TO ASSESS SYSTEM CYBERSECURITY VULNERABILITIES AND DEVELOP A CYBERSECURITY PLAN.

Article – Public Safety

14-104.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

- (2) “FUND” MEANS THE LOCAL CYBERSECURITY SUPPORT FUND.**

(Over)

(3) "LOCAL GOVERNMENT" INCLUDES LOCAL SCHOOL SYSTEMS, LOCAL SCHOOL BOARDS, AND LOCAL HEALTH DEPARTMENTS.

(B) (1) THERE IS A LOCAL CYBERSECURITY SUPPORT FUND.

(2) THE PURPOSE OF THE FUND IS TO:

(I) PROVIDE FINANCIAL ASSISTANCE TO LOCAL GOVERNMENTS TO IMPROVE CYBERSECURITY PREPAREDNESS, INCLUDING:

1. UPDATING CURRENT DEVICES AND NETWORKS WITH THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS;

2. SUPPORTING THE PURCHASE OF NEW HARDWARE, SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY PREPAREDNESS;

3. RECRUITING AND HIRING INFORMATION TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY;

4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY STAFF TRAINING;

5. CONDUCTING CYBERSECURITY VULNERABILITY ASSESSMENTS;

6. ADDRESSING HIGH-RISK CYBERSECURITY VULNERABILITIES IDENTIFIED BY VULNERABILITY ASSESSMENTS;

7. IMPLEMENTING AND MAINTAINING INTEGRATORS AND OTHER SIMILAR INTELLIGENCE SHARING INFRASTRUCTURE THAT ENABLE CONNECTION WITH THE INFORMATION AND ANALYSIS CENTER IN THE DEPARTMENT OF INFORMATION TECHNOLOGY; AND

8. SUPPORTING THE SECURITY OF LOCAL WASTEWATER TREATMENT PLANTS, INCLUDING BICOUNTY, COUNTY, AND MUNICIPAL PLANTS, BY ACQUIRING OR IMPLEMENTING CYBERSECURITY-RELATED UPGRADES TO THE PLANTS; AND

(II) ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL CYBERSECURITY PREPAREDNESS GRANTS.

(3) THE SECRETARY SHALL ADMINISTER THE FUND.

(4) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(II) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(5) THE FUND CONSISTS OF:

(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(II) INTEREST EARNINGS; AND

(Over)

(III) ANY OTHER MONEY FROM ANY OTHER SOURCE
ACCEPTED FOR THE BENEFIT OF THE FUND.

(6) THE FUND MAY BE USED ONLY:

(I) TO PROVIDE FINANCIAL ASSISTANCE TO LOCAL
GOVERNMENTS TO IMPROVE CYBERSECURITY PREPAREDNESS, INCLUDING:

1. UPDATING CURRENT DEVICES AND NETWORKS
WITH THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS;

2. SUPPORTING THE PURCHASE OF NEW HARDWARE,
SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY
PREPAREDNESS;

3. RECRUITING AND HIRING INFORMATION
TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY;

4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY
STAFF TRAINING;

5. CONDUCTING CYBERSECURITY VULNERABILITY
ASSESSMENTS;

6. ADDRESSING HIGH-RISK CYBERSECURITY
VULNERABILITIES IDENTIFIED BY VULNERABILITY ASSESSMENTS;

7. IMPLEMENTING OR MAINTAINING INTEGRATORS
AND OTHER SIMILAR INTELLIGENCE SHARING INFRASTRUCTURE THAT ENABLE

CONNECTION WITH THE INFORMATION AND ANALYSIS CENTER IN THE
DEPARTMENT OF INFORMATION TECHNOLOGY; AND

8. SUPPORTING THE SECURITY OF LOCAL
WASTEWATER TREATMENT PLANTS, INCLUDING BICOUNTY, COUNTY, AND
MUNICIPAL PLANTS, BY ACQUIRING OR IMPLEMENTING CYBERSECURITY-
RELATED UPGRADES TO THE PLANTS;

(II) TO ASSIST LOCAL GOVERNMENTS APPLYING FOR
FEDERAL CYBERSECURITY PREPAREDNESS GRANTS; AND

(III) FOR ADMINISTRATIVE EXPENSES ASSOCIATED WITH
PROVIDING THE ASSISTANCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH.

(7) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF
THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(II) ANY INTEREST EARNINGS OF THE FUND SHALL BE
CREDITED TO THE FUND.

(8) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
ACCORDANCE WITH THE STATE BUDGET.

(C) TO BE ELIGIBLE TO RECEIVE ASSISTANCE FROM THE FUND, A LOCAL
GOVERNMENT SHALL:

(1) PROVIDE PROOF TO THE DEPARTMENT OF INFORMATION
TECHNOLOGY THAT THE LOCAL GOVERNMENT CONDUCTED A CYBERSECURITY
PREPAREDNESS ASSESSMENT IN THE PREVIOUS 12 MONTHS; OR

(Over)

(2) WITHIN 12 MONTHS UNDERGO A CYBERSECURITY PREPAREDNESS ASSESSMENT PROVIDED BY, IN ACCORDANCE WITH THE PREFERENCE OF THE LOCAL GOVERNMENT:

(i) THE DEPARTMENT OF INFORMATION TECHNOLOGY AT A COST TO THE LOCAL GOVERNMENT THAT DOES NOT EXCEED THE COST TO THE DEPARTMENT OF INFORMATION TECHNOLOGY OF PROVIDING THE ASSESSMENT;
OR

(ii) A VENDOR AUTHORIZED BY THE DEPARTMENT OF INFORMATION TECHNOLOGY TO COMPLETE CYBERSECURITY PREPAREDNESS ASSESSMENTS.”.

On pages 2 through 5, strike in their entirety the lines beginning with line 27 on page 2 through line 15 on page 5, inclusive.

AMENDMENT NO. 3

On page 5, after line 16, insert:

“3A-101.

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

(b) “CLOUD COMPUTING” MEANS A SERVICE THAT ENABLES ON-DEMAND SELF-SERVICE NETWORK ACCESS TO A SHARED POOL OF CONFIGURABLE COMPUTER RESOURCES, INCLUDING DATA STORAGE, ANALYTICS, COMMERCE, STREAMING, E-MAIL, DOCUMENT SHARING, AND DOCUMENT EDITING.

(C) “Department” means the Department of Information Technology.

[(c)] (D) “Secretary” means the Secretary of Information Technology.

[(d)] (E) “Telecommunication” means the transmission of information, images, pictures, voice, or data by radio, video, or other electronic or impulse means.

[(e)] (F) “Unit of State government” means an agency or unit of the Executive Branch of State government.”;

in line 23, strike “AND”; and in line 25, after “INFRASTRUCTURE” insert “; AND”

(10) ANNUALLY EVALUATING:

(I) THE FEASIBILITY OF UNITS OF STATE GOVERNMENT PROVIDING PUBLIC SERVICES USING ARTIFICIAL INTELLIGENCE, MACHINE LEARNING, COMMERCIAL CLOUD COMPUTING SERVICES, DEVICE-AS-A-SERVICE PROCUREMENT MODELS, AND OTHER EMERGING TECHNOLOGIES; AND

(II) THE DEVELOPMENT OF DATA ANALYTICS CAPABILITIES TO ENABLE DATA-DRIVEN POLICYMAKING BY UNITS OF STATE GOVERNMENT”.

On page 6, strike in their entirety lines 1 through 3, inclusive; in lines 4 and 6, strike “(3)” and “(4)”, respectively, and substitute “(2)” and “(3)”, respectively; in lines 4 and 5, strike “STATEWIDE REPORTING FRAMEWORK AND” and substitute “MODERNIZE MARYLAND”; in line 7, after “OUTDATED” insert “, AS DETERMINED BY THE DEPARTMENT”; in line 8, strike “A STATEWIDE REPORTING FRAMEWORK AND” and substitute “AN INDEPENDENT MODERNIZE MARYLAND”; in line 9, strike “IN THE DEPARTMENT”; in line 13, strike “DETERMINE” and substitute “ADVISE THE SECRETARY AND STATE CHIEF INFORMATION SECURITY OFFICER ON:”

(Over)

(I);

in line 14, after “UPGRADES” insert “;

(II) THE FUNDING SOURCES FOR THE APPROPRIATE INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES; AND

(III) FUTURE MECHANISMS FOR THE PROCUREMENT OF APPROPRIATE INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES, INCLUDING WAYS TO INCREASE THE EFFICIENCY OF PROCUREMENTS MADE FOR INFORMATION TECHNOLOGY AND CYBERSECURITY UPGRADES”;

strike in their entirety lines 18 through 20, inclusive; in lines 21, 23, 25, and 27, strike “(5)”, “(6)”, “(7)”, and “(8)”, respectively, and substitute “(3)”, “(4)”, “(5)”, and “(6)”, respectively; in line 23, strike “FOUR” and substitute “ONE”; in the same line, strike “EXPERTS IN” and substitute “MODERNIZATION EXPERT WITH EXPERIENCE IN”; in line 26, after “COMMERCE” insert “WITH KNOWLEDGE OF CYBERSECURITY ISSUES”; and strike beginning with “REPRESENTATIVES” in line 27 down through “STATE” in line 28 and substitute “INDIVIDUALS WHO ARE END USERS OF STATE INFORMATION TECHNOLOGY SYSTEMS, ONE APPOINTED BY THE PRESIDENT OF THE SENATE AND ONE APPOINTED BY THE SPEAKER OF THE HOUSE”.

On page 7, strike in their entirety lines 1 through 8, inclusive, and substitute:

“(7) ONE REPRESENTATIVE FROM THE CYBERSECURITY ASSOCIATION OF MARYLAND; AND

(8) ONE INDIVIDUAL WHO IS EITHER AN INSTRUCTOR OR A PROFESSIONAL IN THE ACADEMIC FIELD OF CYBERSECURITY AT A COLLEGE OR UNIVERSITY IN THE STATE, APPOINTED BY THE GOVERNOR.

(E) THE COCHAIRS OF THE JOINT COMMITTEE ON CYBERSECURITY, INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY SHALL SERVE AS ADVISORY, NONVOTING MEMBERS OF THE COMMISSION.”;

in line 9, strike “(E)” and substitute “(F)”; in line 10, strike “DEVELOP” and substitute “ADVISE THE SECRETARY ON”; in line 13, after “SYSTEMS” insert “IDENTIFIED BY THE COMMISSION IN THE FIRST RECOMMENDATIONS REPORTED UNDER PARAGRAPH (2) OF THIS SUBSECTION”; in line 21, strike “AND”; after line 21, insert:

“(3) REVIEW AND PROVIDE RECOMMENDATIONS ON THE DEPARTMENT’S BASIC SECURITY STANDARDS FOR USE OF THE NETWORK ESTABLISHED UNDER § 3A-404(B) OF THIS TITLE; AND”;

in line 22, strike “(3)” and substitute “(4)”; in line 24, after “COMMITTEE,” insert “THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE,”; in line 25, after “COMMITTEE,” insert “THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE,”; after line 26, insert:

“(G) THE REPORT SUBMITTED UNDER SUBSECTION (F)(4) OF THIS SECTION MAY NOT CONTAIN INFORMATION ABOUT THE SECURITY OF AN INFORMATION SYSTEM.”;

after line 27, insert:

“(A) THIS SECTION DOES NOT APPLY TO:

- (1) THE MARYLAND PORT ADMINISTRATION;
- (2) THE UNIVERSITY SYSTEM OF MARYLAND;
- (3) ST. MARY’S COLLEGE OF MARYLAND;
- (4) MORGAN STATE UNIVERSITY;
- (5) THE MARYLAND STADIUM AUTHORITY;
- (6) BALTIMORE CITY COMMUNITY COLLEGE; OR
- (7) THE STATE BOARD OF ELECTIONS.”;

in line 28, strike “(A)” and substitute “(B)”; in the same line, strike “AN”; and in the same line, strike “CONTRACTOR” and substitute “CONTRACTORS”.

On page 8, in line 1, after “(II)” insert “AT LEAST ONCE EVERY 3 YEARS,”; in the same line, strike “ANNUALLY”; in lines 23 and 25, strike “(B)” and “(C)”, respectively, and substitute “(C)” and “(D)”, respectively; in line 23, strike “THE CONTRACTOR” and substitute “A CONTRACTOR EMPLOYED UNDER SUBSECTION (B) OF THIS SECTION”; in line 25, strike “EACH YEAR, THE” and substitute “(1) EVERY 3 YEARS, A”; in line 26, after “TO” insert “:

(I);

in the same line, strike “STATEWIDE REPORTING FRAMEWORK AND OVERSIGHT” and substitute “MODERNIZE MARYLAND”; in line 27, after “SUBTITLE” insert “; AND

(II) IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE EDUCATION, HEALTH AND ENVIRONMENTAL AFFAIRS COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE”;

and after line 27, insert:

“(2) THE REPORT SUBMITTED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION MAY NOT CONTAIN INFORMATION ABOUT THE SECURITY OF AN INFORMATION SYSTEM.”.

On page 9, in line 1, strike “(D)” and substitute “(E)”; strike beginning with “FUNDS” in line 1 down through “UNDER” in line 3 and substitute “MULTIPLE CONTRACTORS AT A TIME TO MEET THE REQUIREMENTS OF”; strike in their entirety lines 5 through 17, inclusive; in line 30, strike “INFORMATION TECHNOLOGY AND” and substitute “LOCAL”; and in line 31, strike “INFRASTRUCTURE” and substitute “SUPPORT”.

On pages 9 and 10, strike in their entirety the lines beginning with line 32 on page 9 through line 11 on page 10, inclusive.

On page 10, after line 11, insert:

“12-101.

(a) This section does not apply to:

(1) capital expenditures by the Department of Transportation or the Maryland Transportation Authority, in connection with State roads, bridges, or highways, as provided in § 12-202 of this title; OR

(Over)

(2) PROCUREMENTS BY THE DEPARTMENT OF GENERAL SERVICES FOR THE PURPOSE OF MODERNIZING CYBERSECURITY INFRASTRUCTURE FOR THE STATE VALUED BELOW \$1,000,000.

(b) (1) The Board may control procurement by units.

(2) To implement the provisions of this Division II, the Board may:

(i) set policy;

(ii) adopt regulations, in accordance with Title 10, Subtitle 1 of the State Government Article; and

(iii) establish internal operational procedures consistent with this Division II.

(3) The Board shall ensure that the regulations of the primary procurement units provide for procedures that are consistent with this Division II and Title 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the circumstances of a particular type of procurement or a particular unit do not require otherwise, are substantially the same.

(4) The Board may delegate any of its authority that it determines to be appropriate for delegation and may require prior Board approval for specified procurement actions.

(5) Except as limited by the Maryland Constitution, the Board may exercise any control authority conferred on a primary procurement unit by this Division II and, to the extent that its action conflicts with the action of the primary procurement unit, the action of the Board shall prevail.

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(6) The Board shall develop and submit to the General Assembly, in accordance with § 2-1257 of the State Government Article, an annual report on the procurement system that includes information on actions necessary to improve effective broad-based competition in procurement.

(C) ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT OF GENERAL SERVICES SHALL SUBMIT A REPORT TO THE BOARD ON PROCUREMENTS MADE UNDER SUBSECTION (A)(2) OF THIS SECTION THAT SHALL INCLUDE FOR EACH PROCUREMENT:

(1) THE PURPOSE OF THE PROCUREMENT;

(2) THE NAME OF THE CONTRACTOR;

(3) THE CONTRACT AMOUNT;

(4) THE METHOD OF PROCUREMENT UTILIZED;

(5) THE NUMBER OF BIDDERS WHO BID ON THE PROCUREMENT;

AND

(6) THE CONTRACT TERM.”;

and strike in their entirety lines 15 through 24, inclusive.

On page 11, in line 8, strike “**INFORMATION TECHNOLOGY**” and substitute “**GENERAL SERVICES**”; in line 11, after “**EQUIPMENT**” insert “**, CLOUD COMPUTING EQUIPMENT,**”; in line 12, strike “**AND**”; and in line 13, strike “**AND**” and substitute “**MODERNIZATION, AS PROVIDED IN TITLE 3A, SUBTITLE 3 OF THIS ARTICLE;**”

(Over)

(III) TELECOMMUNICATION EQUIPMENT, SYSTEMS, OR SERVICES, AS PROVIDED IN TITLE 3A, SUBTITLE 4 OF THIS ARTICLE; AND

(IV)".

On pages 11 and 12, strike in their entirety the lines beginning with line 25 on page 11 through line 6 on page 12.

AMENDMENT NO. 4

On page 12, strike in their entirety lines 7 and 8 and substitute:

"SECTION 2. AND BE IT FURTHER ENACTED, That for fiscal year 2023, funds from the Dedicated Purpose Account may be transferred by budget amendment in accordance with § 7-310 of the State Finance and Procurement Article to implement this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That for fiscal year 2024, the Governor shall include in the annual budget bill an appropriation in an amount that is not less than 20% of the aggregated amount appropriated for information technology and cybersecurity resources in the annual budget bill for fiscal year 2023 for the Dedicated Purpose Account for cybersecurity.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted."