

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 836

(Senator Jennings)

Budget and Taxation

Rules and Executive Nominations

Procurement - Information Technology - Cloud-Based Virtual Desktop
Infrastructure

This bill requires the Department of Information Technology (DoIT), by July 1, 2023, to develop a plan for the implementation of a device as a service (DaaS) model and ongoing maintenance of cloud-based virtual desktop infrastructure used by each unit of State government as desktop support and management systems. The bill establishes related requirements and factors that DoIT must consider when developing the plan. By August 1, 2023, DoIT must submit a report of the plan to the General Assembly, and by December 15, 2023, DoIT must submit a report on the implementation of the plan to the General Assembly that includes estimated timelines for major implementation milestones. **The bill terminates September 30, 2024.**

Fiscal Summary

State Effect: DoIT can handle the bill's requirements using existing budgeted resources. No effect on revenues.

Local Effect: The bill does not directly affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: In developing the plan, DoIT must (1) evaluate options to contract for virtual desktop infrastructure services consistent with State procurement law; (2) review information technology (IT) contracts for full-service end-to-end enterprise device management and desktop support entered into by other states; and (3) consider options to

participate in an intergovernmental cooperative purchasing agreement with another state for the implementation and ongoing maintenance of cloud-based virtual desktop infrastructure.

Factors used in developing the plan must include (1) the cost per device; (2) the quality of the DaaS model and cloud-based virtual desktop infrastructure services; (3) the technical ability and experience of the offeror; and (4) the guaranteed savings to the State of using end-to-end life cycle device management or cloud-based virtual desktop infrastructure services compared to the use of any preceding desktop support and management systems.

Current Law:

Department of Information Technology

DoIT and the Secretary of Information Technology are responsible for:

- developing and enforcing IT policies, procedures, and standards;
- providing technical assistance, advice, and recommendations to any unit of State government;
- reviewing agency project plans to make information and services available to the public over the Internet;
- developing and maintaining a statewide IT master plan, as specified;
- adopting and enforcing nonvisual access standards to be used in the procurement of IT services, as specified;
- in consultation with the Attorney General, advising and overseeing a consistent cybersecurity strategy for units of State government, as specified;
- advising and consulting with the Legislative and Judicial branches of State government regarding a cybersecurity strategy; and
- in consultation with the Attorney General, developing guidance on consistent cybersecurity strategies for specified local government entities.

While DoIT oversees IT and cybersecurity for most Executive Branch agencies, some agencies, such as the Maryland Stadium Authority, the University System of Maryland, and the Maryland Port Authority, are exempt from DoIT's oversight. The Legislative and Judicial branches are not subject to DoIT oversight.

Major Information Technology Development Project Fund

In order to centralize State oversight and funding for major Executive Branch IT projects, Chapters 467 and 468 of 2002 established a review and approval process for major IT development projects and the related Major Information Technology Development Project Fund (MITDPF). The process and fund are both managed by DoIT. MITDPF is used to

pay for major IT development projects in general funded agencies. Among other sources of revenue, the fund consists of money received from IT agreements involving resource sharing, but certain government entities (including the Maryland Public Broadcasting Commission, as well as the Legislative and Judicial branches) are exempt from paying any money into the fund. Special funded agencies manage funding for their major IT projects, although their projects remain subject to the review, approval, and oversight of DoIT.

For a project to be eligible for funding through MITDPF, it must (1) be estimated to cost at least \$1.0 million; (2) support critical business functions associated with the public health, education, safety, or financial well-being of the citizens of Maryland; or (3) be determined to require special attention and consideration by the Secretary.

Additional Comments: DoIT advises that it has been evaluating cloud-based virtual desktop infrastructure, which is a precondition for DaaS, as an option for the State since the beginning of the COVID-19 pandemic, which dramatically increased the demand for remote work options. The move to remote work in response to the pandemic has created a number of cybersecurity issues for DoIT and State agencies, the most serious being a lack of consistent remote access solutions.

With funding from the federal American Rescue Plan, DoIT is currently working on a pilot program that implements the virtual desktop infrastructure for its own employees. The fiscal 2023 budget, as enacted, includes \$7.9 million in MITDPF to expand the program to 12,000 State employees over three years. DoIT estimates the total cost to implement the infrastructure for 60,000 State employees, not including higher education, could be as much as \$17.5 million annually.

DoIT is also in the process of modifying its existing master contract for IT hardware to allow for the use of device as a service.

Additional Information

Prior Introductions: SB 924 of 2021, a similar bill, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

Designated Cross File: None.

Information Source(s): Department of Information Technology; Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2022

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