S2 3lr2778

By: Delegates Kaiser, Bartlett, Feldmark, Kerr, and Kipke

Introduced and read first time: February 10, 2023 Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

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State and Local Cybersecurity - Revisions

FOR the purpose of establishing the Director of Cybersecurity Preparedness in the Cyber Preparedness Unit of the Maryland Department of Emergency Management; establishing certain duties of the Director; specifying the amount of a certain annual appropriation made by the Governor to the Unit; establishing that the Deputy Secretary of Information Technology is the State Chief Information Officer; requiring a certain number of Position Identification Numbers to be created to assist the Deputy Secretary; making the Office of Security Management an independent office that functions in the Department of Information Technology and establishing that the State Chief Information Security Officer in the Office reports to the Governor; altering certain qualifications and duties of the State Chief Information Security Officer; altering certain duties of the Office; establishing a certain exemption from certain provisions of law for the State Board of Elections; altering certain duties of the Secretary of Information Technology; altering the membership of the Modernize Maryland Oversight Commission and providing for the appointment of cochairs of the Commission; altering the duties of certain independent contractors hired by the Department of Information Technology; establishing that certain information related to cybersecurity incidents reported by local governments may not be used in a certain manner; authorizing the Office to ensure compliance of an agency's cybersecurity with cybersecurity standards in a certain manner; requiring a certain independent contractor hired by the Department of Information Technology to provide certain quarterly updates on its work; requiring a certain report by the Commission to include a certain evaluation; requiring the Department of Information Technology to hire an independent contractor to conduct a certain review; and generally relating to State and local cybersecurity.

BY repealing and reenacting, with amendments,

Article – Public Safety

29 Section 14–104.1

30 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

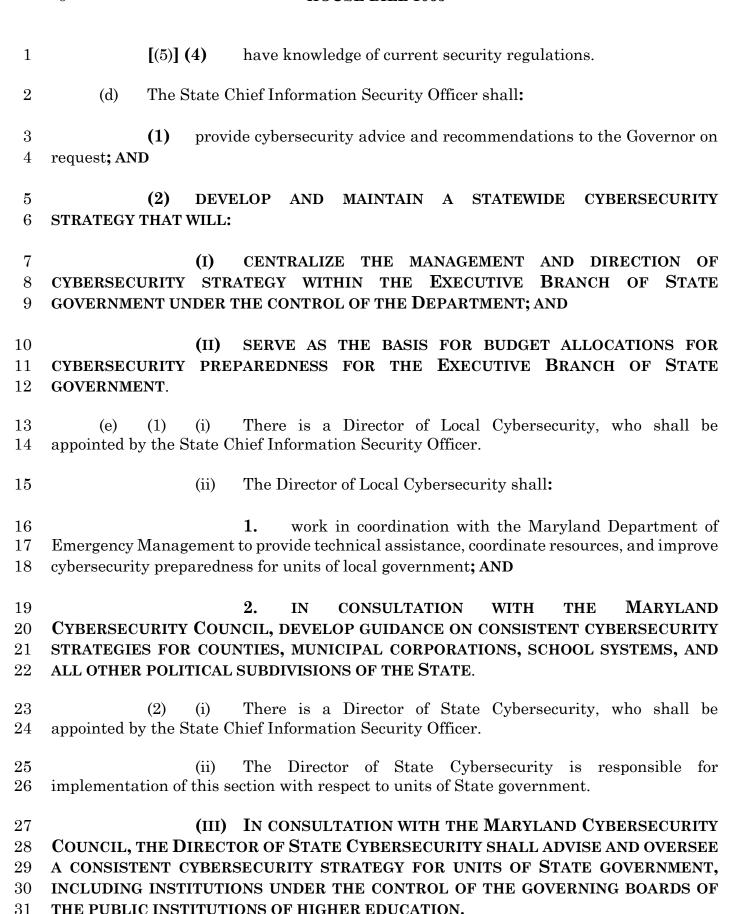


1	(2022 Replacement Volume)						
2 3 4 5 6 7	Article – State Finance and Procurement Section 3.5–203(a), 3.5–2A–02, 3.5–2A–03, 3.5–2A–04(b)(11), 3.5–301(i), 3.5–302(a), 3.5–303(a) and (d), 3.5–316, 3.5–317(b)(1), and 3.5–407(d)						
8 9 10 11 12	BY repealing and reenacting, without amendments, Article – State Finance and Procurement Section 3.5–301(a) Annotated Code of Maryland (2021 Replacement Volume and 2022 Supplement)						
13 14 15 16 17	Article – State Finance and Procurement Section 3.5–318 Annotated Code of Maryland						
18 19 20	Chapter 242 of the Acts of the General Assembly of 2022						
21 22	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:						
23	Article - Public Safety						
24	14–104.1.						
25	(a) (1) In this section the following words have the meanings indicated.						
26 27	(2) "Local government" includes local school systems, local school boards, and local health departments.						
28	(3) "Unit" means the Cyber Preparedness Unit.						
29	(b) (1) There is a Cyber Preparedness Unit in the Department.						
30 31	(2) (I) THE HEAD OF THE UNIT IS THE DIRECTOR OF CYBERSECURITY PREPAREDNESS.						
32 33	(II) THE DIRECTOR SHALL WORK IN COORDINATION WITH THE DIRECTOR OF LOCAL CYBERSECURITY IN THE OFFICE OF SECURITY MANAGEMENT						

- 1 TO PROVIDE TECHNICAL ASSISTANCE, COORDINATE RESOURCES, AND IMPROVE CYBERSECURITY PREPAREDNESS FOR UNITS OF LOCAL GOVERNMENT.
- 3 **[**(2)**] (3)** In coordination with the State Chief Information Security 4 Officer, the Unit shall:
- 5 (i) support local governments in developing a vulnerability 6 assessment and cyber assessment, including providing local governments with the 7 resources and information on best practices to complete the assessments;
- 8 (ii) develop and regularly update an online database of cybersecurity 9 training resources for local government personnel, including technical training resources, 10 cybersecurity continuity of operations templates, consequence management plans, and 11 trainings on malware and ransomware detection;
- 12 (iii) assist local governments in:
- 13 1. the development of cybersecurity preparedness and 14 response plans;
- 15 2. implementing best practices and guidance developed by 16 the State Chief Information Security Officer; and
- 3. identifying and acquiring resources to complete appropriate cybersecurity vulnerability assessments;
- 19 (iv) connect local governments to appropriate resources for any other 20 purpose related to cybersecurity preparedness and response;
- (v) as necessary and in coordination with the National Guard, local emergency managers, and other State and local entities, conduct regional cybersecurity preparedness exercises; and
- 24 (vi) establish regional assistance groups to deliver and coordinate 25 support services to local governments, agencies, or regions.
- 26 **[**(3)**] (4)** The Unit shall support the Office of Security Management in the Department of Information Technology during emergency response efforts.
- (c) (1) Each local government shall report a cybersecurity incident, including an attack on a State system being used by the local government, to the appropriate local emergency manager and the State Security Operations Center in the Department of Information Technology [and to the Maryland Joint Operations Center in the Department] in accordance with paragraph (2) of this subsection.
- 33 (2) For the reporting of cybersecurity incidents under paragraph (1) of this 34 subsection, the State Chief Information Security Officer shall determine:

1		(i)	the criteria for determining when an incident must be reported;
2		(ii)	the manner in which to report; and
3		(iii)	the time period within which a report must be made.
4 5 6	(3) appropriate agenci State Security Ope	es of a	State Security Operations Center shall immediately notify cybersecurity incident reported under this subsection through the as Center.
7 8 9		staff t	Position Identification Numbers (PINs) shall be created for the o conduct the duties of the Maryland Department of Emergency city Preparedness Unit.
10 11	(2) include in the annu		iscal year 2024 and each fiscal year thereafter, the Governor shall dget bill an appropriation [of at least:
12		(i)	\$220,335 for 3 PINs for Administrator III positions; and
13 14	FOR THE POSITIO	(ii) ONS CI	\$137,643 for 2 PINs for Administrator II positions] SUFFICIENT REATED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
15		Ar	rticle – State Finance and Procurement
16	3.5–203.		
17 18	(a) (1) Deputy Secretary.	With	the approval of the Governor, the Secretary shall appoint a
19	(2)	The I	Deputy Secretary:
20		(i)	serves at the pleasure of the Secretary;
21		(ii)	is entitled to the salary provided in the State budget; and
22		(iii)	has the duties provided by law or delegated by the Secretary.
23 24	(3) Information O		DEPUTY SECRETARY SHALL SERVE AS THE STATE CHIEF R.
25 26 27 28		SE OF	POSITION IDENTIFICATION NUMBERS SHALL BE CREATED HIRING STAFF TO ASSIST THE DEPUTY SECRETARY AND TO RELATIONSHIP MANAGEMENT FOR AGENCIES AND LOCAL

1	3.5–2A–02.		
2	(A)	There is	an Office of Security Management [within the Department].
3 4	(B) DEPARTME		FFICE IS AN INDEPENDENT OFFICE THAT FUNCTIONS IN THE
5	3.5–2A–03.		
6	(a)	The hea	d of the Office is the State Chief Information Security Officer.
7	(b)	The Star	te Chief Information Security Officer shall:
8		(1) be	e appointed by the Governor with the advice and consent of the Senate;
9		(2) se	erve at the pleasure of the Governor; AND
10		(3) be	e supervised by the [Secretary; and
11 12	GOVERNOR	` ,	erve as the chief information security officer of the Department]
13 14	(c) subsection (l		vidual appointed as the State Chief Information Security Officer under section shall:
15		(1) [a	at a minimum, hold a bachelor's degree;
16		(2)] he	old appropriate information technology or cybersecurity certifications;
17		[(3)] (2)	have experience:
18		(i)	identifying, implementing, or assessing security controls;
19		(i:	i) in infrastructure, systems engineering, or cybersecurity;
20 21 22	and incident	`	ii) managing highly technical security, security operations centers, e teams in a complex cloud environment and supporting multiple sites;
23 24	frameworks	•	v) working with common information security management
25 26 27 28	existing ent	erprise o	have extensive knowledge of information technology and oncepts, best practices, and procedures, with an understanding of capabilities and limitations to ensure the secure integration and networks and systems; and



- 1 (f) The Department shall provide the Office with sufficient staff to perform the 2 functions of this subtitle.
- 3 (G) THE GOVERNOR SHALL INCLUDE AN APPROPRIATION IN THE ANNUAL
- 4 BUDGET BILL IN AN AMOUNT NECESSARY TO COVER THE COSTS OF IMPLEMENTING
- 5 THE STATEWIDE CYBERSECURITY STRATEGY DEVELOPED UNDER SUBSECTION (D)
- 6 OF THIS SECTION WITHOUT THE NEED FOR THE OFFICE TO OPERATE A
- 7 CHARGE-BACK MODEL FOR CYBERSECURITY SERVICES PROVIDED TO OTHER UNITS
- 8 OF STATE GOVERNMENT OR UNITS OF LOCAL GOVERNMENT.
- 9 3.5–2A–04.
- 10 (b) The Office shall:
- 11 (11) develop and maintain information technology security policy,
- 12 standards, and guidance documents, consistent with [best practices developed by the] A
- 13 WIDELY RECOGNIZED SECURITY STANDARD, INCLUDING:
- 14 (I) National Institute of Standards and Technology (NIST)
- 15 CYBERSECURITY FRAMEWORK, NIST 800-53, OR INTERNATIONAL ORGANIZATION
- 16 FOR STANDARDIZATION (ISO) ISO 27001; OR
- 17 (II) IN THE CASE OF ORGANIZATIONS HANDLING CONTROLLED
- 18 UNCLASSIFIED INFORMATION, NIST SP 800-171 OR THE CYBERSECURITY
- 19 MATURITY MODEL CERTIFICATION FROM THE U.S. DEPARTMENT OF DEFENSE:
- 20 3.5–301.
- 21 (a) In this subtitle the following words have the meanings indicated.
- 22 (i) "Master plan" means the statewide information technology master plan [and
- 23 statewide cybersecurity strategy].
- 24 3.5–302.
- 25 (a) This subtitle does not apply to changes relating to or the purchase, lease, or 26 rental of information technology by:
- 27 (1) public institutions of higher education solely for academic or research 28 purposes;
- 29 (2) the Maryland Port Administration;
- 30 (3) the University System of Maryland;

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regulation;

(iii)

(4) St. Mary's College of Maryland; 1 2 (5)Morgan State University; 3 (6) the Maryland Stadium Authority; Baltimore City Community College; 4 (7)5 **(8)** THE STATE BOARD OF ELECTIONS; 6 [(8)] **(9)** the Legislative Branch of State government; 7 [(9)] **(10)** the Judicial Branch of State government; 8 [(10)] **(11)** the Office of the Attorney General; 9 [(11)] **(12)** the Comptroller; or [(12)] (13) the State Treasurer. 10 11 3.5 - 303. 12 (a) The Secretary is responsible for carrying out the following duties: 13 (1)developing. maintaining, revising, and enforcing information technology policies, procedures, and standards; 14 15 providing technical assistance, advice, and recommendations to the (2)16 Governor and any unit of State government concerning information technology matters; 17 reviewing the annual project plan for each unit of State government to make information and services available to the public over the Internet; 18 19 **(4)** developing and maintaining a statewide information technology master 20 plan that will: 21centralize the management and direction of information (i) 22 technology policy within the Executive Branch of State government under the control of the 23Department; 24include all aspects of State information technology including (ii) 25telecommunications, security, data processing, and information management;

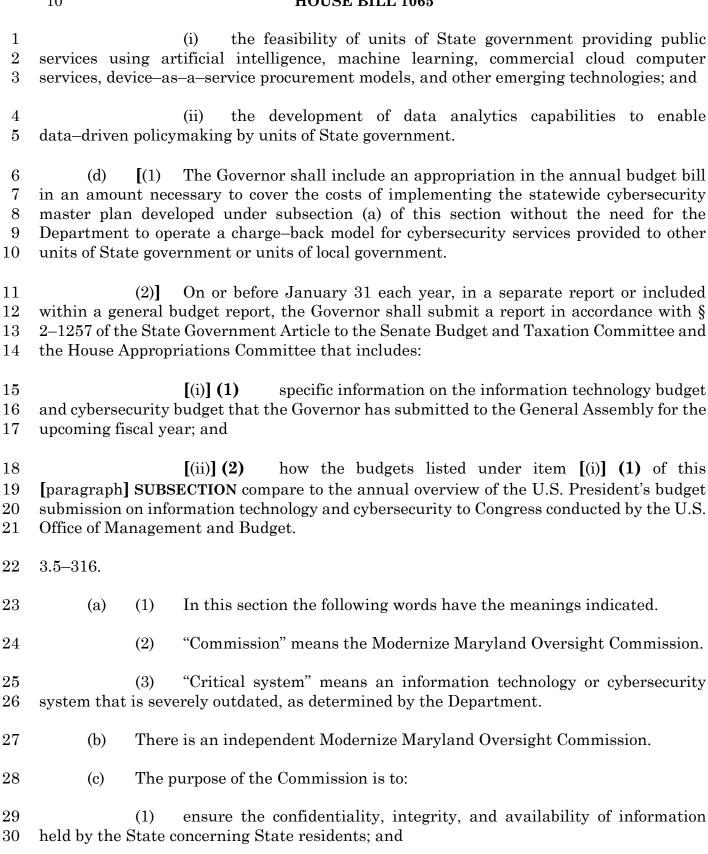
consider interstate transfers as a result of federal legislation and

1 2 3 4	(iv) ensure that the State information technology plan and related policies and standards are consistent with State goals, objectives, and resources, and represent a long-range vision for using information technology to improve the overall effectiveness of State government;
5 6	(v) include standards to assure nonvisual access to the information and services made available to the public over the Internet; and
7 8 9	(vi) allows a State agency to maintain the agency's own information technology unit that provides for information technology services to support the mission of the agency;
10 11	(5) [developing and maintaining a statewide cybersecurity strategy that will:
12 13 14	(i) centralize the management and direction of cybersecurity strategy within the Executive Branch of State government under the control of the Department; and
15 16	(ii) serve as the basis for budget allocations for cybersecurity preparedness for the Executive Branch of State government;
17 18 19	(6)] adopting by regulation and enforcing nonvisual access standards to be used in the procurement of information technology services by or on behalf of units of State government in accordance with subsection (b) of this section;
20 21 22 23	[(7) in consultation with the Maryland Cybersecurity Coordinating Council, advising and overseeing a consistent cybersecurity strategy for units of State government, including institutions under the control of the governing boards of the public institutions of higher education;
24 25	(8)] (6) advising and consulting with the Legislative and Judicial branches of State government regarding a cybersecurity strategy;
26 27 28	[(9) in consultation with the Maryland Cybersecurity Coordinating Council, developing guidance on consistent cybersecurity strategies for counties, municipal corporations, school systems, and all other political subdivisions of the State;
29 30	(10)] (7) upgrading information technology and cybersecurity-related State government infrastructure; and

[(11)**] (8)** annually evaluating:

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(2)



32 the appropriate information technology and cybersecurity 33 investments and upgrades;

advise the Secretary and State Chief Information Security Officer on:

$\frac{1}{2}$	(ii) the funding sources for the appropriate information technology and cybersecurity upgrades; and
3 4 5	(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.
6	(d) The Commission consists of the following members:
7	(1) the Secretary;
8	(2) the State Chief Information Security Officer;
9 10	(3) three chief information security officers representing different units of State government, appointed by the Governor;
11 12	(4) one information technology modernization expert with experience in the private sector, appointed by the Governor;
13 14	(5) one representative from the Maryland Chamber of Commerce with knowledge of cybersecurity issues;
15 16 17	(6) ONE REPRESENTATIVE FROM THE MARYLAND CHAMBER OF COMMERCE WITH EXPERTISE IN INFORMATION TECHNOLOGY MODERNIZATION IN THE PRIVATE SECTOR;
18 19	[(6)] (7) [two] THREE individuals who are end users of State information technology systems, appointed by the Governor;
20 21	[(7)] (8) [one representative] TWO REPRESENTATIVES from the Cybersecurity Association of Maryland; [and]
22 23 24	[(8)] (9) one individual who is either an instructor or a professional in the academic field of cybersecurity OR INFORMATION TECHNOLOGY MODERNIZATION at a college or university in the State, appointed by the Governor; AND
25 26 27	(10) ONE INDIVIDUAL WITH EXPERIENCE WORKING WITH THE STATE BUDGET AND APPROPRIATIONS, APPOINTED JOINTLY BY THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE.

28 (e) The cochairs of the Joint Committee on Cybersecurity, Information 29 Technology, and Biotechnology shall serve as advisory, nonvoting members of the 30 Commission.

- 1 (F) THE COCHAIRS OF THE COMMISSION MAY APPOINT THREE ADDITIONAL 2 MEMBERS, AS NECESSARY, REPRESENTING THE PRIVATE SECTOR.
- 3 (G) (1) THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE 4 HOUSE SHALL JOINTLY APPOINT TWO COCHAIRS OF THE COMMISSION.
- 5 (2) Until the cochairs are appointed under paragraph (1) of 6 This subsection, the cochairs shall be elected from among the members 7 of the Commission who are not employed by State or local government.
- 8 [(f)] (H) The Commission shall:
- 9 (1) advise the Secretary AND THE STATE CHIEF INFORMATION 10 SECURITY OFFICER on a strategic roadmap with a timeline and budget that will:
- 11 (i) require the updates and investments of critical information 12 technology and cybersecurity systems identified by the Commission in the first 13 recommendations reported under paragraph (2) of this subsection to be completed on or 14 before December 31, 2025; and
- 15 (ii) require all updates and investments of information technology 16 and cybersecurity to be made on or before December 31, 2030;
- 17 (2) make periodic recommendations on investments in State information 18 technology structures based on the assessments completed in accordance with the 19 framework developed in § 3.5–317 of this subtitle;
- 20 (3) review and provide recommendations on the Department's basic security standards for use of the network established under § 3.5–404(b) of this title; and
- 22 (4) each year, in accordance with § 2–1257 of the State Government Article, 23 report its findings and recommendations to the Senate Budget and Taxation Committee, 24 the Senate [Education, Health, and Environmental Affairs] **EDUCATION, ENERGY, AND** 25 **THE ENVIRONMENT** Committee, the House Appropriations Committee, the House Health 26 and Government Operations Committee, and the Joint Committee on Cybersecurity, 27 Information Technology, and Biotechnology.
- [(g)] (I) The report submitted under subsection [(f)(4)] (H)(4) of this section may not contain information about the security of an information system.
- 30 3.5–317.
- 31 (b) (1) The Department shall hire independent contractors to:

- 1 develop a framework for investments in technology, INCLUDING 2 FOUNDATIONAL INFORMATION TECHNOLOGY PROJECTS THAT IMPACT MULTIPLE 3 UNITS OF STATE GOVERNMENT; and 4 at least once every 2 years, in accordance with the framework, assess the cybersecurity and information technology systems in each unit of State 5 6 government. 7 3.5-318.8 FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER, THE 9 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION IN 10 AN AMOUNT THAT IS NOT LESS THAN 120% OF THE AGGREGATED AMOUNT 11 APPROPRIATED **FOR INFORMATION TECHNOLOGY** AND **CYBERSECURITY** 12 RESOURCES IN THE ANNUAL BUDGET BILL FOR THE PRIOR FISCAL YEAR FOR THE DEDICATED PURPOSE ACCOUNT FOR CYBERSECURITY. 13 3.5 - 407.14 15 Each local government shall report a cybersecurity incident, including 16 an attack on a State system being used by the local government, to the appropriate local emergency manager and the State Security Operations Center in the Department in 17 accordance with paragraph (2) of this subsection. 18 19 For the reporting of cybersecurity incidents to local emergency 20 managers under subparagraph (i) of this paragraph, the State Chief Information Security 21Officer shall determine: 22the criteria for determining when an incident must be reported; (i) 23(ii) the manner in which to report; and 24 the time period within which a report must be made. (iii) 25 The State Security Operations Center shall immediately notify the appropriate agencies of a cybersecurity incident reported under this subsection through the 2627 State Security Operations Center. 28 INFORMATION REPORTED BY A LOCAL GOVERNMENT UNDER THIS 29 SUBSECTION MAY NOT BE USED BY THE STATE AS A BASIS FOR IMPOSING A FINE, 30 RESTRICTING FUNDING, OR OTHERWISE PENALIZING THE LOCAL GOVERNMENT.
 - SECTION 5. AND BE IT FURTHER ENACTED, That:

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Chapter 242 of the Acts of 2022

- 1 (a) (1) On or before June 30, 2023, each agency in the Executive Branch of 2 State government shall certify to the Office of Security Management compliance with State 3 minimum cybersecurity standards established by the Department of Information 4 Technology.
- 5 (2) Except as provided in paragraph (3) of this subsection, certification 6 shall be reviewed by independent auditors, and any findings must be remediated.
- 7 (3) Certification for the Department of Public Safety and Correctional 8 Services and any State criminal justice agency shall be reviewed by the Office of Legislative 9 Audits, and any findings must be remediated.
- 10 Except as provided in subsection (c) of this section, if an agency has not 11 remediated [any] THE findings pertaining to State cybersecurity standards found by the independent audit required under subsection (a) of this section TO BECOME COMPLIANT 12 13 WITH STATE MINIMUM CYBERSECURITY STANDARDS by July 1, 2024, the Office of 14 Security Management shall ensure compliance of an agency's cybersecurity with 15 cybersecurity standards through a shared service agreement [, administrative privileges, or access to Network Maryland TO ONBOARD THE AGENCY TO DEPARTMENT OF 16 17 INFORMATION TECHNOLOGY CYBERSECURITY SERVICES AND PROVIDE OFFICE OF 18 SECURITY MANAGEMENT STAFF ADMINISTRATIVE PRIVILEGES TO THE AGENCY'S 19 INFORMATION TECHNOLOGY ASSETS.
- 20 (c) Subsection (b) of this section does not apply if a federal law or regulation forbids the Office of Security Management from managing a specific system.

SECTION 6. AND BE IT FURTHER ENACTED, That:

- 23 (a) The Department of Information Technology shall hire a contractor to conduct 24 a performance and capacity assessment of the Department to:
- 25 (1) evaluate the Department's capacity to implement provisions of this Act; 26 and
- 27 (2) recommend additional resources necessary for the Department to 28 implement provisions of this title and meet future needs, including additional budget 29 appropriations, additional staff, altered contracting authority, and pay increases for staff.
- 30 (b) The contractor hired by the Department to complete the assessment and 31 report required by this section shall:
- 32 (1) PROVIDE QUARTERLY UPDATES ON ITS WORK UNDER THIS 33 SECTION TO THE COCHAIRS OF THE JOINT COMMITTEE ON CYBERSECURITY, 34 INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY;

- [(1)] (2) on or before December 1, 2023, submit an interim report of its findings and recommendations to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly; and
- [(2)] (3) on or before December 1, 2024, submit a final report of its findings and recommendations to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.
- SECTION 2. AND BE IT FURTHER ENACTED, That the report submitted by the Modernize Maryland Oversight Commission under § 3.5–316(h) of the State Finance and Procurement Article, as enacted by Section 1 of this Act, in calendar year 2024 shall include an evaluation of services provided by the Department of Information Technology and an assessment of whether those services meet the needs of the agencies being served.
- SECTION 3. AND BE IT FURTHER ENACTED, That, on or before November 1, 2023, the Modernize Maryland Oversight Commission shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, recommendations to improve the format for the Secretary of Information Technology to report on major information technology development projects under § 3.5–309 of the State Finance and Procurement Article to meet the needs for strategic planning and investment.

SECTION 4. AND BE IT FURTHER ENACTED, That:

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- 19 (1) the Department of Information Technology shall hire an independent 20 contractor to review the efficiency and effectiveness of foundational information technology 21 projects that impact multiple units of State government, including MDThink and OneStop, 22 according to the framework developed under § 3.5–317(b) of the State Finance and 23 Procurement Article, as enacted by Section 1 of this Act; and
- 24 (2) on or before November 1, 2023, the independent contractor hired under 25 item (1) of this section shall report its findings and recommendations to the General 26 Assembly, in accordance with § 2–1257 of the State Government Article.
- SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023.