

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 601

(Senator Hester, *et al.*)

Education, Energy, and the Environment

Government, Labor, and Elections

Cybersecurity - Standards and Compliance - Alterations

This bill requires each local school system to (1) designate a point of contact for cybersecurity-related communications and to comply with cybersecurity standards adopted by the Department of Information Technology (DoIT) and (2) beginning in fiscal 2027, comply with the State minimum cybersecurity standards established by DoIT and conduct a cybersecurity maturity assessment every two years. The bill also requires DoIT to annually review and, if necessary, update the State minimum cybersecurity standards and, on request, advise local school systems on specified cybersecurity issues. However, DoIT is not responsible for the successful performance or day-to-day management of the duties of a local school system. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: The bill’s requirements can be handled using existing budgeted resources. Revenues are not affected.

Local Effect: Local school system expenditures increase for personnel and technology costs necessary to comply with the bill’s requirements, as discussed below. Revenues are not affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Bill Summary: Each local school system must designate a point of contact for all cybersecurity-related communications and notify the State Chief Information Security Officer of the designation and any subsequent update to the designation.

By June 30, 2027, and every two years thereafter, each local school system must certify to the Office of Security Management (OSM) within DoIT that it complies with the State minimum cybersecurity standards.

Current Law:

Department of Information Technology – Generally

DoIT and the Secretary of Information Technology are responsible for, among other things: (1) developing, maintaining, revising, and enforcing information technology (IT) policies, procedures, and standards; (2) providing technical assistance, advice, and recommendations to the Governor and any unit of State government concerning IT matters; (3) reviewing agency project plans to make information and services available to the public over the Internet; and (4) developing and maintaining a statewide IT Master Plan, as specified. “Information technology” means all electronic information processing, including maintenance, telecommunications, hardware, software, and associated services.

Cybersecurity

Chapters 241, 242, and 243 of 2022 expanded and enhanced the State’s regulatory framework for State and local government cybersecurity. Among other things, the Acts required additional funding for cybersecurity, established leadership positions in State government for cybersecurity, codified existing cybersecurity requirements from a previous executive order, and required State and local governments to perform cybersecurity preparedness assessments.

The Acts were modified by Chapters 164 and 165 of 2025 to distinguish and clarify the responsibilities established by Chapters 241, 242, and 243 between DoIT and the Maryland Department of Emergency Management (MDEM). Notably, and among other things, Chapters 164 and 165 (1) transferred the responsibility for supporting local governments in developing vulnerability assessments and cyber assessments from MDEM to OSM within DoIT and (2) clarified that OSM is not responsible for assisting local government entities in the development of cybersecurity preparedness and response plans.

Chapters 241, 242, and 243 also created the Local Cybersecurity Support Fund as a special, nonlapsing fund administered by the Secretary of Emergency Management. Its purpose is to provide financial assistance to local governments to improve cybersecurity preparedness and assist local governments applying for federal cybersecurity preparedness grants. The fund may be used only (1) to provide financial assistance to local governments to improve cybersecurity preparedness, as specified; (2) to assist local governments applying for federal cybersecurity preparedness grants; and (3) for administrative expenses, as specified.

Local Expenditures: Expenditures for local school systems may increase to (1) comply with the State minimum cybersecurity standards beginning fiscal 2027; (2) conduct cybersecurity maturity assessments; and (3) remediate cybersecurity protocols as a result of those assessments. With one exception, local school systems that responded to a request for information for this fiscal and policy note did not provide estimates of the costs resulting from the bill:

- Anne Arundel County Public Schools anticipates the need for independent contracted services with specialized expertise to assist in implementing the required standards;
- Frederick County Public Schools advises that it can likely implement the bill's requirements using existing budgeted resources;
- Montgomery County Public Schools and St. Mary's County Public Schools anticipate the need for additional staff and technology upgrades to meet the bill's requirements;
- Prince George's County Public Schools anticipates the need for significant technology upgrades, both hardware and software, totaling more than \$2.0 million, to meet the bill's requirements; and
- Wicomico County Public Schools advises that, depending on the timeframe school systems are given to comply, the bill could be overly burdensome or impossible to implement in the short-term.

The Department of Legislative Services notes that actual expenditures by local school systems depend, at least in part, on the cybersecurity standards adopted by DoIT and level of assistance DoIT provides to the school systems, which cannot be reliably predicted at this time. Local school systems can designate a local point of contact for cybersecurity-related correspondence using existing resources.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1309 and SB 907 of 2025.

Designated Cross File: HB 957 (Delegate Wu, *et al.*) - Government, Labor, and Elections.

Information Source(s): Department of Information Technology; Maryland State Department of Education; Department of Budget and Management; Anne Arundel County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; Frederick County Public Schools; Wicomico County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

Fiscal Note History:
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