

Date: March 31, 2021

Bill: Senate Bill 351 - State Government - Protection of Information - Revisions (Maryland Data Privacy Act).

Position: Support

The Honorable Shane E. Pendergrass, Chair
Health and Government Operations Committee
House Office Building, Room 241
Annapolis, Maryland 21401

Dear Chair Pendergrass:

The Department of Information Technology (DoIT) supports Senate Bill 351 - State Government - Protection of Information - Revisions (Maryland Data Privacy Act). Within state government, the goal should be to limit the amount of Personally Identifiable Information (PII) collected and ensure Marylanders understand why their information is being collected, for what purposes and how it is being used. Citizens must also have confidence that their government is taking the proper precautions to ensure the confidentiality and integrity of their information. Senate Bill 351 requires compliance with certain standards and guidelines to ensure that all personal data is being collected and managed in a secure manner.

Under this legislation, certain state agencies would be required to collect, process and share PII in a manner that is consistent with the requirements set forth by DoIT, including:

- Identifying and documenting the governmental purpose for the collection of such data;
- Notifying an individual when PII is being collected and describing the purpose for the collection;
- Implementing reasonable data handling procedures to ensure the confidentiality, integrity, and availability of all PII is maintained;
- Incorporating privacy requirements into agreements with any third parties that handle PII while under contract with the State;
- Ensuring that PII collected is accurate, relevant, timely, and complete;
- Only collecting PII that is relevant to the legally authorized purpose of the collection;
- Allowing an individual to access their PII and allowing them to correct or amend the collected PII; and
- Informing the individual or public of the practices and activities regarding the use of their PII including any rights the individual or public has to decline, correct or review the PII.

The Maryland Data Privacy Act modernizes the way state government agencies secure and manage PII. The bill requires agencies to mirror DoIT procedures for ensuring that PII is protected from unauthorized access, use, modification, or disclosure. Citizens must also be advised whether the disclosure of certain PII is voluntary or required, how that information is

shared with third parties, and be provided an opt-out provision when possible. This proposal does not address private industry and broadly excludes uses related to public safety, public health, state security, and the investigation and prosecution of criminal offenses. To the extent that current laws and policies are being followed, there will be no fiscal impact because of this legislation.

This bill is essentially the same bill that DoIT submitted last year with one minor change that substitutes a specific requirement for security standards such as the Federal Information Processing Standards with security protections that are consistent with DoIT policies and regulations. DoIT policies and regulations follow federal standards but we did not want the legislation to force the use of a certain standard if federal standards were to change over time.

There were very minor amendments to the bill in the Senate including exempting the Maryland 529 Board from certain provisions in the bill because they act as a private entity. Another amendment informs the local governments that they are able to request support from DoIT to develop best practices regarding cybersecurity. DoIT supports these amendments and for the reasons stated above respectfully requests a favorable report on Senate Bill 351 as amended.

Best,

Michael G. Leahy