

HB 1346_FAV_MML.pdf

Uploaded by: Justin Fiore

Position: FAV



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

March 25, 2022

Committee: Senate Education, Health and Environmental Affairs Committee

Bill: HB 1346 – State Government – Cybersecurity – Coordination and Governance

Position: Support

Reason for Position:

The Maryland Municipal League supports HB 1346, which would establish a new cybersecurity framework in the State that includes local coordination, technical support, and financial assistance to local governments rising to meet modern threats.

Cities and towns are grateful to the sponsors for their leadership and nuanced approach to establish the tools and resources necessary to assist local governments in a comprehensive manner. We believe this is a great example of a State and local partnership to protect our shared constituencies.

The Maryland Municipal League therefore respectfully requests the Committee provide HB 1346 with a favorable report.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Angelica Bailey	Director, Government Relations
Bill Jorch	Director, Research & Policy Analysis
Justin Fiore	Manager, Government Relations

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HB1346-EHE_MACo_SWA.pdf

Uploaded by: Dominic Butchko

Position: FWA



House Bill 1346

State Government - Cybersecurity - Coordination and Governance

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Education, Health, and Environmental
Affairs Committee

Date: March 25, 2022

From: Dominic J. Butchko

A strong partnership between the State and local governments is essential for safeguarding critical infrastructure and defending against increasingly complex cyber risks. MACo urges the General Assembly to provide a meaningful and lasting State commitment to bolster cybersecurity and prioritize cyber resilience through collaborative efforts to identify, protect against, detect, and respond to malicious cyber threats.

Hackers are increasingly targeting states and local governments with sophisticated cyberattacks. Securing government information systems is critical, as a cyber intrusion can be very disruptive, jeopardizing sensitive information, public safety, and the delivery of essential services.

MACo advocates for the State to offer shared service agreements, 24/7 network monitoring, real-time incident response, statewide risk assessments, and a dedicated cybersecurity support fund to help local governments upgrade IT infrastructure. This will ensure an equitable approach to cyber preparedness and resilience across the state.

Legacy systems — outdated digital software or hardware — are generally unable to interact with any newer systems or implement necessary cybersecurity measures to safeguard critical data and sensitive information. As such, MACo urges the State to prioritize updating outdated technology platforms, which is vital for reducing cybersecurity risks, enhancing service delivery, and boosting government transparency and accountability.

Rising cyber liability insurance premiums and fewer insurance carriers have left counties facing difficulty acquiring and renewing coverage by leveraging its purchasing power. MACo believes the State can provide an affordable solution to ensure local governments remain cyber resilient in times of crisis.

By dedicating needed resources and streamlining collaboration, communication, and coordination, the State can help lead local governments, school systems, and critical infrastructure toward a more cyber-secure future.

The work of the Ad Hoc Committee on State and Local Cybersecurity of the Maryland Cybersecurity Council embodied this spirit in its report. The referenced bills deserve continued stakeholder attention to coalesce behind similar principles. MACo and its member counties stand ready to collaborate to develop a cohesive statutory framework to advance these mutual state/local goals, and request a report of **FAVORABLE WITH AMENDMENTS** on HB 1346.

120 HB 1346.pdf

Uploaded by: Randy Guy

Position: FWA

ST. MARY'S COUNTY GOVERNMENT
**COMMISSIONERS OF
ST. MARY'S COUNTY**



James R. Guy, President
Eric Colvin, Commissioner
Michael L. Hewitt, Commissioner
Todd B. Morgan, Commissioner
John E. O'Connor, Commissioner

House Bill 1346
State Government - Cybersecurity - Coordination and Governance
**SUPPORT WITH AMENDMENTS OFFERED BY THE MARYLAND ASSOCIATION OF
COUNTIES (MACo)**

March 24, 2022

Senator Paul G. Pinsky, Chair
Maryland Senate Education, Health & Environmental Affairs Committee
Miller Senate Office Building, 2 West
11 Bladen St.
Annapolis, MD 21401

Dear Chairman Pinsky:

The Commissioners of St. Mary's County support with the amendments offered by the Maryland Association of Counties (MACo) House Bill 1346 - State Government - Cybersecurity - Coordination and Governance) which will be heard in the Education, Health & Environmental Affairs Committee.

We request a favorable with amendments report on HB 1346. If amended to include MACo's suggested amendments, we **SUPPORT** the introduction of this legislation and believe this legislation will benefit the citizens of St. Mary's County. Thank you for your consideration, as well as your attention to this matter.

Sincerely,
COMMISSIONERS OF ST. MARY'S COUNTY


James Randy Guy, President

CSMC/AB/sf
T:/Consent/2022/120

Cc: Senator Jack Bailey
Delegate Matthew Morgan
Delegate Gerald Clark
Delegate Brian Crosby
Commissioner Eric Colvin
Commissioner Michael Hewitt
Commissioner Todd Morgan
Commissioner John O'Connor
David Weiskopf, Interim County Administrator
John S. Houser, Assistant County Attorney

ST. MARY'S COUNTY GOVERNMENT
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House Bill 1346
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John S. Houser, Assistant County Attorney

IT and Cybersecurity

Uploaded by: Ellen Robertson

Position: UNF

Larry Hogan
Governor

Boyd K. Rutherford
Lt Governor



Ellington E. Churchill, Jr.
Secretary

Nelson E. Reichart
Deputy Secretary

OFFICE OF THE SECRETARY

BILL: **House Bill 1205**
State Government – Information Technology and Cybersecurity – Related
Infrastructure **and**
House Bill 1346
State Government - Cybersecurity - Coordination and Governance

COMMITTEE: Senate Education, Health, and Environmental Affairs

DATE: March 25, 2022

POSITION: **Letter of Concern**

Upon review, House Bill 1205 and House Bill 1346, the Maryland Department of General Services (DGS) provides these comments for your consideration.

The bills as amended and before you today significantly changes the State’s regulatory framework related to cybersecurity and information technology. The most prominent being that the Department of Information Technology (DoIT) would become a primary procurement unit and procurement authority for all information technology would transfer from the DGS Office of State Procurement (OSP) to DoIT. These actions directly counter 2017 legislation that reformed Maryland procurement along with numerous studies and reports including the 2013 The Procurement Improvement Report completed by Treya Partners for the Maryland Board of Public Works, the 2014 Department of Legislative Services Review of Maryland’s Procurement Policies and Structures, the General Assembly’s 2015 One Maryland Blue Ribbon Commission created by Chapter 191, Acts of 2015, and the 2016 Report of the Commission to Modernize State Procurement.

Per Chapter 590, 2017 Maryland Laws (HB 1021), effective October 1, 2017, Maryland state procurement was centralized under DGS OSP and provided for the creation of the Chief Procurement Officer (CPO). The CPO leads the office by providing the most effective and efficient allocation of goods and services for Maryland. Since full implementation of Chapter 590 on October 1, 2019, the OSP **continues to provide** consistency in interpretation of procurement statutes and regulations; implementation of standardized policies, procedures, and best practices; and delivery of resources to all procurement offices throughout the State. These Bills will undo **more than four years of preparation and implementation** of the 57 recommendations from the Commission to Modernize State Procurement which included “**Consolidate the procurement functions of State agencies**”, resulting in the reallocation of State resources and the expenditure of significant State funds.



The 2017 Modernization initiative to centralize and standardize procurement resulted in many hours of planning, policy and procedure development, realignment of Agency staff, and a number of other process improvement initiatives. These Bills will require all of the work previously done to be revisited and amended to address the change as well as to be recreated at DoIT to address their new role. This would result in a **significant and unnecessary expenditure of state funds, a waste of the capital** used to implement the initiative, and the **elimination of the many efficiencies created.**

House Bill 1346 provides DoIT authority to “providing or coordinating the procurement of managed cybersecurity services” (State Finance and Procurement § 3.5-303(a)(5). This is another area of concern for DGS where “providing procurement” should be retained in the Office of State Procurement. **DGS looks forward to coordinating with DoIT for their IT procurement needs.**

House Bill 1205 goes further and **designates DoIT as a primary procurement unit and exempts procurements by DoIT below \$1 million from BPW approval** resulting in the elimination of any procurement oversight previously in place. **This is of significant concern as DoIT does not possess procurement experience and expertise.**

While DoIT may possess cybersecurity expertise, DGS OSP is the State expert in procurement. To effectively provide for the public welfare **each entity should focus on their own area of proficiency.** The **Office of State Procurement should retain the centralized procurement authority for the State and** continue to coordinate with DoIT to procure the necessary goods and services to carry out their agency mission.

For additional information, contact Ellen Robertson at 410-260-2908.

Revised & Corrected Testimony

Uploaded by: Ellen Robertson

Position: UNF

Larry Hogan
Governor

Boyd K. Rutherford
Lt Governor



OFFICE OF THE SECRETARY

Ellington E. Churchill, Jr.
Secretary

Nelson E. Reichart
Deputy Secretary

Corrected & Revised 3/28/2022

BILL: **House Bill 1202**
State Government – Coordination and Operations **and**
House Bill 1346
State Government - Cybersecurity - Coordination and Governance

COMMITTEE: Senate Education, Health, and Environmental Affairs

DATE: March 25, 2022

POSITION: **Letter of Concern**

Upon review, House Bill 1202 and House Bill 1346, the Maryland Department of General Services (DGS) provides these comments for your consideration.

The bills as amended and before you today significantly changes the State’s regulatory framework related to cybersecurity and information technology. The most prominent being that the Department of Information Technology (DoIT) would become a primary procurement unit and procurement authority for all information technology would transfer from the DGS Office of State Procurement (OSP) to DoIT. These actions directly counter 2017 legislation that reformed Maryland procurement along with numerous studies and reports including the 2013 The Procurement Improvement Report completed by Treya Partners for the Maryland Board of Public Works, the 2014 Department of Legislative Services Review of Maryland’s Procurement Policies and Structures, the General Assembly’s 2015 One Maryland Blue Ribbon Commission created by Chapter 191, Acts of 2015, and the 2016 Report of the Commission to Modernize State Procurement.

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House Bills 1202 & 1346

March 25, 2022

Corrected & Revised 3/28/2022

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House Bill 1202 adds language stating the Office of Security Management within DoIT “**may procure resources**”. This also is of concern and should be struck (State Finance and Procurement § 3.5-2A-03(G)).

While DoIT may possess cybersecurity expertise, DGS OSP is the State expert in procurement. To effectively provide for the public welfare **each entity should focus on their own area of proficiency.** The **Office of State Procurement should retain the centralized procurement authority for the State and** continue to coordinate with DoIT to procure the necessary goods and services to carry out their agency mission.

For additional information, contact Ellen Robertson at 410-260-2908.