



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

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Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

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Deputy Secretary

SENATE BILL 753 Labor and Employment - Workforce Development - Cybersecurity (Hester)

STATEMENT OF INFORMATION

DATE: March 17, 2022

COMMITTEE: Senate Finance

SUMMARY OF BILL: SB 753 creates a Cybersecurity Workforce Accelerator Program at University of Maryland, Baltimore County (UMBC) to increase the cybersecurity workforce in the State, develop a statewide approach to cybersecurity workforce development, improve the efficiency of related programs in the State, invest in new and innovative cybersecurity education programs, and provide coordination between higher education and K-12 institutions to prepare students for cybersecurity careers; expands the Maryland Technology Internship Program at UMBC to include local governments; and creates a Cybersecurity Workforce Accelerator Fund to administer the program and provide grants for cybersecurity workforce development programs. The bill mandates annual appropriations in the amounts of: \$2 million annually for the Cybersecurity Workforce Accelerator Fund at UMBC in FY 2024 and FY 2025; \$1 million to the Department of Labor's Maryland Employment Advancement Right Now program for cybersecurity programs and administrative support; \$1 million to the Department of Labor's Maryland Apprenticeship and Training Program for cybersecurity workforce development; \$450,000 to UMBC for the Accelerator Program, including \$250,000 for managing the development of individuals who can meet cybersecurity workforce needs; \$2.5 million for the Cyber Warrior Diversity Program in the Maryland Higher Education Commission (MHEC); \$500,000 for summer externships for K-12 teachers at cybersecurity companies; \$1 million per year for the University System of Maryland to develop cyber range scenarios based on industry demand; \$500,000 to invest in educational pathways in cybersecurity that meet the State Board of Education's college and career readiness standard; and \$500,000 to expand the Maryland Technology Internship program at UMBC. Funding is supplemental to funding that otherwise would be appropriated.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the aggregate appropriations in the amount of \$9.45 million in FY 2024 and FY 2025, and \$7.45 million in FY 2026 and each fiscal year thereafter, which will impact the FY 2024 budget and subsequent budgets. These mandated appropriation amounts are supplemental to funding already provided.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

The FY 2023 Budget allocates nearly \$16 million for these purposes, including: \$1 million over two years to establish the Maryland Institute for Innovative Computing at UMBC to accelerate innovation in computing

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(cybersecurity, AI, and data science); \$3 million for a new Center for Cybersecurity at UMBC; \$1.2 million to UMBC for economic development activities under the MPowering mandate [also, \$1.6 million in FY 2024 and \$2.0 million in FY 2025 and beyond]; \$3.8 million for the Cyber EARN program; \$4.4 million for the Maryland Apprenticeship Training Program; \$2.5 million for the Cyber Warrior Diversity Program in MHEC; and \$350,000 for the Maryland Technology Internship program at UMBC.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

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