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## **House Bill 419 State Government – Information Technology – Cybersecurity**

**Position: Support**

**House Health and Government Operations Committee**

**February 22, 2022**

**Erin Chase, Deputy Legislative Officer, Office of the Governor**

Chair Pendergrass, Vice Chair Peña-Melnyk, and Members of the Committee,

House Bill 419 will codify the Administration’s executive order creating the Office of Security Management, State Chief Information Officer (SCISO), and the Maryland Cybersecurity Coordinating Council (MCCC), as well as provide the SCISO with additional authority to mitigate any cybersecurity threats impacting the state’s network.

Understanding the constant emerging threat of cybersecurity incidents, in 2019 Governor Hogan signed Executive Order 01.01.2019.07, which formally established the Maryland Cyber Defense Initiative to strengthen the State’s ability to manage the consequences of a cybersecurity incident. The Maryland Cyber Defense Initiative consists of three primary functions: the creation of the SCISO, Office of Security Management, and MCCC. The SCISO is a critically important position that provides cybersecurity advice, recommendations, and consultation to the governor, as well as responding to cyber threats and incidents. The Office of Security Management houses the SCISO and is responsible for the direction, coordination, and implementation of the overall cybersecurity strategy and policy for the Executive Branch. The MCCC consists of senior level staff members from several cabinet agencies and works closely with the SCISO to provide advice and recommendations regarding the strategy and implementation of cybersecurity initiatives, and building and sustaining the State’s capability to identify, mitigate, and detect cybersecurity risk, and respond to and recover from cybersecurity-related incidents. The initiative is key to strengthening the State’s cyber posture. The state is ultimately accountable and responsible for the protection of private and sensitive information, and it is crucial that our statute accurately reflects that.

Additionally, the bill provides the SCISO with additional authority to take or direct actions to mitigate threats if there is risk to the State’s network. State agencies are aware of the threat that bad actors play in cybersecurity incidents, but the SCISO needs to be equipped with the tools necessary to take decisive action to protect the state’s assets if the situation arises.

To further strengthen the State’s cybersecurity posture, the Fiscal Year 2023 budget includes funds to grow the cyber workforce and key investments in IT infrastructure. Some of the highlights include:

- \$3 million for a new Center for Cybersecurity at the University of Maryland, Baltimore County (UMBC);
- \$1 million over two years to establish the Maryland Institute for Innovative Computing at UMBC to accelerate innovation and develop a talent pipeline for state agencies in computing, especially cybersecurity, AI, and data science;
- \$1 million for the Cybersecurity Public Service Scholarships, an increase of \$860,000;
- \$3.8 million for Cyber EARN, an increase of \$1 million;
- \$333.9 million for Major Information Technology Projects, which supports 44 projects to modernize legacy IT and make the state’s infrastructure more secure;
- \$10 million for cybersecurity assessments;

- \$100 million in the Dedicated Purpose Account to protect and mitigate against cybersecurity incidents.

As we continue to bolster our State's position on issues relating to cybersecurity, Maryland must have a consistent and responsible law that establishes our cybersecurity policies. The Hogan administration understands that the State stores and processes a large volume of sensitive data and has a responsibility to its citizens and other data owners to protect the confidentiality, availability, and integrity of this data. House Bill 419 will ensure that these duties are enshrined in Maryland's statute.

For these reasons, the Administration respectfully requests a favorable report on House Bill 419.