



Wes Moore | Governor
Aruna Miller | Lt. Governor
Katie Savage | Secretary

TO: House Health and Government Operations Committee
FROM: Department of Information Technology
RE: House Bill 738 - Department of Information Technology - Reporting Guidelines
DATE: February 25, 2025
POSITION: Letter of Concern

The Honorable Joseline A. Pena-Melnyk
House Health and Government Operations Committee
Room 241, House Office Building
Annapolis, Maryland 21401

Dear Chairwoman Pena-Melnyk,

The Department of Information Technology (DoIT) is concerned about House Bill 738 - Department of Information Technology - Reporting Guidelines. This bill proposes modifications to our reporting requirements. While we fully support transparency, accountability, and legislative oversight, we believe that the changes outlined in HB 738 would impose an unnecessary administrative burden, require substantial additional resources, and introduce potential risks that could negatively impact the state's IT operations. **We list below some of our key concerns.**

Much of the information requested in the bill is already provided through our existing reports and Information Technology Project Reports (ITPRs) submitted to the Department of Legislative Services (DLS). However, incorporating the additional requirements outlined in the bill would necessitate hiring at least one additional full-time employee (FTE) at an estimated cost of \$147,000 per year, in addition to the increased burden on agencies to provide this data more frequently and in greater detail. Given the state's budget constraints, we believe this is an unnecessary expenditure.

HB 738 proposes changing the annual report deadline from November 1 to October 1. This change is not feasible because DoIT does not receive access to the necessary financial data until October, as determined by the Department of Budget and Management's (DBM) fiscal year-end close schedule. Accelerating this deadline would result in incomplete and potentially misleading financial reporting.



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The proposed requirement to include financial information in the mid-year report would impose a significant burden while providing minimal value. Many agencies do not finalize their financial data until the end of the fiscal year, meaning the mid-year report would contain incomplete and unreliable financial information.

The bill requires the public disclosure of project risks, specific technologies used, and potential vendor pools, which raises serious security and procurement concerns.

Rather than enacting legislation to modify reporting requirements, DoIT welcomes the opportunity to collaborate with committee members and stakeholders to address any concerns regarding reporting transparency and effectiveness. We propose working with a small working group to explore targeted improvements to existing reporting processes without imposing undue burden, security risks, or financial strain.

We strongly urge the committee to reconsider HB 738 and instead engage in a collaborative effort to refine our current reporting structure in a way that balances transparency, efficiency, and security. We remain committed to ensuring accountability and providing valuable information while protecting the integrity of state IT projects and operations.

Thank you for your time and consideration. We welcome the opportunity to discuss this further and address any questions you may have.

Best,

Melissa Leaman
Acting Secretary
Department of Information Technology