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Health and Government Operations Committee

House Chair
Joint Committee on Cybersecurity,
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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB738: Department of Information Technology - Reporting Guidelines February 25, 2025

Madam Chair Peña Melnyk and distinguished members of the Health & Government Operations Committee, it is my pleasure to come before you and offer testimony in favor of **House Bill 738**, to improve the Department of Information Technology's (DoIT) annual reports.

Since the creation of the agency, DoIT has been tasked with the implementation of major information technology development projects (MITDPs) for Maryland's agencies. These include several, costly IT modernization projects, and as of July 2022, DoIT was responsible for overseeing 53 MITDPs valued at \$2.9 billion.

Last year, the Office of Legislative Audits (OLA) reported that DoIT's accountability and compliance level with State law was unsatisfactory, citing several issues related to the oversight of MITDPs, procurement violations, and incomplete/unsubstantiated reports. For two MITDPs reviewed in OLA's audit, DoIT could not explain a combined project cost increase of \$1.03 billion between 2018-2022. In particular, \$422.4 million of the unexplained cost increase was attributed to MD THINK, an incomplete system with unjustified implementation delays which will require further development costs. OLA recommended several measures for DoIT to improve oversight of MITDPs, including how project budgets and schedules should be monitored and assessed, as well as how they should be reported.

This bill aims to incorporate some of OLA's recommendations by outlining specific guidelines for DoIT's annual reports, including project metrics such as cost; scope; expected timeline; schedule changes; overruns; non-technical language requirements; and consistency standards. As we navigate this year's budget deficit, this bill is especially critical to improving spending accountability and ensuring that the money spent on MITDPs will provide results.

Although we have outlined several necessary reporting changes, we are continuing to work with DoIT and stakeholders on figuring out all the data that should be included. There are also other discussions on moving financial oversight to another state agency, which we will keep the committee updated on.

I urge a favorable report on **House Bill 738**. Thank you.