SENATE BILL 754

S2, E4, P1

EMERGENCY BILL

2lr1504 CF HB 1202

By: Senator Hester Senators Hester, Hershey, Jennings, Jackson, Rosapepe, Lee, and Watson

Introduced and read first time: February 7, 2022

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments

Read second time: March 27, 2022

| CHAPTER | | | |
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1 AN ACT concerning

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Local Government Cybersecurity – Coordination and Operations (Local Cybersecurity Support Act of 2022)

FOR the purpose of establishing the Cyber Preparedness Unit in the Maryland Department of Emergency Management; establishing certain responsibilities of the Unit; requiring eertain local entities local governments to report certain cybersecurity incidents in a certain manner and under certain circumstances; requiring the Maryland Joint Operations Center State Security Operations Center to notify appropriate agencies of a cybersecurity incident in a certain manner; establishing the Cybersecurity Fusion Center in the Maryland Department of Emergency Management; establishing certain responsibilities of the Fusion Center; establishing the Local Cybersecurity Support Fund, the purposes of the Fund, and certain eligibility requirements to receive assistance from the Fund; establishing the Office of Security Management within the Department of Information Technology and certain Office positions; establishing certain responsibilities and authority of the Office; requiring each unit of the Legislative or Judicial Branch of State government, each unit of local government, and any local agencies that use a certain network to certify certain compliance to the Department of Information Technology on or before a certain date each year; requiring certain local entities to submit a certain report to the Office on or before a certain date each year; in a certain manner; requiring the Office to submit a certain report to the Governor and certain committees of the General Assembly on or before a certain date each year; requiring the Office to submit a certain report to the Governor and certain committees of the General Assembly on or before a certain date each year; establishing the Information Sharing

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



| 1 2 3 4 5 6 7 | and Analysis Center in the Department of Information Technology; establishing certain responsibilities for the Center; requiring the State Chief Information Security Officer and the Secretary of Emergency Management to conduct a certain review, make recommendations, establish certain guidance, and submit a certain report on or before a certain date; requiring the State Chief Information Security Officer to commission a certain feasibility study and report recommendations on or before a certain date; requiring the Governor to include an appropriation in a certain |
|---|--|
| 8 | annual budget to cover the cost of the feasibility study; authorizing funds to be |
| 9 10 | transferred by budget amendment from the Dedicated Purpose Account in a certain fiscal year to implement the Act; and generally relating to local government |
| 11 | cybersecurity coordination and operations. |
| 12 | BY renumbering |
| 13 | Article – State Finance and Procurement |
| 14 | Section 3A–101 through 3A–702, respectively, and the title "Title 3A. Department of |
| 15 16 | Information Technology" |
| 16 17 | to be Section 3.5–101 through 3.5–702, respectively, and the title "Title 3.5. Department of Information Technology" |
| 18 | Annotated Code of Maryland |
| 19 | (2021 Replacement Volume) |
| 20 | BY repealing and reenacting, with amendments, |
| 21 | Article – Criminal Procedure |
| 22 | Section 10–221(b) |
| $\begin{array}{c} 23 \\ 24 \end{array}$ | Annotated Code of Maryland (2018 Replacement Volume and 2021 Supplement) |
| 25 | |
| $\frac{25}{26}$ | BY repealing and reenacting, with amendments, Article – Health – General |
| 27 | Section $21-2C-03(h)(2)(i)$ |
| 28 | Annotated Code of Maryland |
| 29 | (2019 Replacement Volume and 2021 Supplement) |
| 30 31 | BY repealing and reenacting, with amendments, Article – Human Services |
| $\frac{31}{32}$ | Section 7–806(a), (b)(1), (c)(1), (d)(1) and (2)(i), and (g)(1) |
| 33 | Annotated Code of Maryland |
| 34 | (2019 Replacement Volume and 2021 Supplement) |
| 35 36 37 38 39 | BY repealing and reenacting, with amendments, Article – Insurance Section 31–103(a)(2)(i) and (b)(2) Annotated Code of Maryland (2017 Replacement Volume and 2021 Supplement) |
| - 0 | \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ |

BY repealing and reenacting, with amendments, $Article-Natural\ Resources$

| $\frac{1}{2}$ | Section 1–403(c) |
|-----------------|--|
| 3 | Annotated Code of Maryland (2018 Replacement Volume and 2021 Supplement) |
| 4 | BY repealing and reenacting, without amendments, |
| 5 | Article – Public Safety |
| 6 | Section 14–103 |
| 7 | Annotated Code of Maryland |
| 8 | (2018 Replacement Volume and 2021 Supplement) |
| 9 | BY adding to |
| 10 | Article – Public Safety |
| 11 | Section 14–104.1 |
| 12 | Annotated Code of Maryland |
| 13 | (2018 Replacement Volume and 2021 Supplement) |
| 14 | BY repealing and reenacting, without amendments, |
| 15 | Article – State Finance and Procurement |
| 16 | Section 3.5–101(a) and (e) and 3.5–301(a) |
| 17 | Annotated Code of Maryland |
| 18 | (2021 Replacement Volume) |
| 19 | (As enacted by Section 1 of this Act) |
| 20 | BY adding to |
| 21 | Article – State Finance and Procurement |
| 22 | Section 3.5–2A–01 through 3.5–2A–04 to be under the new subtitle "Subtitle 2A |
| $\frac{23}{24}$ | Office of Security Management"; and <u>3.5–315</u> , 3.5–405, and 4–308 and 6–226(a)(2)(ii)146. |
| 25 | Annotated Code of Maryland |
| 26 | (2021 Replacement Volume) |
| 27 | BY repealing and reenacting, with amendments, |
| 28 | Article – State Finance and Procurement |
| 29 | Section $3.5-301(j)$, $3.5-302(c)$, $3.5-303(c)(2)(ii)2.$, $3.5-307(a)(2)$, $3.5-309(c)(2)$, $(i)(3)$ |
| 30 | and (l)(1)(i), 3.5–311(a)(2)(i), and 3.5–404 |
| 31 | Annotated Code of Maryland |
| 32 | (2021 Replacement Volume) |
| 33 | (As enacted by Section 1 of this Act) |
| 34 | BY repealing and reenacting, without amendments, |
| 35 | Article - State Finance and Procurement |
| 36 | Section 6-226(a)(2)(i) |
| 37 | Annotated Code of Maryland |
| 38 | (2021 Replacement Volume) |
| 39 | BY repealing and reenacting, with amendments, |
| 40 | Article - State Finance and Procurement |

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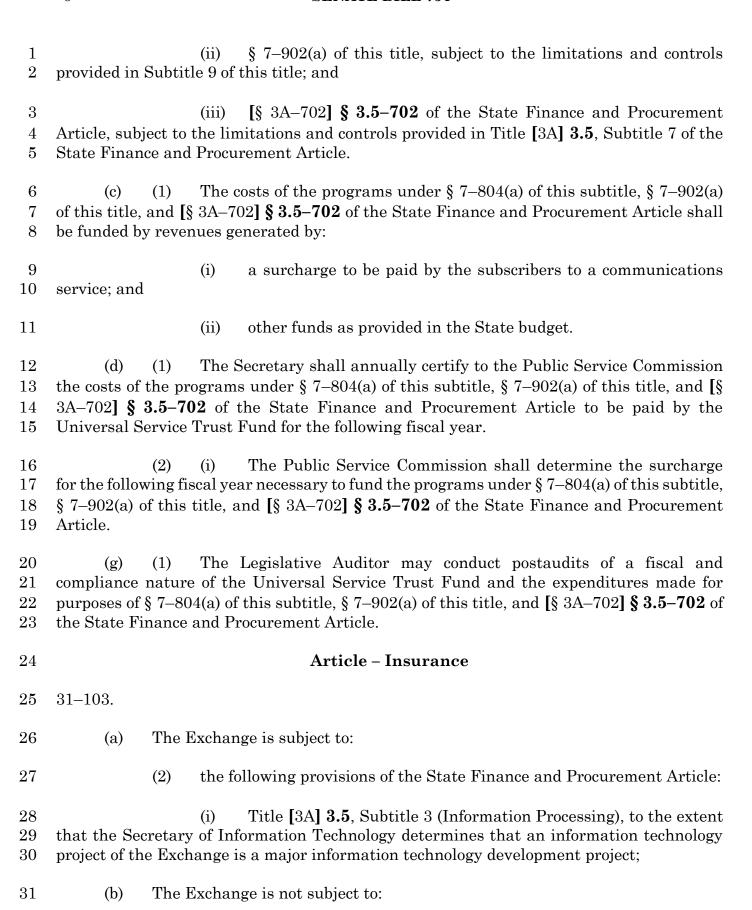
(5)

history record information is:

| 1 2 3 | Section 6–226(a)(2)(ii)144. and 145. and 12–107(b)(2)(i)10. and 11. Annotated Code of Maryland (2021 Replacement Volume) | | | | | |
|----------------------------|---|--|--|--|--|--|
| 4 5 6 7 8 | BY repealing and reenacting, with amendments, Article – State Government Section 2–1224(f) Annotated Code of Maryland (2021 Replacement Volume) | | | | | |
| 9 10 11 12 13 | BY adding to Article – State Government Section 2–1224(i) Annotated Code of Maryland (2021 Replacement Volume) | | | | | |
| 14 15 16 17 18 | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 3A–101 through 3A–702, respectively, and the title "Title 3A. Department of Information Technology" of Article – State Finance and Procurement of the Annotated Code of Maryland be renumbered to be Section(s) 3.5–101 through 3.5–702, respectively, and the title "Title 3.5. Department of Information Technology". | | | | | |
| 19 20 | SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows: | | | | | |
| 21 | Article – Criminal Procedure | | | | | |
| 22 | 10–221. | | | | | |
| 23 24 25 | (b) Subject to Title [3A] 3.5 , Subtitle 3 of the State Finance and Procurement Article, the regulations adopted by the Secretary under subsection (a)(1) of this section and the rules adopted by the Court of Appeals under subsection (a)(2) of this section shall: | | | | | |
| 26 27 | (1) regulate the collection, reporting, and dissemination of criminal history record information by a court and criminal justice units; | | | | | |
| 28 29 | (2) ensure the security of the criminal justice information system and criminal history record information reported to and collected from it; | | | | | |
| 30 31 | (3) regulate the dissemination of criminal history record information in accordance with Subtitle 1 of this title and this subtitle; | | | | | |
| 32 33 | (4) regulate the procedures for inspecting and challenging criminal history record information; | | | | | |

regulate the auditing of criminal justice units to ensure that criminal

| 1 | (i) accurate and complete; and |
|----------------|---|
| 2 3 | (ii) collected, reported, and disseminated in accordance with Subtitle 1 of this title and this subtitle; |
| 4 5 | (6) regulate the development and content of agreements between the Central Repository and criminal justice units and noncriminal justice units; and |
| 6 7 8 | (7) regulate the development of a fee schedule and provide for the collection of the fees for obtaining criminal history record information for other than criminal justice purposes. |
| 9 | Article – Health – General |
| 10 | 21–2C–03. |
| 11 12 | (h) (2) The Board is subject to the following provisions of the State Finance and Procurement Article: |
| 13 14 15 | (i) Title [3A] 3.5 , Subtitle 3 (Information Processing), to the extent that the Secretary of Information Technology determines that an information technology project of the Board is a major information technology development project; |
| 16 | Article – Human Services |
| 17 | 7–806. |
| 18 19 20 | (a) (1) Subject to paragraph (2) of this subsection, the programs under § 7–804(a) of this subtitle, § 7–902(a) of this title, and [§ 3A–702] § 3.5–702 of the State Finance and Procurement Article shall be funded as provided in the State budget. |
| 21 22 23 | (2) For fiscal year 2019 and each fiscal year thereafter, the program under [§ 3A–702] § 3.5–702 of the State Finance and Procurement Article shall be funded at an amount that: |
| 24 25 | (i) is equal to the cost that the Department of Aging is expected to incur for the upcoming fiscal year to provide the service and administer the program; and |
| 26 27 | (ii) does not exceed 5 cents per month for each account out of the surcharge amount authorized under subsection (c) of this section. |
| 28 29 | (b) (1) There is a Universal Service Trust Fund created for the purpose of paying the costs of maintaining and operating the programs under: |
| 30 31 | (i) § 7–804(a) of this subtitle, subject to the limitations and controls provided in this subtitle; |



| 1 2 3 | | | Article | [3A] 3.5 , Subtitle 3 (Information Processing) of the State Finance e, except to the extent determined by the Secretary of Information etion (a)(2)(i) of this section; | | | |
|----------------|---|---------------|----------|--|--|--|--|
| 4 | Article – Natural Resources | | | | | | |
| 5 | 1–403. | | | | | | |
| 6 7 8 | | nforma | ation te | tment shall develop the electronic system consistent with the chnology master plan developed under Title [3A] 3.5 , Subtitle 3 of rocurement Article. | | | |
| 9 | | | | Article - Public Safety | | | |
| 10 | 14–103. | | | | | | |
| 11 12 | (a) principal de | | | Maryland Department of Emergency Management established as a the Executive Branch of State government. | | | |
| 13 14 15 | (b) The Department has primary responsibility and authority for developing emergency management policies and is responsible for coordinating disaster risk reduction, consequence management, and disaster recovery activities. | | | | | | |
| 16 | (c) | The | Depart | ment may act to: | | | |
| 17 18 | located in tl | (1) ne Sta | | ce the disaster risk and vulnerability of persons and property | | | |
| 19 | | (2) | devel | op and coordinate emergency planning and preparedness; and | | | |
| 20 | | (3) | coord | linate emergency management activities and operations: | | | |
| 21 22 | agencies; | | (i) | relating to an emergency that involves two or more State | | | |
| 23 | | | (ii) | between State agencies and political subdivisions; | | | |
| 24 | | | (iii) | with local governments; | | | |
| 25 | | | (iv) | with agencies of the federal government and other states; and | | | |
| 26 | | | (v) | with private and nonprofit entities. | | | |
| 27 | 14-104.1. | | | | | | |
| 28 | (A) | (1) | IN T | HIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS | | | |

INDICATED.

| 1 | (2) "FUND" MEANS THE LOCAL CYBERSECURITY SUPPORT FUND. | | | | | | |
|---------------|--|--|--|--|--|--|--|
| 2 | (3) "Fusion Center" means the Cybersecurity Fusion | | | | | | |
| 3 | CENTER. | | | | | | |
| , | (4) (2) (4) (4) (6) (4) (6) (4) (7) | | | | | | |
| $\frac{4}{5}$ | (4) (2) "LOCAL GOVERNMENT" INCLUDES LOCAL SCHOOL SYSTEMS, LOCAL SCHOOL BOARDS, AND LOCAL HEALTH DEPARTMENTS. | | | | | | |
| 0 | SISTEMS, LOCILE SOITOUL BOTTUDS, THE LOCILE HEALTH DELIMINATION. | | | | | | |
| 6 | (5) (3) "Unit" means the Cyber Preparedness Unit. | | | | | | |
| 7 | (B) (1) THERE IS A CYBER PREPAREDNESS UNIT IN THE DEPARTMENT. | | | | | | |
| 8 9 | (2) IN COORDINATION WITH THE STATE CHIEF INFORMATION SECURITY OFFICER, THE UNIT SHALL: | | | | | | |
| 10 | (I) SUPPORT LOCAL GOVERNMENTS IN DEVELOPING A | | | | | | |
| 11 | VULNERABILITY ASSESSMENT AND CYBER ASSESSMENT THROUGH THE MARYLAND | | | | | | |
| 12 | NATIONAL GUARD'S INNOVATIVE READINESS TRAINING PROGRAM OR THE U.S. | | | | | | |
| 13 | DEPARTMENT OF HOMELAND SECURITY CYBERSECURITY AND INFRASTRUCTURE | | | | | | |
| 14 | SECURITY AGENCY, INCLUDING PROVIDING LOCAL GOVERNMENTS WITH THE | | | | | | |
| 15 | RESOURCES AND INFORMATION ON BEST PRACTICES TO COMPLETE THE | | | | | | |
| 16 | ASSESSMENTS; | | | | | | |
| 17 | (II) DEVELOP AND REGULARLY UPDATE AN ONLINE DATABASE | | | | | | |
| 18 | OF CYBERSECURITY TRAINING RESOURCES FOR LOCAL GOVERNMENT PERSONNEL. | | | | | | |
| 19 | INCLUDING TECHNICAL TRAINING RESOURCES, CYBERSECURITY CONTINUITY OF | | | | | | |
| 20 | OPERATIONS TEMPLATES, CONSEQUENCE MANAGEMENT PLANS, AND TRAININGS ON | | | | | | |
| 21 | MALWARE AND RANSOMWARE DETECTION; | | | | | | |
| 22 | (III) ESTABLISH AND PROVIDE STAFF FOR A STATEWIDE | | | | | | |
| 23 | HELPLINE TO PROVIDE REAL TIME EMERGENCY ASSISTANCE AND RESOURCE | | | | | | |
| 24 | INFORMATION TO ANY LOCAL GOVERNMENT THAT HAS EXPERIENCED A CYBER | | | | | | |
| 25 | INCIDENT OR ATTACK; | | | | | | |
| 26 | (IV) (III) ASSIST LOCAL GOVERNMENTS IN: | | | | | | |
| 27 | 1. THE DEVELOPMENT OF CYBERSECURITY | | | | | | |
| 28 | PREPAREDNESS AND RESPONSE PLANS; AND | | | | | | |
| | | | | | | | |
| 29 | 2. IMPLEMENTING BEST PRACTICES AND GUIDANCE | | | | | | |
| 30 | DEVELOPED BY THE STATE CHIEF INFORMATION SECURITY OFFICER; AND | | | | | | |

| 1 | 3. IDENTIFYING AND ACQUIRING RESOURCES TO |
|---------------|--|
| 2 | COMPLETE APPROPRIATE CYBERSECURITY VULNERABILITY ASSESSMENTS; |
| | |
| 3 | (V) (IV) CONNECT LOCAL GOVERNMENTS TO APPROPRIATE |
| 4 | RESOURCES FOR ANY OTHER PURPOSE RELATED TO CYBERSECURITY |
| 5 | PREPAREDNESS AND RESPONSE; |
| 6 | (VI) DEVELOP APPROPRIATE REPORTS ON LOCAL |
| 7 | CYBERSECURITY PREPAREDNESS; |
| | |
| 8 | (VII) (V) AS NECESSARY AND IN COORDINATION WITH THE |
| 9 | NATIONAL GUARD, LOCAL EMERGENCY MANAGERS, AND OTHER STATE AND LOCAL |
| 0 | ENTITIES, CONDUCT REGIONAL CYBERSECURITY PREPAREDNESS EXERCISES; AND |
| 1 | (VIII) (VI) ESTABLISH REGIONAL ASSISTANCE GROUPS TO |
| 12 | DELIVER AND COORDINATE SUPPORT SERVICES TO LOCAL GOVERNMENTS, |
| 13 | AGENCIES, OR REGIONS. |
| .0 | |
| 4 | (3) THE UNIT SHALL SUPPORT THE OFFICE OF SECURITY |
| 15 | MANAGEMENT IN THE DEPARTMENT OF INFORMATION TECHNOLOGY DURING |
| 6 | EMERGENCY RESPONSE EFFORTS. |
| _ | |
| 17 | (C) (1) EACH LOCAL GOVERNMENT SHALL REPORT A CYBERSECURITY |
| 18 | INCIDENT, INCLUDING AN ATTACK ON A STATE SYSTEM BEING USED BY THE LOCAL |
| 19 | GOVERNMENT, TO THE APPROPRIATE LOCAL EMERGENCY MANAGER AND THE STATE SECURITY OPERATIONS CENTER IN THE DEPARTMENT OF INFORMATION |
| 20 21 | TECHNOLOGY TO THE MARYLAND JOINT OPERATIONS CENTER IN THE |
| $\frac{1}{2}$ | DEPARTMENT IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION. |
| 121 | DETAILMENT IN ACCORDANCE WITH TARAGRAPH (2) OF THIS SUBSECTION. |
| 23 | (2) FOR THE REPORTING OF CYBERSECURITY INCIDENTS UNDER |
| 24 | PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT STATE CHIEF |
| 25 | INFORMATION SECURITY OFFICER SHALL DETERMINE: |
| | |
| 26 | (I) THE CRITERIA FOR DETERMINING WHEN AN INCIDENT MUST |
| 27 | BE REPORTED; |
| | (II) WHE MANNED IN HUHICH TO DEDODE, AND |
| 28 | (II) THE MANNER IN WHICH TO REPORT; AND |
| 29 | (III) THE TIME PERIOD WITHIN WHICH A REPORT MUST BE MADE. |
| | (III) IIII IIIII I EMOD WIIIII WIIIOII A KEI OKI MOOT DE MADE. |
| 30 | (3) The Maryland Joint Operations Center State Security |
| 31 | OPERATIONS CENTER SHALL IMMEDIATELY NOTIFY APPROPRIATE AGENCIES OF A |

CYBERSECURITY INCIDENT REPORTED UNDER THIS SUBSECTION THROUGH THE

STATE SECURITY OPERATIONS CENTER.

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| 1 | (D) (1) FIVE POSITION IDENTIFICATION NUMBERS (PINS) SHALL BE |
|----------|--|
| 2 | CREATED FOR THE PURPOSE OF HIRING STAFF TO CONDUCT THE DUTIES OF THE |
| 3 | MARYLAND DEPARTMENT OF EMERGENCY MANAGEMENT CYBERSECURITY |
| 4 | PREPAREDNESS UNIT. |
| | |
| 5 | (2) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, |
| 6 | THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION |
| 7 | OF AT LEAST: |
| • | |
| 8 | (I) \$220,335 FOR 3 PINS FOR ADMINISTRATOR III POSITIONS; |
| 9 | AND |
| J | AND |
| 10 | (II) \$137,643 FOR 2 PINS FOR ADMINISTRATOR II POSITIONS. |
| 10 | |
| 11 | (D) (1) THERE IS A CYBERSECURITY FUSION CENTER IN THE |
| 12 | DEPARTMENT. |
| 14 | DELANTMENT. |
| 13 | (2) THE FUSION CENTER SHALL: |
| 10 | (2) THE PUSION CENTER SHALL. |
| 14 | (I) COORDINATE INFORMATION ON CYBERSECURITY BY |
| 14 15 | • |
| | SERVING AS A CENTRAL LOCATION FOR INFORMATION SHARING ACROSS STATE AND |
| 16 | LOCAL GOVERNMENT, FEDERAL GOVERNMENT PARTNERS, AND PRIVATE ENTITIES; |
| 17 | (II) WITH THE OFFICE OF SECURITY MANAGEMENT IN THE |
| | |
| 18 | DEPARTMENT OF INFORMATION TECHNOLOGY, SUPPORT CYBERSECURITY |
| 19 | COORDINATION BETWEEN LOCAL UNITS OF GOVERNMENT THROUGH EXISTING |
| 20 | LOCAL GOVERNMENT STAKEHOLDER ORGANIZATIONS; |
| 01 | (III) PROVIDE GURDORE EO EUR CEATE CAME INCOMATION |
| 21 | (III) PROVIDE SUPPORT TO THE STATE CHIEF INFORMATION |
| 22 | SECURITY OFFICER AND THE UNIT DURING CYBERSECURITY INCIDENTS THAT |
| 23 | AFFECT STATE AND LOCAL GOVERNMENTS; |
| 0.4 | (77) 67777777777777777777777777777777777 |
| 24 | (IV) SUPPORT RISK-BASED PLANNING FOR THE USE OF |
| 25 | FEDERAL RESOURCES; AND |
| | |
| 26 | (V) CONDUCT ANALYSIS OF CYBERSECURITY INCIDENTS. |
| | |
| 27 | (E) (1) THERE IS A LOCAL CYBERSECURITY SUPPORT FUND. |
| 0.0 | (a) The propose of the Error of the |
| 28 | (2) THE PURPOSE OF THE FUND IS TO: |
| 0.0 | (r) |
| 29 | (I) PROVIDE FINANCIAL ASSISTANCE TO LOCAL GOVERNMENTS |
| 30 | TO IMPROVE CUREDCECIDITY PREDATEDNIECE INCLIDING: |

| 1 | 1. UPDATING CURRENT DEVICES AND NETWORKS WITH |
|----|--|
| 2 | THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS; |
| 3 | 2. SUPPORTING THE PURCHASE OF NEW HARDWARE, |
| 4 | SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY |
| 5 | PREPAREDNESS; |
| 6 | 3. RECRUITING AND HIRING INFORMATION |
| 7 | TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY; AND |
| 8 | 4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY |
| 9 | STAFF TRAINING; AND |
| 10 | (II) ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL |
| 11 | CYBERSECURITY PREPAREDNESS GRANTS. |
| 12 | (3) THE SECRETARY SHALL ADMINISTER THE FUND. |
| 13 | (4) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT |
| 14 | SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE. |
| 15 | (H) THE STATE TREASURER SHALL HOLD THE FUND |
| 16 | SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND. |
| 17 | (5) THE FUND CONSISTS OF: |
| 18 | (I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE |
| 19 | Fund; |
| 20 | (II) INTEREST EARNINGS; AND |
| 21 | (HI) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED |
| 22 | FOR THE BENEFIT OF THE FUND. |
| 23 | (6) THE FUND MAY BE USED ONLY: |
| 24 | (I) TO PROVIDE FINANCIAL ASSISTANCE TO LOCAL |
| 25 | GOVERNMENTS TO IMPROVE CYBERSECURITY PREPAREDNESS, INCLUDING: |
| 26 | 1. UPDATING CURRENT DEVICES AND NETWORKS WITH |
| 27 | THE MOST UP-TO-DATE CYBERSECURITY PROTECTIONS; |

3.5-2A-01.

| 1 | 2. SUPPORTING THE PURCHASE OF NEW HARDWARE, |
|----------|---|
| 2 | SOFTWARE, DEVICES, AND FIREWALLS TO IMPROVE CYBERSECURITY |
| 3 | PREPAREDNESS; |
| 4 | 3. RECRUITING AND HIRING INFORMATION |
| 5 | TECHNOLOGY STAFF FOCUSED ON CYBERSECURITY; AND |
| 6 | 4. PAYING OUTSIDE VENDORS FOR CYBERSECURITY |
| 7 | STAFF TRAINING; |
| 8 | (II) TO ASSIST LOCAL GOVERNMENTS APPLYING FOR FEDERAL |
| 9 | CYBERSECURITY PREPAREDNESS GRANTS; AND |
| 10 | (III) FOR ADMINISTRATIVE EXPENSES ASSOCIATED WITH |
| 11 | PROVIDING THE ASSISTANCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH. |
| 12 | (7) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE |
| 13 | Fund in the same manner as other State money may be invested. |
| 14 | (II) ANY INTEREST EARNINGS OF THE FUND SHALL BE |
| 15 | CREDITED TO THE FUND. |
| 16 | (8) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN |
| 17 | ACCORDANCE WITH THE STATE BUDGET. |
| 18 | (F) TO BE ELIGIBLE TO RECEIVE ASSISTANCE FROM THE FUND, EACH |
| 19 | LOCAL GOVERNMENT THAT USES THE NETWORK ESTABLISHED IN ACCORDANCE |
| 20 | WITH § 3.5–404 OF THE STATE FINANCE AND PROCUREMENT ARTICLE SHALL MEET |
| 21 | THE REQUIREMENTS OF §§ 3.5–404(D) AND 3.5–405 OF THE STATE FINANCE AND |
| 22 | PROCUREMENT ARTICLE. |
| 23 | Article - State Finance and Procurement |
| 24 | 3.5–101. |
| 25 | (a) In this title the following words have the meanings indicated. |
| 26 27 | (e) "Unit of State government" means an agency or unit of the Executive Branch of State government. |
| 28 | SUBTITLE 2A. OFFICE OF SECURITY MANAGEMENT. |

- IN THIS SUBTITLE, "OFFICE" MEANS THE OFFICE OF SECURITY MANAGEMENT.
- 3 **3.5–2A–02**.
- 4 THERE IS AN OFFICE OF SECURITY MANAGEMENT WITHIN THE DEPARTMENT.
- 5 3.5-2A-03.
- 6 (A) THE HEAD OF THE OFFICE IS THE STATE CHIEF INFORMATION 7 SECURITY OFFICER.
- 8 (B) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL:
- 9 (1) BE APPOINTED BY THE GOVERNOR WITH THE ADVICE AND 10 CONSENT OF THE SENATE;
- 11 (2) SERVE AT THE PLEASURE OF THE GOVERNOR;
- 12 (3) BE SUPERVISED BY THE SECRETARY; AND
- 13 (4) SERVE AS THE CHIEF INFORMATION SECURITY OFFICER OF THE 14 DEPARTMENT.
- 15 (C) AN INDIVIDUAL APPOINTED AS THE STATE CHIEF INFORMATION
 16 SECURITY OFFICER UNDER SUBSECTION (B) OF THIS SECTION SHALL:
- 17 (1) AT A MINIMUM, HOLD A BACHELOR'S DEGREE;
- 18 (2) HOLD APPROPRIATE INFORMATION TECHNOLOGY OR 19 CYBERSECURITY CERTIFICATIONS;
- 20 (3) HAVE EXPERIENCE:
- 21 (I) IDENTIFYING, IMPLEMENTING, AND OR ASSESSING
- 22 **SECURITY CONTROLS**;
- 23 <u>(II)</u> <u>IN INFRASTRUCTURE, SYSTEMS ENGINEERING, AND OR</u>
- 24 CYBERSECURITY;
- 25 (III) MANAGING HIGHLY TECHNICAL SECURITY, SECURITY
- 26 OPERATIONS CENTERS, AND INCIDENT RESPONSE TEAMS IN A COMPLEX CLOUD
- 27 ENVIRONMENT AND SUPPORTING MULTIPLE SITES; AND

| 1 | <u>(IV)</u> | WORKING | WITH | COMMON | INFORMATION | SECURITY |
|---|-------------------|---------|------|--------|-------------|----------|
| 2 | MANAGEMENT FRAMEV | VORKS; | | | | |

- 3 (4) HAVE EXTENSIVE KNOWLEDGE OF INFORMATION TECHNOLOGY
- 4 AND CYBERSECURITY FIELD CONCEPTS, BEST PRACTICES, AND PROCEDURES, WITH
- 5 AN UNDERSTANDING OF EXISTING ENTERPRISE CAPABILITIES AND LIMITATIONS TO
- 6 ENSURE THE SECURE INTEGRATION AND OPERATION OF SECURITY NETWORKS AND
- 7 SYSTEMS; AND
- 8 (5) HAVE KNOWLEDGE OF CURRENT SECURITY REGULATIONS.
- 9 (C) (D) THE STATE CHIEF INFORMATION SECURITY OFFICER SHALL
- 10 PROVIDE CYBERSECURITY ADVICE AND RECOMMENDATIONS TO THE GOVERNOR ON
- 11 REQUEST.
- 12 (D) (E) (1) (I) THERE IS A DIRECTOR OF LOCAL CYBERSECURITY,
- 13 WHO SHALL BE APPOINTED BY THE STATE CHIEF INFORMATION SECURITY
- 14 **OFFICER.**
- 15 (II) THE DIRECTOR OF LOCAL CYBERSECURITY SHALL WORK
- 16 IN COORDINATION WITH THE MARYLAND DEPARTMENT OF EMERGENCY
- 17 MANAGEMENT TO PROVIDE TECHNICAL ASSISTANCE, COORDINATE RESOURCES,
- 18 AND IMPROVE CYBERSECURITY PREPAREDNESS FOR UNITS OF LOCAL
- 19 GOVERNMENT.
- 20 (2) (I) THERE IS A DIRECTOR OF STATE CYBERSECURITY, WHO
- 21 SHALL BE APPOINTED BY THE STATE CHIEF INFORMATION SECURITY OFFICER.
- 22 (II) THE DIRECTOR OF STATE CYBERSECURITY IS
- 23 RESPONSIBLE FOR IMPLEMENTATION OF THIS SECTION WITH RESPECT TO UNITS OF
- 24 STATE GOVERNMENT.
- 25 (E) (F) THE DEPARTMENT SHALL PROVIDE THE OFFICE WITH
- 26 SUFFICIENT STAFF TO PERFORM THE FUNCTIONS OF THIS SUBTITLE.
- 27 (F) THE OFFICE MAY PROCURE RESOURCES, INCLUDING REGIONAL
- 28 COORDINATORS, NECESSARY TO FULFILL THE REQUIREMENTS OF THIS SUBTITLE.
- 29 **3.5–2A–04.**
- 30 (A) (1) THE OFFICE IS RESPONSIBLE FOR:

- 1 (1) THE DIRECTION, COORDINATION, AND IMPLEMENTATION
 2 OF THE OVERALL CYBERSECURITY STRATEGY AND POLICY FOR UNITS OF STATE
 3 GOVERNMENT; AND
- 4 (2) THE COORDINATION OF RESOURCES AND EFFORTS TO
 5 IMPLEMENT CYBERSECURITY BEST PRACTICES AND IMPROVE OVERALL
 6 CYBERSECURITY PREPAREDNESS AND RESPONSE FOR UNITS OF LOCAL
 7 GOVERNMENT, LOCAL SCHOOL BOARDS, LOCAL SCHOOL SYSTEMS, AND LOCAL
 8 HEALTH DEPARTMENTS.; AND
- 9 <u>(II) SUPPORTING THE MARYLAND DEPARTMENT OF</u>
 10 <u>EMERGENCY MANAGEMENT CYBER PREPAREDNESS UNIT DURING EMERGENCY</u>
- 11 RESPONSE EFFORTS.
- 12 (2) THE OFFICE IS NOT RESPONSIBLE FOR THE INFORMATION
 13 TECHNOLOGY INSTALLATION AND MAINTENANCE OPERATIONS NORMALLY
- 14 CONDUCTED BY A UNIT OF STATE GOVERNMENT, A UNIT OF LOCAL GOVERNMENT, A
- 15 LOCAL SCHOOL BOARD, A LOCAL SCHOOL SYSTEM, OR A LOCAL HEALTH
- 16 **DEPARTMENT.**
- 17 **(B)** THE OFFICE SHALL:
- 18 (1) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION
 19 COLLECTED OR MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE
 20 GOVERNMENT;
- 21 (2) ESTABLISH STANDARDS TO CATEGORIZE ALL INFORMATION 22 SYSTEMS MAINTAINED BY OR ON BEHALF OF EACH UNIT OF STATE GOVERNMENT;
- 23 (3) DEVELOP GUIDELINES GOVERNING THE TYPES OF INFORMATION 24 AND INFORMATION SYSTEMS TO BE INCLUDED IN EACH CATEGORY;
- 25 (4) ESTABLISH SECURITY REQUIREMENTS FOR INFORMATION AND 26 INFORMATION SYSTEMS IN EACH CATEGORY;
- 27 (5) ASSESS THE CATEGORIZATION OF INFORMATION AND 28 INFORMATION SYSTEMS AND THE ASSOCIATED IMPLEMENTATION OF THE SECURITY 29 REQUIREMENTS ESTABLISHED UNDER ITEM (4) OF THIS SUBSECTION;
- 30 (6) IF THE STATE CHIEF INFORMATION SECURITY OFFICER
 31 DETERMINES THAT THERE ARE SECURITY VULNERABILITIES OR DEFICIENCIES IN
 32 THE IMPLEMENTATION OF THE SECURITY REQUIREMENTS ESTABLISHED UNDER
 33 ITEM (4) OF THIS SUBSECTION, DETERMINE WHETHER AN INFORMATION SYSTEM
 34 SHOULD BE ALLOWED TO CONTINUE TO OPERATE OR BE CONNECTED TO THE

- 1 NETWORK ESTABLISHED IN ACCORDANCE WITH § 3.5-404 OF THIS TITLE; ANY
- 2 INFORMATION SYSTEMS, DETERMINE AND DIRECT OR TAKE ACTIONS NECESSARY TO
- 3 CORRECT OR REMEDIATE THE VULNERABILITIES OR DEFICIENCIES, WHICH MAY
- 4 INCLUDE REQUIRING THE INFORMATION SYSTEM TO BE DISCONNECTED;
- 5 (7) IF THE STATE CHIEF INFORMATION SECURITY OFFICER
- 6 DETERMINES THAT THERE IS A CYBERSECURITY THREAT CAUSED BY AN ENTITY
- 7 CONNECTED TO THE NETWORK ESTABLISHED UNDER § 3.5–404 OF THIS TITLE THAT
- 8 INTRODUCES A SERIOUS RISK TO ENTITIES CONNECTED TO THE NETWORK OR TO
- 9 THE STATE, TAKE OR DIRECT ACTIONS REQUIRED TO MITIGATE THE THREAT;
- 10 (7) (8) MANAGE SECURITY AWARENESS TRAINING FOR ALL
- 11 APPROPRIATE EMPLOYEES OF UNITS OF STATE GOVERNMENT;
- 12 (8) (9) ASSIST IN THE DEVELOPMENT OF DATA MANAGEMENT,
- 13 DATA GOVERNANCE, AND DATA SPECIFICATION STANDARDS TO PROMOTE
- 14 STANDARDIZATION AND REDUCE RISK;
- 15 (9) (10) ASSIST IN THE DEVELOPMENT OF A DIGITAL IDENTITY
- 16 STANDARD AND SPECIFICATION APPLICABLE TO ALL PARTIES COMMUNICATING,
- 17 INTERACTING, OR CONDUCTING BUSINESS WITH OR ON BEHALF OF A UNIT OF STATE
- 18 GOVERNMENT;
- 19 (11) DEVELOP AND MAINTAIN INFORMATION TECHNOLOGY
- 20 SECURITY POLICY, STANDARDS, AND GUIDANCE DOCUMENTS, CONSISTENT WITH
- 21 BEST PRACTICES DEVELOPED BY THE NATIONAL INSTITUTE OF STANDARDS AND
- 22 TECHNOLOGY;
- 23 (11) (12) TO THE EXTENT PRACTICABLE, SEEK, IDENTIFY, AND
- 24 INFORM RELEVANT STAKEHOLDERS OF ANY AVAILABLE FINANCIAL ASSISTANCE
- 25 PROVIDED BY THE FEDERAL GOVERNMENT OR NON-STATE ENTITIES TO SUPPORT
- 26 THE WORK OF THE OFFICE;
- 27 (12) REVIEW AND CERTIFY LOCAL CYBERSECURITY PREPAREDNESS
- 28 AND RESPONSE PLANS:
- 29 (13) PROVIDE TECHNICAL ASSISTANCE TO LOCALITIES IN MITIGATING
- 30 AND RECOVERING FROM CYBERSECURITY INCIDENTS; AND
- 31 (14) PROVIDE TECHNICAL SERVICES, ADVICE, AND GUIDANCE TO
- 32 UNITS OF LOCAL GOVERNMENT TO IMPROVE CYBERSECURITY PREPAREDNESS,
- 33 PREVENTION, RESPONSE, AND RECOVERY PRACTICES.

- 1 (C) THE OFFICE, IN COORDINATION WITH THE MARYLAND DEPARTMENT 2 OF EMERGENCY MANAGEMENT, SHALL:
- 3 (1) ASSIST LOCAL POLITICAL SUBDIVISIONS, INCLUDING COUNTIES, 4 SCHOOL SYSTEMS, SCHOOL BOARDS, AND LOCAL HEALTH DEPARTMENTS, IN:
- 5 (I) THE DEVELOPMENT OF CYBERSECURITY PREPAREDNESS 6 AND RESPONSE PLANS; AND
- 7 (II) IMPLEMENTING BEST PRACTICES AND GUIDANCE 8 DEVELOPED BY THE DEPARTMENT; AND
- 9 (2) CONNECT LOCAL ENTITIES TO APPROPRIATE RESOURCES FOR
 10 ANY OTHER PURPOSE RELATED TO CYBERSECURITY PREPAREDNESS AND
 11 RESPONSE.
- 12 (D) THE OFFICE, IN COORDINATION WITH THE MARYLAND DEPARTMENT
 13 OF EMERGENCY MANAGEMENT, MAY:
- 14 (1) CONDUCT REGIONAL EXERCISES, AS NECESSARY, IN
 15 COORDINATION WITH THE NATIONAL GUARD, LOCAL EMERGENCY MANAGERS, AND
 16 OTHER STATE AND LOCAL ENTITIES; AND
- 17 (2) ESTABLISH REGIONAL ASSISTANCE GROUPS TO DELIVER OR
 18 COORDINATE SUPPORT SERVICES TO LOCAL POLITICAL SUBDIVISIONS, AGENCIES,
 19 OR REGIONS.
- 20 ON OR BEFORE DECEMBER 31 EACH YEAR, THE OFFICE **(1)** 21SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE, 22THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE, 23THE HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE HEALTH AND 24GOVERNMENT OPERATIONS COMMITTEE, AND THE JOINT COMMITTEE ON 25CYBERSECURITY, INFORMATION TECHNOLOGY, AND BIOTECHNOLOGY ON THE 26ACTIVITIES OF THE OFFICE AND THE STATE OF CYBERSECURITY PREPAREDNESS IN 2728MARYLAND, INCLUDING:
- 29 (1) THE ACTIVITIES AND ACCOMPLISHMENTS OF THE OFFICE 30 DURING THE PREVIOUS 12 MONTHS AT THE STATE AND LOCAL LEVELS; AND
- 31 (2) (II) A COMPILATION AND ANALYSIS OF THE DATA FROM THE 32 INFORMATION CONTAINED IN THE REPORTS RECEIVED BY THE OFFICE UNDER § 33 3.5–405 OF THIS TITLE, INCLUDING:

- 1 (1) A SUMMARY OF THE ISSUES IDENTIFIED BY THE 2 CYBERSECURITY PREPAREDNESS ASSESSMENTS CONDUCTED THAT YEAR;
- 3 (II) 2. THE STATUS OF VULNERABILITY ASSESSMENTS OF 4 ALL UNITS OF STATE GOVERNMENT AND A TIMELINE FOR COMPLETION AND COST
- 5 TO REMEDIATE ANY VULNERABILITIES EXPOSED;
- 6 (HI) 3. RECENT AUDIT FINDINGS OF ALL UNITS OF STATE
- 7 GOVERNMENT AND OPTIONS TO IMPROVE FINDINGS IN FUTURE AUDITS, INCLUDING
- 8 RECOMMENDATIONS FOR STAFF, BUDGET, AND TIMING;
- 9 (IV) 4. ANALYSIS OF THE STATE'S EXPENDITURE ON
- 10 CYBERSECURITY RELATIVE TO OVERALL INFORMATION TECHNOLOGY SPENDING
- 11 FOR THE PRIOR 3 YEARS AND RECOMMENDATIONS FOR CHANGES TO THE BUDGET,
- 12 INCLUDING AMOUNT, PURPOSE, AND TIMING TO IMPROVE STATE AND LOCAL
- 13 CYBERSECURITY PREPAREDNESS:
- 14 (V) 5. EFFORTS TO SECURE FINANCIAL SUPPORT FOR
- 15 CYBER RISK MITIGATION FROM FEDERAL OR OTHER NON-STATE RESOURCES;
- 16 (VI) 6. KEY PERFORMANCE INDICATORS ON THE
- 17 CYBERSECURITY STRATEGIES IN THE DEPARTMENT'S INFORMATION TECHNOLOGY
- 18 MASTER PLAN, INCLUDING TIME, BUDGET, AND STAFF REQUIRED FOR
- 19 IMPLEMENTATION; AND
- 20 (VII) 7. ANY ADDITIONAL RECOMMENDATIONS FOR
- 21 IMPROVING STATE AND LOCAL CYBERSECURITY PREPAREDNESS.
- 22 (2) A REPORT SUBMITTED UNDER THIS SUBSECTION MAY NOT
- 23 CONTAIN INFORMATION THAT REVEALS CYBERSECURITY VULNERABILITIES AND
- 24 RISKS IN THE STATE.
- 25 3.5–301.
- 26 (a) In this subtitle the following words have the meanings indicated.
- 27 (j) "Nonvisual access" means the ability, through keyboard control, synthesized
- 28 speech, Braille, or other methods not requiring sight to receive, use, and manipulate
- 29 information and operate controls necessary to access information technology in accordance
- with standards adopted under [§ 3A-303(b)] § 3.5-303(B) of this subtitle.
- 31 3.5–302.
- 32 (c) Notwithstanding any other provision of law, except as provided in subsection
- 33 (a) of this section and [§§ 3A-307(a)(2), 3A-308, and 3A-309] §§ 3.5-307(A)(2), 3.5-308,

- 1 AND 3.5-309 of this subtitle, this subtitle applies to all units of the Executive Branch of
- 2 State government including public institutions of higher education other than Morgan
- 3 State University, the University System of Maryland, St. Mary's College of Maryland, and
- 4 Baltimore City Community College.
- 5 3.5–303.
- 6 (c) On or before January 1, 2020, the Secretary, or the Secretary's designee, shall:
- 7 (2) establish a process for the Secretary or the Secretary's designee to:
- 8 (ii) 2. for information technology procured by a State unit on or
- 9 after January 1, 2020, enforce the nonvisual access clause developed under [§ 3A–311] §
- 10 **3.5–311** of this subtitle, including the enforcement of the civil penalty described in [§
- 11 3A-311(a)(2)(iii)1] § 3.5-311(A)(2)(III)1 of this subtitle.
- 12 3.5–307.
- 13 (a) (2) A unit of State government other than a public institution of higher
- 14 education may not make expenditures for major information technology development
- projects OR CYBERSECURITY PROJECTS except as provided in [§ 3A-308] § 3.5-308 of
- 16 this subtitle.
- 17 3.5–309.
- 18 (c) The Secretary:
- 19 (2) subject to the provisions of § 2–201 of this article and [§ 3A–307] §
- 20 **3.5–307** of this subtitle, may receive and accept contributions, grants, or gifts of money or
- 21 property.
- 22 (i) The Fund may be used:
- 23 (3) notwithstanding [§ 3A–301(b)(2)] § 3.5–301(B)(2) of this subtitle, for
- 24 the costs of the first 12 months of operation and maintenance of a major information
- 25 technology development project.
- 26 (l) Notwithstanding subsection (b) of this section and in accordance with
- 27 paragraph (2) of this subsection, money paid into the Fund under subsection (e)(2) of this
- 28 section shall be used to support:
- 29 (i) the State telecommunication and computer network established
- 30 under [§ 3A-404] § 3.5-404 of this title, including program development for these
- 31 activities; and
- 32 3.5–311.

- On or after January 1, 2020, the nonvisual access clause developed in 1 (2)(a) 2 accordance with paragraph (1) of this subsection shall include a statement that: 3 (i) within 18 months after the award of the procurement, the 4 Secretary, or the Secretary's designee, will determine whether the information technology meets the nonvisual access standards adopted in accordance with [§ 3A-303(b)] § 5 6 **3.5–303(B)** of this subtitle: 7 3.5–315. 8 THERE IS AN INFORMATION SHARING AND ANALYSIS CENTER IN THE (A) 9 DEPARTMENT. 10 THE INFORMATION SHARING AND ANALYSIS CENTER SHALL: (B) 11 COORDINATE INFORMATION ON CYBERSECURITY BY SERVING AS **(1)** 12 A CENTRAL LOCATION FOR INFORMATION SHARING ACROSS STATE AND LOCAL GOVERNMENT, FEDERAL GOVERNMENT PARTNERS, AND PRIVATE ENTITIES; 13 **(2)** WITH THE OFFICE OF SECURITY MANAGEMENT, SUPPORT 14 15 CYBERSECURITY COORDINATION BETWEEN LOCAL UNITS OF GOVERNMENT 16 THROUGH EXISTING LOCAL GOVERNMENT STAKEHOLDER ORGANIZATIONS; 17 **(3)** PROVIDE SUPPORT TO THE STATE CHIEF INFORMATION 18 SECURITY OFFICER AND THE CYBER PREPAREDNESS UNIT, IN THE MARYLAND DEPARTMENT OF EMERGENCY MANAGEMENT, DURING CYBERSECURITY 19 20 INCIDENTS THAT AFFECT STATE AND LOCAL GOVERNMENTS; 21**(4)** SUPPORT RISK-BASED PLANNING FOR THE USE OF FEDERAL 22**RESOURCES; AND** 23**(5)** CONDUCT ANALYSES OF CYBERSECURITY INCIDENTS. 3.5 - 404. 2425 The General Assembly declares that: (a) 26 it is the policy of the State to foster telecommunication and computer networking among State and local governments, their agencies, and educational 27institutions in the State; 28
- 29 (2) there is a need to improve access, especially in rural areas, to efficient 30 telecommunication and computer network connections;

- 1 (3) improvement of telecommunication and computer networking for State 2 and local governments and educational institutions promotes economic development, 3 educational resource use and development, and efficiency in State and local administration;
- 4 (4) rates for the intrastate inter-LATA telephone communications needed 5 for effective integration of telecommunication and computer resources are prohibitive for 6 many smaller governments, agencies, and institutions; and
- 7 (5) the use of improved State telecommunication and computer networking 8 under this section is intended not to compete with commercial access to advanced network 9 technology, but rather to foster fundamental efficiencies in government and education for 10 the public good.
- 11 (b) (1) The Department shall establish a telecommunication and computer 12 network in the State.
- 13 (2) The network shall consist of:
- 14 (i) one or more connection facilities for telecommunication and 15 computer connection in each local access transport area (LATA) in the State; and
- 16 (ii) facilities, auxiliary equipment, and services required to support 17 the network in a reliable and secure manner.
- 18 (c) The network shall be accessible through direct connection and through local intra-LATA telecommunications to State and local governments and public and private educational institutions in the State.
- 21 (D) ON OR BEFORE DECEMBER 1 EACH YEAR IN A MANNER AND FREQUENCY
 22 ESTABLISHED IN REGULATIONS ADOPTED BY THE DEPARTMENT, EACH UNIT OF THE
 23 LEGISLATIVE OR JUDICIAL BRANCH OF STATE GOVERNMENT, EACH UNIT OF LOCAL
 24 GOVERNMENT, AND ANY LOCAL AGENCIES THAT USE THE NETWORK ESTABLISHED
 25 UNDER SUBSECTION (B) OF THIS SECTION SHALL CERTIFY TO THE DEPARTMENT
 26 THAT THE UNIT IS IN COMPLIANCE WITH THE DEPARTMENT'S MINIMUM SECURITY
 27 STANDARDS.
- 28 **3.5–405.**
- 29 (A) THIS SECTION DOES NOT APPLY TO MUNICIPAL GOVERNMENTS.
- 30 **(B)** ON OR BEFORE DECEMBER 1 EACH YEAR IN A MANNER AND FREQUENCY
 31 ESTABLISHED IN REGULATIONS ADOPTED BY THE DEPARTMENT, EACH COUNTY
 32 GOVERNMENT, LOCAL SCHOOL SYSTEM, AND LOCAL HEALTH DEPARTMENT SHALL#

 $\textcolor{red}{\textbf{to the following funds:}}$

| | SENATE BILL 194 |
|---------------|---|
| 1 | (1) IN CONSULTATION WITH THE LOCAL EMERGENCY MANAGER, |
| $\frac{1}{2}$ | CREATE OR UPDATE A CYBERSECURITY PREPAREDNESS AND RESPONSE PLAN AND |
| | |
| 3 | SUBMIT THE PLAN TO THE OFFICE OF SECURITY MANAGEMENT FOR APPROVAL; |
| 4 | (2) COMPLETE A CYBERSECURITY PREPAREDNESS ASSESSMENT AND |
| 5 | REPORT THE RESULTS TO THE OFFICE IN ACCORDANCE WITH GUIDELINES |
| 6 | DEVELOPED BY THE OFFICE; AND |
| U | DEVEROI ED DI THE OTTICE, IND |
| 7 | (3) REPORT TO THE OFFICE: |
| 8 | (I) THE NUMBER OF INFORMATION TECHNOLOGY STAFF |
| 9 | POSITIONS, INCLUDING VACANCIES; |
| J | 1 OSITIONS, INCLUDING AMAINGIES, |
| 10 | (II) THE ENTITY'S CYBERSECURITY BUDGET AND OVERALL |
| 11 | INFORMATION TECHNOLOGY BUDGET; |
| | , |
| 12 | (HI) THE NUMBER OF EMPLOYEES WHO HAVE RECEIVED |
| 13 | CYBERSECURITY TRAINING; AND |
| | |
| 14 | (IV) THE TOTAL NUMBER OF EMPLOYEES WITH ACCESS TO THE |
| 15 | ENTITY'S COMPUTER SYSTEMS AND DATABASES. |
| 10 | |
| 16 | 4-308. |
| 10 | |
| 17 | (A) THE DEPARTMENT MAY ESTABLISH A PROGRAM THAT LEVERAGES |
| 18 | STATE PURCHASING POWER TO OFFER FAVORABLE RATES TO UNITS OF LOCAL |
| 19 | GOVERNMENT TO PROCURE INFORMATION TECHNOLOGY OR CYBERSECURITY |
| 20 | SERVICES FROM CONTRACTORS. |
| 20 | SERVICES FROM CONTRACTORS. |
| 21 | (B) A UNIT OF LOCAL GOVERNMENT MAY NOT BE REQUIRED TO |
| 22 | PARTICIPATE IN A PROGRAM ESTABLISHED UNDER SUBSECTION (A) OF THIS |
| 23 | SECTION. |
| | |
| 24 | 6-226. |
| | |
| 25 | (a) (2) (i) Notwithstanding any other provision of law, and unless |
| 26 | inconsistent with a federal law, grant agreement, or other federal requirement or with the |
| 27 | terms of a gift or settlement agreement, net interest on all State money allocated by the |
| 28 | State Treasurer under this section to special funds or accounts, and otherwise entitled to |
| 29 | receive interest earnings, as accounted for by the Comptroller, shall accrue to the General |
| 30 | Fund of the State. |
| | |
| 31 | (ii) The provisions of subparagraph (i) of this paragraph do not apply |

| 1 2 | 144. the Health Equity Resource Community Reserve Fund; [and] |
|----------------------|--|
| 3 | 145. the Access to Counsel in Evictions Special Fund; AND |
| 4 | 146. THE LOCAL CYBERSECURITY SUPPORT FUND. |
| 5 | 12-107. |
| 6 7 | (b) Subject to the authority of the Board, jurisdiction over procurement is as follows: |
| 8 | (2) the Department of General Services may: |
| 9 | (i) engage in or control procurement of: |
| 10 11 | 10. information processing equipment and associated services, as provided in Title [3A] 3.5, Subtitle 3 of this article; and |
| 12 13 | 11. telecommunication equipment, systems, or services, as provided in Title [3A] 3.5, Subtitle 4 of this article; |
| 14 | Article - State Government |
| 15 | 2–1224. |
| 16 17 18 19 | (f) [After] EXCEPT AS PROVIDED IN SUBSECTION (I) OF THIS SECTION, AFTER the expiration of any period that the Joint Audit and Evaluation Committee specifies, a report of the Legislative Auditor is available to the public under Title 4, Subtitles 1 through 5 of the General Provisions Article. |
| 20 21 22 23 | (I) A REPORT AUDITING A UNIT OF STATE OR LOCAL GOVERNMENT SHALL HAVE ANY CYBERSECURITY FINDINGS REDACTED IN A MANNER CONSISTENT WITH AUDITING BEST PRACTICES BEFORE THE REPORT IS MADE AVAILABLE TO THE PUBLIC. |
| 24 25 26 | SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, 2022, the State Chief Information Security Officer and the Secretary of Emergency Management shall: |
| 27 28 | (1) review the State budget for efficiency and effectiveness of funding and resources to ensure that the State is equipped to respond to a cybersecurity attack; |

30

(2)

accomplish the goals under item (1) of this section;

make recommendations for any changes to the budget needed to

- 1 (3) establish guidance for units of State government on use and access to 2 State funding related to cybersecurity preparedness; and
- 3 (4) report any recommendations and guidance to the Governor and, in 4 accordance with § 2–1257 of the State Government Article, the General Assembly.

5 SECTION 4. AND BE IT FURTHER ENACTED, That:

- 6 (a) On or before December 1, 2023, the State Chief Information Security Officer 7 shall:
- 8 (1) commission a feasibility study on expanding the operations of the State 9 Security Operations Center operated by the Department of Information Technology to 10 include cybersecurity monitoring and alert services for units of local government; and
- 11 (2) report any recommendations to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.
- 13 (b) For fiscal year 2024, the Governor shall include an appropriation in the annual budget to cover the cost of the feasibility study required under subsection (a) of this section.
- SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 17 1, 2022.

18 <u>SECTION 5. AND BE IT FURTHER ENACTED, That:</u>

- 19 (a) (1) On or before June 30, 2023, each unit of local government shall certify 20 to the Office of Security Management compliance with State minimum cybersecurity 21 standards established by the Department of Information Technology.
- 22 (2) <u>Certification shall be reviewed by independent auditors, and any</u> 23 <u>findings must be remediated.</u>
- 24 (b) If a unit of local government has not remediated any findings pertaining to
 25 State cybersecurity standards found by the independent audit required under subsection
 26 (1) of this section by July 1, 2024, the Office of Security Management shall assume
 27 responsibility for a unit's cybersecurity through a shared service agreement, administrative
 28 privileges, or access to Network Maryland notwithstanding any federal law or regulation
 29 that forbids the Office of Security Management from managing a specific system.
- SECTION 6. AND BE IT FURTHER ENACTED, That for fiscal year 2023, funds from the Dedicated Purpose Account may be transferred by budget amendment in accordance with § 7–310 of the State Finance and Procurement Article to implement this Act.

| 1 2 3 | (a) On or before June October 1, 2022, the State Chief Information Security Officer shall establish guidelines to determine when a cybersecurity incident shall be disclosed to the public. |
|---------------------------|--|
| 4 5 6 7 8 | (b) On or before November 1, 2022, the State Chief Information Security Officer shall submit a report on the guidelines established under subsection (a) of this section to the Governor and, in accordance with § 2–1257 of the State Government Article, the House Health and Government Operations Committee and the Senate Education, Health, and Environmental Affairs Committee. |
| 9 10 11 12 13 | SECTION 8. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. |
| | Approved: Governor. |
| | President of the Senate. |
| | Speaker of the House of Delegates. |