



July 12, 2023

The Honorable Michael O. Moore
Chair, Joint Committee on Advanced Information Technology, the Internet and Cybersecurity
General Court of the Commonwealth of Massachusetts

The Honorable Tricia Farley-Bouvier
Chair, Joint Committee on Advanced Information Technology, the Internet and Cybersecurity
General Court of the Commonwealth of Massachusetts

The Honorable Pavel M. Payano
Vice Chair, Joint Committee on Advanced Information Technology, the Internet and Cybersecurity
General Court of the Commonwealth of Massachusetts

The Honorable James K. Hawkins
Vice Chair, Joint Committee on Advanced Information Technology, the Internet and Cybersecurity
General Court of the Commonwealth of Massachusetts

Re: Support of Senate Bill 26 (Modernization of State Agency Information Technology Systems)

Dear Chair Moore, Chair Farley-Bouvier, Vice Chair Payano, and Vice Chair Hawkins:

The Alliance for Digital Innovation (ADI) is a non-profit coalition of technology companies focused on accelerating change in the public sector through the adoption of commercial technology. Our members are some of the most innovative technology firms in the nation, including many that already proudly serve the Commonwealth of Massachusetts.

ADI supports Senate Bill 26 and encourages you to report this legislation favorably from your committee with amendments.

The Commonwealth's public agencies must be equipped with the best technology and cybersecurity tools available to deliver effective services to the people of Massachusetts. The unfortunate reality is that there are many outdated legacy information technology (IT) systems with weak security still in use across government.

True digital transformation and the adoption of modern, agile development and procurement processes, coupled with the decommissioning of current legacy systems, is a time-consuming endeavor that typically crosses multiple budget cycles. Even when planned judiciously, worthwhile efforts to provide better, more secure citizen services through commercial capabilities are often hampered by inflexibilities in the appropriations process.

By creating the Massachusetts Innovation Fund and State Agency Technology Upgrades Account, Senate Bill 26 provides an important opportunity to modernize and secure the Commonwealth's IT systems and networks. Namely, this creates a capacity to enable necessary, and long overdue, investments in modern commercial

capabilities across state government to transform legacy IT systems and improve the Commonwealth's cybersecurity posture.

In the federal government, a similar program known as the Technology Modernization Fund (TMF) has existed since 2016. It has proven to be successful and served as an important tool in the nation's response to the COVID-19 pandemic. The TMF has invested in forty-five IT projects across more than two dozen federal agencies to date, with most of these projects addressing urgent IT modernization or cybersecurity challenges.¹ Other states have begun to adopt this funding strategy for IT projects, with California² and Texas³ being the most prominent.

Going forward, it will be critical for legislative leaders to work with the Massachusetts Innovation Fund Board to identify sufficient funding to the Innovation Fund and State Agency Technology Upgrades Account.

Ultimately, IT modernization is about moving agencies off insecure and increasingly expensive legacy systems and ensuring modern commercial technology is being acquired and used to deliver better value and superior digital services to taxpayers. To enable the Commonwealth of Massachusetts to truly modernize at scale and better leverage cutting edge commercial technology, ADI strongly encourages members of the Joint Committee to support Senate Bill 26 and work with the House and Senate Ways and Means committees to ensure sufficient funding is available for these new funds to be successful.

Additionally, we respectfully request that the Joint Committee consider adopting amendments to this important legislation:

1. *An amendment that clarifies the factors that should be considered by the Massachusetts Innovation Fund Board when evaluating a project for potential investment.* We suggest that the definition of "qualified information technology project" should be amended to include best practices such as reducing data, hardware, and software redundancy; improving system and data interoperability; and implementing cybersecurity solutions consistent with principles of Zero Trust architecture as defined by the National Institute of Standards and Technology (NIST).
2. *An amendment that permits the use of funding from alternative sources.* We suggest that paragraphs (e) and (f) be amended to include the possibility of utilizing gifts, donations, and grants to the fund, particularly federal grants.
3. *An amendment that protects agency operating expenses.* We suggest the addition of a provision that (i) prohibits money in the fund from being used to replace money appropriated to a state agency for the purposes of operating and maintaining the agency's IT resources and (ii) prohibits a reduction in the amount of an agency's appropriations due to an award from the loan program.

Thank you very much for your time and consideration. If ADI members or staff can provide any information or insights to you or your staff, please feel free to contact me at dwolf@alliance4digitalinnovation.org.

Sincerely,



Dan Wolf
Director of State Programs
Alliance for Digital Innovation

cc: The Honorable Brendan P. Crighton

¹ <https://tmf.cio.gov/projects>

² <https://cdt.ca.gov/tmf/>

³ <https://capitol.texas.gov/tlodocs/87R/billtext/html/HB04018F.HTM>