

# HOUSE BILL No. 1169

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-13.1; IC 4-22-2.1-6; IC 4-23-7.3-16; IC 5-22-22-4.5; IC 9-14-12-4; IC 36-1-12-4.

**Synopsis:** Cybersecurity incidents. Provides that the office of technology shall maintain a repository of cybersecurity incidents. Provides that a state agency and a political subdivision shall report any cybersecurity incident to the office without unreasonable delay and not later than two business days after discovery of the cybersecurity incident in a format prescribed by the chief information officer. Allows the office of technology to assist a state agency with certain issues concerning information technology. Provides that if requested by a political subdivision or a state agency, the office may develop a list of third party technology providers that work with the office. Defines "cybersecurity incident". Makes conforming changes.

**Effective:** July 1, 2021.

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## Karickhoff

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January 7, 2021, read first time and referred to Committee on Government and Regulatory Reform.

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First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

# HOUSE BILL No. 1169

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-13.1-1-1.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2021]: **Sec. 1.5. "Cybersecurity incident"**  
4 **means an occurrence that:**

- 5 (1) **actually or potentially jeopardizes the confidentiality,**
- 6 **integrity, or availability of an information system, an**
- 7 **operational system, or the information the system processes,**
- 8 **stores, or transmits; or**
- 9 (2) **constitutes a violation or an imminent threat:**
- 10 (A) **to the health or safety of residents or businesses; or**
- 11 (B) **concerning a breach of security policies, security**
- 12 **procedures, or acceptable use policies.**

13 SECTION 2. IC 4-13.1-2-2, AS AMENDED BY P.L.2-2007,  
14 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2021]: Sec. 2. (a) The office shall do the following:

- 16 (1) Develop and maintain overall strategy and architecture for the
- 17 use of information technology in state government.



- 1 (2) Review state agency budget requests and proposed contracts  
 2 relating to information technology at the request of the budget  
 3 agency.  
 4 (3) Coordinate state information technology master planning.  
 5 (4) Maintain an inventory of significant information technology  
 6 resources and expenditures.  
 7 **(5) Maintain a repository of cybersecurity incidents.**  
 8 ~~(5)~~ **(6)** Manage a computer gateway to carry out or facilitate  
 9 public, educational, and governmental functions.  
 10 ~~(6)~~ **(7)** Provide technical staff support services for state agencies.  
 11 ~~(7)~~ **(8)** Provide services that may be requested by the following:  
 12 (A) The judicial department of state government.  
 13 (B) The legislative department of state government.  
 14 (C) A state educational institution.  
 15 (D) A political subdivision (as defined in IC 36-1-2-13).  
 16 (E) A body corporate and politic created by statute.  
 17 (F) An entity created by the state.  
 18 ~~(8)~~ **(9)** Monitor trends and advances in information technology.  
 19 ~~(9)~~ **(10)** Review projects, architecture, security, staffing, and  
 20 expenditures.  
 21 ~~(10)~~ **(11)** Develop and maintain policies, procedures, and  
 22 guidelines for the effective and secure use of information  
 23 technology in state government.  
 24 ~~(11)~~ **(12)** Advise the state personnel department on guidelines for  
 25 information technology staff for state agencies.  
 26 ~~(12)~~ **(13)** Conduct periodic management reviews of information  
 27 technology activities within state agencies upon request.  
 28 ~~(13)~~ **(14)** Seek funding for technology services from the  
 29 following:  
 30 (A) Grants.  
 31 (B) Federal sources.  
 32 (C) Gifts, donations, and bequests.  
 33 (D) Partnerships with other governmental entities or the  
 34 private sector.  
 35 (E) Appropriations.  
 36 (F) Any other source of funds.  
 37 ~~(14)~~ **(15)** Perform other information technology related functions  
 38 and duties as directed by the governor.  
 39 (b) The office may adopt rules under IC 4-22-2 that are necessary  
 40 or appropriate in carrying out its powers and duties.  
 41 SECTION 3. IC 4-13.1-2-8, AS ADDED BY P.L.177-2005,  
 42 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2021]: Sec. 8. (a) If requested by a political subdivision (**as**  
 2 **defined in IC 36-1-2-13)** or a state agency (**as defined in**  
 3 **IC 4-1-10-2)**, the office may do the following:

4 (1) Subject to the approval of the budget agency, develop a  
 5 schedule of fees for agencies using services of the office.

6 (2) Assist a political subdivision **or a state agency** in  
 7 coordinating information technology systems.

8 (3) Provide consulting and technical advisory services.

9 (4) Review information technology project plans and  
 10 expenditures.

11 (5) Develop and maintain policies, procedures, and guidelines for  
 12 the effective use of information technology in interactions  
 13 between political subdivisions and state agencies.

14 **(6) Develop a list of third party technology providers that**  
 15 **work with the office.**

16 (b) The office may request a director of information technology  
 17 services or other knowledgeable individuals employed by a political  
 18 subdivision to advise and assist the office in exercising the powers  
 19 granted in this section.

20 (c) The office may conduct studies and reviews that the office  
 21 considers necessary to promote the use of high quality, cost effective  
 22 information technology within local government.

23 SECTION 4. IC 4-13.1-2-9 IS ADDED TO THE INDIANA CODE  
 24 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
 25 1, 2021]: **Sec. 9. A:**

26 **(1) state agency (as defined in IC 4-1-10-2); and**

27 **(2) political subdivision (as defined in IC 36-1-2-13);**

28 **shall report any cybersecurity incident to the office without**  
 29 **unreasonable delay and not later than two (2) business days after**  
 30 **discovery of the cybersecurity incident in a format prescribed by**  
 31 **the chief information officer.**

32 SECTION 5. IC 4-22-2.1-6, AS AMENDED BY P.L.109-2015,  
 33 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2021]: Sec. 6. (a) Not later than seven (7) days before the date  
 35 of the public hearing set forth in the agency's notice under  
 36 IC 4-22-2-24, the small business ombudsman shall do the following:

37 (1) Review the proposed rule and economic impact statement  
 38 submitted to the small business ombudsman by the agency under  
 39 section 5(c) of this chapter.

40 (2) Submit written comments to the agency on the proposed rule  
 41 and the economic impact statement prepared by the agency under  
 42 section 5 of this chapter. The small business ombudsman's



- 1 comments may:
- 2 (A) recommend that the agency implement one (1) or more of
- 3 the regulatory alternatives considered by the agency under
- 4 section 5(a)(5) of this chapter;
- 5 (B) suggest regulatory alternatives not considered by the
- 6 agency under section 5(a)(5) of this chapter;
- 7 (C) recommend any other changes to the proposed rule that
- 8 would minimize the economic impact of the proposed rule on
- 9 small businesses; or
- 10 (D) recommend that the agency abandon or delay the
- 11 rulemaking action until:
- 12 (i) more data on the impact of the proposed rule on small
- 13 businesses can be gathered and evaluated; or
- 14 (ii) less intrusive or less costly alternative methods of
- 15 achieving the purpose of the proposed rule can be effectively
- 16 implemented with respect to small businesses.
- 17 (b) Upon receipt of the small business ombudsman's written
- 18 comments under subsection (a), the agency shall make the comments
- 19 available:
- 20 (1) for public inspection and copying at the offices of the agency
- 21 under IC 5-14-3;
- 22 (2) electronically through the electronic gateway administered
- 23 under ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of
- 24 technology; and
- 25 (3) for distribution at the public hearing required by IC 4-22-2-26.
- 26 (c) Before finally adopting a rule under IC 4-22-2-29, and in the
- 27 same manner that the agency considers public comments under
- 28 IC 4-22-2-27, the agency must fully consider the comments submitted
- 29 by the small business ombudsman under subsection (a). After
- 30 considering the comments under this subsection, the agency may:
- 31 (1) adopt any version of the rule permitted under IC 4-22-2-29; or
- 32 (2) abandon or delay the rulemaking action as recommended by
- 33 the small business ombudsman under subsection (a)(2)(D), if
- 34 applicable.
- 35 SECTION 6. IC 4-23-7.3-16, AS ADDED BY P.L.198-2007,
- 36 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 37 JULY 1, 2021]: Sec. 16. With money from the fund, the state GIS
- 38 officer, through the data center, the IGIC, and the other organizations,
- 39 shall do the following:
- 40 (1) Ensure that there are adequate depositories of all GIS data and
- 41 framework data obtained by a state agency.
- 42 (2) Acquire, publish, store, and distribute GIS data and



1 framework data through the computer gateway administered  
 2 under ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 3 technology and through the state data center. The state GIS officer  
 4 may also provide access through the IGIC and other entities as  
 5 directed by the state GIS officer.

6 (3) Integrate GIS data and framework data developed and  
 7 maintained by state agencies and political subdivisions into the  
 8 statewide base map.

9 (4) Maintain a state historical archive of GIS data, framework  
 10 data, and electronic maps.

11 (5) Except as otherwise provided in this chapter, provide public  
 12 access to GIS data and framework data in locations throughout  
 13 Indiana.

14 (6) Provide assistance to state agencies and political subdivisions  
 15 regarding public access to GIS data and framework data so that  
 16 information is available to the public while confidentiality is  
 17 protected for certain data from electronic maps.

18 (7) Develop and maintain statewide framework data layers  
 19 associated with a statewide base map or electronic map.

20 (8) Publish and distribute the state GIS data standards and the  
 21 statewide data integration plan adopted under section 14(2) of this  
 22 chapter.

23 (9) Subject to section 20 of this chapter, make GIS data,  
 24 framework data, and electronic maps available for use by the  
 25 Indiana Business Research Center.

26 SECTION 7. IC 5-22-22-4.5, AS AMENDED BY P.L.198-2007,  
 27 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2021]: Sec. 4.5. (a) The purchasing agency may sell surplus  
 29 property using an Internet auction site that satisfies both of the  
 30 following:

31 (1) The site is approved by the office of technology established by  
 32 IC 4-13.1-2-1.

33 (2) The site is linked to the electronic gateway administered under  
 34 ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 35 technology.

36 (b) The purchasing agency's posting of the sale on the Internet  
 37 auction site must include a detailed description of the surplus property  
 38 to be sold.

39 (c) The purchasing agency may pay the costs of conducting the  
 40 auction on the Internet site as required by the person maintaining the  
 41 auction site.

42 SECTION 8. IC 9-14-12-4, AS ADDED BY P.L.198-2016,



1 SECTION 192, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2021]: Sec. 4. All requests for records  
 3 maintained under this chapter must be:

- 4 (1) submitted in writing; or  
 5 (2) made electronically through the computer gateway  
 6 administered under ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by  
 7 the office of technology;

8 to the bureau and, unless exempted by law, must be accompanied by  
 9 the payment of the applicable fee prescribed in section 7 of this  
 10 chapter.

11 SECTION 9. IC 36-1-12-4, AS AMENDED BY P.L.164-2019,  
 12 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2021]: Sec. 4. (a) This section applies whenever the cost of a  
 14 public work project will be at least one hundred fifty thousand dollars  
 15 (\$150,000).

16 (b) The board must comply with the following procedure:

17 (1) The board shall prepare general plans and specifications  
 18 describing the kind of public work required, but shall avoid  
 19 specifications which might unduly limit competition. If the  
 20 project involves the resurfacing (as defined by IC 8-14-2-1) of a  
 21 road, street, or bridge, the specifications must show how the  
 22 weight or volume of the materials will be accurately measured  
 23 and verified.

24 (2) The board shall file the plans and specifications in a place  
 25 reasonably accessible to the public, which shall be specified in the  
 26 notice required by subdivision (3).

27 (3) Upon the filing of the plans and specifications, the board shall  
 28 publish notice in accordance with IC 5-3-1 calling for sealed  
 29 proposals for the public work needed. If the board receives  
 30 electronic bids as set forth in subsection (d), the board shall also  
 31 provide electronic access to the notice of the bid solicitation  
 32 through the computer gateway administered under  
 33 ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 34 technology.

35 (4) The notice must specify the place where the plans and  
 36 specifications are on file and the date fixed for receiving bids.

37 (5) The period of time between the date of the first publication  
 38 and the date of receiving bids shall be governed by the size of the  
 39 contemplated project in the discretion of the board. The period of  
 40 time between the date of the first publication and receiving bids  
 41 may not be more than:

42 (A) six (6) weeks if the estimated cost of the public works



- 1 project is less than twenty-five million dollars (\$25,000,000);  
2 and  
3 (B) ten (10) weeks if the estimated cost of the public works  
4 project is at least twenty-five million dollars (\$25,000,000).
- 5 (6) The board shall require the bidder to submit a financial  
6 statement, a statement of experience, a proposed plan or plans for  
7 performing the public work, and the equipment that the bidder has  
8 available for the performance of the public work. The statement  
9 shall be submitted on forms prescribed by the state board of  
10 accounts.
- 11 (7) The board may not require a bidder to submit a bid before the  
12 meeting at which bids are to be received. The meeting for  
13 receiving bids must be open to the public. All bids received shall  
14 be opened publicly and read aloud at the time and place  
15 designated and not before. Notwithstanding any other law, bids  
16 may be opened after the time designated if both of the following  
17 apply:
- 18 (A) The board makes a written determination that it is in the  
19 best interest of the board to delay the opening.
- 20 (B) The day, time, and place of the rescheduled opening are  
21 announced at the day, time, and place of the originally  
22 scheduled opening.
- 23 (8) Except as provided in subsection (c), the board shall:
- 24 (A) award the contract for public work or improvements to the  
25 lowest responsible and responsive bidder; or  
26 (B) reject all bids submitted.
- 27 (9) If the board awards the contract to a bidder other than the  
28 lowest bidder, the board must state in the minutes or memoranda,  
29 at the time the award is made, the factors used to determine which  
30 bidder is the lowest responsible and responsive bidder and to  
31 justify the award. The board shall keep a copy of the minutes or  
32 memoranda available for public inspection.
- 33 (10) In determining whether a bidder is responsive, the board may  
34 consider the following factors:
- 35 (A) Whether the bidder has submitted a bid or quote that  
36 conforms in all material respects to the specifications.
- 37 (B) Whether the bidder has submitted a bid that complies  
38 specifically with the invitation to bid and the instructions to  
39 bidders.
- 40 (C) Whether the bidder has complied with all applicable  
41 statutes, ordinances, resolutions, or rules pertaining to the  
42 award of a public contract.





- 1 (11) In determining whether a bidder is a responsible bidder, the  
 2 board may consider the following factors:  
 3 (A) The ability and capacity of the bidder to perform the work.  
 4 (B) The integrity, character, and reputation of the bidder.  
 5 (C) The competence and experience of the bidder.  
 6 (12) The board shall require the bidder to submit an affidavit:  
 7 (A) that the bidder has not entered into a combination or  
 8 agreement:  
 9 (i) relative to the price to be bid by a person;  
 10 (ii) to prevent a person from bidding; or  
 11 (iii) to induce a person to refrain from bidding; and  
 12 (B) that the bidder's bid is made without reference to any other  
 13 bid.  
 14 (c) Notwithstanding subsection (b)(8), a county may award sand,  
 15 gravel, asphalt paving materials, or crushed stone contracts to more  
 16 than one (1) responsible and responsive bidder if the specifications  
 17 allow for bids to be based upon service to specific geographic areas and  
 18 the contracts are awarded by geographic area. The geographic areas do  
 19 not need to be described in the specifications.  
 20 (d) Notwithstanding subsection (b), a board may receive electronic  
 21 bids for the public work if:  
 22 (1) the solicitation for bids indicates the procedure for  
 23 transmitting the electronic bid to the board; and  
 24 (2) the board receives the bid on a facsimile machine or system  
 25 with a security feature that protects the content of an electronic  
 26 bid with the same degree of protection as the content of a bid that  
 27 is not transmitted by a facsimile machine.  
 28 (e) A board may select a vendor to provide an electronic platform  
 29 to accommodate the electronic bidding process.

