



January 28, 2021

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## HOUSE BILL No. 1169

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DIGEST OF HB 1169 (Updated January 28, 2021 11:34 am - DI 87)

**Citations Affected:** IC 4-13.1; IC 4-22; IC 4-23; IC 5-22; IC 9-14; IC 36-1.

**Synopsis:** Cybersecurity incidents. Requires the office of technology to maintain a repository of cybersecurity incidents. Provides that a state agency and a political subdivision shall: (1) 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; and (2) provide the office with the name and contact information of any individual who will act as the primary reporter of a cybersecurity incident before September 1, 2021, and before September 1 of every year thereafter. 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. 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.  
January 28, 2021, amended, reported — Do Pass.

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HB 1169—LS 6993/DI 131





January 28, 2021

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

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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 4-13.1-1-1.3 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2021]: **Sec. 1.3. "Attack vector" means a**  
4 **method or way for attacking, infiltrating, or otherwise**  
5 **compromising a computer network or system.**

6 SECTION 2. IC 4-13.1-1-1.5 IS ADDED TO THE INDIANA  
7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2021]: **Sec. 1.5. (a) "Cybersecurity incident"**  
9 **means an occurrence that consists of one (1) or more of the**  
10 **categories of attack vectors described in subsection (b) and defined**  
11 **on the office's Internet web site that:**

12 (1) **jeopardize or may potentially jeopardize the**  
13 **confidentiality, integrity, or availability of an information**  
14 **system, an operational system, or the information that such**  
15 **systems process, store, or transmit;**  
16 (2) **jeopardize or may potentially jeopardize the health and**  
17 **safety of the public; or**

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- 1           (3) violates security policies, security procedures, or  
2           acceptable use policies.
- 3           **(b) A cybersecurity incident may consist of one (1) or more of**  
4 **the following categories of attack vectors:**
- 5           **(1) Ransomware.**  
6           **(2) Business email compromise.**  
7           **(3) Vulnerability exploitation.**  
8           **(4) Zero-day exploitation.**  
9           **(5) Spear phishing.**  
10          **(6) Distributed denial of service.**  
11          **(7) Web site defacement.**  
12          **(8) Password attack.**  
13          **(9) Other sophisticated attacks as defined by the chief**  
14 **information officer and that are posted on the office's Internet**  
15 **web site.**
- 16          SECTION 3. IC 4-13.1-2-2, AS AMENDED BY P.L.2-2007,  
17 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 JULY 1, 2021]: Sec. 2. (a) The office shall do the following:
- 19           (1) Develop and maintain overall strategy and architecture for the  
20 use of information technology in state government.  
21           (2) Review state agency budget requests and proposed contracts  
22 relating to information technology at the request of the budget  
23 agency.  
24           (3) Coordinate state information technology master planning.  
25           (4) Maintain an inventory of significant information technology  
26 resources and expenditures.  
27           **(5) Maintain a repository of cybersecurity incidents.**  
28           ~~(5)~~ **(6)** Manage a computer gateway to carry out or facilitate  
29 public, educational, and governmental functions.  
30           ~~(6)~~ **(7)** Provide technical staff support services for state agencies.  
31           ~~(7)~~ **(8)** Provide services that may be requested by the following:  
32           (A) The judicial department of state government.  
33           (B) The legislative department of state government.  
34           (C) A state educational institution.  
35           (D) A political subdivision (as defined in IC 36-1-2-13).  
36           (E) A body corporate and politic created by statute.  
37           (F) An entity created by the state.  
38           ~~(8)~~ **(9)** Monitor trends and advances in information technology.  
39           ~~(9)~~ **(10)** Review projects, architecture, security, staffing, and  
40 expenditures.  
41           ~~(10)~~ **(11)** Develop and maintain policies, procedures, and  
42 guidelines for the effective and secure use of information



1 technology in state government.

2 ~~(11)~~ **(12)** Advise the state personnel department on guidelines for  
3 information technology staff for state agencies.

4 ~~(12)~~ **(13)** Conduct periodic management reviews of information  
5 technology activities within state agencies upon request.

6 ~~(13)~~ **(14)** Seek funding for technology services from the  
7 following:

8 (A) Grants.

9 (B) Federal sources.

10 (C) Gifts, donations, and bequests.

11 (D) Partnerships with other governmental entities or the  
12 private sector.

13 (E) Appropriations.

14 (F) Any other source of funds.

15 ~~(14)~~ **(15)** Perform other information technology related functions  
16 and duties as directed by the governor.

17 (b) The office may adopt rules under IC 4-22-2 that are necessary  
18 or appropriate in carrying out its powers and duties.

19 SECTION 4. IC 4-13.1-2-8, AS ADDED BY P.L.177-2005,  
20 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JULY 1, 2021]: Sec. 8. (a) If requested by a political subdivision **(as**  
22 **defined in IC 36-1-2-13)** or a state agency **(as defined in**  
23 **IC 4-1-10-2)**, the office may do the following:

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

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

28 (3) Provide consulting and technical advisory services.

29 (4) Review information technology project plans and  
30 expenditures.

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

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

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

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



1 SECTION 5. IC 4-13.1-2-9 IS ADDED TO THE INDIANA CODE  
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 3 1, 2021]: **Sec. 9. A state agency (as defined in IC 4-1-10-2) and a**  
 4 **political subdivision (as defined in IC 36-1-2-13) shall:**

5 **(1) report any cybersecurity incident to the office without**  
 6 **unreasonable delay and not later than two (2) business days**  
 7 **after discovery of the cybersecurity incident in a format**  
 8 **prescribed by the chief information officer; and**

9 **(2) provide the office with the name and contact information**  
 10 **of any individual who will act as the primary reporter of a**  
 11 **cybersecurity incident described in subdivision (1) before**  
 12 **September 1, 2021, and before September 1 of every year**  
 13 **thereafter.**

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

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

22 (2) Submit written comments to the agency on the proposed rule  
 23 and the economic impact statement prepared by the agency under  
 24 section 5 of this chapter. The small business ombudsman's  
 25 comments may:

26 (A) recommend that the agency implement one (1) or more of  
 27 the regulatory alternatives considered by the agency under  
 28 section 5(a)(5) of this chapter;

29 (B) suggest regulatory alternatives not considered by the  
 30 agency under section 5(a)(5) of this chapter;

31 (C) recommend any other changes to the proposed rule that  
 32 would minimize the economic impact of the proposed rule on  
 33 small businesses; or

34 (D) recommend that the agency abandon or delay the  
 35 rulemaking action until:

36 (i) more data on the impact of the proposed rule on small  
 37 businesses can be gathered and evaluated; or

38 (ii) less intrusive or less costly alternative methods of  
 39 achieving the purpose of the proposed rule can be effectively  
 40 implemented with respect to small businesses.

41 (b) Upon receipt of the small business ombudsman's written  
 42 comments under subsection (a), the agency shall make the comments



1 available:

- 2 (1) for public inspection and copying at the offices of the agency  
 3 under IC 5-14-3;  
 4 (2) electronically through the electronic gateway administered  
 5 under ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 6 technology; and  
 7 (3) for distribution at the public hearing required by IC 4-22-2-26.

8 (c) Before finally adopting a rule under IC 4-22-2-29, and in the  
 9 same manner that the agency considers public comments under  
 10 IC 4-22-2-27, the agency must fully consider the comments submitted  
 11 by the small business ombudsman under subsection (a). After  
 12 considering the comments under this subsection, the agency may:

- 13 (1) adopt any version of the rule permitted under IC 4-22-2-29; or  
 14 (2) abandon or delay the rulemaking action as recommended by  
 15 the small business ombudsman under subsection (a)(2)(D), if  
 16 applicable.

17 SECTION 7. IC 4-23-7.3-16, AS ADDED BY P.L.198-2007,  
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 19 JULY 1, 2021]: Sec. 16. With money from the fund, the state GIS  
 20 officer, through the data center, the IGIC, and the other organizations,  
 21 shall do the following:

- 22 (1) Ensure that there are adequate depositories of all GIS data and  
 23 framework data obtained by a state agency.  
 24 (2) Acquire, publish, store, and distribute GIS data and  
 25 framework data through the computer gateway administered  
 26 under ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 27 technology and through the state data center. The state GIS officer  
 28 may also provide access through the IGIC and other entities as  
 29 directed by the state GIS officer.  
 30 (3) Integrate GIS data and framework data developed and  
 31 maintained by state agencies and political subdivisions into the  
 32 statewide base map.  
 33 (4) Maintain a state historical archive of GIS data, framework  
 34 data, and electronic maps.  
 35 (5) Except as otherwise provided in this chapter, provide public  
 36 access to GIS data and framework data in locations throughout  
 37 Indiana.  
 38 (6) Provide assistance to state agencies and political subdivisions  
 39 regarding public access to GIS data and framework data so that  
 40 information is available to the public while confidentiality is  
 41 protected for certain data from electronic maps.  
 42 (7) Develop and maintain statewide framework data layers



1 associated with a statewide base map or electronic map.

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

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

8 SECTION 8. IC 5-22-22-4.5, AS AMENDED BY P.L.198-2007,  
9 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2021]: Sec. 4.5. (a) The purchasing agency may sell surplus  
11 property using an Internet auction site that satisfies both of the  
12 following:

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

15 (2) The site is linked to the electronic gateway administered under  
16 ~~IC 4-13.1-2-2(a)(5)~~ IC 4-13.1-2-2(a)(6) by the office of  
17 technology.

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

21 (c) The purchasing agency may pay the costs of conducting the  
22 auction on the Internet site as required by the person maintaining the  
23 auction site.

24 SECTION 9. IC 9-14-12-4, AS ADDED BY P.L.198-2016,  
25 SECTION 192, IS AMENDED TO READ AS FOLLOWS  
26 [EFFECTIVE JULY 1, 2021]: Sec. 4. All requests for records  
27 maintained under this chapter must be:

28 (1) submitted in writing; or

29 (2) made electronically through the computer gateway  
30 administered under ~~IC 4-13.1-2-2(a)(5)~~ IC 4-13.1-2-2(a)(6) by  
31 the office of technology;

32 to the bureau and, unless exempted by law, must be accompanied by  
33 the payment of the applicable fee prescribed in section 7 of this  
34 chapter.

35 SECTION 10. IC 36-1-12-4, AS AMENDED BY P.L.164-2019,  
36 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 JULY 1, 2021]: Sec. 4. (a) This section applies whenever the cost of a  
38 public work project will be at least one hundred fifty thousand dollars  
39 (\$150,000).

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

41 (1) The board shall prepare general plans and specifications  
42 describing the kind of public work required, but shall avoid





1 specifications which might unduly limit competition. If the  
 2 project involves the resurfacing (as defined by IC 8-14-2-1) of a  
 3 road, street, or bridge, the specifications must show how the  
 4 weight or volume of the materials will be accurately measured  
 5 and verified.

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

9 (3) Upon the filing of the plans and specifications, the board shall  
 10 publish notice in accordance with IC 5-3-1 calling for sealed  
 11 proposals for the public work needed. If the board receives  
 12 electronic bids as set forth in subsection (d), the board shall also  
 13 provide electronic access to the notice of the bid solicitation  
 14 through the computer gateway administered under  
 15 ~~IC 4-13.1-2-2(a)(5)~~ **IC 4-13.1-2-2(a)(6)** by the office of  
 16 technology.

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

19 (5) The period of time between the date of the first publication  
 20 and the date of receiving bids shall be governed by the size of the  
 21 contemplated project in the discretion of the board. The period of  
 22 time between the date of the first publication and receiving bids  
 23 may not be more than:

24 (A) six (6) weeks if the estimated cost of the public works  
 25 project is less than twenty-five million dollars (\$25,000,000);  
 26 and

27 (B) ten (10) weeks if the estimated cost of the public works  
 28 project is at least twenty-five million dollars (\$25,000,000).

29 (6) The board shall require the bidder to submit a financial  
 30 statement, a statement of experience, a proposed plan or plans for  
 31 performing the public work, and the equipment that the bidder has  
 32 available for the performance of the public work. The statement  
 33 shall be submitted on forms prescribed by the state board of  
 34 accounts.

35 (7) The board may not require a bidder to submit a bid before the  
 36 meeting at which bids are to be received. The meeting for  
 37 receiving bids must be open to the public. All bids received shall  
 38 be opened publicly and read aloud at the time and place  
 39 designated and not before. Notwithstanding any other law, bids  
 40 may be opened after the time designated if both of the following  
 41 apply:

42 (A) The board makes a written determination that it is in the



- 1 best interest of the board to delay the opening.  
 2 (B) The day, time, and place of the rescheduled opening are  
 3 announced at the day, time, and place of the originally  
 4 scheduled opening.
- 5 (8) Except as provided in subsection (c), the board shall:  
 6 (A) award the contract for public work or improvements to the  
 7 lowest responsible and responsive bidder; or  
 8 (B) reject all bids submitted.
- 9 (9) If the board awards the contract to a bidder other than the  
 10 lowest bidder, the board must state in the minutes or memoranda,  
 11 at the time the award is made, the factors used to determine which  
 12 bidder is the lowest responsible and responsive bidder and to  
 13 justify the award. The board shall keep a copy of the minutes or  
 14 memoranda available for public inspection.
- 15 (10) In determining whether a bidder is responsive, the board may  
 16 consider the following factors:  
 17 (A) Whether the bidder has submitted a bid or quote that  
 18 conforms in all material respects to the specifications.  
 19 (B) Whether the bidder has submitted a bid that complies  
 20 specifically with the invitation to bid and the instructions to  
 21 bidders.  
 22 (C) Whether the bidder has complied with all applicable  
 23 statutes, ordinances, resolutions, or rules pertaining to the  
 24 award of a public contract.
- 25 (11) In determining whether a bidder is a responsible bidder, the  
 26 board may consider the following factors:  
 27 (A) The ability and capacity of the bidder to perform the work.  
 28 (B) The integrity, character, and reputation of the bidder.  
 29 (C) The competence and experience of the bidder.
- 30 (12) The board shall require the bidder to submit an affidavit:  
 31 (A) that the bidder has not entered into a combination or  
 32 agreement:  
 33 (i) relative to the price to be bid by a person;  
 34 (ii) to prevent a person from bidding; or  
 35 (iii) to induce a person to refrain from bidding; and  
 36 (B) that the bidder's bid is made without reference to any other  
 37 bid.
- 38 (c) Notwithstanding subsection (b)(8), a county may award sand,  
 39 gravel, asphalt paving materials, or crushed stone contracts to more  
 40 than one (1) responsible and responsive bidder if the specifications  
 41 allow for bids to be based upon service to specific geographic areas and  
 42 the contracts are awarded by geographic area. The geographic areas do



1 not need to be described in the specifications.  
2 (d) Notwithstanding subsection (b), a board may receive electronic  
3 bids for the public work if:  
4 (1) the solicitation for bids indicates the procedure for  
5 transmitting the electronic bid to the board; and  
6 (2) the board receives the bid on a facsimile machine or system  
7 with a security feature that protects the content of an electronic  
8 bid with the same degree of protection as the content of a bid that  
9 is not transmitted by a facsimile machine.  
10 (e) A board may select a vendor to provide an electronic platform  
11 to accommodate the electronic bidding process.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1169, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-13.1-1-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 1.3. "Attack vector" means a method or way for attacking, infiltrating, or otherwise compromising a computer network or system.**"

Page 1, line 3, after "1.5." insert "(a)".

Page 1, delete lines 4 through 12 and insert "**means an occurrence that consists of one (1) or more of the categories of attack vectors described in subsection (b) and defined on the office's Internet web site that:**

- (1) jeopardize or may potentially jeopardize the confidentiality, integrity, or availability of an information system, an operational system, or the information that such systems process, store, or transmit;
- (2) jeopardize or may potentially jeopardize the health and safety of the public; or
- (3) violates security policies, security procedures, or acceptable use policies.

(b) A cybersecurity incident may consist of one (1) or more of the following categories of attack vectors:

- (1) Ransomware.
- (2) Business email compromise.
- (3) Vulnerability exploitation.
- (4) Zero-day exploitation.
- (5) Spear phishing.
- (6) Distributed denial of service.
- (7) Web site defacement.
- (8) Password attack.
- (9) Other sophisticated attacks as defined by the chief information officer and that are posted on the office's Internet web site."

Page 3, line 25, delete "A:" and insert "A state agency (as defined in IC 4-1-10-2) and a political subdivision (as defined in IC 36-1-2-13) shall:

- (1) report any cybersecurity incident to the office without



**unreasonable delay and not later than two (2) business days after discovery of the cybersecurity incident in a format prescribed by the chief information officer; and (2) provide the office with the name and contact information of any individual who will act as the primary reporter of a cybersecurity incident described in subdivision (1) before September 1, 2021, and before September 1 of every year thereafter."**

Page 3, delete lines 26 through 31.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1169 as introduced.)

MILLER D

Committee Vote: yeas 13, nays 0.

