

March 24, 2021

ENGROSSED HOUSE BILL No. 1169

DIGEST OF HB 1169 (Updated March 23, 2021 10:58 am - DI 143)

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, the office may develop a list of third party technology providers that work with the office. Requires a state educational institution to submit a quarterly analysis with certain conditions. Makes conforming changes.

Effective: July 1, 2021.

Karickhoff, Miller D, Bartlett, Harris

(SENATE SPONSORS - CRIDER, FORD J.D.)

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

- January 28, 2021, amended, reported Do Pass. February 1, 2021, read second time, ordered engrossed. Engrossed. February 2, 2021, read third time, passed. Yeas 95, nays 0.

SENATE ACTION February 18, 2021, read first time and referred to Committee on Homeland Security and Transportation. March 23, 2021, amended, reported favorably — Do Pass.



March 24, 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.

ENGROSSED 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 4-13.1-1-1.3 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 a malicious or suspicious occurrence that consists of one (1)
10	or more of the categories of attack vectors described in subsection
11	(b) and defined on the office's Internet web site that:
12	(1) jeopardizes 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	

16 (2) jeopardizes or may potentially jeopardize the health and
17 safety of the public; or



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

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1	information technology staff for state agencies.
2	(12) (13) Conduct periodic management reviews of information
3	technology activities within state agencies upon request.
4	(13) (14) Seek funding for technology services from the
5	following:
6	(A) Grants.
7	(B) Federal sources.
8	(C) Gifts, donations, and bequests.
9	(D) Partnerships with other governmental entities or the
10	private sector.
11	(E) Appropriations.
12	(F) Any other source of funds.
13	(14) (15) Perform other information technology related functions
14	and duties as directed by the governor.
15	(b) The office may adopt rules under IC 4-22-2 that are necessary
16	or appropriate in carrying out its powers and duties.
17	SECTION 4. IC 4-13.1-2-8, AS ADDED BY P.L.177-2005,
18	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19	JULY 1, 2021]: Sec. 8. (a) If requested by a political subdivision, the
20	office may do the following:
21	(1) Subject to the approval of the budget agency, develop a
22	schedule of fees for agencies using services of the office.
23	(2) Assist a political subdivision in coordinating information
24	technology systems.
25	(3) Provide consulting and technical advisory services.
26	(4) Review information technology project plans and
27	expenditures.
28	(5) Develop and maintain policies, procedures, and guidelines for
29	the effective use of information technology in interactions
30	between political subdivisions and state agencies.
31	(6) Develop a list of third party technology providers that
32	work with the office.
33	(b) The office may request a director of information technology
34	services or other knowledgeable individuals employed by a political
35	subdivision to advise and assist the office in exercising the powers
36	granted in this section.
37	(c) The office may conduct studies and reviews that the office
38	considers necessary to promote the use of high quality, cost effective
39	information technology within local government.
40	SECTION 5. IC 4-13.1-2-9 IS ADDED TO THE INDIANA CODE
41	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
42	1, 2021]: Sec. 9. A state agency (as defined in IC 4-1-10-2) other

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1 than state educational institutions and a political subdivision (as 2 defined in IC 36-1-2-13) shall: 3 (1) report any cybersecurity incident using their best 4 professional judgment to the office without unreasonable 5 delay and not later than two (2) business days after discovery 6 of the cybersecurity incident in a format prescribed by the 7 chief information officer; and 8 (2) provide the office with the name and contact information 9 of any individual who will act as the primary reporter of a 10 cybersecurity incident described in subdivision (1) before September 1, 2021, and before September 1 of every year 11 12 thereafter. 13 Nothing in this section shall be construed to require reporting that 14 conflicts with federal privacy laws or is prohibited due to an 15 ongoing law enforcement investigation. SECTION 6. IC 4-13.1-2-10 IS ADDED TO THE INDIANA CODE 16 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 18 1, 2021]: Sec. 10. A state educational institution (as defined in 19 IC 21-7-13-32) shall: 20 (1) submit a summary analysis report of cyber security 21 incidents to the office on a quarterly basis in a format prescribed by the chief information officer; and 22 23 (2) provide the office with the name and contact information 24 of any individual who will act as the primary reporter of a 25 summary report of cybersecurity incidents described in 26 subdivision (1) before September 1, 2021, and before 27 September 1 of every year thereafter. Nothing in this section shall be construed to require reporting by 28 29 the state educational institution that conflicts with federal privacy 30 laws or is prohibited due to an ongoing law enforcement 31 investigation. SECTION 7. IC 4-22-2.1-6, AS AMENDED BY P.L.109-2015, 32 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 and the economic impact statement prepared by the agency under 41 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
2 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 8. 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 9. 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	$\frac{1}{100}$ $\frac{4-13.1-2-2(a)(5)}{100}$ 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 10. 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 11. 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: (1) The board shall prepare general plans and specifications 17 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 $\frac{1}{12}$ 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 and the date of receiving bids shall be governed by the size of the 38 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:
2 3	(A) The ability and capacity of the bidder to perform the work.
4 5	(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.



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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.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security and Transportation, to which was referred House Bill No. 1169, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 9, delete "an" and insert "a malicious or suspicious".

Page 1, line 12, delete "jeopardize" and insert "jeopardizes".

Page 1, line 16, delete "jeopardize" and insert "jeopardizes".

Page 2, delete line 9.

Page 2, line 10, delete "(6)" and insert "(5)".

Page 2, line 11, delete "(7)" and insert "(6)".

Page 2, delete line 12.

Page 2, line 13, delete "(9)" and insert "(7)".

Page 3, line 21, delete "(as" and insert ",".

Page 3, delete line 22.

Page 3, line 23, delete "IC 4-1-10-2),".

Page 3, line 26, delete "or a state agency".

Page 4, line 3, after "IC 4-1-10-2)" insert "other than state educational institutions".

Page 4, line 5, after "incident" insert "using their best professional



judgment".

Page 4, between lines 13 and 14, begin a new line blocked left and insert:

"Nothing in this section shall be construed to require reporting that conflicts with federal privacy laws or is prohibited due to an ongoing law enforcement investigation.

SECTION 6. IC 4-13.1-2-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. A state educational institution (as defined in IC 21-7-13-32) shall:

(1) submit a summary analysis report of cyber security incidents to the office on a quarterly basis 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 summary report of cybersecurity incidents described in subdivision (1) before September 1, 2021, and before September 1 of every year thereafter.

Nothing in this section shall be construed to require reporting by the state educational institution that conflicts with federal privacy laws or is prohibited due to an ongoing law enforcement investigation.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1169 as printed January 28, 2021.)

CRIDER, Chairperson

Committee Vote: Yeas 9, Nays 0.

