

# State of Tennessee

## **PUBLIC CHAPTER NO. 534**

### HOUSE BILL NO. 1733

#### By Representatives Lamberth, Garrett, McCalmon, Reedy, Warner, Cepicky, Capley, Powell

#### Substituted for: Senate Bill No. 1825

#### By Senators Watson, Walley

AN ACT to amend Tennessee Code Annotated, Title 4; Title 8; Title 9 and Title 12, relative to state entities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 1, Part 4, is amended by adding the following as a new section:

(a) A state entity shall not submit payment with an entity that has engaged in a cybersecurity incident on an information technology system by encrypting data and then subsequently offering to decrypt that data in exchange for a ransom payment.

(b) A state entity experiencing a ransom request in connection with a cybersecurity incident shall immediately notify and consult with the technology and innovation division of the Tennessee bureau of investigation.

(c) As used in this section, "state entity":

(1) Means an agency, department, institution, board, commission, committee, division, bureau, officer, official, or other entity of the executive, judicial, or legislative branches of state government, including a public institution of higher education and all other entities for which this state has oversight responsibility; and

(2) Does not mean a vendor, contractor, insurance company, law firm, or other third party that has a contract, or does other business, with a state entity.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

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PASSED: February 26, 2024

CAMERON SEXTON, SPEAKER HOUSE OF REPRESENTATIVES

R RANDY MCNALLY

SPEAKER OF THE SENATE

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_ 2024

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**BILL LEE, GOVERNOR**