HOUSE BILL 813: Prohibit State Agencies Payment of Ransomware.

2021-2022 General Assembly

Committee:	House State Government. If favorable, re-refer to Rules, Calendar, and Operations of the House	**Date:**	May 12, 2021
Introduced by:	Reps. Saine, Johnson	**Prepared by:**	Howard Marsilio Staff Attorney
Analysis of:	PCS to First Edition H813-CSBG-13		

OVERVIEW: The Proposed Committee Substitute (PCS) for House Bill 813 would:

- ***Prohibit a State or local government entity from submitting payment or communicating with entities engaged in a cybersecurity incident that involves offering data decryption for ransom.***
- ***Clarify consulting and reporting requirements to the Department of Information Technology.***
- ***Clarify Department of Information Technology and Department of Public Safety coordination to manage statewide response to cybersecurity incidents and ransomware attacks.***

The PCS makes various technical and conforming changes.

CURRENT LAW: Article 15 of Chapter 143B outlines laws that relate to the Department of Information Technology, and further outlines the responsibilities of State agencies and other entities that relate to cybersecurity incidents within this State.

Current law does not specifically address ransomware payments or attacks.

BILL ANALYSIS: The PCS for House Bill 813 would:

- Prohibit State agencies or local government entities, as defined for these provisions, from submitting payments or communicating with an entity that has engaged in a cybersecurity incident that involves data decryption in exchange for a ransom, and would require State agencies or local government entities experiencing a ransom request in connection with a cybersecurity incident to consult with the Department of Information Technology.
- Clarify that local government entities must report cybersecurity incidents to the Department of Information Technology. For this purpose, a local government entity is a local political subdivision of the State, including, but not limited to, a city, a county, a local school administrative unit as defined in G.S. 115C-5, or a community college.
- Clarify that the Department of Information Technology must coordinate with the Department of Public Safety to manage statewide response to cybersecurity incidents, significant cybersecurity incidents, and ransomware attacks.

EFFECTIVE DATE: This act would become effective when it becomes law.

Jeffrey Hudson
Director

Legislative Analysis Division
919-733-2578