CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 6528

Chapter 237, Laws of 2016

(partial veto)

64th Legislature 2016 Regular Session

INFORMATION TECHNOLOGY SECURITY--PLANNING AND PERFORMANCE

EFFECTIVE DATE: 6/9/2016

Passed by the Senate March 8, 2016 Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Passed by the House March 3, 2016 Yeas 95 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 1, 2016 5:27 PM with the exception of Section 1, which is vetoed.

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6528** as passed by Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

Secretary

FILED

April 4, 2016

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SUBSTITUTE SENATE BILL 6528

AS AMENDED BY THE HOUSE

Passed Legislature - 2016 Regular Session

State of Washington 64th Legislature 2016 Regular Session

By Senate Trade & Economic Development (originally sponsored by Senators Brown, Sheldon, Dammeier, Parlette, Schoesler, Warnick, Honeyford, Braun, Angel, Hewitt, Miloscia, O'Ban, Becker, Rivers, and Rolfes)

READ FIRST TIME 01/28/16.

AN ACT Relating to promoting economic development through 1 2 protection of information technology resources; amending RCW 43.105.054; reenacting and amending RCW 43.105.020; adding a new 3 section to chapter 43.105 RCW; creating new sections; and providing 4 5 an expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 (1) Communication and information *NEW SECTION. Sec. 1. resources in the various state agencies are strategic and vital 8 9 assets belonging to the people of Washington and are an important component of maintaining a vibrant economy. Coordinated efforts and a 10 11 sense of urgency are necessary to protect these assets against 12 unauthorized access, disclosure, use, and modification or 13 destruction, whether accidental or deliberate, as well as to assure 14 the confidentiality, integrity, and availability of information.

(2) State government has a duty to Washington citizens to ensure that the information entrusted to state agencies is safe, secure, and protected from unauthorized access, unauthorized use, or destruction.

(3) Securing the state's communication and information resources
 is a statewide imperative requiring a coordinated and shared effort
 from all departments, agencies, and political subdivisions of the

state and a long-term commitment to state funding that ensures the
 success of such efforts.

3 (4) Risks to communication and information resources must be 4 managed, and the integrity of data and the source, destination, and 5 processes applied to data must be assured.

6 (5) Information security standards, policies, and guidelines must 7 be adopted and implemented throughout state agencies to ensure the 8 development and maintenance of minimum information security controls 9 to protect communication and information resources that support the 10 operations and assets of those agencies.

(6) Washington state must build upon its existing expertise in information technology including research and development facilities and workforce to become a national leader in cybersecurity.

*Sec. 1 was vetoed. See message at end of chapter.

14 Sec. 2. RCW 43.105.020 and 2015 3rd sp.s. c 1 s 102 are each 15 reenacted and amended to read as follows:

16 The definitions in this section apply throughout this chapter 17 unless the context clearly requires otherwise.

18 19

8 (1) "Agency" means the consolidated technology services agency.

(2) "Board" means the technology services board.

20 (3) "Customer agencies" means all entities that purchase or use 21 information technology resources, telecommunications, or services 22 from the consolidated technology services agency.

(4) "Director" means the state chief information officer, who isthe director of the consolidated technology services agency.

(5) "Enterprise architecture" means an ongoing activity for translating business vision and strategy into effective enterprise change. It is a continuous activity. Enterprise architecture creates, communicates, and improves the key principles and models that describe the enterprise's future state and enable its evolution.

30 (6) "Equipment" means the machines, devices, and transmission 31 facilities used in information processing, including but not limited 32 to computers, terminals, telephones, wireless communications system 33 facilities, cables, and any physical facility necessary for the 34 operation of such equipment.

35 (7) "Information" includes, but is not limited to, data, text, 36 voice, and video.

1 (8) "Information security" means the protection of communication 2 and information resources from unauthorized access, use, disclosure, 3 disruption, modification, or destruction in order to:

4 <u>(a) Prevent improper information modification or destruction;</u>

5 (b) Preserve authorized restrictions on information access and 6 <u>disclosure;</u>

7 (c) Ensure timely and reliable access to and use of information;
8 and

9 <u>(d) Maintain the confidentiality, integrity, and availability of</u> 10 <u>information.</u>

11 (9) "Information technology" includes, but is not limited to, all 12 electronic technology systems and services, automated information 13 handling, system design and analysis, conversion of data, computer 14 programming, information storage and retrieval, telecommunications, 15 requisite system controls, simulation, electronic commerce, radio 16 technologies, and all related interactions between people and 17 machines.

18 (((9))) <u>(10)</u> "Information technology portfolio" or "portfolio" 19 means a strategic management process documenting relationships 20 between agency missions and information technology and 21 telecommunications investments.

22 (((10))) <u>(11)</u> "K-20 network" means the network established in RCW 23 43.41.391.

24 (((11))) (12) "Local governments" includes all municipal and 25 quasi-municipal corporations and political subdivisions, and all 26 agencies of such corporations and subdivisions authorized to contract 27 separately.

28 (((12))) (13) "Office" means the office of the state chief 29 information officer within the consolidated technology services 30 agency.

31 (((13))) (14) "Oversight" means a process of comprehensive risk 32 analysis and management designed to ensure optimum use of information 33 technology resources and telecommunications.

34 (((14))) (15) "Proprietary software" means that software offered 35 for sale or license.

36 (((15))) (16) "Public agency" means any agency of this state or 37 another state; any political subdivision or unit of local government 38 of this state or another state including, but not limited to, 39 municipal corporations, quasi-municipal corporations, special purpose 40 districts, and local service districts; any public benefit nonprofit

corporation; any agency of the United States; and any Indian tribe
 recognized as such by the federal government.

3 (((16))) <u>(17)</u> "Public benefit nonprofit corporation" means a 4 public benefit nonprofit corporation as defined in RCW 24.03.005 that 5 is receiving local, state, or federal funds either directly or 6 through a public agency other than an Indian tribe or political 7 subdivision of another state.

8 (((17))) <u>(18)</u> "Public record" has the definitions in RCW 9 42.56.010 and chapter 40.14 RCW and includes legislative records and 10 court records that are available for public inspection.

11 (((18))) (19) "Security incident" means an accidental or 12 deliberative event that results in or constitutes an imminent threat 13 of the unauthorized access, loss, disclosure, modification, 14 disruption, or destruction of communication and information 15 resources.

16 (20) "State agency" means every state office, department, 17 division, bureau, board, commission, or other state agency, including 18 offices headed by a statewide elected official.

19 (((19))) (21) "Telecommunications" includes, but is not limited 20 to, wireless or wired systems for transport of voice, video, and data 21 communications, network systems, requisite facilities, equipment, 22 system controls, simulation, electronic commerce, and all related 23 interactions between people and machines.

24 (((20))) <u>(22)</u> "Utility-based infrastructure services" includes 25 personal computer and portable device support, servers and server 26 administration, security administration, network administration, 27 telephony, email, and other information technology services commonly 28 used by state agencies.

29 Sec. 3. RCW 43.105.054 and 2015 3rd sp.s. c 1 s 108 are each 30 amended to read as follows:

(1) The director shall establish standards and policies to governinformation technology in the state of Washington.

33 (2) The office shall have the following powers and duties related 34 to information services:

35 (a) To develop statewide standards and policies governing the:

36 (i) Acquisition of equipment, software, and technology-related 37 services;

38 (ii) Disposition of equipment;

(iii) Licensing of the radio spectrum by or on behalf of state
 agencies; and

3 (iv) Confidentiality of computerized data;

4 (b) To develop statewide and interagency technical policies,5 standards, and procedures;

6 (c) To review and approve standards and common specifications for 7 new or expanded telecommunications networks proposed by agencies, 8 public postsecondary education institutions, educational service 9 districts, or statewide or regional providers of K-12 information 10 technology services;

(d) With input from the legislature and the judiciary, (([to]))
12 <u>to</u> provide direction concerning strategic planning goals and
13 objectives for the state;

(e) To establish policies for the periodic review by the director of state agency performance which may include but are not limited to analysis of:

17 (i) Planning, management, control, and use of information 18 services;

19 (ii) Training and education;

20 (iii) Project management; and

21 (iv) Cybersecurity;

(f) To coordinate with state agencies with an annual information technology expenditure that exceeds ten million dollars to implement a technology business management program to identify opportunities for savings and efficiencies in information technology expenditures and to monitor ongoing financial performance of technology investments; ((and))

(g) In conjunction with the consolidated technology services agency, to develop statewide standards for agency purchases of technology networking equipment and services;

31 (h) To implement a process for detecting, reporting, and 32 responding to security incidents consistent with the information 33 security standards, policies, and guidelines adopted by the director;

34 (i) To develop plans and procedures to ensure the continuity of 35 commerce for information resources that support the operations and 36 assets of state agencies in the event of a security incident; and

37 (j) To work with the department of commerce and other economic 38 development stakeholders to facilitate the development of a strategy 39 that includes key local, state, and federal assets that will create 40 Washington as a national leader in cybersecurity. The office shall 1 collaborate with, including but not limited to, community colleges,
2 universities, the national guard, the department of defense, the
3 department of energy, and national laboratories to develop the
4 strategy.

5 (3) Statewide technical standards to promote and facilitate 6 electronic information sharing and access are an essential component 7 of acceptable and reliable public access service and complement 8 content-related standards designed to meet those goals. The office 9 shall:

10 (a) Establish technical standards to facilitate electronic access 11 to government information and interoperability of information 12 systems, including wireless communications systems; and

13 (b) Require agencies to include an evaluation of electronic 14 public access needs when planning new information systems or major 15 upgrades of systems.

16 In developing these standards, the office is encouraged to 17 include the state library, state archives, and appropriate 18 representatives of state and local government.

19 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 43.105
20 RCW to read as follows:

(1) The office must evaluate the extent to which the state is building upon its existing expertise in information technology to become a national leader in cybersecurity, as described in section 1(6) of this act, by periodically evaluating the state's performance in achieving the following objectives:

26 (a) High levels of compliance with the state's information 27 technology security policy and standards, as demonstrated by the 28 attestation that state agencies make annually to the office in which 29 they report their implementation of best practices identified by the 30 office;

31 (b) Achieving recognition from the federal government as a leader 32 in cybersecurity, as evidenced by federal dollars received for 33 ongoing efforts or for piloting cybersecurity programs;

34 (c) Developing future leaders in cybersecurity, as evidenced by 35 an increase in the number of students trained, and cybersecurity 36 programs enlarged in educational settings from a January 1, 2016, 37 baseline;

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(d) Broad participation in cybersecurity trainings and exercises
 or outreach, as evidenced by the number of events and the number of
 participants;

4 (e) Full coverage and protection of state information technology
5 assets by a centralized cybersecurity protocol; and

6 (f) Adherence by state agencies to recovery and resilience plans7 post cyber attack.

8 (2) The office is encouraged to collaborate with community 9 colleges, universities, the department of commerce, and other 10 stakeholders in obtaining the information necessary to measure its 11 progress in achieving these objectives.

12 (3) Before December 1, 2020, the office must report to the 13 legislature:

14 (a) Its performance in achieving the objectives described in15 subsection (1) of this section; and

16 (b) Its recommendations, if any, for additional or different 17 metrics that would improve measurement of the effectiveness of the 18 state's efforts to maintain leadership in cybersecurity.

19 (4) This section expires October 1, 2021.

20 <u>NEW SECTION.</u> Sec. 5. This act may be known and cited as the 21 cybersecurity jobs act of 2016.

Passed by the Senate March 8, 2016.

Passed by the House March 3, 2016.

Approved by the Governor April 1, 2016, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State April 4, 2016.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 1, Engrossed Substitute Senate Bill No. 6528 entitled:

"AN ACT Relating to promoting economic development through protection of information technology resources."

Section 1 is an intent section that is not necessary for the policy implementation of the bill. It does, however, contain language that may create unintended liability for the state.

For these reasons I have vetoed Section 1 of Engrossed Substitute Senate Bill No. 6528.

With the exception of Section 1, Engrossed Substitute Senate Bill No. 6528 is approved."