

2021 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1417

2021 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1417
2/4/2021

Relating to the powers and duties of the information technology department
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Chairman Kasper opened the hearing on HB 1417 at 3:10 p.m. and came back to order at 3:18 p.m.

Representatives	Roll Call
Representative Jim Kasper	P
Representative Ben Koppelman	P
Representative Pamela Anderson	P
Representative Jeff A. Hoverson	A
Representative Karen Karls	P
Representative Scott Louser	P
Representative Jeffery J. Magrum	P
Representative Mitch Ostlie	P
Representative Karen M. Rohr	P
Representative Austen Schauer	P
Representative Mary Schneider	P
Representative Vicky Steiner	P
Representative Greg Stemen	P
Representative Steve Vetter	P

Discussion Topics:

- Memo of understanding between ITD and the 5 tribal nations for cybersecurity coverage

Rep. Louser introduced and testified in favor.

Kevin Ford, Chief Information Security Officer, ND IT Dept., testified in favor, #5408.

Brad Hawk, representing **Scott Davis, Executive Director, ND Indian Affairs Commission**, testified in favor, #5547.

Terry Traynor, Executive Director, ND Association of Counties, testified in favor, #5479.

Erica Thunder, Commissioner, ND Dept. of Labor and Human Rights, testified in favor, #5467.

Rep. Schauer moved a **Do Pass**. **Rep. Rohr** seconded.

Representatives	Vote
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Pamela Anderson	Y
Representative Jeff A. Hoverson	A
Representative Karen Karls	Y
Representative Scott Louser	A
Representative Jeffery J. Magrum	N
Representative Mitch Ostlie	Y

Representative Karen M. Rohr	Y
Representative Austen Schauer	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Greg Stemen	Y
Representative Steve Vetter	Y

Motion **passed**, 11-1-2. **Rep. Louser** is the carrier.

Chairman Kasper adjourned at 3:53 p.m.

Carmen Hart, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1417: Government and Veterans Affairs Committee (Rep. Kasper, Chairman)
recommends **DO PASS** (11 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). HB 1417
was placed on the Eleventh order on the calendar.

#5408

TESTIMONY TO HOUSE GOVERNMENT AND VETERANS AFFAIRS REGARDING BILL 1417

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Kevin Ford – Chief Information Security Officer NDIT
2/4/2021

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The State and Local Cyber Problem

- State and local governments have the same problems
- We aren't addressing our problems in coordinated way



“States and localities are stronger when they share awareness and resources, thereby fostering resilience beyond any individual legal jurisdiction.” - DHS

National Adoption of Mutual Aid

“The most consequential cyber challenges require resources beyond the capacity of the federal government or that of a single state.”

“Just as state and regional incidents in the physical world are dealt with by FEMA, states, and private surge arrangements for mutual aid so too should cyber challenges be handled effectively through a spectrum of arrangements.”



Homeland
Security

Memorandums of Understanding for Cybersecurity Information Sharing



What are they targeting?



Who are they?



How do they act?



How do we beat them?

Personal Data is not Shared

Mutual Aid Agreements



Access to varied toolsets
and capabilities



Swarming to most acute
site of an attack before it
spreads



Coordination of actions to
beat attackers, not just
repel them



Promotes overall network
health by exposing it to
fewer attacks from
partners

Future Opportunities



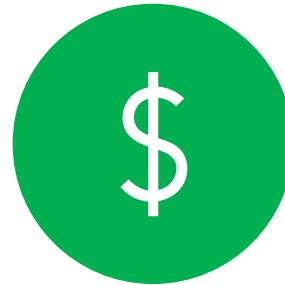
COVID relief grants tied to
Cyber Mutual Aid



DHS arranged bulk
purchase vehicles for
commonly used cyber
essentials



Multiple bills and draft
bills include cybersecurity
funds for mutual aid



Multistate purchasing for
bulk tools

North Dakota Tribal Governments



Appendix

External Threats

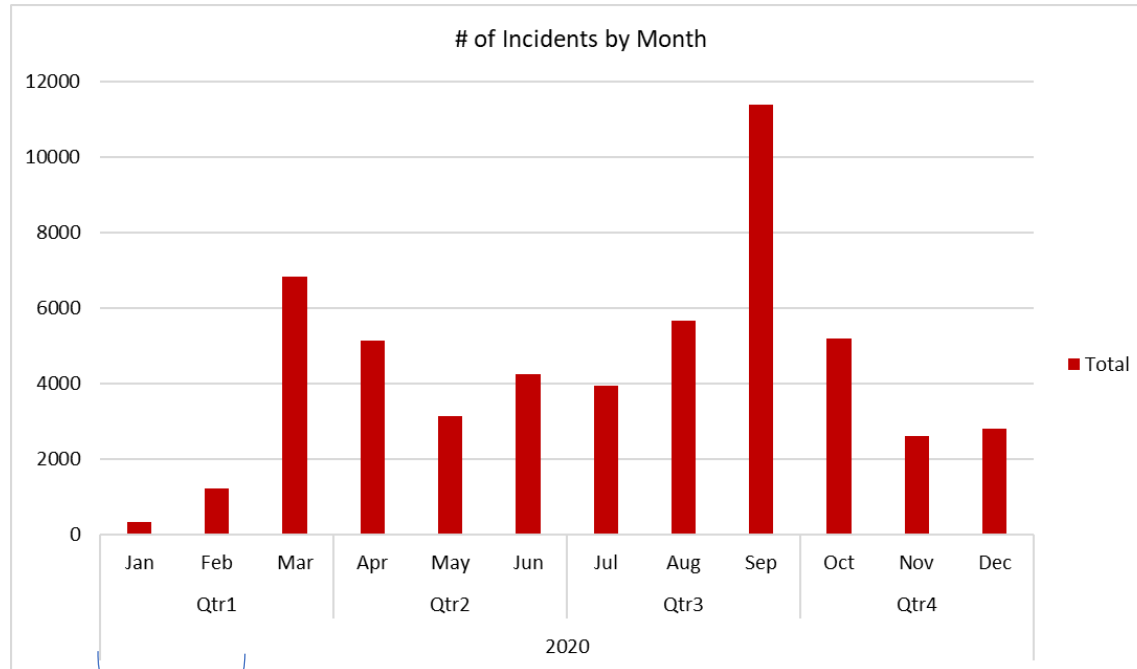


North Dakota receives over **177 Million detected attacks per month**¹ from external threats including:

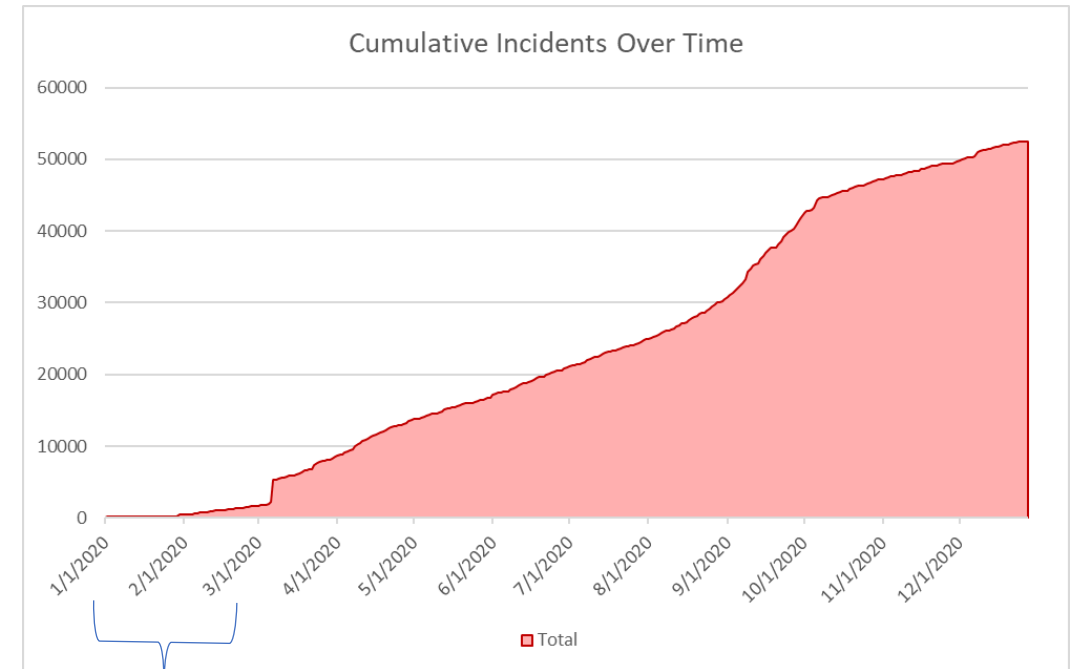
- Nation States,
- Corporate Espionage, and
- Organized Crime Syndicates.

1. Based on ¼ Sampling of 2020 Firewall logs from June 2020, August 2020, October 2020, and Last 30 days (as of December 20, 2020) - Logs available in appendix

52,415 Cyber Incidents (March 2020 to Nov 2020)



Most tools were not integrated, count is artificially low



Most tools were not integrated, count is artificially low

House Government and Veterans Affairs Committee
Chairman, Jim Kasper
North Dakota State Capital, Bismarck ND
February 4th, 2021
HOUSE BILL NO. 1417

My name is Scott J. Davis, I am a member of the Standing Rock Sioux Tribe and a descendent of the Turtle Mountain Band of Chippewa and I am proud to serve the great state of North Dakota as the Executive Director of the North Dakota Indian Affairs Commission. As Executive Director, I serve on the Governor's Cabinet. I am joined today by staff members in presenting our testimony today. Thank you for this opportunity.

Today, I am in full support of HB 1417, as it relates to a very important partnership between the State of North Dakota and our 5 Tribal Nations. As now know Cyber security is by far one of the most important defenses we have today in North Dakota and in this country. I have witnesses firsthand the number of Cyber Security attacks brought on by other countries and hackers that have stolen resources, assets and used data as hostage for payment. As challenging as it is, I believe we here in North Dakota are fortunate that we have the best Cyber Security Agency is the Nation.

As we continue to share resources and jurisdictions with our 5 Tribal Nations, we know they the Tribes are not immune to the countless Cyber attacks daily. For example, North Dakota Public Schools located within Tribal boundaries have been hacked in various ways. We have also seen attempts to hack into Tribal accounts for Oil and Gas assets and resources.

Mr. Chairman and members of the committee I ask you today to consider in amending section 54-59-05 of the North Dakota Century Code, as it relates to the powers and duties of the information technology department. The ultimate goal here is to allow the State-IDT, to enter into Memorandums of Agreements (MOA's) or Understanding (MOU's) with our 5 Tribal Nations. If the Tribes choose to enter

into the MOA's-MOU's, these agreements would ultimately and most importantly help protect Tribal data, assets, and money.

Below are the changes to the section 54-59-05 of the North Dakota Century Code. This concludes my testimony and I'll stand for any questions.

Thank you.

18. Notwithstanding chapter 54 - 40.2, may enter a memorandum of understanding with other state, local, tribal, or territorial governments of the United States for purposes of ensuring the confidentiality, availability, and integrity of state, local, and **tribal** information systems and data, including consulting, developing cybersecurity strategy, prevention of cybersecurity incidents, and response strategies to cybersecurity incidents. The department may charge an amount equal to the cost of the services rendered by the department to all agencies that receive and expend moneys from other than the general fund.

19. Notwithstanding chapter 54 - 40.2, may enter a mutual aid agreement with other state, local, **tribal**, or territorial governments of the United States agreeing to the reciprocal exchange of resources and services for mutual benefit of the parties related to cybersecurity efforts for the purposes of responding to or mitigating active cybersecurity incidents. The department may receive in - kind benefits that reduce cybersecurity risks to information technology or shall charge an amount equal to the cost of the services rendered by the department to all agencies that receive and expend moneys from other than the general fund.

Testimony Prepared for the
House Government & Veterans Affairs Committee

February 4, 2021

By: Terry Traynor, NDACo Executive Director



RE: House Bill 1417 - Support

Mr. Chairman and committee members, thank you for the opportunity to briefly express the support of counties for House Bill 1417.

County officials, like state officials, recognize the growing concerns of cybersecurity within government. While we are all linked together somehow, state and county governments are inextricably bound through the numerous shared software systems that all ride on the state backbone. One node on this backbone can, and has, affected other nodes.

Counties have the statutory authority to enter into memorandums of agreement with the State, and this legislation would clearly allow NDIT to do likewise. This, county officials believe, is a very appropriate way to approach this emerging risk to government services. By structuring the responsibilities of state and local government in this manner, NDIT and local governing boards will know, upfront, what their obligations and responsibilities will be.

County commissioners view this as a true demonstration of a partnership rather than a mandate, and therefore urge a Do Pass recommendation on House Bill 1417

Testimony in Support: House Bill 1417

House Government and Veterans Committee

Chairman Kasper

Erica Thunder, Commissioner, North Dakota Department of Labor and Human Rights

02/04/2021

Chairman Kasper and members of the House Government and Veterans Committee,

My name is Erica Thunder, and I serve as the Commissioner for the North Dakota Department of Labor and Human Rights. I am here today to speak in favor and support of HB 1417. This Bill has been long in the works and its drafters have been extremely particular in making sure its language encompasses the needs for entering into mutual aid and/or memorandums of understanding (MOU) agreements, in order to ensure cybersecurity incidents can be resolved as quickly and safely as possible.

I testify today because this Bill is exceedingly important to particularly, the Labor industry. Even a few minutes of a cyber-attack can put an entity, particularly in business, at extreme risk for loss of work and other major issues of confidential work, information, etc. This type of scenario would affect both employer and employee, along with potential entities doing business. The Department believes this risk is too great and would like to see assurance that people doing business in North Dakota do not have to worry about such instances.

We in North Dakota are extremely blessed and fortunate to have a world-renown team working in Cybersecurity under North Dakota Information Technology (ND IT), particularly with Mr. Kevin Ford as Chief Information Security Officer (CISO). I would feel highly comfortable knowing we have the option, if we would ever choose to utilize

it, to enter into MOUs with some of our partners in other states. For so many of us in Labor, our worlds have changed, many of us are working in databases solely online, instead of on paper. The protection of this Bill is highly needed.

On another personal note, I am a citizen of the MHA Nation, and I believe the language of this Bill as written, has been very well done, in the events that one of the Tribal Nations with whom we share territory with, would also suffer some type of cyber security attack. This has already happened in this State. And the breach affected North Dakota citizens who also happen to be Tribal citizens.

This Bill has been very well written, is concise, and could have a huge impact in whether we have the ability to respond to a cyber security act.

For all of these reasons, I support HB 1417 and ask for a do pass.

If I am unable to answer a specific question today, I will promptly work to provide an answer to the Committee.

Thank you,

Erica Thunder

Erica Thunder, JD
Commissioner
North Dakota Department of Labor and Human Rights

2021 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1417

2021 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Room JW216, State Capitol

HB 1417
3/11/2021

Relating to the powers and duties of the information technology department.
--

Chair Vedaa opened the hearing at 10:15 AM with Sen Vedaa, Meyer, Elkin, K Roers, Weber, Wobbema, and Marcellais present.

Discussion Topics:

- Partnerships with other states, local and tribal governments
- Cyber security information sharing
- Memorandums of understanding
- Funding grants from Congress

Rep Louser introduced the bill

Kevin Ford – Chief Information Security Officer NDIT - testified in favor #8700

Brad Hawk- testified in favor for **Scott Davis – ND Indian Affairs Commissioner** #8817

Adjourned at 10:38 AM

Pam Dever, Committee Clerk



#8700

TESTIMONY TO SENATE GOVERNMENT AND VETERANS AFFAIRS REGARDING BILL 1417

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Kevin Ford – Chief Information Security Officer NDI
3/10/2021

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Homeland
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From: HOMELAND SECURITY ADVISORY COUNCIL FINAL REPORT OF THE STATE, LOCAL, TRIBAL AND TERRITORIAL CYBERSECURITY SUBCOMMITTEE,
available https://www.dhs.gov/sites/default/files/publications/slitt_final_report_signed.pdf

Memorandums of Understanding for Cybersecurity Information Sharing



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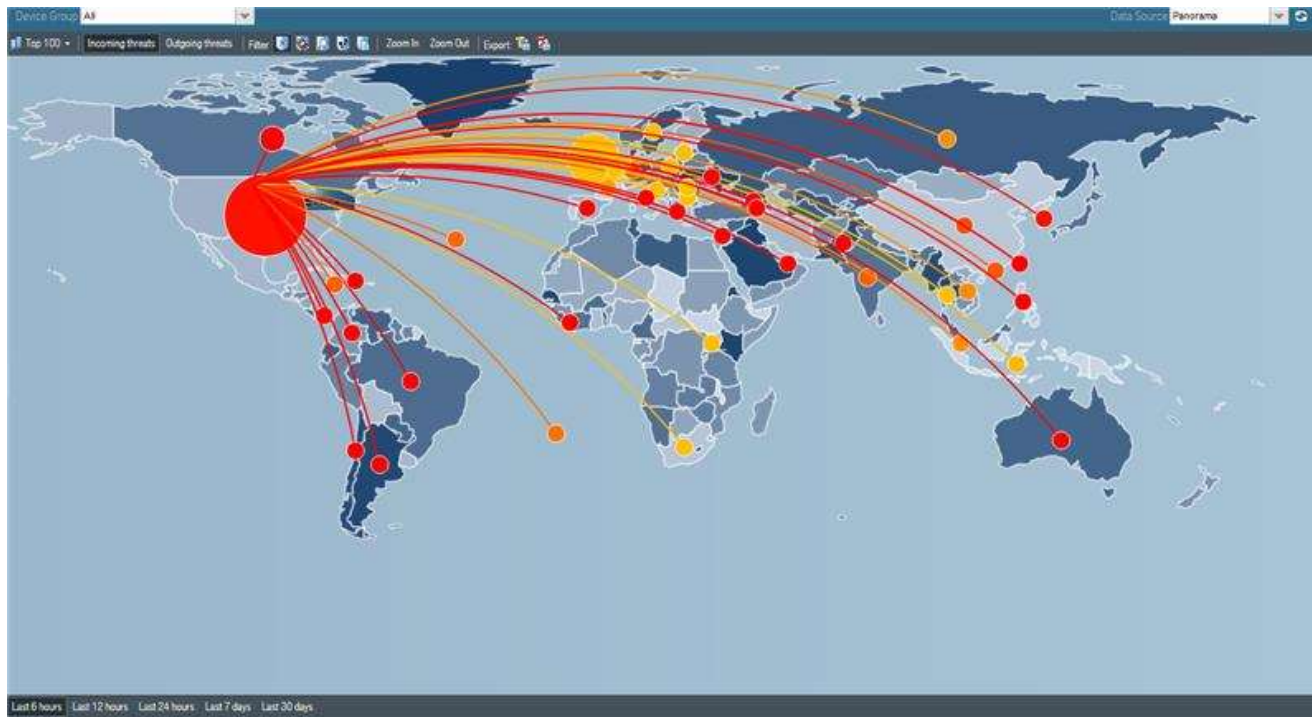
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North Dakota Tribal Governments



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External Threats

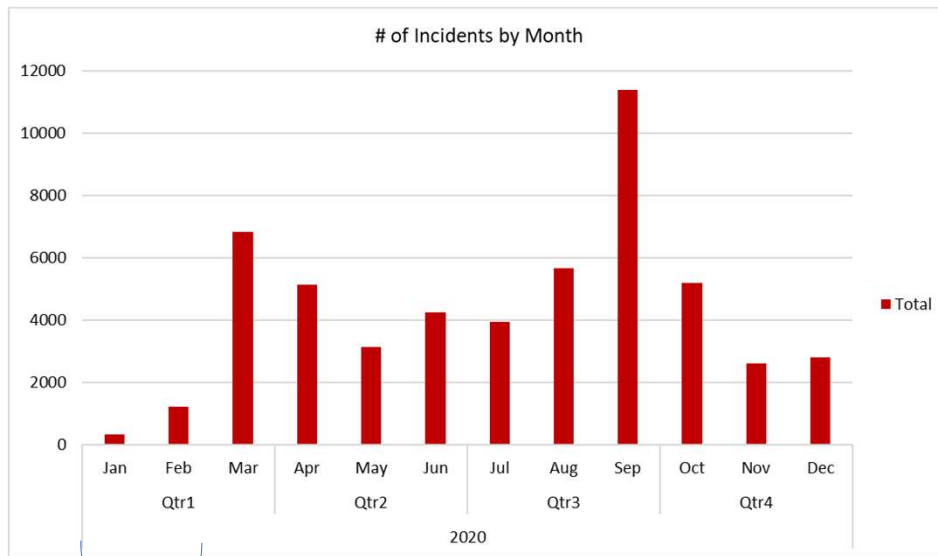


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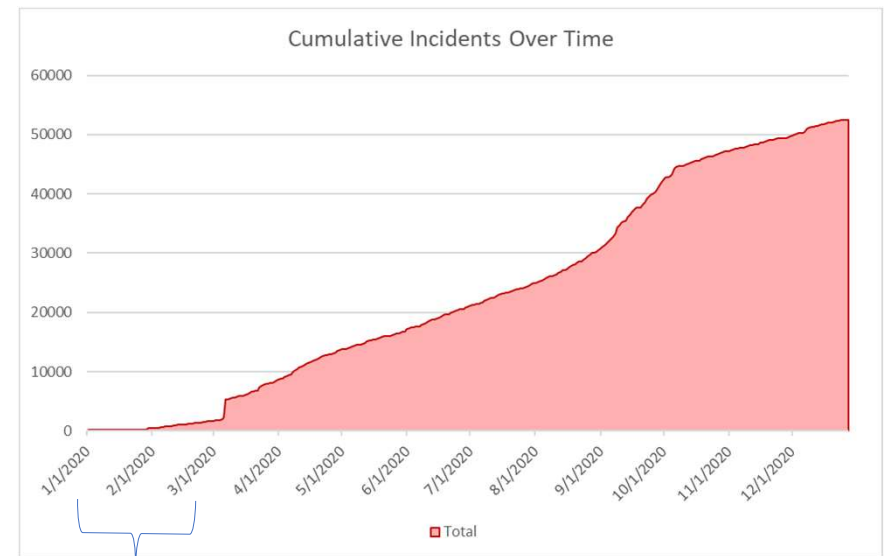
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Incidents based on Cortex XSOAR Incidents between 01/01/2020 – 12/28/2020. This number is artificially low as all alerts/events were not being ingested into XSOAR prior to March 2020.

Senate Government and Veterans Affairs Committee
North Dakota State Capital, Bismarck ND
March 11, 2021
HOUSE BILL NO. 1417

My name is Scott J. Davis, I am a member of the Standing Rock Sioux Tribe and a descendent of the Turtle Mountain Band of Chippewa and I am proud to serve the great state of North Dakota as the Executive Director of the North Dakota Indian Affairs Commission. As Executive Director, I serve on the Governor's Cabinet. I am joined today by staff members in presenting our testimony today. Thank you for this opportunity.

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This concludes my testimony and will entertain any questions.

Thank you,

Scott Davis, Executive Director
ND Indian Affairs Commission

2021 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Room JW216, State Capitol

HB 1417
3/11/2021

Relating to the powers & duties of the information technology department.
--

Chair Vedaa called to order at 4:20 PM with Sen Vedaa, Meyer, Elkin, K Roers, Weber, Wobbema, and Marcellais present.

Discussion Topics:

- Committee Work

Sen Marcellais moved a **Do Pass**

Sen Meyer seconded

Roll Call Vote: 7 -- YES 0 -- NO -0-ab Motion Passed

Senators	Vote
Senator Shawn Vedaa	Y
Senator Scott Meyer	Y
Senator Jay R. Elkin	Y
Senator Richard Marcellais	Y
Senator Kristin Roers	Y
Senator Mark F. Webber	Y
Senator Michael A. Wobbema	Y

Sen Marcellais will carry the bill.

Adjourned at 4:23 PM

Pam Dever, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1417: Government and Veterans Affairs Committee (Sen. Vedaa, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB
1417 was placed on the Fourteenth order on the calendar.