

By: Capriglione, Bohac, Blanco, et al.

H.B. No. 4214

Substitute the following for H.B. No. 4214:

By: Hernandez

C.S.H.B. No. 4214

A BILL TO BE ENTITLED

AN ACT

1
2 relating to matters concerning governmental entities, including
3 cybersecurity, governmental efficiencies, information resources,
4 and emergency planning.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 37.108(b), Education Code, is amended to
7 read as follows:

8 (b) At least once every three years, each school district or
9 public junior college district shall conduct a safety and security
10 audit of the district's facilities, including an information
11 technology cybersecurity assessment. To the extent possible, a
12 district shall follow safety and security audit procedures
13 developed by the Texas School Safety Center or a comparable public
14 or private entity.

15 SECTION 2. Subchapter C, Chapter 61, Education Code, is
16 amended by adding Section 61.09092 to read as follows:

17 Sec. 61.09092. COORDINATION OF CYBERSECURITY COURSEWORK
18 DEVELOPMENT. (a) In this section, "lower-division institution of
19 higher education" means a public junior college, public state
20 college, or public technical institute.

21 (b) The board, in consultation with the Department of
22 Information Resources, shall coordinate with lower-division
23 institutions of higher education and entities that administer or
24 award postsecondary industry certifications or other workforce

1 credentials in cybersecurity to develop certificate programs or
2 other courses of instruction leading toward those certifications or
3 credentials that may be offered by lower-division institutions of
4 higher education.

5 (c) The board may adopt rules as necessary for the
6 administration of this section.

7 SECTION 3. Subchapter F, Chapter 401, Government Code, is
8 amended by adding Section 401.106 to read as follows:

9 Sec. 401.106. CHIEF INNOVATION OFFICER. (a) The governor
10 shall appoint a chief innovation officer.

11 (b) The chief innovation officer shall:

12 (1) develop procedures and processes to improve
13 internal state government efficiency and performance;

14 (2) develop methods to improve the experience of
15 residents, businesses, and local governments in interacting with
16 state government;

17 (3) in cooperation with the Department of Information
18 Resources, increase the use of technology by state agencies to
19 improve services provided by the agencies and to reduce state
20 expenses and inefficiencies;

21 (4) provide state agency personnel with training in
22 skills that support innovation;

23 (5) provide state agency managers with training to
24 support innovation and encourage creative thinking; and

25 (6) develop and apply measures to document
26 improvements in state government innovation and in employee skills
27 that support innovation.

1 (c) In performing the duties required under Subsection (b),
2 the chief innovation officer shall:

- 3 (1) use strategic innovation;
4 (2) promote open innovation;
5 (3) introduce and use group tools and processes that
6 encourage creative thinking; and
7 (4) conduct market research to determine the best
8 practices for increasing innovation and implement those best
9 practices.

10 SECTION 4. Section 418.004(1), Government Code, is amended
11 to read as follows:

12 (1) "Disaster" means the occurrence or imminent threat
13 of widespread or severe damage, injury, or loss of life or property
14 resulting from any natural or man-made cause, including fire,
15 flood, earthquake, wind, storm, wave action, oil spill or other
16 water contamination, volcanic activity, epidemic, air
17 contamination, blight, drought, infestation, explosion, riot,
18 hostile military or paramilitary action, extreme heat, cyber
19 attack, other public calamity requiring emergency action, or energy
20 emergency.

21 SECTION 5. Subchapter B, Chapter 421, Government Code, is
22 amended by adding Section 421.027 to read as follows:

23 Sec. 421.027. CYBER INCIDENT STUDY AND RESPONSE PLAN. (a)
24 In this section:

25 (1) "Cyber incident" means an event occurring on or
26 conducted through a computer network that actually or imminently
27 jeopardizes the integrity, confidentiality, or availability of

1 computers, information or communications systems or networks,
2 physical or virtual infrastructure controlled by computers or
3 information systems, or information on the computers or systems.
4 The term includes a vulnerability in implementation or in an
5 information system, system security procedure, or internal control
6 that could be exploited by a threat source.

7 (2) "Significant cyber incident" means a cyber
8 incident, or a group of related cyber incidents, likely to result in
9 demonstrable harm to state security interests, foreign relations,
10 or the economy of this state or to the public confidence, civil
11 liberties, or public health and safety of the residents of this
12 state.

13 (b) The council, in cooperation with the Department of
14 Information Resources, shall:

15 (1) conduct a study regarding cyber incidents and
16 significant cyber incidents affecting state agencies and critical
17 infrastructure that is owned, operated, or controlled by agencies;
18 and

19 (2) develop a comprehensive state response plan to
20 provide a format for each state agency to develop an
21 agency-specific response plan and to implement the plan into the
22 agency's information security plan required under Section [2054.133](#)
23 to be implemented by the agency in the event of a cyber incident or
24 significant cyber incident affecting the agency or critical
25 infrastructure that is owned, operated, or controlled by the
26 agency.

27 (c) Not later than September 1, 2020, the council shall

1 deliver the response plan and a report on the findings of the study
2 to:

3 (1) the public safety director of the Department of
4 Public Safety;

5 (2) the governor;

6 (3) the lieutenant governor;

7 (4) the speaker of the house of representatives;

8 (5) the chair of the committee of the senate having
9 primary jurisdiction over homeland security matters; and

10 (6) the chair of the committee of the house of
11 representatives having primary jurisdiction over homeland security
12 matters.

13 (d) The response plan required by Subsection (b) and the
14 report required by Subsection (c) are not public information for
15 purposes of Chapter 552.

16 (e) This section expires December 1, 2020.

17 SECTION 6. Subchapter F, Chapter 437, Government Code, is
18 amended by adding Section 437.255 to read as follows:

19 Sec. 437.255. ASSISTING TEXAS STATE GUARD WITH CYBER
20 OPERATIONS. To serve the state and safeguard the public from
21 malicious cyber activity, the governor may command the Texas
22 National Guard to assist the Texas State Guard with defending the
23 state's cyber operations.

24 SECTION 7. The heading to Section 656.047, Government Code,
25 is amended to read as follows:

26 Sec. 656.047. PAYMENT OF PROGRAM AND CERTIFICATION
27 EXAMINATION EXPENSES.

1 SECTION 8. Section 656.047, Government Code, is amended by
2 adding Subsection (a-1) to read as follows:

3 (a-1) A state agency may spend public funds as appropriate
4 to reimburse a state agency employee or administrator who serves in
5 an information technology, cybersecurity, or other cyber-related
6 position for fees associated with industry-recognized
7 certification examinations.

8 SECTION 9. Section 2054.059, Government Code, is amended to
9 read as follows:

10 Sec. 2054.059. CYBERSECURITY. From available funds, the
11 department shall:

12 (1) establish and administer a clearinghouse for
13 information relating to all aspects of protecting the cybersecurity
14 of state agency information;

15 (2) develop strategies and a framework for:

16 (A) the securing of cyberinfrastructure by state
17 agencies, including critical infrastructure; and

18 (B) cybersecurity risk assessment and mitigation
19 planning;

20 (3) develop and provide training to state agencies,
21 including training for new employees of state agencies, on
22 cybersecurity measures and awareness;

23 (4) provide assistance to state agencies on request
24 regarding the strategies and framework developed under Subdivision
25 (2); and

26 (5) promote public awareness of cybersecurity issues.

27 SECTION 10. Subchapter C, Chapter 2054, Government Code, is

1 amended by adding Section 2054.069 to read as follows:

2 Sec. 2054.069. SECURITY PROGRAM FOR INTERNET CONNECTIVITY
3 OF CERTAIN OBJECTS. (a) The department, in consultation with
4 representatives of the information technology industry and
5 voluntary standards organizations and the 10 state agencies that
6 received the most state appropriations for that state fiscal year
7 as determined by the Legislative Budget Board, shall develop a
8 comprehensive risk management program that identifies baseline
9 security features for the Internet connectivity of computing
10 devices embedded in objects used or purchased by state agencies.

11 (b) In developing the program under Subsection (a), the
12 department shall identify and use existing international security
13 standards and best practices and any known security gaps for a range
14 of deployments, including critical systems and consumer usage.

15 SECTION 11. Subchapter F, Chapter 2054, Government Code, is
16 amended by adding Sections 2054.137, 2054.138, and 2054.139 to read
17 as follows:

18 Sec. 2054.137. INFORMATION SECURITY CONTINUOUS MONITORING
19 PROGRAM. (a) In this section:

20 (1) "Common control" means a security control that is
21 inherited by one or more information resources technologies.

22 (2) "Program" means the information security
23 continuous monitoring program described by this section.

24 (b) Each state agency shall:

25 (1) develop and maintain an information security
26 continuous monitoring program that:

27 (A) allows the agency to maintain ongoing

1 awareness of the security and vulnerabilities of and threats to the
2 agency's information resources;

3 (B) provides a clear understanding of
4 organizational risk and helps the agency set priorities and manage
5 the risk consistently;

6 (C) addresses how the agency conducts ongoing
7 authorizations of information resources technologies and the
8 environments in which those technologies operate, including the
9 agency's use of common controls;

10 (D) aligns with the continuous monitoring
11 guidance, cybersecurity framework, and risk management framework
12 published in Special Publications 800-137 and 800-53 by the United
13 States Department of Commerce National Institute of Standards and
14 Technology;

15 (E) addresses critical security controls,
16 including hardware asset management, software asset management,
17 configuration management, and vulnerability management; and

18 (F) requires the integration of cybersecurity
19 products;

20 (2) establish a strategy and plan to implement a
21 program for the agency;

22 (3) to the extent practicable, establish information
23 security continuous monitoring as an agency-wide solution and
24 deploy enterprise information security continuous monitoring
25 products and services;

26 (4) submit specified security-related information to
27 the dashboard established under Subsection (c)(3);

1 (5) evaluate and upgrade information resources
2 technologies and deploy new products, including agency and
3 component information security continuous monitoring dashboards,
4 as necessary to support information security continuous monitoring
5 and the need to submit security-related information requested by
6 the department;

7 (6) require that external service providers hosting
8 state information meet state information security requirements for
9 information security continuous monitoring; and

10 (7) ensure the agency has adequate staff with the
11 necessary training to meet the objectives of the program.

12 (c) The department shall:

13 (1) oversee the implementation of this section by each
14 state agency;

15 (2) monitor and assist each state agency in
16 implementation of a program and related strategies; and

17 (3) establish a statewide dashboard for information
18 security continuous monitoring that provides:

19 (A) a government-wide view of information
20 security continuous monitoring; and

21 (B) technical specifications and guidance for
22 state agencies on the requirements for submitting information for
23 purposes of the dashboard.

24 Sec. 2054.138. CYBERSECURITY THREAT SIMULATION EXERCISES.

25 (a) In this section, "executive staff" means the management or
26 senior level staff members of a state agency who directly report to
27 the executive head of a state agency.

1 (b) The executive head of a state agency and members of the
2 executive staff may participate in cybersecurity threat simulation
3 exercises with the agency's information resources technologies
4 employees to test the cybersecurity capabilities of the agency.

5 Sec. 2054.139. CYBERSECURITY TRAINING FOR NEW EMPLOYEES.
6 Not later than the 30th day after the date on which a new employee
7 begins employment with a state agency, the employee shall complete
8 the cybersecurity training developed by the department under
9 Section 2054.059.

10 SECTION 12. Section 2054.512(d), Government Code, is
11 amended to read as follows:

12 (d) The cybersecurity council shall:

13 (1) consider the costs and benefits of establishing a
14 computer emergency readiness team to address cyber attacks
15 occurring in this state during routine and emergency situations;

16 (2) establish criteria and priorities for addressing
17 cybersecurity threats to critical state installations;

18 (3) consolidate and synthesize best practices to
19 assist state agencies in understanding and implementing
20 cybersecurity measures that are most beneficial to this state;

21 ~~and~~

22 (4) assess the knowledge, skills, and capabilities of
23 the existing information technology and cybersecurity workforce to
24 mitigate and respond to cyber threats and develop recommendations
25 for addressing immediate workforce deficiencies and ensuring a
26 long-term pool of qualified applicants; and

27 (5) ensure all middle and high schools have knowledge

1 of and access to:

2 (A) free cybersecurity courses and curriculum
3 approved by the Texas Education Agency;

4 (B) state and regional information sharing and
5 analysis centers; and

6 (C) contracting benefits, including as provided
7 by Section 2054.0565.

8 SECTION 13. Subchapter N-1, Chapter 2054, Government Code,
9 is amended by adding Sections 2054.5155, 2054.519, 2054.5191, and
10 2054.5192 to read as follows:

11 Sec. 2054.5155. INDEPENDENT RISK ASSESSMENT. (a) At least
12 once every five years, in accordance with department rules, each
13 state agency shall:

14 (1) contract with an independent third party selected
15 from a list provided by the department to conduct an independent
16 risk assessment of the agency's exposure to security risks in the
17 agency's information resources systems and to conduct tests to
18 practice securing systems and notifying all affected parties in the
19 event of a data breach; and

20 (2) submit the results of the independent risk
21 assessment to the department.

22 (b) The department annually shall compile the results of the
23 independent risk assessments conducted in the preceding year and
24 prepare:

25 (1) a public report on the general security issues
26 covered by the assessments that does not contain any information
27 the release of which may compromise any state agency's information

1 resources system; and

2 (2) a confidential report on specific risks and
3 vulnerabilities that is exempt from disclosure under Chapter 552.

4 (c) The department annually shall submit to the legislature
5 a comprehensive report on the results of the independent risk
6 assessments conducted under Subsection (a) during the preceding
7 year that includes the report prepared under Subsection (b)(1) and
8 that identifies systematic or pervasive security risk
9 vulnerabilities across state agencies and recommendations for
10 addressing the vulnerabilities but does not contain any information
11 the release of which may compromise any state agency's information
12 resources system.

13 Sec. 2054.519. VENDOR RESPONSIBILITY FOR CYBERSECURITY. A
14 vendor that contracts with this state to provide information
15 resources technology for a state agency at a cost to the agency of
16 \$1 million or more is responsible for addressing known
17 cybersecurity risks associated with the technology and is
18 responsible for any cost associated with addressing the identified
19 cybersecurity risks. For a major information resources project,
20 the vendor shall provide to state agency contracting personnel:

21 (1) a written attestation that:

22 (A) the vendor has a cybersecurity risk
23 management program consistent with:

24 (i) the cybersecurity framework
25 established by the National Institute of Standards and Technology;

26 (ii) the 27000 series standards for
27 information security published by the International Organization

1 for Standardization; or

2 (iii) other widely accepted security risk
3 management frameworks;

4 (B) the vendor's cybersecurity risk management
5 program includes appropriate training and certifications for the
6 employees performing work under the contract; and

7 (C) the vendor has a vulnerability management
8 program that addresses vulnerability identification, mitigation,
9 and responsible disclosure, as appropriate; and

10 (2) an initial summary of any costs associated with
11 addressing or remediating the identified technology or
12 personnel-related cybersecurity risks as identified in
13 collaboration with this state following a risk assessment.

14 Sec. 2054.5191. CYBERSTAR PROGRAM; CERTIFICATE OF
15 APPROVAL. (a) The state cybersecurity coordinator, in
16 collaboration with the cybersecurity council and public and private
17 entities in this state, shall develop best practices for
18 cybersecurity that include:

19 (1) measureable, flexible, and voluntary
20 cybersecurity risk management programs for public and private
21 entities to adopt to prepare for and respond to cyber incidents that
22 compromise the confidentiality, integrity, and availability of the
23 entities' information systems;

24 (2) appropriate training and information for
25 employees or other individuals who are most responsible for
26 maintaining security of the entities' information systems;

27 (3) consistency with:

1 (A) for a municipality or county, the multihazard
2 emergency operations plan and the safety and security audit
3 required under Section 364.0101, Local Government Code; and

4 (B) the National Institute of Standards and
5 Technology standards for cybersecurity;

6 (4) public service announcements to encourage
7 cybersecurity awareness; and

8 (5) coordination with local and state governmental
9 entities.

10 (b) The state cybersecurity coordinator shall establish a
11 cyberstar certificate program to recognize public and private
12 entities that implement the best practices for cybersecurity
13 developed in accordance with Subsection (a). The program must
14 allow a public or private entity to submit to the department a form
15 certifying that the entity has complied with the best practices and
16 the department to issue a certificate of approval to the entity.
17 The entity may include the certificate of approval in
18 advertisements and other public communications.

19 (c) The state cybersecurity coordinator shall conduct an
20 annual public event to promote best practices for cybersecurity.

21 Sec. 2054.5192. ENCRYPTED SECURE LAYER SERVICES REQUIRED.
22 Each state agency that maintains a publicly accessible Internet
23 website that requires the submission of sensitive personally
24 identifiable information shall use an encrypted secure
25 communication protocol, including a secure hypertext transfer
26 protocol.

27 SECTION 14. Chapter 2054, Government Code, is amended by

1 adding Subchapter R to read as follows:

2 SUBCHAPTER R. INFORMATION RESOURCES OF GOVERNMENTAL ENTITIES

3 Sec. 2054.601. USE OF NEXT GENERATION TECHNOLOGY. Each
4 state agency and local government shall, in the administration of
5 the agency or local government, consider using next generation
6 technologies, including cryptocurrency, blockchain technology, and
7 artificial intelligence.

8 Sec. 2054.602. LIABILITY EXEMPTION. A person who in good
9 faith discloses to a state agency or other governmental entity
10 information regarding a potential security issue with respect to
11 the agency's or entity's information resources technologies is not
12 liable for any civil damages resulting from disclosing the
13 information unless the person stole, retained, or sold any data
14 obtained as a result of the security issue.

15 Sec. 2054.603. MATCHING GRANTS FOR LOCAL CYBERSECURITY
16 PROJECTS. (a) In this section, "local governmental entity" means a
17 political subdivision of the state, including a:

- 18 (1) county;
19 (2) municipality;
20 (3) public school district; or
21 (4) special-purpose district or authority.

22 (b) Using available funds, the governor shall establish and
23 administer a cybersecurity matching grant program to award grants
24 to local governmental entities to defray the costs of cybersecurity
25 projects.

26 (c) A local governmental entity that applies to the office
27 of the governor for a matching grant under this section must

1 identify the source and amount of the local governmental entity's
2 matching funds. If the office approves a grant application, the
3 office shall award to the local governmental entity a grant amount
4 equal to 150 percent of the amount committed by the entity.

5 (d) The office may set a deadline for grant applications for
6 each state fiscal year.

7 (e) The governor shall adopt rules to implement the grant
8 program created under this section.

9 Sec. 2054.604. CYBERSECURITY THREAT ASSESSMENT. The
10 department shall develop a cybersecurity threat assessment for
11 local governments that provides best practices for preventing
12 cybersecurity attacks.

13 Sec. 2054.605. REPOSITORY FOR CYBERSECURITY EDUCATION AND
14 TRAINING. The department, in conjunction with institutions of
15 higher education as defined by Section 61.003, Education Code,
16 shall maintain and promote a centralized repository of information
17 on cybersecurity education and training that is available to any
18 governmental entity in this state.

19 SECTION 15. Subchapter B, Chapter 2155, Government Code, is
20 amended by adding Section 2155.092 to read as follows:

21 Sec. 2155.092. VENDOR CERTIFICATION FOR CERTAIN GOODS. (a)
22 This section does not apply to a good provided as part of a major
23 information resources project as defined by Section 2054.003.

24 (b) A vendor offering to sell to the state a good embedded
25 with a computing device capable of Internet connectivity must
26 include with each bid, offer, proposal, or other expression of
27 interest a written certification providing that the good does not

1 contain, at the time of submitting the bid, offer, proposal, or
2 expression of interest, a hardware, software, or firmware component
3 with any known security vulnerability or defect.

4 SECTION 16. The heading to Section 2157.007, Government
5 Code, is amended to read as follows:

6 Sec. 2157.007. [~~CONSIDERATION OF~~] CLOUD COMPUTING SERVICE
7 [~~PURCHASE~~].

8 SECTION 17. Section 2157.007, Government Code, is amended
9 by amending Subsection (b) and adding Subsection (f) to read as
10 follows:

11 (b) A state agency shall ensure [~~consider cloud computing~~
12 ~~service options, including any security benefits and cost savings~~
13 ~~associated with purchasing those service options from a cloud~~
14 ~~computing service provider and from a statewide technology center~~
15 ~~established by the department~~], when making purchases for an
16 automated information system or a major information resources
17 project under Section 2054.118, that the system or project is
18 capable of being deployed and run on cloud computing services.

19 (f) The department shall periodically review guidelines on
20 state agency information that may be stored by a cloud computing or
21 other storage service and the cloud computing or other storage
22 services available to state agencies for that storage to ensure
23 that an agency purchasing a major information resources project
24 under Section 2054.118 selects the most affordable, secure, and
25 efficient cloud computing or other storage service available to the
26 agency. The guidelines must include appropriate privacy and
27 security standards that, at a minimum, require a vendor who offers

1 cloud computing or other storage services or other software,
2 applications, online services, or information technology solutions
3 to any state agency to demonstrate that data provided by the state
4 to the vendor will be maintained in compliance with all applicable
5 state and federal laws and rules.

6 SECTION 18. Section 205.010(b), Local Government Code, is
7 amended to read as follows:

8 (b) A local government that owns, licenses, or maintains
9 computerized data that includes sensitive personal information
10 shall comply, in the event of a breach of system security, with the
11 notification requirements of:

- 12 (1) Section 364.0053;
- 13 (2) Section 364.0102; and
- 14 (3) Section 521.053, Business & Commerce Code, to the
15 same extent as a person who conducts business in this state.

16 SECTION 19. Subtitle C, Title 11, Local Government Code, is
17 amended by adding Chapter 364 to read as follows:

18 CHAPTER 364. LOCAL GOVERNMENT CYBERSECURITY AND EMERGENCY PLANNING
19 AND RESPONSE

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 364.0001. DEFINITIONS. In this chapter:

22 (1) "Breach of system security" has the meaning
23 assigned by Section 521.053, Business & Commerce Code.

24 (2) "Cybersecurity coordinator" means the state
25 cybersecurity coordinator designated under Section 2054.511,
26 Government Code.

27 (3) "Cybersecurity council" means the council

1 established by the cybersecurity coordinator under Section
2 2054.512, Government Code.

3 (4) "Sensitive personal information" has the meaning
4 assigned by Section 521.002, Business & Commerce Code.

5 SUBCHAPTER B. REGIONAL INFORMATION SHARING AND ANALYSIS CENTERS

6 Sec. 364.0051. ESTABLISHMENT. (a) The cybersecurity
7 coordinator shall provide for the establishment and operation of
8 not more than 20 regional information sharing and analysis centers.

9 (b) Regional information sharing and analysis centers shall
10 be located throughout the state so that the boundaries for each
11 center are coextensive with the regional education service centers
12 established under Chapter 8, Education Code.

13 Sec. 364.0052. MEMBERSHIP. Each municipality with a
14 population of more than 25,000 shall join the regional information
15 sharing and analysis center in which the municipality is
16 predominantly located. Any other political subdivision may join
17 the regional information sharing and analysis center in which the
18 political subdivision is predominantly located.

19 Sec. 364.0053. SECURITY BREACH NOTIFICATION. (a) Not
20 later than 48 hours after a political subdivision discovers a
21 breach or suspected breach of system security or an unauthorized
22 exposure of sensitive personal information, the political
23 subdivision shall notify the regional information sharing and
24 analysis center of the breach. The notification must describe the
25 breach, suspected breach, or unauthorized exposure.

26 (b) A regional information sharing and analysis center
27 shall report to the Department of Information Resources any breach

1 of system security reported by a political subdivision in which the
2 person responsible for the breach:

3 (1) obtained or modified specific critical or
4 sensitive personal information;

5 (2) established access to the political subdivision's
6 information systems or infrastructure; or

7 (3) undermined, severely disrupted, or destroyed a
8 core service, program, or function of the political subdivision, or
9 placed the person in a position to do so in the future.

10 Sec. 364.0054. RULEMAKING. The cybersecurity coordinator
11 may adopt rules necessary to implement this subchapter.

12 SUBCHAPTER C. EMERGENCY PLANNING AND RESPONSE

13 Sec. 364.0101. MULTHAZARD EMERGENCY OPERATIONS PLAN;
14 SAFETY AND SECURITY AUDIT. (a) This section applies to a
15 municipality or county with a population of more than 100,000.

16 (b) Each municipality and county shall adopt and implement a
17 multihazard emergency operations plan for use in the municipality's
18 and county's facilities. The plan must address mitigation,
19 preparedness, response, and recovery as determined by the
20 cybersecurity council and the governor's office of homeland
21 security. The plan must provide for:

22 (1) municipal or county employee training in
23 responding to an emergency;

24 (2) measures to ensure coordination with the
25 Department of State Health Services, Department of Information
26 Resources, local emergency management agencies, law enforcement
27 agencies, local health departments, and fire departments in the

1 event of an emergency; and

2 (3) the implementation of a safety and security audit
3 as required by Subsection (c).

4 (c) At least once every three years, each municipality and
5 county shall conduct a safety and security audit of the
6 municipality's or county's information technology infrastructure.
7 To the extent possible, a municipality or county shall follow
8 safety and security audit procedures developed by the cybersecurity
9 council or a comparable public or private entity.

10 (d) A municipality or county shall report the results of the
11 safety and security audit conducted under Subsection (c):

12 (1) to the municipality's or county's governing body;
13 and

14 (2) in the manner required by the cybersecurity
15 council, to the cybersecurity council.

16 (e) Except as provided by Subsection (f), any document or
17 information collected, developed, or produced during a safety and
18 security audit conducted under Subsection (c) is not subject to
19 disclosure under Chapter 552, Government Code.

20 (f) A document relating to a municipality's or county's
21 multihazard emergency operations plan is subject to disclosure if
22 the document enables a person to:

23 (1) verify that the municipality or county has
24 established a plan and determine the agencies involved in the
25 development of the plan and the agencies coordinating with the
26 municipality or county to respond to an emergency;

27 (2) verify that the municipality's or county's plan

1 was reviewed within the last 12 months and determine the specific
2 review dates;

3 (3) verify that the plan addresses the phases of
4 emergency management under Subsection (b);

5 (4) verify that municipal or county employees have
6 been trained to respond to an emergency and determine the types of
7 training, the number of employees trained, and the person
8 conducting the training;

9 (5) verify that the municipality or county has
10 completed a safety and security audit under Subsection (c) and
11 determine the date the audit was conducted, the person conducting
12 the audit, and the date the municipality or county presented the
13 results of the audit to the municipality's or county's governing
14 body; and

15 (6) verify that the municipality or county has
16 addressed any recommendations by the municipality's or county's
17 governing body for improvement of the plan and determine the
18 municipality's or county's progress within the last 12 months.

19 Sec. 364.0102. RANSOMWARE PAYMENT. (a) In this section,
20 "ransomware" has the meaning assigned by Section 33.023, Penal
21 Code.

22 (b) Not later than 48 hours after the time a political
23 subdivision makes a ransomware payment, the political subdivision
24 shall notify the cybersecurity coordinator of the payment.

25 SECTION 20. Section 2054.513, Government Code, is repealed.

26 SECTION 21. The Department of Information Resources shall
27 conduct a study on the types of objects embedded with computing

1 devices that are connected to the Internet that are purchased
2 through the department. The Department of Information Resources
3 shall submit a report on the study to the legislature not later than
4 December 31, 2020.

5 SECTION 22. (a) The lieutenant governor shall establish a
6 Senate Select Committee on Cybersecurity and the speaker of the
7 house of representatives shall establish a House Select Committee
8 on Cybersecurity to, jointly or separately, study:

9 (1) cybersecurity in this state;

10 (2) the information security plans of each state
11 agency;

12 (3) the risks and vulnerabilities of state agency
13 cybersecurity; and

14 (4) information technology procurement.

15 (b) Not later than November 30, 2019:

16 (1) the lieutenant governor shall appoint five
17 senators to the Senate Select Committee on Cybersecurity, one of
18 whom shall be designated as chair; and

19 (2) the speaker of the house of representatives shall
20 appoint five state representatives to the House Select Committee on
21 Cybersecurity, one of whom shall be designated as chair.

22 (c) The committees established under this section shall
23 convene separately at the call of the chair of the respective
24 committees, or jointly at the call of both chairs. In joint
25 meetings, the chairs of each committee shall act as joint chairs.

26 (d) Following consideration of the issues listed in
27 Subsection (a) of this section, the committees established under

1 this section shall jointly adopt recommendations on state
2 cybersecurity and report in writing to the legislature any findings
3 and adopted recommendations not later than January 12, 2021.

4 (e) This section expires September 1, 2021.

5 SECTION 23. As soon as practicable after the effective date
6 of this Act, the governor shall appoint a chief innovation officer
7 as required by Section 401.106, Government Code, as added by this
8 Act.

9 SECTION 24. Section 2054.139, Government Code, as added by
10 this Act, requiring a new employee of a state agency to complete
11 cybersecurity training, applies only to an employee who begins
12 employment on or after the effective date of this Act.

13 SECTION 25. Section 2155.092, Government Code, as added by
14 this Act, applies only in relation to a contract for which a state
15 agency first advertises or otherwise solicits bids, offers,
16 proposals, or other expressions of interest on or after the
17 effective date of this Act.

18 SECTION 26. Section [2157.007](#), Government Code, as amended
19 by this Act, applies only with respect to a purchase made by a state
20 agency on or after the effective date of this Act. A purchase made
21 before the effective date of this Act is governed by the law in
22 effect on the date the purchase was made, and the former law is
23 continued in effect for that purpose.

24 SECTION 27. This Act takes effect September 1, 2019.