Committee Report

CONSENT CALENDAR

March 3, 2021

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Science, Technology and Energy to which was referred HB 487,

AN ACT establishing an information technology supply chain risk authority. Having considered the same, report the same with the following resolution:

RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Lex Berezhny

FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

COMMITTEE REPORT

Committee:	Science, Technology and Energy
Bill Number:	HB 487
Title:	establishing an information technology supply chain risk authority.
Date:	March 3, 2021
Consent Calendar:	CONSENT
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

This bill sought to tighten up security at the state's Department of Information Technology. It was requested by the head of the department. In light of recent cyber security developments, both the department head and the sponsor decided to request that the bill be deemed Inexpedient to Legislate so that a better bill can be brought forward next year.

Vote 20-0.

 $\begin{array}{c} \text{Rep. Lex Berezhny} \\ \text{FOR THE COMMITTEE} \end{array}$

Original: House Clerk

Cc: Committee Bill File

CONSENT CALENDAR

Science, Technology and Energy

HB 487, establishing an information technology supply chain risk authority. INEXPEDIENT TO LEGISLATE.

Rep. Lex Berezhny for Science, Technology and Energy. This bill sought to tighten up security at the state's Department of Information Technology. It was requested by the head of the department. In light of recent cyber security developments, both the department head and the sponsor decided to request that the bill be deemed Inexpedient to Legislate so that a better bill can be brought forward next year. Vote 20-0.

Original: House Clerk

Cc: Committee Bill File

Archived: Tuesday, May 11, 2021 2:49:58 PM

From: Michael Vose

Sent: Wednesday, February 17, 2021 9:01:42 AM

To: Carrie Morris **Cc:** Jennifer Foor

Subject: More Committee Reports

Importance: Normal

Carrie,

Here are two more committee reports.

HB487 ITL

Rep. Lex Berezhny for the Majority of Science, Technology, & Energy.

This bill sought to tighten up security at the state's information technology department. It was requested by the head of the department. In light of recent cybersecurity developments, both the department head and the sponsor decided to request that the bill be deemed Inexpedient to Legislate so that a better bill can be brought forward next year.

HB119 ITL

Rep. Jose Cambrils for the Majority of Science, Technology, & Energy Committee.

This bill attempts to remove legislative oversight of the systems benefits charge (SBC), which every NH ratepayer pays. The majority finds that legislative approval of SBC is needed to provide transparency and accountability to the voting public. The SBC funds most of the State's energy efficiency activity, as implemented through the NHSaves program, which the State's utilities administer. It currently provides \$62 million. A plan currently under review by the PUC would increase that funding to \$87 million in 2021, with expected additional increases in 2022 and 2023. These large increases demonstrate the need for the legislature to review and approve such proposed hikes in ratepayer costs.

--Rep. Michael Vose, Chair Science, Technology, & Energy Committee Rockingham District 9 Epping, NH

Voting Sheets

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 487

BILL TITLE: establishing an information technology supply chain risk authority.

DATE: February 12, 2021

LOB ROOM: 201-202 Hybrid

MOTIONS: INEXPEDIENT TO LEGISLATE

Moved by Rep. Berezhny Seconded by Rep. Homola Vote: 20-0

CONSENT CALENDAR: YES

<u>Statement of Intent</u>: Refer to Committee Report

Respectfully submitted,

Rep Troy Merner, Acting Clerk

Hearing Minutes

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 487

BILL TITLE: establishing an information technology supply chain risk authority.

DATE: February 12, 2021

LOB ROOM: 201-202 Hybrid Time Public Hearing Called to Order: 10:40 a.m.

Time Adjourned: 10:50 a.m.

<u>Committee Members</u>: Reps. Vose, Thomas, Harrington, Notter, Merner, Berezhny, Bernardy, Cambrils, Ploszaj, White, Somssich, Cali-Pitts, Mann, Oxenham, Vincent, McGhee, McWilliams, Pimental and Parshall, Homola, Murry

Bill Sponsors:

Rep. Somssich Rep. Meuse Rep. Woods Rep. Hamblet Rep. Gould Rep. Ward

Rep. Ammon

TESTIMONY

- * Use asterisk if written testimony and/or amendments are submitted.
 - *Rep Somssich introduced the bill. Spoke on technology in the supply chain.
 - * Denis Goulet spoke opposing the bill. Said the bill is not ready to move forward.

House Remote Testify

Science, Technology and Energy Committee Testify List for Bill HB487 on 2021-02-12

<u>Name</u>	Email Address	Phone	<u>Title</u>	Representing	Position	Testifying	Signed Up
Goulet, Denis	denis.c.goulet@doit.nh.gov	111.111.1111	State Agency Staff	Myself	Oppose	Yes (5m)	2/11/2021 2:40 PM
Somssich, Peter	staterep27nh@gmail.com	111.111.1111	An Elected Official	Myself	Support	Yes (3m)	2/11/2021 3:14 PM
McCalley, Jennifer	jenniferamccalley@gmail.com	111.111.1111	A Member of the Public	Myself	Support	No	2/11/2021 4:36 PM
Rathbun, Eric	ericsrathbun@gmail.com	111.111.1111	A Member of the Public	Myself	Neutral	No	2/12/2021 12:09 AM
Howard Jr., Raymond	brhowardjr@yahoo.com	111.111.1111	An Elected Official	Myself	Oppose	No	2/12/2021 9:03 AM
WOODS, GARY	gwpops054@gmail.com	603.228.3827	An Elected Official	Myself	Support	No	2/3/2021 1:34 PM
Storrs, Caroline	pcstorrs@gmail.com	603.675.9376	A Member of the Public	Myself	Support	No	2/6/2021 9:24 PM
Wells, Ken	kenwells3@gmail.com	603.735.5756	A Member of the Public	Myself	Support	No	2/9/2021 10:08 AM
moe, carmelita	carmelitaymoe@outlook.com	603.977.0025	A Member of the Public	Myself	Support	No	2/9/2021 10:08 AM
Wolf, Daniel	dan@hodan.com	603.763.5176	An Elected Official	Myself	Oppose	No	2/9/2021 10:40 AM
Richman, Susan	susan7richman@gmail.com	111.111.1111	A Member of the Public	Myself	Support	No	2/9/2021 5:23 PM
Deshaies, Brodie	brodiefornh@gmail.com	111.111.1111	An Elected Official	Carroll 6, Wolfeboro	Support	No	2/9/2021 6:19 PM
kwasnik, joseph	jkwasnik25@gmail.com	111.111.1111	A Member of the Public	Myself	Support	No	2/11/2021 8:13 AM
Richardson, Daniel	daniel6_22@comcast.net	111.111.1111	A Member of the Public	Myself	Support	No	2/11/2021 8:44 AM
Martin, Patricia	pmartin2894@yahoo.com	111.111.1111	A Member of the Public	Myself	Support	No	2/11/2021 10:58 AM

Testimony

Testimony to Science Technology & Energy Committee HB 487 IT Supply Chain Security

Rep. Peter Somssich, District 27, Portsmouth (Feb. 12, 2021)

Thank you, Chair Vose and committee members, for giving me opportunity to introduce HB 487.

My original intent for the introduction of this bill was based on concerns regarding the security of our state government's networks as well as the products and services that the State of New Hampshire is procuring. Approximately, 2 years ago I worked with the State's Director for IT, Denis Goulet, on a bill (since signed by Governor Sununu) that prohibited state agencies from using software developed by Kaspersky Lab. Kaspersky Lab software is most frequently used as anti-virus and cybersecurity protection. At that time, many state agencies throughout the country, as well as the US government were in fact still using that software.

Recently, I have been aware of a number of products and services being offered by companies associated with governments that have been accused of cybersecurity and hacking threats against the US government and governments abroad. Such countries include the People's Republic of China, Russia, North Korea and Iran. The main attraction for such products has been the fact that they are often offered at a considerably lower price than their competition.

I discussed these concerns with Director Goulet who informed me that his department had been working on these issues and would be willing to suggest elements that they felt were important to include in any such bill. His department has worked with OLS to draft the bill before today. However, upon closer scrutiny and based on more recent cybersecurity threats, it is the opinion of his IT Department, that the bill before today is not yet ready to be acted on. Director Goulet will explain his reasoning to you, today. However, based on his recommendation, I 'Il ask this committee to vote to Retain this bill until further improvements can be made to it.

Thank you for this opportunity to speak to you today.

Archived: Wednesday, April 21, 2021 10:46:19 AM

From: Peter Somssich

Sent: Thursday, February 11, 2021 3:19:17 PM **To:** ~House Science Technology and Energy

Cc: Jennifer Foor

Subject: Testimony for HB 487

Importance: Normal

Attachments:

2021 Testimony for IT Supply Chain Security.docx

Dear STE Members,

Attached please find my testimony in support of HB 487.

Best Regards, Peter Somssich

Bill as Introduced

HB 487 - AS INTRODUCED

2021 SESSION

21-0822 04/08

HOUSE BILL 487

AN ACT establishing an information technology supply chain risk authority.

SPONSORS: Rep. Somssich, Rock. 27; Rep. Meuse, Rock. 29; Rep. Woods, Merr. 23; Rep.

Hamblet, Rock. 31; Rep. Gould, Hills. 7; Rep. Ward, Rock. 28; Rep. Ammon, Hills.

40

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill establishes an information technology supply chain risk authority.

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Explanation: Matter added to current law appears in *bold italics*.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT establishing an information technology supply chain risk authority.

Be it Enacted by the Senate and House of Representatives in General Court convened:

	· · · · · · · · · · · · · · · · · · ·
1	1 Department of Information Technology; Subdivision Heading Amended. Amend the
2	subdivision heading preceding RSA 21-R:15 to read as follows:
3	[Cybersecurity Software]
4	Information Technology Supply Chain Risk Authority
5	2 Department of Information Technology; Information Technology Supply Chain Risk Authority
6	RSA 21-R:15 is repealed and reenacted to read as follows:
7	21-R:15 Information Technology Supply Chain Risk Authority Established.
8	I. There is hereby created an information technology supply chain risk authority
9	("authority") within the department of information technology.
10	II. The members of the authority shall be as follows:
11	(a) Three members of the house of representatives, appointed by the speaker of the
12	house of representatives.
13	(b) Two senators, appointed by the president of the senate.
14	(c) Four members with expertise in information technology supply chain security
15	appointed by the governor.
16	(d) The chief justice of the superior court, or designee.
17	(e) The attorney general, or designee.
18	(f) The commissioner of the department of information technology, or designee.
19	(g) The commissioner of the department of administrative services, or designee.
20	III. Legislative members of the authority shall receive mileage at the legislative rate when
21	attending to the duties of the authority. Members of the authority shall serve terms coterminous
22	with their terms in office, except that the member appointed under subparagraph (c) shall serve 3-
23	year terms and may be reappointed. Vacancies shall be filled in the same manner as the original
24	appointment.
25	IV. The members of the commission shall elect a chairperson from among the members. The
26	first named house member shall call the first meeting of the commission. Seven members of the
27	commission shall constitute a quorum.
28	V. The authority shall develop policies to govern and approve or deny all information
29	technology acquisitions and procurements statewide for all branches of state government and all

state departments and agencies, including the purchase or acquisition of any software, hardware, or

telecommunication services to ensure security and minimize risk. The authority may veto an

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HB 487 - AS INTRODUCED - Page 2 -

- acquisition or purchase request if it determines that it would present a security risk to the state's information technology infrastructure. The authority shall only review acquisitions or purchases proposed or made on or after the effective date of this section.
- VI. Beginning November 1, 2022, and annually thereafter, the authority shall submit an annual report of its activities for the year, including any findings and recommendations for proposed legislation to the president of the senate, the speaker of the house of representatives, the senate clerk, the house clerk, the governor, and the state library.
 - 3 Effective Date. This act shall take effect 60 days after its passage.