



**NCSL – Task Force on Artificial Intelligence, Cybersecurity and Privacy**  
**State Short Takes – Cybersecurity and Privacy Legislation**  
September 29, 2023

**Oregon  
Legislative Fiscal  
Office**

**Sean McSpaden**  
Principal Legislative  
IT Analyst &  
JLCIMT Committee  
Administrator





# Oregon Legislative Fiscal Office (LFO)

- Legislative Fiscal Officer (Amanda Beitel) appointed by co-chairs of Joint Committee on Ways and Means (Sen. Steiner Hayward and Rep. Sanchez)
- **LFO is a permanent nonpartisan legislative service agency that:**
  - Provides comprehensive research, analysis, and recommendations on state's biennial budget
  - **Evaluates state expenditures, program administration, and agency organization**
  - **Assists in developing Legislature's adopted balanced budget**
  - **Prepares fiscal impact statements on legislative measures**
  - Publishes detailed analyses, summary documents, and briefs on budget-related topics
  - Performs other duties as directed by the Legislative Fiscal Officer

<https://www.oregonlegislature.gov/lfo>





# Oregon Legislative Fiscal Office (LFO)

*Provides Professional Staff Support*

**Emergency Board**  
*(Legislative Interim)*

**Joint Committee on Ways and Means**

**Joint Legislative Audits Committee**

**Transparency Oregon Advisory Commission**

**Joint Legislative Committee on Information Management and Technology**

**Other Special Committees or Task Forces**







# Oregon Legislative Fiscal Office (LFO)

Establish  
Statewide IT  
Goals and  
Policy

**JLCIMT**  
**Statutory  
Committee**

(ORS 171.852 -  
171.855)

Provide IT  
Project and  
Cybersecurity  
Oversight  
*(Support JWM)*

Conduct  
Studies  
IT & Cyber-  
security

Introduce &  
Oversee  
IT &  
Cybersecurity  
Policy Bills

- Authorizing Statute: [https://www.oregonlegislature.gov/bills\\_laws/ors/ors171.html](https://www.oregonlegislature.gov/bills_laws/ors/ors171.html)
- 2023 Session: <https://olis.oregonlegislature.gov/liz/2023R1/Committees/JLCIMT/Overview>
- 2023-24 Interim: <https://olis.oregonlegislature.gov/liz/2023I1/Committees/JLCIMT/Overview>





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### HB 2049 (2023)– Relating to Cybersecurity

- **Cybersecurity Center of Excellence:** Established at Portland State University
- **Governance/Advisory Body** – Oregon Cybersecurity Advisory Council
  - 21 members (6 non-voting/15 voting members), multi-jurisdictional, and geographically diverse – representative of those served
- **Operations** – Jointly managed by Portland State University, Oregon State University, and University of Oregon via a formal operating agreement
- **Funding:** (\$4.9 M Total) - Cybersecurity operating fund (\$2.5M), workforce development(\$2.15M) fund, grant fund for local entities (\$250K)

*Note: Consensus bill language developed in collaboration with multi-jurisdictional cybersecurity working group (coalition – approx. 70 Orgs/150 participants)*





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### HB 2049 (2023)– Relating to Cybersecurity *(Actions to date and next steps)*

#### Oregon Cybersecurity Center of Excellence

- **Leadership Team Appointments** for Center Director (@ PSU) and Associate Directors (@ OSU and UO) are in process
- **Charter and Operating Agreement** has been drafted and is currently under review by legal counsel at each founding university
- **Distribution of funding** will occur following the appointments of the Center leadership team and the execution of this Charter/Operating agreement

#### Oregon Cybersecurity Advisory Council

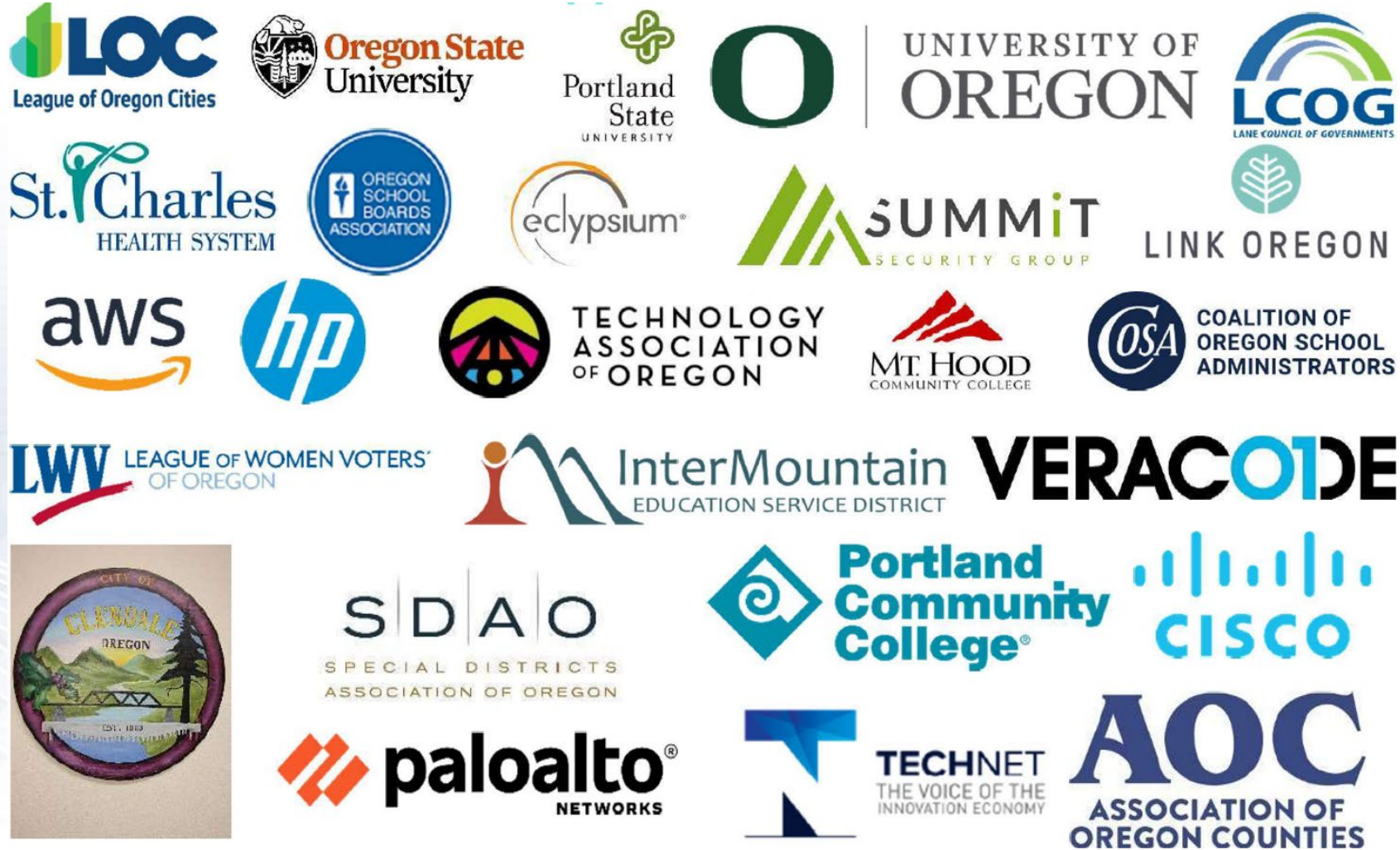
- **Records transfer** from State CIO to Interim Center Director completed
- **Appointments** for six (6) non-voting Council members have been made; candidate applications for appointments of fifteen (15) voting Council members have been received and are under review
- **Charter** has been drafted is ready for Council review, feedback, and revision once the Council voting member appointments have been made; Charter to be formally adopted at the Council's first scheduled meeting – TBD (Oct/November)







# HB2049 (2023) Coalition Support





# HB2049 (2023) Coalition Support







# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### **HB 2490 (2023)– Relating to cybersecurity** *(Modified existing statute)*

- **Exemptions from required public disclosure:** adds records concerning cybersecurity plans, devices and systems, including contractual and insurance records setting forth specifications, applications and coverages

### **HB 2806 (2023)– relating to public meetings** *(Modified existing statute)*

- **Executive sessions for governing bodies:** Authorizes governing body of public body to meet in executive session to consider matters relating to safety of governing body, public body staff and public body volunteers and to security of public body facilities and meeting spaces, and relating to cyber security infrastructure and responses to cyber security threats.





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### HB 3127 (2023)– relating to the security of state assets (a.k.a. TikTok bill)

#### Identifies certain covered vendors & products

1. “Covered product” means any form of hardware, software or service provided by a covered vendor.
2. “Covered vendor” means any of the following corporate entities, or any parent, subsidiary, affiliate or successor entity of the following corporate entities:
  - a) Ant Group Co., Limited.
  - b) ByteDance Limited.
  - c) Huawei Technologies Company Limited.
  - d) Kaspersky Lab.
  - e) Tencent Holdings Limited.
  - f) ZTE Corporation.
  - g) Any other corporate entity designated a covered vendor by the State CIO





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### HB 3127 (2023)– relating to the security of state assets (a.k.a. TikTok bill)

- **Rules and Policies:** Directs State CIO to adopt policies and rules for covered vendors & products.
- **Prohibition:** Prohibits installation, download, use, or access of “covered products” on state information technology assets.
- **Exceptions:** Permits state agency to allow download, installation, use or access of covered product for investigatory, regulatory or law enforcement purposes.
- **Risk Mitigation:** Requires state agency that permits download, installation, use or access of covered product to adopt risk mitigation standards and procedures.

### Status:

- Operative date – September 25, 2023
- Draft Statewide IT Policy regarding covered vendors is under review.
- Formal rulemaking process has been initiated. Current estimated date of effective rule for covered vendors is December 1, 2023.







# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### HB 2052 (2023)– Relating to registration of business entities that qualify as data brokers

- **Central data broker registry** - creates a data broker registry for Oregon, housed within the Department of Consumer and Business Services (DCBS)
- **Registration requirement:** Provides that data broker may not collect, sell or license brokered personal data within Oregon unless data broker first registers with DCBS.
- **Penalties:** Provides civil penalty in amount not to exceed \$500 for each violation of Act or, for continuing violation, for each day in which violation continues. Caps amount of civil penalty at \$10,000 in calendar year.
- **Operative Date:** January 1, 2024 (Rulemaking process initiated)
- **2023-2027 Fiscal Impact** – Estimate: \$835,000





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### **HB 2052 (2023)– Relating to registration of business entities that qualify as data brokers**

#### **Exemptions** - does not apply to:

- State and local government
- Business activities that are already regulated by the federal Fair Credit Reporting Act (FCRA) or the federal Gramm-Leach-Bliley Act (GLBA)
- Entities that have a past or present direct relationship with the individual whose information is being sold. Examples: Employers and employees; a business & its customers or individuals it has a contractual relationship with.
- Other specific exemptions for actions that aren't considered data brokering





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### SB619 (2023)– Relating to protections for the personal data of consumers

#### Consumer rights:

- **Right to know** whether controllers are processing their data, as well as the categories of data being processed and third parties the data has been disclosed or sold to.
- **Right to obtain a copy** of the consumer's personal data that a controller has or is processing;
- **Right to data portability** - When consumers exercise their right to obtain a copy of their personal data held by a controller, it must be provided in a portable and useable format.
- **Right to correction** of inaccuracies in their data;
- **Right to require deletion** of their personal data held by a controller;
- **Right to opt-out** of the processing of their data for targeted advertising, sale or profiling of the consumer in a way that produces legal effects







# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### **SB619 (2023)– Relating to protections for the personal data of consumers**

#### **Sensitive Data Protections:**

- Consent/opt-in for processing of sensitive data
  - Personal data revealing racial or ethnic background, national origin, religious beliefs, mental or physical condition or diagnosis, sexual orientation, status as transgender or nonbinary, crime victim status, or citizenship or immigration status
  - Genetic or biometric data
  - Precise geolocation data

**Children and youth are also given heightened protections under the Act.**





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

**SB619 (2023)– Relating to protections for the personal data of consumers**

### Additional Provisions:

- Threshold for applicability
- Exemptions
- Controller and processor obligations
- Comprehensive privacy notice
- Data minimization requirements
- Data security requirements
- Nondiscrimination for exercising rights
- Data protection assessments





# Current Actions

## 2023 Legislative Session & 2023-24 Interim

### **SB619 (2023)– Relating to protections for the personal data of consumers**

**Exclusions** - To exclude small businesses, the Act has a threshold that must be met before it applies.

**Applicability** - To be subject to the Act, a business must annually control or process personal data of:

- $\geq 100,000$  consumers and/or devices linked to consumers; or
- $\geq 25,000$  consumers, while deriving  $\geq 25\%$  gross revenue from personal data sales.

**No private right of action:** Permits Attorney General to investigate violations of Act and to bring action to seek civil penalty of not more than \$7,500 for each violation.

**Operative Dates** – operative dates for specific sections of the Act are staggered between July 1, 2024 and January 1, 2026.

**2023-2027 Fiscal Impact** – Estimate: \$3.6 Million (7.75 FTE)







Thank You





# Contact Information

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