

SENATE, No. 4037

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 4, 2021

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires municipalities, counties, and school districts to report cybersecurity incidents.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** requiring municipalities, counties, and school districts to
2 report certain cybersecurity incidents and supplementing chapter
3 17B of Title 52 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. As used in this act:

9 “Cybersecurity incident” means an event occurring on or
10 conducted through a computer network that jeopardizes the
11 integrity, confidentiality, or availability of, or information residing
12 on, computers, information systems, communications systems
13 networks, physical or virtual infrastructure controlled by computers
14 or information systems.

15 “Department” means the Department of Law and Public Safety.

16 “Governing body” means the body exercising general legislative
17 powers in a county or municipality according to the terms and
18 procedural requirements set forth in the form of government
19 adopted by the county or municipality.

20 “Information resource” means information and related resources,
21 such as personnel, equipment, funds, and information technology.

22 “Information system” means a discrete set of information
23 resources organized for the collection, processing, maintenance,
24 use, sharing, dissemination, or disposition of information.

25 “New Jersey Cybersecurity and Communications Integration
26 Cell” means the New Jersey Cybersecurity and Communications
27 Integration Cell established pursuant to Executive Order No. 178 of
28 2015 in the New Jersey Office of Homeland Security and
29 Preparedness, or any successor entity.

30 “School district” means a local or regional school district
31 established pursuant to chapter 8 or chapter 13 of Title 18A of the
32 New Jersey Statutes, a county special services school district
33 established pursuant to article 8 of chapter 46 of Title 18A of the
34 New Jersey Statutes, a county vocational school district established
35 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
36 Statutes, and a district under full State intervention pursuant to
37 P.L.1987, c.399 (C.18A:7A-34 et al.).

38
39 2. a. The Attorney General, in consultation with the New Jersey
40 Cybersecurity and Communications Integration Cell, shall develop
41 an online cybersecurity incident reporting form on the New Jersey
42 Cybersecurity and Communications Integration Cell’s Internet
43 website, specific for an employee of (1) a governing body of a
44 municipality; (2) a governing body of a county; and (3) a school
45 district.

1 b. A designated employee of a municipality, county, or school
2 district that has been made aware of a cybersecurity incident shall
3 promptly complete and submit a cybersecurity incident online form
4 developed pursuant to subsection a. of this section if the
5 cybersecurity incident has:

6 (1) compromised the confidentiality, integrity, availability, or
7 privacy of the billing, communications, data management or
8 information systems, or the information resources thereon, of a
9 municipality, county, or school district where the employee works;
10 or

11 (2) compromised a municipality's, county's, or school district's
12 industrial control system, if applicable, including monitoring
13 operations, and centralized control systems, that adversely
14 impacted, disabled, or manipulated infrastructure, resulting in loss
15 of service or damage to infrastructure.

16 c. No later than 30 days after receiving a cybersecurity incident
17 reporting form that has been submitted through the online form
18 developed pursuant to subsection a. of this section, the New Jersey
19 Cybersecurity and Communications Integration Cell shall contract
20 with an independent cybersecurity company to audit the
21 cybersecurity program of the municipality, county, or school district
22 that submitted the form and to audit any actions the municipality,
23 county, or school district took in response to the cybersecurity
24 incident.

25 d. The audit of a municipality, county, or school district,
26 required pursuant to subsection c. of this section shall be provided
27 by the independent cybersecurity company to the municipality,
28 county, or school district, and shall identify:

29 (1) cyber threats and vulnerabilities to a municipality, county, or
30 school district;

31 (2) weaknesses in the municipality's, county's, or school
32 district's cybersecurity program; and

33 (3) strategies to address those weaknesses as to protect the
34 municipality, county, or school district from the threat of future
35 cybersecurity incidents.

36 e. The audit required pursuant to subsection c. of this section
37 shall be conducted by a qualified and independent cybersecurity
38 company and shall be paid for by the department.

39 f. Following an audit required pursuant to subsection c. of this
40 section, the governing body of a municipality or county, or a school
41 district, shall submit the audit and any corrective action plans
42 derived from the audit to the New Jersey Cybersecurity and
43 Communications Integration Cell.

44

45 3. This act shall take effect immediately.

STATEMENT

This bill requires municipalities, counties, and school districts, to report cybersecurity incidents.

Under the bill, the Attorney General, in consultation with the New Jersey Cybersecurity and Communications Integration Cell, would develop an online cybersecurity incident reporting form on the New Jersey Cybersecurity and Communications Integration Cell's Internet website, specific for a designated employee of (1) a governing body of a municipality; (2) a governing body of a county; and (3) a school district; to report a cybersecurity incident.

The bill provides that the online form would be used promptly after the designated employee of a municipality, county, or school district has been made aware of a cybersecurity incident and that cybersecurity incident has:

(1) compromised the confidentiality, integrity, availability, or privacy of the billing, communications, data management or information systems, or the information resources thereon, of a municipality, county, or school district where the employee works; or

(2) compromised a municipality's, county's, or school district's industrial control system, if applicable, including monitoring operations, and centralized control systems, that adversely impacted, disabled, or manipulated infrastructure, resulting in loss of service or damage to infrastructure.

Under the bill, no later than 30 days after receiving a cybersecurity incident that has been submitted through the online form, the New Jersey Cybersecurity and Communications Integration Cell would require an audit of the cybersecurity program of a municipality, county, or school district, and any actions a municipality, county, or school district took in response to the cybersecurity incident.

The bill provides that the audit of a municipality, county, or school district, would identify:

(1) cyber threats and vulnerabilities to a municipality, county, or school district;

(2) weaknesses in a municipality's, county's, or school district's cybersecurity program; and

(3) strategies to address those weaknesses as to protect a municipality, county, or school district from the threat of future cybersecurity incidents.

Under the bill, the audit established would be conducted by a qualified and independent cybersecurity company and would be paid for by the Department of Law and Public Safety.

The bill provides that after the audit is conducted, a governing body of a municipality or county, or a school district, would submit

- 1 the audit and any corrective action plans derived from the audit to
- 2 the New Jersey Cybersecurity and Communications Integration
- 3 Cell.