

To: Senate Ways and Means Committee

From: Amanda L. Stanley, General Counsel

Date: February 1, 2018

RE: Written Only---Neutral Testimony on SB 342

I want to thank Chairwoman McGinn and the Committee members for allowing the League of Kansas Municipalities the opportunity to provide testimony on SB 342.

The bill, as written, appears to focus on state employees who access “state network resources;” however, it is unclear in the definitions section whether a municipality would fall under the definition “government entity” because they are potentially considered an instrumentality of the state. The League of Kansas Municipalities itself would fall under the definition of “government entity” in this bill. The legislation also defines Municipality as having the meaning ascribed to it in K.S.A. 75-6102 which is a very broad definition and would cover local municipalities at the city and county level.

Should municipalities come under this bill, we have several concerns. Foremost among those is the potential costs for cities deemed to be accessing “state network resources.” With a potential fiscal note of \$28 million for state employees, the cost to cities could far exceed that depending on whether some or all employees of a city would be subject to the annual fee of up to \$700 to be assessed by the Kansas Information Security Office (Per Sect. 12(b)).

Further, Sections 6 and 7 of the bill appear to potentially be unfunded mandates from the state if these reporting requirements fall upon cities. Certainly, cooperation among government entities for cybersecurity purposes is important. This legislation; however, does not necessarily spell out a cooperative relationship, but rather seems to provide significant authority to the Chief State Information Officer.

Section 5 of the bill potentially applies to the League of Kansas Municipalities, itself, depending on what is considered connecting to a state network resource. For example, is use of Information

Network of Kansas (INK) considered connecting to a state network resource? If so, the League's use of INK would trigger multiple reporting, training, and other cybersecurity policy requirements in the legislation.

Finally, we would note concerns raised by a member city as we asked for quick reactions to this legislation. To paraphrase, they said SB 342 appears to require them to report to the state on very detailed cyber vulnerabilities and security practices, and enables the state to have influence over their security planning/posture. While the state would appear to have oversight over them, this city noted that only a few years ago they could not connect to a state website because it was so outdated it would not support any browsers the city allowed employees to use. Another concern or question from this city was whether the state would be reciprocating its vulnerability reports and security infrastructure reports.

We hope that our concerns can be addressed by meeting with the bill's authors and having its intent clarified. However, we will not be able to support legislation that will cost cities millions of dollars in unfunded mandates.