

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1074

Page 1, line 2, after "auditor" insert "; and to provide a penalty"

Page 1, line 6, after "**systems**" insert "- **Penalty**" and after the boldfaced period insert:

"1."

Page 1, line 7, replace "1." with "a."

Page 1, line 14, replace "2. At the state auditor's discretion, disclose" with "b. Disclose"

Page 1, line 22, replace "3." with "c."

Page 1, after line 24, insert:

"2."

Page 2, line 2, after the period insert "Any individual who knowingly discloses confidential information is subject to the provisions of section 12.1-13-01.

3. The state auditor shall notify the executive officer of any state agency or political subdivision of the date, time, and location of any test conducted in connection with a review and assessment of computer systems or related security systems. The executive officer or a designee of the executive officer shall attend and observe the test. An executive officer or designee of an executive officer receiving notice of any test conducted under this section may not inform any other individual of the scheduling and conduct of the test.
4. The state auditor shall notify the attorney general of the date, time, and location of any test conducted in connection with a review and assessment of computer systems or related security systems. The attorney general may designate an individual to participate in the test. The designee of the attorney general may order the test to be terminated if the individual believes a sensitive system is being breached, a sensitive system may be breached, or sensitive information may be revealed.
5. Notwithstanding any provision in chapter 32-12.2 to the contrary, if the attorney general and the director of the office of management and budget determine it is in the best interest of the state, the state auditor may agree to limit the liability of a contractor performing a review and assessment under this section. The liability limitation must be approved by the attorney general and director of the office of management and budget in writing. For any uninsured losses, the director of the office of management and budget may approve the risk management fund to assume all or part of the contractor's liability to the state in excess of the limitation."

Renumber accordingly