HB 3127-4 (LC 3810) 3/13/23 (CPA/ps)

Requested by Representative BOWMAN

## PROPOSED AMENDMENTS TO HOUSE BILL 3127

On page 1 of the printed bill, delete lines 4 through 27 and delete page 2 2 and insert:

<sup>3</sup> "SECTION 1. As used in sections 1 to 3 of this 2023 Act:

4 "(1) 'Covered product' means any form of hardware, software or
5 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:

9 "(a) Ant Group Co., Limited.

10 "(b) ByteDance Limited.

11 "(c) Huawei Technologies Company Limited.

12 "(d) Kaspersky Lab.

13 "(e) Tencent Holdings Limited.

14 "(f) ZTE Corporation.

"(g) Any other corporate entity designated a covered vendor by the
 State Chief Information Officer under section 3 of this 2023 Act.

"(3) 'State agency' means any board, commission, department, di vision, office or other entity of state government, as defined in ORS
 174.111.

20 "(4) 'State information technology asset' means any form of hard-21 ware, software or service for data processing, office automation or telecommunications used directly by a state agency or used to a significant extent by a contractor in the performance of a contract with
a state agency.

4 "SECTION 2. (1) A covered product may not be:

5 "(a) Installed or downloaded onto a state information technology
6 asset; or

7 "(b) Used or accessed by a state information technology asset.

8 "(2) A state agency shall:

9 "(a) Remove any covered product that is installed or downloaded
10 onto a state information technology asset that is under the manage11 ment or control of the state agency; and

12 "(b) Implement all measures necessary to prevent the:

"(A) Installation or download of a covered product onto a state in formation technology asset that is under the management or control
 of the state agency; or

"(B) Use or access of a covered product by a state information
 technology asset that is under the management or control of the state
 agency.

"(3)(a) Notwithstanding subsections (1) and (2) of this section, a
 state agency may, for investigatory, regulatory or law enforcement
 purposes, permit the:

"(A) Installation or download of a covered product onto a state in formation technology asset; or

"(B) Use or access of a covered product by a state information
 technology asset.

"(b) A state agency that permits the installation, download, use or
access of a covered product under this subsection shall adopt risk
mitigation standards and procedures related to the installation,
download, use or access of the covered product.

30 "(4) The State Chief Information Officer shall coordinate with and

oversee state agencies to implement the provisions of this section in
 accordance with the policies and standards adopted under section 3 (3)
 this 2023 Act.

4 "SECTION 3. (1) The State Chief Information Officer shall adopt:
5 "(a) Rules pertaining to the designation of a corporate entity as a
6 covered vendor under section 1 of this 2023 Act; and

7 "(b) Policies and standards for state agencies to implement the
8 provisions of section 2 of this 2023 Act.

9 "(2) The rules adopted under this section must include:

"(a) The definition of 'national security threat' for purposes of
 protecting state information technology assets;

"(b) Criteria and a process for determining when a corporate entity
 poses a national security threat; and

"(c) Criteria and a process for determining when a corporate entity
 no longer poses a national security threat.

"(3) The policies and standards adopted under this section must in clude:

"(a) The procedures for providing state agencies notice that a cor porate entity is designated or no longer designated a covered vendor
 under section 1 of this 2023 Act;

"(b) The time schedules for implementing the requirements under
 section 2 of this 2023 Act with regard to a corporate entity that is
 designated a covered vendor by the State Chief Information Officer;
 and

"(c) The time schedules for incorporating the requirements under
 section 2 of this 2023 Act into a state agency's information security
 plans, standards or measures.

"<u>SECTION 4.</u> This 2023 Act takes effect on the 91st day after the
 date on which the 2023 regular session of the Eighty-second Legislative
 Assembly adjourns sine die.".

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