



Sponsor Testimony: House Bill 368
Representative Brian Baldrige, 90th House District
Senate Judiciary Committee

Chairman Eklund, Vice Chair Manning, Ranking Member Thomas and Members of the Senate Judiciary Committee, thank you for allowing me to provide sponsor testimony in favor of House Bill 368, the Ohio Computer Crimes Act. The intent of this legislation is to reduce the frequency of cyber-crimes by updating and modernizing Ohio's computer crimes laws. This legislation is a follow-up to Senate Bill 220, enacted in the 132nd General Assembly, which provided an affirmative defense from civil action for businesses who proactively invest in a cybersecurity program.

I was made aware of the need to enact this legislation after meeting with my local credit union, headquartered in Portsmouth, OH, and the Scioto County Prosecutor. The CEO of the credit union, shared with us that a disgruntled former employee was caught attempting to break into their computer network, which holds the personal, identifiable information of their members. After a conversation with a local FBI agent, they were told the FBI is reluctant to spend resources prosecuting cases in which the attempted theft was prevented. Prosecution of cybercriminals at the county level is also a challenge because current Ohio law is damages-based, meaning the value of the impacted computer-related items determines the severity of the penalty.

The damages-based model is not reflective of the harm caused to businesses such as my local credit union during an attempted breach. To help Ohio prosecutors swiftly prosecute cybercriminals without trying to prove and calculate damages using limited and outdated statutes, House Bill 368 recognizes new categories of cybercrime and extends a variety of stricter charges for prosecutors to pursue. Of note, "computer contaminant" will be replaced by a general "malware" or "malicious software" definition that will not require us to keep up with the rapidly changing tools that can be used by a criminal to commit a hack.

Those negatively impacted by a breach, both private citizens and businesses, will be able to bring a civil action against a person convicted of violating the law and may receive compensatory damages, attorney fees or other equitable relief. There is protection in the bill for "white hat" or ethical hackers, who are paid to test the security of a company's firewall system. CyberOhio, a subsidiary of InnovateOhio, was helpful in making me aware of the need to include these protections in the bill.

As highlighted throughout COVID-19, bad actors will use a crisis as an opportunity to invade our privacy and steal our information. Attorney General Yost has highlighted this issues in his continued warning to Ohioans of scams and phishing schemes. This legislation has been crafted in conjunction with many

interested parties to slow the onslaught of cybercrimes that are so prevalent today. As technology continues to evolve, we need the ORC to continue to protect Ohioans online.

Chairman Eklund, Vice Chair Manning, Ranking Member Thomas and members of the committee, thank you for giving me an opportunity to share this legislation with you today and I would be happy to answer any questions you may have.