

2017 HOUSE POLITICAL SUBDIVISIONS

HB 1106

2017 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Prairie Room, State Capitol

HB 1106
1/6/2017
Job # 26651 & 26652

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carman Hickley

Explanation or reason for introduction of bill/resolution:

Relating to definitions of disasters and emergencies

Minutes:

1, 2

Chairman Klemin: Opened hearing on HB 1106.

Greg Wilz, Deputy Director of Department of Emergency Services and Director of Homeland Security Division: (See testimony #1 and handout amendment #2).

(Recording #26652) We are looking at a cyber- attack and include that in the meaning of a disaster in the state of North Dakota or at least in our Century Code. This is one many bills that are working across this session either prepare to mitigate or respond to a cyberattack, because it is a real threat, we hear about every day in the news. There are a number of things that we need to be able to do this. Page 2 of the bill we are trying to redefine what emergency is. What we have going on south of Mandan is not a disaster, it is an emergency. So this language is better defining what that current emergency is. There are 2 other bills in other areas that we are trying to get emergency better defined. There is no question that the Governor has authority to respond in emergencies and access those same funding vehicles as he has with disasters. So that is part of the reason that you are seeing this. Most important piece is page 2 lines 6 and 7 of the bill. This is an area that we have typically gone into because a lot of the critical infrastructure is in the private industry sectors, we typically don't help private industries. What we are suggesting is based upon an understanding of the real risk of cyberattack, those industries that supply medical, water, sewer, power, and gasoline; should we have a large scale cyberattack, we need to have the ability to help those people. Mr. Wilz discussed the cyber-attacks and how it could impact us. I ask you to support the bill and the amendment.

Chairman Klemin: Did I understand you to say that there are other bills that get into some of these details?

Greg Wilz: Yes, that is correct.

Rep. K. Koppelman: I see you do have a definition for critical industry sectors, but I don't see a definition for essential lifeline services. I see they intersect but it seems the term essential lifeline services is maybe more vague than you intend. I am wondering if that is the correct term.

Greg Wilz: Lifeline service has not been defined because in any scenario, in any cyberattack it may take on a slightly different meaning. In a general sense lifeline is food, water, heat and sewer. So it comes down to a handful of those 16 sectors. Banks can be a lifeline service, but on day one it is not.

Rep. K. Koppelman: The definition of critical industry sectors and you are talking about removing 16 and I agree with that, but you say nationally identified critical infrastructure sectors. I'm not sure what nationally identified means? Should we say identified by the United States Government or something a little more specific?

Greg Wilz: I have no issues if you want to make those changes. It's well understood in my arena but probably not across the general arena. Department of Homeland Security and White House determine what those sectors are.

Rep. K. Koppelman: So saying by the Federal Government or US Government?

Greg Wilz: Absolutely.

Rep. Toman: How is the Dept of Emergency Services going to define a cyberattack? And in the event of a catastrophic cyberattack what role are you anticipating to play because the damage has been done at that point?

Greg Wilz: What is the definition of a cyberattack? A large scale attack that literally is life changing, is critical industry impacted, and literally would require some level of response. The cyberattacks we are talking about is something that will impact our citizens on a large scale that requires us to get on top of immediately so it does not expand. What would we do? Typically, if we had a cyberattack right now there are some federal resources available to the Dept of Homeland Security, we would activate those and bring them into the state. But on a large scale national attack, those resources are not plentiful to go to every state. So that is why the National Guard is building these teams that we talked about yesterday. So we would have some experts and some resources beyond what might be available out there commercially to respond immediately based on the Governor's order. What the Dept. of Emergency Services do beyond that is coordinate the response, but the bigger role is consequence management. It is what happens and what can we do to keep people alive and safe while we are trying to get the infrastructure back on line.

Rep. Pyle: How does line 6 & 7 on page 2 change existing declaration emergencies at the lower level political subdivisions? How does this wording change what is already existing?

Greg Wilz: In general the Governor has authority to respond to disasters. We don't help individuals unless there are very right and left boundaries. We support local governments and we will continue to do that and there is law that back that up. Line 6 & 7 recognizes the fact that beyond support to local governments, cities, counties, townships and school districts, those

Recognized government functions. This allows us with an understating that there might be a time to help critical industry. We are just adding it.

Rep. Toman: We have an attack that took down the web, is your department going to stay out of the way of the experts that are fixing it? Are they reporting to you or are you micromanaging? I am concerned with the timely response from the experts rather than fixing services to get those critical infrastructures back up.

Greg Wilz: I admit we are not the experts in the cyber security and digital world cyberspace. Our role is to make sure coordination occurs. Nationally it is a big room with hundreds of stakeholders, all the critical infrastructures have representatives there, all the federal agencies have representatives and they watch the bytes go back and forth between various other countries that want to attack us through a cyber-connection. But our role largely is to make sure that everybody is in the loop, that all the resources that are out there can be applied to the problem. Our job is to not to micromanage, I don't even know how we could do that. This gives us, with the other bills I mentioned, the authority to do what we can, where we can and be a better coordinator to those responses and mitigating the down systems so we can be a part of the solution not the problem.

Rep. Simons: Can't we just rely on the free market system to fix these things? Because they surely will. I have been without electricity for 3 weeks, some people for 7 weeks and we all got together and took care of these problems. The Governor has an important role and can do what he needs to do in this state, but I don't think we need to give extra powers to the feds that come into this state.

Greg Wilz: I am from the government and I am here to help, that is probably a statement and has been overused. My job is not to take over, my job is to support local government. That is what we are doing down in the protest each and every day. Private industry today cannot service the potential risk of a large scale cyber-attack. Our Chancellor wants our universities to get into this. There is a huge gap in the cyber security trained individuals, private industries just can't do it. Those that can, they are paying them huge dollars and protecting their own. I am not looking for any authority to take over the government, I am looking at authority that allows us to continue to be the best supporter that we can. In this case I want to be able to support private industry if needed in addition to the local governments we support everyday now.

Rep. K. Koppelman: Can you walk us through a scenario whether it is cyber or traditional emergency situation where you or your agency would come in? How would that work, would you come in and say an emergency is declared therefore this is what is going to happen? Or would you come in and say an emergency has been declared we are here to help you if need us, direct us? How is this all going to play out?

Greg Wilz: About a year ago we played a state exercise which was one of our most risky and concerning events. That is a large scale, long duration power outage in the state of North Dakota based on a cyber-attack. It takes months and sometimes years to get back. The reason is because there are many effects to all of this. So we lose power for a week what happens? We use generators on some of the critical infrastructure. We have a 3-day supply of groceries in stores other than that it has to come in from a warehouse, mostly from out of state. How do we get the gas out of the ground to put diesel in the trucks to get the foods here? Do you think at

some level all of these huge warehouses in Minnesota that distribute food are going to push all of their supply to North Dakota? Or is that going to stay in Minnesota? The scenario we played we actually had a failure caused by a cyber-attack in the actual turbines that are the mechanical pieces. So the turbines went down and then you had surges and brownouts and you had main transmission stations and distributions stations also fail at the same time. Some of the main transportation links that feed the national energy grid, the equipment is made in Europe and some of it is so old in the United States right now that it was delivered by train because it was so big and set up in an area that no longer even has train tracks. It is very complex. Everybody left that exercise like they got gut punched. Because it is a no win situation. The only real win situation is to figure out a way for mass exists out of North Dakota. There are many ways that can happen, cyber-attack, solar flare, nuclear detonation in space, these are all things that could just decimate the electrical grid. How do you respond to that? It's tough, so I guess what I am asking for is a leap of faith. (21:30-25:18)

Rep. Simons: What about just simple education? Education is still the answer here. I am afraid that we are going to make a more welfare state. Let's educate them and we don't need any more government programs. Has your agency thought of that? A simple pamphlet. Sometime I think we are building this thing with no foundation and we are giving all of these powers.

Greg Wilz: How many of you are prepared to stay at home for 3 days, you have plenty of food, your water is turned off and your power is off. How many of you can survive? Every time I speak to civic organizations I talk about have a plan, have a kit, stay connected. Yet in North Dakota every time I get an opportunity where I talk about personal preparedness so you are part of the solution not part of the problem, there are less than 10% of the people that are physically prepared. Not all citizens are created equal and many of them are not prepared.

Chairman Klemin: There are hundreds of people living in apartments in District 47 that don't have all of that available to them either.

Rep. Ertelt: You brought up banks and the ability to withdraw money as potentially being an essential lifeline service. We have history now where people have not been able to withdraw their money from the banks. Should we be led to believe that in the case of private banking industry being the cause of not being able to withdraw money from these banks, would the private citizen also be protected in that situation?

Greg Wilz: I think our focus is on the citizen; not private industry. The private industry will benefit; we will assist them but the reason we are doing that is because we need the private citizen to be able to take care of themselves. Whatever we do may benefit the private industry in terms of the 16 critical industry, but ultimately it's we because we need to take care of the citizens.

Rep. Ertelt: Would the government step in when financial institutions make the decision themselves to prohibit private individuals who are going to suffer if they are not able to withdraw from the banks? Is that an emergency?

Greg Wilz: Yes it is. How does Walmart sell anything without an internet connection? They lose internet connection and all of their tills are down. If a citizen can't get money out of a bank they become a problem in a short period of time. We have to help them.

Opposition: None

Hearing closed.

Chairman Klemin: We have an amendment that was proposed by Mr. Wilz.

Rep. K. Koppelman: I had given Kelly a revision to that amendment, I will share it verbally. I asked Mr. Wilz and he agreed it would be an appropriate change. The amendment he handed out after the word "sixteen" being removed, we would also be removing "nationally identified" so it would be those three words being removed from page 1 line 8. Then on page 1 line 9 after the word "sectors" insert "identified by the United States Government". The term national identified is so generic. If you are comfortable with that I do so move.

Chairman Klemin: Does everybody understand that?

Rep. K. Koppelman: I would move that.

Chairman Klemin: Second by Rep. Beadle. To amend HB 1106 page 1 line 8 and 9. We will take a voice vote on the motion to amend. Voice vote carried.

Chairman Klemin: Now we have the bill before us as amended. What is the wishes of the committee?

Rep. Hanson: I move a do pass as amended.

Rep. Johnson: Second the motion.

Rep. Ertelt: Were you satisfied with the explanation on essential life services? Or do you think there is an amendment necessary there as well?

Rep. K. Koppelman: I think I am, I understand the need for some flexibility identification, the fact that the Governor is the one to declare these emergencies. Because we can't always predict what's going to happen, it is tough to draft law that is iron clad in terms of definition. If it's abused, we can change the law. This issue of responding to emergencies is the legitimate role of government.

Chairman Klemin: We do have a very comprehensive emergency management system already in place that is set up to do things and these things in here, take action by the Governor based on the advice he gets from our very comprehensive emergency management system. It has to be a wide spread thing that affects a lot people.

Rep. Beadle: One thing to keep in mind is the adjustment to the bill on page 2 with regards to the definition of emergency. It's not really that the change that is noted, but keep in mind as we are discussing these incidents of emergency declaration with regards to the roles and responsibilities. In order for an emergency to be declared it needs to have immediacy to it. Because of the nature of an emergency and how that is defined it's a short term, it's a quick response and immediate action.

Rep. Pyle: In my experience working with the city, we have done several emergency declarations. That opens up the access to monies and resources for our infrastructure so if we need to bring in a generator to pump our lift stations that possible. So it was for our infrastructure we could reach out and pull in different resources to provide for our citizens. I support the amendments and bill as written.

Rep. Longmuir: I just retired as the county emergency manager in Mountrail County. I have worked with the Mr. Wilz for the past 8 years and unfortunately I have had the opportunity to go through floods and snow emergencies. The Dept. of Emergency Management is very well managed. We may declare a declaration in Mountrail County, we turn it into the state and they say you might have an emergency in Mountrail County but it's not to the scale that we as a state need to come in.

Rep. R. S. Becker: I will support this bill. Our generation is on a slippery slope and I want to say how much I appreciate those you express some serious doubt. Our generation is continually saying we will let the government take care of it, I am very concerned about that. I don't see in the immediate short term anything that would so overwhelm me that I can't support this bill.

Rep. Ertelt: During any emergency that is already declared under this statute is there any recourse to state and local governments to reclaim some of the benefits they have provided to these industries? Compensation for what the government has provided to them in terms of service?

Rep. Longmuir: A good example is what happened in Mountrail County with the grain elevator. The track was wiped out between where it hooked up to the main line and where it hooked up to the elevator, it was taken out by flooding. Contacting the EMS; they could not come to help because it was a private business. But it crippled that community and they ended up spending a million and a half dollars to reestablish that critical infrastructure to that business. Whereas, if there could have been some assistance to help, which this bill would help provide, maybe some financially but also coordinating with the railroad. Right now private industry has no help.

Rep. Beadle: If the government comes in and helps, there is an emergency declared and they are providing services, can they then charge the political subdivision or critical industry sector, should this bill pass, a fee to recoup the cost of whatever the government was spending?

Rep. Longmuir: Yes that is correct, they do not go back to the cities to collect. We used the services of the National Guard and we as a county paid for those services. We had a snow declaration and we asked for assistance from the National Guard. The National Guard is not free. We did get some assistance from the state to pay for it.

Chairman Klemin: There are different levels of disaster declarations. That level depends on how you can get the funding. It is complex but well established.

Rep. Simons: We have heard today that the government is here to help. This is wrong on so many levels, private affairs need to be ready for these things.

Rep. Beadle: One of the things that should be brought up, you're right in terms of the government shouldn't be erroneously stepping in. When there is a clearly defined emergency situation that

as a critical and immediate need and a short term deal. That is very different than the car industry going down. They fall under different circumstances.

Rep. Simons: That is true, but this is how every government entity happens on state or federal. It all starts out with great intentions and it turns into a giant elephant in the room. When it comes to giving more power to these people, I refuse to.

Rep. Guggisberg: It's not that I can't prepare myself to live for 30 days off the grid. It's that if we all did that in a city that's all we would get done. I fight fires so Rep. Beadle doesn't have to and so some government has a role to play. That isn't from the government that is from the book called "Wealth of Nations" by Adam Smith, the father of the free market. That is why we all specialize in our own thing so I don't have to spend time cutting wood to prepare my family for an emergency.

Rep. Ertelt: I am going to change the topic, into the cyber attach part of this bill. Mr. Wilz stated there are now a handful of courses within the university systems for defending against this. In his testimony he gave an example of some young individuals who were in there courses who were able to take down the power grid down in Washington. Just like there are individuals who have been recruited by the military organizations who are hostile to this country, there is a possible scenario for cyber-attack. These individuals could be recruited by extra-national countries and even by companies within this nation who want to do cooperate espionage. My question earlier about the private industries having some responsibility when it comes to responding to this, they have a responsibility to prepare for these attacks as well. Especially now since the universities are preparing people to do so.

Rep. Simons: If I came across in a way, of city people not knowing anything, I want to apologize for that because that is not my intent what so ever.

Rep. K. Koppelman: I am going to support the motion and the reason is we're dealing with emergencies that we can't even envision. We heard some examples of things we can understand but we live in an age of potential attacks. We live in a world of terrorism today and these are the exact kinds of situations where the government can do some things that private industry can't. Not to exclude private industry, not to exclude individual initiative but to help coordinate it.

Chairman Klemin: The motion is for do pass as amended.

HB 1106 Passed yes 13, no 1, absent 1.

Rep Johnson will carry the bill.

January 6, 2017

1/9/17 DA

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1106

Page 1, line 8, remove "sixteen nationally identified"

Page 1, line 9, after "sectors" insert "identified by the United States government"

Renumber accordingly

Date: 1-6-17
Roll Call Vote: #1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1106

House Political Subdivisions Committee

Subcommittee

Amendment LC# or Description: 17.8042.01001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider

Motion Made By Rep Koppelman Seconded By Rep. Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Klemin			Rep. Guggisberg		
Vice Chairman Hatlestad			Rep. Hanson		
Rep. Beadle					
Rep. Becker					
Rep. Ertelt					
Rep. Johnson					
Rep. Koppelman					
Rep. Longmuir					
Rep. Maragos					
Rep. Pyle					
Rep. Simons					
Rep. Toman					
Rep. Zubke					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

VOICE Vote Carried

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1106**

House Political Subdivisions Committee

Subcommittee

Amendment LC# or Description: 17.8042.01001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Rep. Hanson Seconded By Rep. Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman Klemin	x		Rep. Guggisberg	X	
Vice Chairman Hatlestad	X		Rep. Hanson	X	
Rep. Beadle	x				
Rep. Becker	x				
Rep. Ertelt	x				
Rep. Johnson	X				
Rep. Koppelman	x				
Rep. Longmuir	x				
Rep. Maragos	-				
Rep. Pyle	x				
Rep. Simons		x			
Rep. Toman	x				
Rep. Zubke	x				

Total (Yes) 13 No 1

Absent 1

Floor Assignment Rep. Johnson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1106: Political Subdivisions Committee (Rep. Klemin, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). HB 1106 was placed on the Sixth order on the calendar.

Page 1, line 8, remove "sixteen nationally identified"

Page 1, line 9, after "sectors" insert "identified by the United States government"

Renumber accordingly

2017 SENATE POLITICAL SUBDIVISIONS

HB 1106

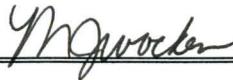
2017 SENATE STANDING COMMITTEE MINUTES

Political Subdivisions Committee
Red River Room, State Capitol

HB 1106
2/9/2017
Job # 28110

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to definitions of disasters and emergencies

Minutes:

Written testimony #1 Greg Wilz

Chairman Burckhard opened the hearing for HB1106. All senators are present.

Greg Wilz: Deputy Director of the Dept. of Emergency Services and Director of the Homeland Security Division. In support of HB 1106. Explained the bill with his written testimony #1. (:15-7:52)

Sen. Anderson: Have you got it figured out how you would help that bank when they have a cyber- attack?

Mr. Greg Wilz: probably is the answer. There are things being developed to counter what we would call a new threat across this world, not just the US. At the federal level, we have the National Information Computer, but they have resources, cyber support teams that we can request the state to come and work with these critical industries. The National Guard in the 18 months is getting authorization to stand up a cyber- protection team in ND. It is a team we will be sharing between ND, SD, and Colorado, and that team is military members and their going to have the capability to move in and assist these companies as well that may have cyber threats.

Sen. Kannianen: So if the governor declares an emergency, so then what does that unlock as far as funding or what all can that trigger, what potentially what resources is made available by an emergency declaration?

Mr. Greg Wilz: So when a governor declares an emergency, it meets a certain threshold and this is when we have floods and various things that we've had in ND. He would also request a federal declaration and if that is granted, then federal funds and federal resources come into play. When he does not have the ability to request an emergency declaration, or an emergency declaration is denied at the federal level, then the governor has the ability to present a request to the Emergency Commission for borrowing authority to support the state expenditures as it would relate to the response to a specific disaster. One of the things I

believe is being worked on right now, is about 8-10 years ago the National Guard also put together what they call a CST, a civil support team. Every state has a team and it was put into place basically with the idea that this provides a state asset ready to respond to a terrorist, explosive, or hazardous material or biological type of event. When that team is deployed at the request of the governor the federal government pays the entire bill. We think they are trying to follow a similar model on cyber but that has not been fully worked out. Also helps private industry, but they are billed for the state's response.

Sen. Kannianen: Specifically, what the bill is asking for is to use those emergency, or borrowing authority or other emergency funds to use it for potentially cropping up or helping to recover private businesses that supply these critical needs.

Mr. Greg Wilz: That is correct. That is substantive, and I wanted you all to know that. It is not something that we've normally done.

Sen. Anderson: The state of ND needs to be sure that we have our own processes in place, and that we don't rely too much on the Federal level. Let ND do private industry.

Mr. Greg Wilz: He is spot on. Other examples cited (14.32-15:10)

Chairman Burckhard asked for opposition and neutral testimony. No one came forward.
Chairman Burckhard closed the hearing on HB 1106.

Sen. Diane Larson: moved a do pass on HB1106.

Sen. Judy Lee: 2nd

Committee discussion followed. (16:07-18:15)

Roll Call Vote: 6 Yea, 0 No, 0 Absent

Carrier: Senator Diane Larson

Date: 2-9-17
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1106

Senate Political Subdivisions Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Sen. Diane Larson Seconded By Sen. Judy Lee

Senators	Yes	No	Senators	Yes	No
Chairman Randy Burckhard	✓		Senator Jim Dotzenrod	✓	
Vice-Chairman Howard Anderson	✓				
Senator Jordan Kannianen	✓				
Senator Diane Larson	✓				
Senator Judy Lee	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Diane Larson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1106, as engrossed: Political Subdivisions Committee (Sen. Burckhard, Chairman)
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1106 was placed on the Fourteenth order on the calendar.

2017 TESTIMONY

HB 1106

#1
1106
1-6-17

TESTIMONY – HB 1106
POLITICAL SUBDIVISIONS COMMITTEE
JANUARY 6, 2017
BY GREG WILZ
DEPUTY DIRECTOR, DEPARTMENT OF EMERGENCY SERVICES

Ms. Chairman and members of the committee, my name is Greg Wilz. I am Deputy Director of the Department of Emergency Services (DES), and Director of the Homeland Security Division. I offer testimony in support of House Bill 1106.

The Department of Emergency Services routinely reviews various sections of North Dakota Century Code to determine updates required based upon changes in federal laws and policy to ensure code supports best practices and processes. This measure performs three important functions.

It first recognizes cyber-attack as a disaster event. Secondly, it expands the definition of an "Emergency". The key change incorporates the potential need for critical industry sectors providing lifeline services to receive government support. The last change seeks to define those critical industry sectors so vital to the United States and the state that incapacitation or destruction would have a debilitating effect upon physical and economic security, public health and safety, or any combination thereof.

The following are the current sixteen identified sectors:

Chemical Commercial Facilities Communications Critical Manufacturing Dams Defense Industrial Base Emergency Services Energy	Financial Services Food and Agriculture Government Facilities Healthcare and Public Health Information Technology Nuclear Reactors, Materials, and Waste Transportation Systems Water and Wastewater Systems
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This bill provides an important updates to definitions within section of NDCC 37-17.

On behalf of the Department of Emergency Services, I advocate HB 1106 with the recommended amendment receive a do pass.

Thank you for your time; I will answer questions you may have.

1106

#2

1-6-17

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1106

Page 1, line 8, remove "sixteen"

Renumber accordingly

HB 1106
2.9.17
#1

TESTIMONY – HB 1106
SENATE POLITICAL SUBDIVISIONS COMMITTEE
FEBRUARY 9, 2017
BY GREG WILZ
DEPUTY DIRECTOR, DEPARTMENT OF EMERGENCY SERVICES

Mr. Chairman and members of the committee, my name is Greg Wilz. I am Deputy Director of the Department of Emergency Services (DES), and Director of the Homeland Security Division. I offer testimony in support of House Bill 1106.

The Department of Emergency Services routinely reviews various sections of North Dakota Century Code to determine updates required based upon changes in federal laws and policy to ensure code supports best practices and processes.

The first change defines those critical industry sectors so vital to the United States and the state that incapacitation or destruction would have a debilitating effect upon physical and economic security, public health and safety, or any combination thereof. The second recognizes cyber-attack as a disaster event. The third expands the definition of an "Emergency". The last change incorporates the potential need for critical industry sectors to receive government support.

The following are the current sixteen identified sectors:

Chemical	Financial Services
Commercial Facilities	Food and Agriculture
Communications	Government Facilities
Critical Manufacturing	Healthcare and Public Health
Dams	Information Technology
Defense Industrial Base	Nuclear Reactors, Materials, and Waste
Emergency Services	Transportation Systems
Energy	Water and Wastewater Systems

The definition updates within section 37-17.1-04 of the North Dakota Century Code are critically important; therefore, on behalf of the Department of Emergency Services, I advocate engrossed HB 1106 receive a do pass.

Thank you for your time; I will answer questions you may have.