Susan C. Lee Legislative District 16 Montgomery County

Majority Whip

Judicial Proceedings Committee

Joint Committee on Cybersecurity, Information Technology, and Biotechnology

Chair Emeritus Maryland Legislative Asian American and Pacific Islander Caucus

President Emeritus

Women Legislators of the

Maryland General Assembly, Inc.



THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

James Senate Office Building 11 Bladen Street, Room 223 Annapolis, Maryland 21401 410-841-3124 · 301-858-3124 800-492-7122 Ext. 3124 Susan.Lee@senate.state.md.us

April 1, 2021

House Judiciary Committee Senate Bill 623 - Criminal Law - Crimes Involving Computers "Ransomware"

This bill is nearly identical to HB 425, which passed unanimously out of this committee. Certain Senators thought it would be helpful to clarify exceptions that mirrored existing law for displaying obscene materials to protect non-criminal activity. The research exception and the intent element were sufficient to protect researchers but the amendments provided in the Senate may ease concerns of cybersecurity experts who test defenses to these attacks. We ask that the House Judiciary committee pass SB 623 as it passed the Senate. Clarification here is helpful.

Senate Bill 623 mitigates the growing threat of cybercrime in Maryland through defining the crime of ransomware and applying that crime to the unlawful possession of ransomware software with the intent to deploy the technology for malicious purposes. Ransomware is software or a program that prevents victims from accessing computer systems or records until the victim makes a payment to the perpetrator, usually involving untraceable Bitcoin transactions.

Maryland State and local government agencies have fallen victim to high-profile ransomware attacks in recent years. In May of 2019, Baltimore City employees were unable to access online accounts and city payment systems were down for weeks, resulting in some \$18 million in restoration and repair costs for the City. These attacks are not only costly, but they also threaten public safety. In 2018, a separate ransomware attack rendered Baltimore City's computer-assisted 9-1-1 dispatcher system inoperable for almost a full day.

No business, organization, or industry, no matter the size, is safe from ransomware attacks today. And it doesn't take a sophisticated crime syndicate to perpetrate an attack. Any individual connected to the internet has the power to access and utilize crippling ransomware. As the software is disseminated more widely, opportunists like disgruntled employees will deploy these weapons with greater frequency. We must snip this supply growth by fighting demand.

Let me be clear: ransomware is a weapon. This software is a loaded gun with no possible defensive purpose; we shouldn't have to wait for someone to pull the trigger to take decisive action. Law enforcement should be empowered to act against individuals and organizations who possess such weapons without a legitimate purpose *before* they are unleashed to wreak havoc on our schools, hospitals, police departments and businesses. That is exactly what this bill does.

Under SB 623, persons who possess ransomware with an intent to use it for anything other than a lawful purpose are guilty of a misdemeanor offense and will face penalties of up to 2 years (down from 10 in last year's version) in conformity to the amendments made in this committee to the House Bill that passed unanimously.

While we have a lot more work to do as a committee, as a legislature and as a State to address ransomware attacks and other cybercrime, this bill is a step in the right direction towards strengthening our cybercrime deterrence. Prosecutors and investigators who discover ransomware and the intent to use it should not be prohibited from preventing a harmful crime from occurring. There is no lawful reason to have ransomware if you are not doing research, including the enumerated exceptions provided in the senate language.

SB 623 is a first step toward preventing access to dangerous weapons against our democratic institutions. For these reasons, I respectfully request a favorable report on SB 623.