



Reprinted  
February 22, 2017

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## HOUSE BILL No. 1444

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DIGEST OF HB 1444 (Updated February 21, 2017 1:32 pm - DI 106)

**Citations Affected:** IC 34-24; IC 35-43.

**Synopsis:** Criminal and civil liability for ransomware. Increases the penalty for computer trespass to a Level 6 felony if the person who commits the offense prevents the owner of the computer system from accessing the computer system, the computer network, or one or more files located on the computer system or computer network, and to a Level 5 felony if the owner suffers a loss of at least \$50,000. Provides that "loss" includes expenses for securing a computer system or network.

**Effective:** July 1, 2017.

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**Judy, Dvorak, Morris, Speedy**

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January 17, 2017, read first time and referred to Committee on Courts and Criminal Code.  
February 16, 2017, amended, reported — Do Pass.  
February 21, 2017, read second time, amended, ordered engrossed.

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HB 1444—LS 7112/DI 106





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First Regular Session of the 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

## HOUSE BILL No. 1444

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A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 34-24-3-0.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2017]: **Sec. 0.5. As used in this chapter, "loss" includes expenses**  
4 **incurred in securing a computer system or computer network**  
5 **against unauthorized intrusion.**

6 SECTION 2. IC 35-43-2-3, AS AMENDED BY P.L.79-2009,  
7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2017]: Sec. 3. (a) As used in this section:

9 "Access" means to:

- 10 (1) approach;  
11 (2) instruct;  
12 (3) communicate with;  
13 (4) store data in;  
14 (5) retrieve data from; or  
15 (6) make use of resources of;

16 a computer, computer system, or computer network.

17 "Computer network" means the interconnection of communication

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1 lines or wireless telecommunications with a computer or wireless  
2 telecommunication device through:

- 3 (1) remote terminals;  
4 (2) a complex consisting of two (2) or more interconnected  
5 computers; or  
6 (3) a worldwide collection of interconnected networks operating  
7 as the Internet.

8 "Computer system" means a set of related computer equipment,  
9 software, or hardware.

10 "Hoarding program" means a computer program designed to bypass  
11 or neutralize a security measure, access control system, or similar  
12 system used by the owner of a computer network or computer system  
13 to limit the amount of merchandise that one (1) person may purchase  
14 by means of a computer network.

15 (b) A person who knowingly or intentionally accesses:

- 16 (1) a computer system;  
17 (2) a computer network; or  
18 (3) any part of a computer system or computer network;

19 without the consent of the owner of the computer system or computer  
20 network, or the consent of the owner's licensee, commits computer  
21 trespass, a Class A misdemeanor, **except as described in subsection**  
22 **(e).**

23 (c) A person who knowingly or intentionally uses a hoarding  
24 program to purchase merchandise by means of a computer network  
25 commits computer merchandise hoarding, a Class A misdemeanor. It  
26 is a defense to a prosecution under this subsection that the person used  
27 the hoarding program with the permission of the person selling the  
28 merchandise.

29 (d) A person who knowingly or intentionally sells, purchases, or  
30 distributes a hoarding program commits unlawful distribution of a  
31 hoarding program, a Class A misdemeanor. It is a defense to a  
32 prosecution under this subsection that the hoarding program was sold,  
33 purchased, or distributed for legitimate scientific or educational  
34 purposes.

35 **(e) The offense described in subsection (b) is a:**

- 36 **(1) Level 6 felony if the person who commits the offense**  
37 **prevents the owner of the computer system from accessing the**  
38 **computer system, the computer network, or one (1) or more**  
39 **files located on the computer system or computer network;**  
40 **and**  
41 **(2) Level 5 felony if the loss (as defined in IC 34-24-3-0.5) to**  
42 **the owner of the computer system is at least fifty thousand**



1            **dollars (\$50,000).**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1444, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 34-24-3-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 0.5. As used in this chapter, "loss" includes expenses incurred in securing a computer system or computer network against unauthorized intrusion.**"

Page 2, delete lines 1 through 3.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1444 as introduced.)

WASHBURNE

Committee Vote: yeas 11, nays 0.

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 HOUSE MOTION

Mr. Speaker: I move that House Bill 1444 be amended to read as follows:

Page 2, line 35, after "a" insert ":

**(1)**".

Page 2, line 39, delete "." and insert "; and

**(2) Level 5 felony if the loss (as defined in IC 34-24-3-0.5) to the owner of the computer system is at least fifty thousand dollars (\$50,000).**".

(Reference is to HB 1444 as printed February 17, 2017.)

DVORAK

