

SENATE BILL NO. 472

BY SENATOR MILLIGAN AND REPRESENTATIVE MIKE JOHNSON

1 AN ACT

2 To enact Chapter 49 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 51:3051 through 3054, relative to homeland security; to provide relative to
4 prohibited contracts; to provide for designation of a country as a threat to critical
5 infrastructure; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Chapter 49 of Title 51 of the Louisiana Revised Statutes of 1950,
8 comprised of R.S. 51:3051 through 3054, is hereby enacted to read as follows:

9 **CHAPTER 49. PROHIBITION ON CONTRACTS WITH CERTAIN**
10 **FOREIGN-OWNED COMPANIES IN CONNECTION**
11 **WITH CRITICAL INFRASTRUCTURE**

12 **§3051. Short title**

13 **This Chapter shall be known and may be cited as the "Transparency in**
14 **Ownership of Critical Infrastructure Law".**

15 **§3052. Definitions**

16 **As used in this Chapter the following terms have the meanings ascribed**
17 **unless the context clearly indicates otherwise:**

18 **(1) "Company" means a sole proprietorship, organization, association,**
19 **corporation, partnership, joint venture, limited partnership, limited liability**
20 **partnership, or limited liability company, including a wholly owned subsidiary,**
21 **majority-owned subsidiary, parent company, or affiliate of those entities or**
22 **business associations, that exists to make a profit.**

23 **(2) "Critical infrastructure" means a communication infrastructure**
24 **system, cybersecurity system, electric grid, hazardous waste treatment system,**
25 **or water treatment facility.**

1 (3) "Cybersecurity" means the measures taken to protect a computer,
2 computer network, computer system, or other technology infrastructure against
3 unauthorized use or access.

4 (4) "Designated country" means a country designated by the governor
5 as a threat to critical infrastructure pursuant to R.S. 51:3054.

6 (5) "Governmental entity" means a state agency or political subdivision
7 of this state.

8 §3053. Prohibited contracts

9 A. A governmental entity shall not enter into a contract or other
10 agreement relating to critical infrastructure in this state with a company if,
11 under the contract or other agreement, the company would be granted direct
12 or remote access to or control of critical infrastructure in this state, excluding
13 access specifically allowed by the governmental entity for product warranty and
14 support purposes under any of the following circumstances:

15 (1) The governmental entity knows that the company is owned by or the
16 majority of stock or other ownership interest of the company is held or
17 controlled by individuals who are citizens of China, Iran, North Korea, Russia,
18 or a designated country.

19 (2) The governmental entity knows that the company or other entity,
20 including a governmental entity, is owned or controlled by citizens of or is
21 directly controlled by the government of China, Iran, North Korea, Russia, or
22 a designated country.

23 (3) The governmental entity knows that the company or other entity is
24 headquartered in China, Iran, North Korea, Russia, or a designated country.

25 B. The provisions of Subsection A of this Section shall apply regardless
26 of whether the company's or its parent company's securities are publicly traded
27 or the company or its parent company is listed on a public stock exchange as a
28 Chinese, Iranian, North Korean, or Russian company or a company of a
29 designated country.

30 §3054. Designation of country as a threat to critical infrastructure

1 **A. The governor, after consultation with the director of the Governor's**
 2 **Office of Homeland Security and Emergency Preparedness, may designate a**
 3 **country as a threat to critical infrastructure for purposes of this Chapter.**

4 **B. The governor shall consult the Senate and House select committees on**
 5 **homeland security, to assess a threat to critical infrastructure for purposes of**
 6 **making a designation under this Section.**

7 Section 2. This Act shall become effective upon signature by the governor or, if not
 8 signed by the governor, upon expiration of the time for bills to become law without signature
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 11 effective on the day following such approval.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____