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VLCT Municipal Update on Information Technology and Cybersecurity

Prepared for the Vermont House Committee on Energy and Technology

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About the Vermont League of Cities and Towns

- **All 246 Cities and Towns are Members**
- **Another 144 units of municipal government are** Associate Members (villages, counties, etc)

"The Vermont League of Cities and Towns (VLCT) is a nonprofit, nonpartisan organization that was founded in 1967 with the mission of serving and strengthening Vermont local government."
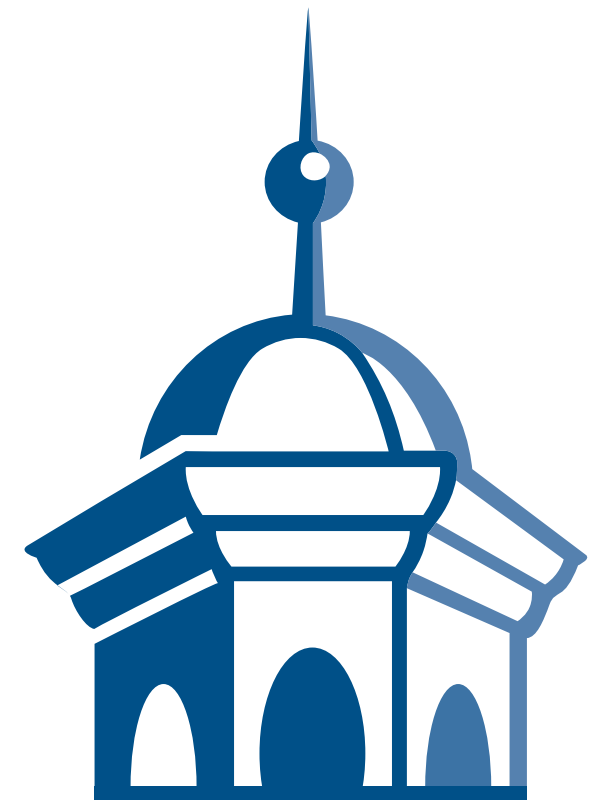
www.vlct.org

5 CORE BENEFITS OF MEMBERSHIP

The Value of Belonging

Membership in VLCT provides one of the best returns on investment by saving you and your municipality time and money. Think of the League as an extension of your office, providing comprehensive and specialized expertise and support.

1 SUPPORT

Whatever your issue, you can call one number for all of your questions. Get answers and resources quickly from knowledgeable professionals, many of whom have firsthand knowledge from serving their municipalities.

2 KNOWLEDGE

Access specialized expertise, on-point training, vetted resources, and the latest data – all with a municipal focus and deep understanding of trends and issues across the state.

3 REPRESENTATION

Municipal voices are heard collectively and as a single, united voice through full-time, focused advocacy.

4 INSURANCE

Manage your risks and protect your taxpayers' assets with robust member-owned insurance programs with coverage and services that are tailored to municipalities.

5 CONNECTION

Whether you need to talk shop or shop for vendors, VLCT connects you to a variety of networks, agencies, organizations, colleagues, and experts.

Key Take Aways

1. Vermont's municipalities would welcome help managing increasingly complex information technology and cybersecurity requirements

2. A VLCT-commissioned IT assessment of municipal IT needs conducted by Champlain College demonstrated that municipalities are concerned about security, how to handle sensitive information, disaster preparedness, and IT training

3. The cybersecurity insurance market is in flux. Municipalities' cyber readiness may not meet insurance carriers' minimum standards, leaving them fully exposed to the costs of data breach, extortion, and system damage

4. VLCT is providing municipalities with access to cybersecurity training and testing tools at no cost

VLCT members were asked what services they'd like VLCT to offer. IT and Cybersecurity were the number one and two most requested services:

- IT support and services
- Cybersecurity
- Grant assistance
- Website assistance
- Shared IT services
- Technical training
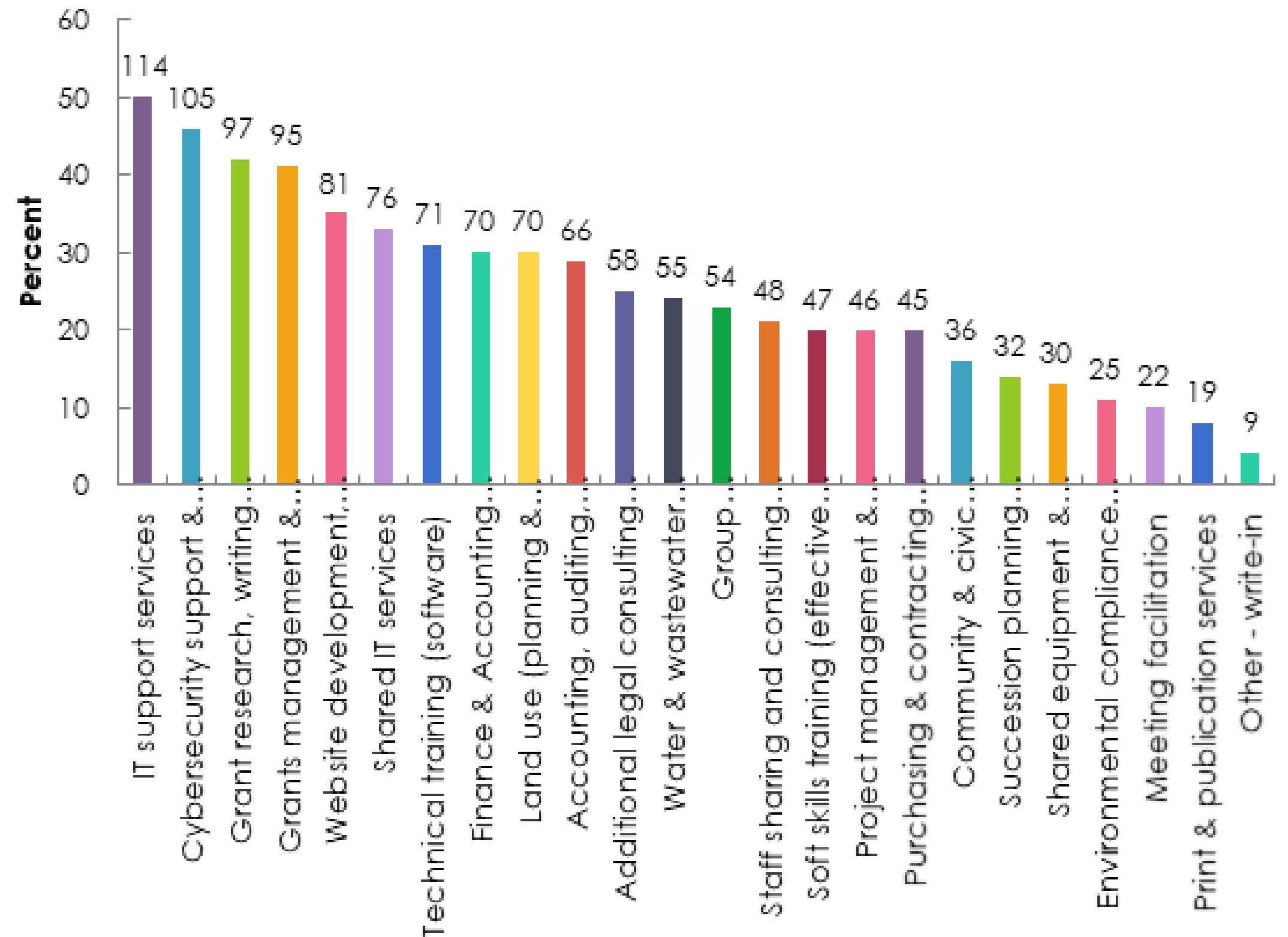
VLCT IT Services RFQ Template Project Overview

The Vermont League of Cities and Towns (VLCT) collaborated with the Leahy Center for Digital Forensic & Cybersecurity (Leahy Center) to create a template IT Services Request for Quotes (RFQ) for small Vermont municipalities. The Leahy Center is a Center of Experience at Champlain College with an educational mission to provide real world experience for students.

To inform the template and make it broadly applicable to small and mid-sized municipalities, the Leahy Center conducted IT assessments for ten municipalities representative of IT infrastructure and service. Participants received a written report and review with Leahy Center staff.

On March 17, Leahy Center staff and students presented the VLCT Board of Directors with project outcomes including:

• IT Services RFQ Template
• IT Services RFQ Template Options Catalog
• Sample Completed RFQ
• Findings and Recommendations Summary

Champlain College Findings...VLCT may wish to address these issues:

Conduct Cybersecurity Policies and Risk Assessments

Provide Guidance and Training for Critical Security Controls

Provide Disaster Recovery Planning

Help with Data Inventory and Classification

Engage with Municipal Management Software Vendors

Provide Technology Training

Offer IT Budget Allocation Support

VLCT Property and Casualty Intermunicipal Fund (PACIF)

The VLCT Property And Casualty Intermunicipal Fund (PACIF) began offering coverage in 1987. With 354 members it is now the leading provider of Property/Casualty and Workers Compensation coverage to Vermont municipal entities including special purpose districts.

PACIF covers property damage, vehicle accidents, injured employees, general liability, public officials' liability, employment practices liability, law enforcement liability, and cyber liability, making it comprehensive and convenient.

PACIF features a unique combination of loss control programs:
- Scholarships and Grants
- Drug & Alcohol Testing compliance support for members with CDL drivers
- Law Enforcement consultation
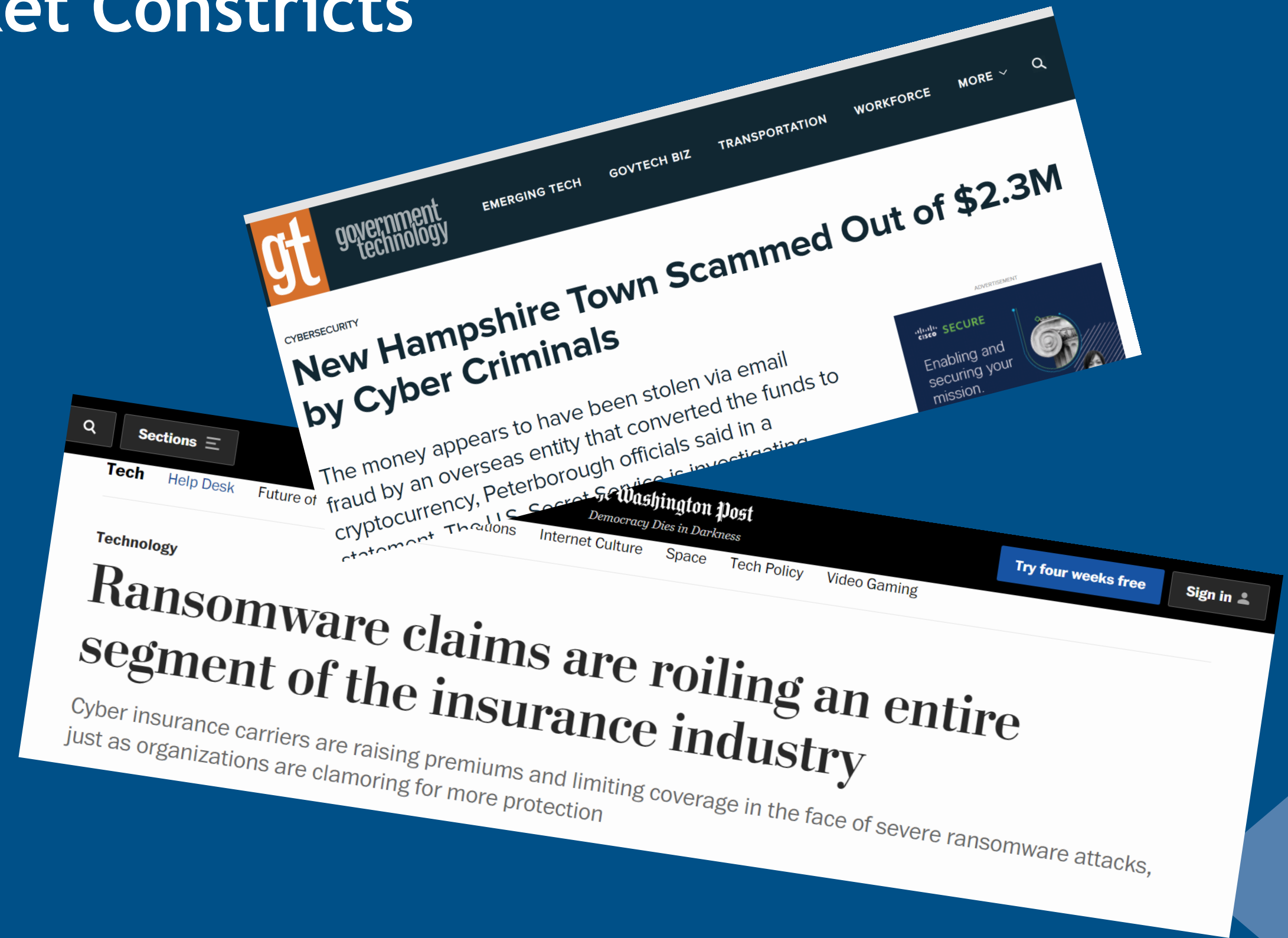- Human Resources consultation, and many more.

354
municipal members

2021 Cyber Insurance Market Constricts

- More difficult and expensive to secure cybersecurity coverage for our members

- VLCT relies on cybersecurity experts – including reinsurers - to manage cybersecurity claims

- PACIF issued a Cyber Risk Assessment survey to VLCT members in 2021 anticipating insurance would only be offered to members who met strict underwriting criteria

VLCT / PACIF Offerings and Resources:

- Offering PACIF members a full reimbursement if they purchase security awareness training and simulated phishing platform from KnowBe4 through May 17, 2022

- VLCT will soon be publishing a model RFQ for IT services and accompanying RFQ instructions as part of the Champlain contract

- Issue articles, online resources, trainings and alerts to members about cybersecurity

- Awaiting DHS/ADS guidance on Bipartisan Infrastructure Law "State and Local Cybersecurity Improvement Act" Grant Program

- Champlain College has named VLCT a partner in a $756,000 earmark Senator Leahy secured to help nonprofits, municipalities and school districts address cybersecurity

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