

# CYBER INSURANCE



Presentation to the Joint Legislative Committee on Information Management and Technology  
May 17, 2023

# Cyber Insurance

- **Special Districts Insurance Services (SDIS)**
  - Self-Insured Trust with 960 participating Oregon special districts
  - Formed in 1985
  - Administered by the Special Districts Association of Oregon (SDAO)
- **Property and Casualty Coverage for Education Trust (PACE)**
  - Self-Insured Trust composed of school districts, education service districts, community colleges and public charter schools
  - Except for Portland Public, Salem-Keizer and Beaverton, all other Oregon school districts are members
  - Formed in 2006
  - Administered by the Oregon School Boards Association (OSBA) and SDAO

# SDIS Cyber Coverage

- **Cyber coverage is included in each district's liability insurance policy**
- **Identify theft protection expense reimbursement and extortion**
  - \$100,000 per member
  - \$500,000 total amount for all members combined in one policy year
- **Data-Related Liability**
  - \$1,000,000 per member
  - \$5,000,000 total amount for all members combined in one policy year
- **100% self-insured by SDIS**

# PACE Cyber Coverage

- **Group insurance policy purchased from AIG**
- **Cyber Liability Insurance**
  - \$1,000,000 per member
  - \$5,000,000 total amount for all members combined in one policy year
  - \$100,000 PACE deductible
  - \$5,000 member deductible
- **Cyber Extortion Insurance**
  - \$200,000 per member
  - \$2,000,000 total amount for all members combined in one policy year
  - \$100,000 PACE deductible
  - \$25,000 member deductible

# SDIS and PACE Crime Insurance

- **Social Engineering** : When someone is tricked into voluntarily transferring funds to another party it is not a cyber claim
- Crime Insurance covers Social Engineering
- Maximum per member limit of \$250,000

# PACE Underwriting Requirements

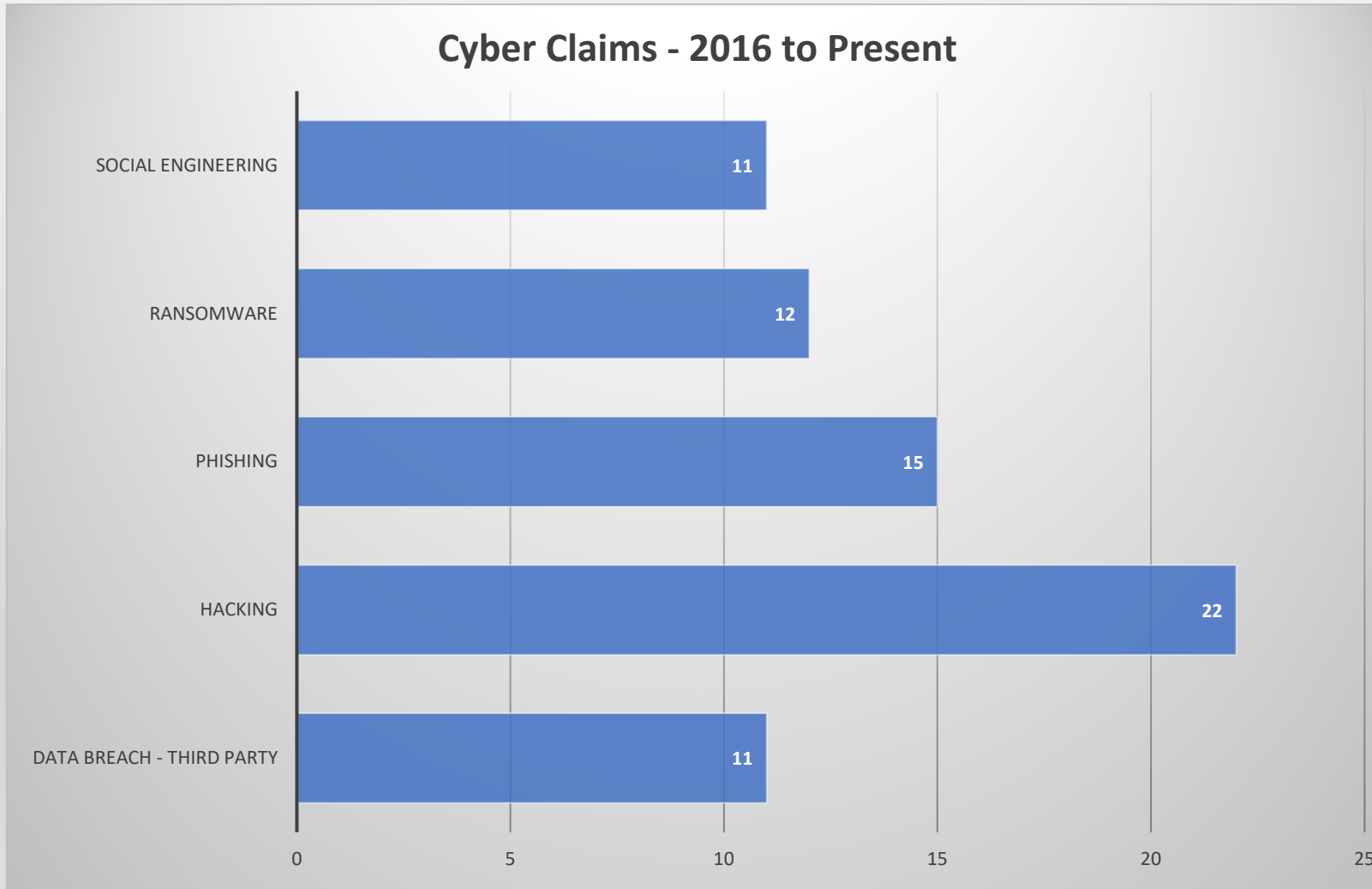
- **New requirements added each year with a one-year notice in advance**
- **July 2023 requirements**
  - ✓ Force email and domain passwords to expire annually
  - ✓ Restrict admin rights to select qualified individuals
  - ✓ Daily backups
  - ✓ Two annual staff trainings
  - ✓ Commit to implementing a cyber incidence response plan

# PACE Underwriting Requirements

- **July 2024 requirements**

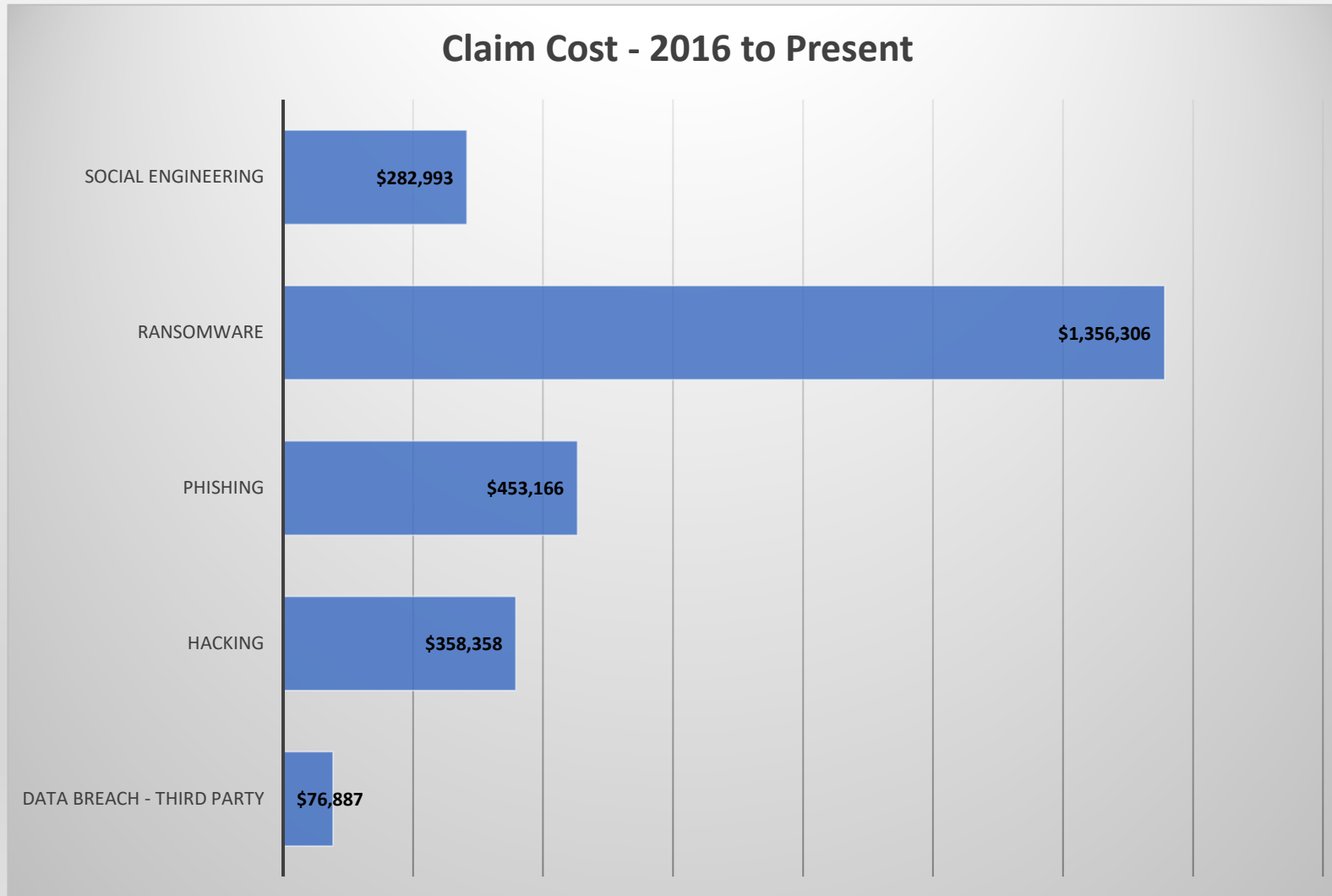
- ✓ Implement MFA for VPN, Email, Application Suites.....
- ✓ Deploy endpoint protection software
- ✓ Staff to complete required online trainings offered by PACE
- ✓ Implement policy for regularly patching critical software updates

# Cyber Claims History

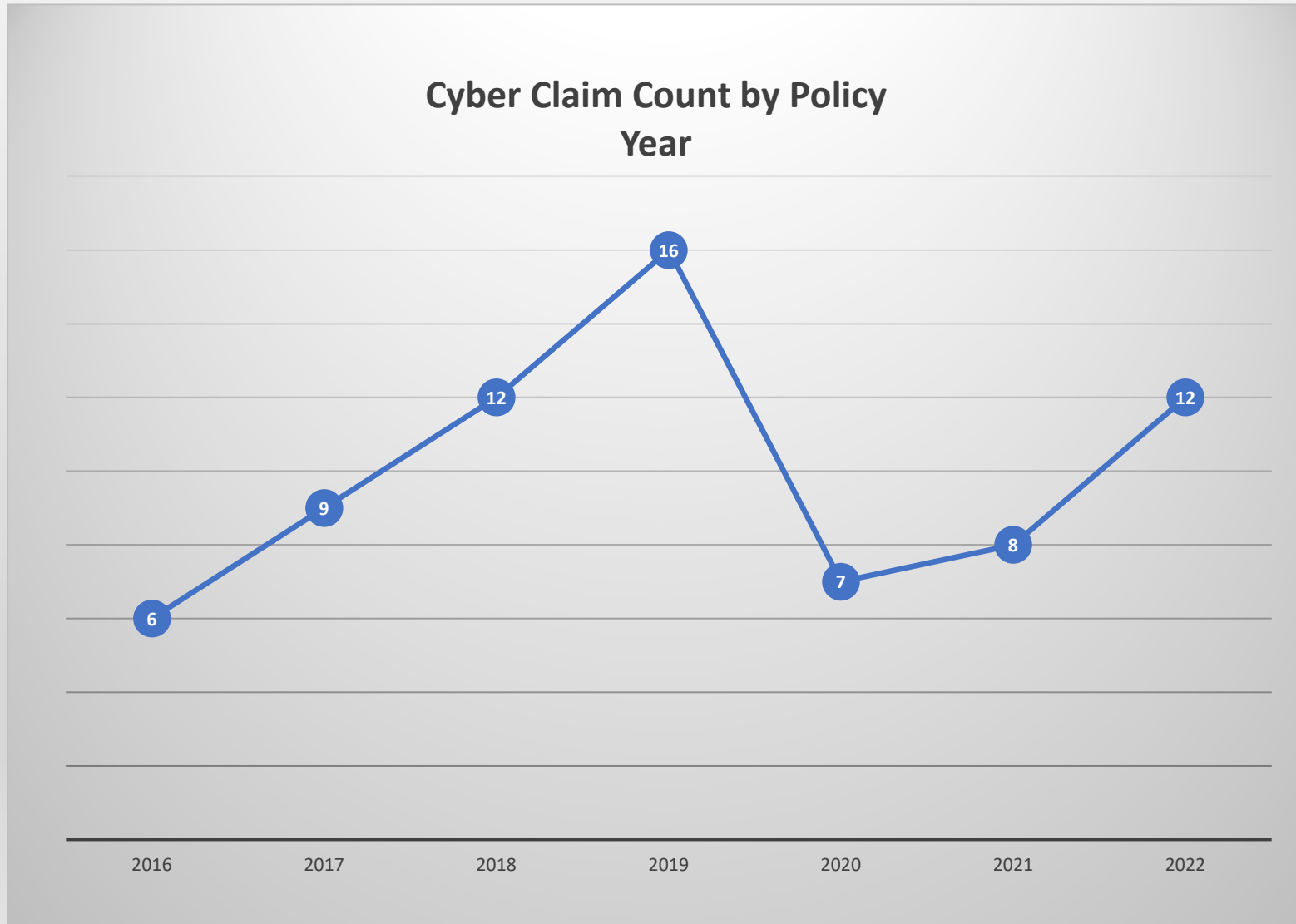




# Cyber Claims History



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