

HB587 INTRODUCED



1 HB587
2 V2CILPP-1
3 By Representative Shaw
4 RFD: Financial Services
5 First Read: 17-Apr-25



SYNOPSIS:

This bill would provide qualifications for information technology auditors hired to perform information technology audits on certain state-chartered financial institutions.

A BILL
TO BE ENTITLED
AN ACT

Relating to information technology; to provide qualifications for information technology auditors hired to perform IT audits on certain state-chartered financial institutions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1.(a) For the purposes of this section, the following terms have the following meanings:

(1) INFORMATION TECHNOLOGY (IT). Technology, infrastructure, equipment, systems, software, controlling, displaying, switching, interchanging, transmitting, and receiving data or information, including audio, video, graphics, and text. The term shall be construed broadly to incorporate future technologies that change or supplant those in effect as of October 1, 2025.



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(2) IT AUDIT. An information technology audit that involves conducting thorough risk assessments to identify and understand potential risks and weaknesses associated with an organization's infrastructure, operations, and existing security protocols and to make recommendations for improving an organization's cybersecurity strategy.

(3) IT AUDITOR. An independent private information technology auditor.

(b) An IT auditor who is hired by a state-chartered financial institution or subcontractor required to satisfy any audit required by state or federal regulators typically required under National Credit Union Administration (NCUA) or Federal Deposit Insurance Corporation (FDIC) regulations or under the Gramm-Leach-Bliley Act (GLBA) to perform IT audits and who satisfies all of the following qualifications:

(1) Is an independent third party for the purpose of performing required audits.

(2) Holds professional certification such as a Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA), or Certified Information Systems Security Professional (CISSP).

(3) Has a minimum of five years of experience in an information technology related field or a state-chartered or federal-chartered financial institution.

(4) Holds a certification as specified by the Alabama Credit Union Administration (ACUA) or the State Banking Department.

(c) In addition to the required qualifications listed



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in subsection (b), an IT auditor should engage in continuous learning through workshops, seminars, and industry conferences that focus on the latest industry trends, best practices, and emerging risks.

(d) This section does not apply to IT audits performed internally or by a state or federal government agency.

Section 2. This act shall become effective on October 1, 2025.