

**AMENDMENT TO RULES COMMITTEE PRINT 117-**

**31**

**OFFERED BY MS. ESHOO OF CALIFORNIA**

Add at the end of division F the following new section:

1 **SEC. 50105. IMPROVING CYBERSECURITY OF SMALL ENTI-**  
2 **TIES.**

3 (a) DEFINITIONS.—In this section:

4 (1) ADMINISTRATOR.—The term “Adminis-  
5 trator” means the Administrator of the Small Busi-  
6 ness Administration.

7 (2) ANNUAL CYBERSECURITY REPORT; SMALL  
8 BUSINESS; SMALL ENTITY; SMALL GOVERNMENTAL  
9 JURISDICTION; SMALL ORGANIZATION.—The terms  
10 “annual cybersecurity report”, “small business”,  
11 “small entity”, “small governmental jurisdiction”,  
12 and “small organization” have the meanings given  
13 those terms in section 2220D of the Homeland Se-  
14 curity Act of 2002, as added by subsection (b).

15 (3) CISA.—The term “CISA” means the Cy-  
16 bersecurity and Infrastructure Security Agency.

17 (4) COMMISSION.—The term “Commission”  
18 means the Federal Trade Commission.

1           (5) SECRETARY.—The term “Secretary” means  
2 the Secretary of Commerce.

3           (b) ANNUAL REPORT.—

4           (1) AMENDMENT.—Subtitle A of title XXII of  
5 the Homeland Security Act of 2002 (6 U.S.C. 651  
6 et seq.) is amended by adding at the end the fol-  
7 lowing:

8 **“SEC. 2220D. ANNUAL CYBERSECURITY REPORT FOR**  
9 **SMALL ENTITIES.**

10          “(a) DEFINITIONS.—

11           “(1) ADMINISTRATION.—The term ‘Administra-  
12 tion’ means the Small Business Administration.

13           “(2) ADMINISTRATOR.—The term ‘Adminis-  
14 trator’ means the Administrator of the Administra-  
15 tion.

16           “(3) ANNUAL CYBERSECURITY REPORT.—The  
17 term ‘annual cybersecurity report’ means the annual  
18 cybersecurity report published and promoted under  
19 subsections (b) and (c), respectively.

20           “(4) COMMISSION.—The term ‘Commission’  
21 means the Federal Trade Commission.

22           “(5) ELECTRONIC DEVICE.—The term ‘elec-  
23 tronic device’ means any electronic equipment that  
24 is—

1           “(A) used by an employee or contractor of  
2           a small entity for the purpose of performing  
3           work for the small entity;

4           “(B) capable of connecting to the internet  
5           or another communication network; and

6           “(C) capable of sending, receiving, or proc-  
7           essing personal information.

8           “(6) NIST.—The term ‘NIST’ means the Na-  
9           tional Institute of Standards and Technology.

10          “(7) SMALL BUSINESS.—The term ‘small busi-  
11          ness’ has the meaning given the term ‘small business  
12          concern’ under section 3 of the Small Business Act  
13          (15 U.S.C. 632).

14          “(8) SMALL ENTITY.—The term ‘small entity’  
15          means—

16                 “(A) a small business;

17                 “(B) a small governmental jurisdiction;

18                 and

19                 “(C) a small organization.

20          “(9) SMALL GOVERNMENTAL JURISDICTION.—  
21          The term ‘small governmental jurisdiction’ means  
22          governments of cities, counties, towns, townships,  
23          villages, school districts, or special districts with a  
24          population of less than 50,000.

1           “(10) SMALL ORGANIZATION.—The term ‘small  
2 organization’ means any not-for-profit enterprise  
3 that is independently owned and operated and is not  
4 dominant in its field.

5           “(b) ANNUAL CYBERSECURITY REPORT.—

6           “(1) IN GENERAL.—Not later than 180 days  
7 after the date of enactment of this section, and not  
8 less frequently than annually thereafter, the Director  
9 shall publish a report for small entities that docu-  
10 ments and promotes evidence-based cybersecurity  
11 policies and controls for use by small entities, which  
12 shall—

13           “(A) include basic controls that have the  
14 most impact in protecting small entities against  
15 common cybersecurity threats and risks;

16           “(B) include protocols and policies to ad-  
17 dress common cybersecurity threats and risks  
18 posed by electronic devices, regardless of wheth-  
19 er the electronic devices are—

20           “(i) issued by the small entity to em-  
21 ployees and contractors of the small entity;

22           or

23           “(ii) personal to the employees and  
24 contractors of the small entity; and

25           “(C) recommend, as practicable—

1 “(i) measures to improve the cyberse-  
2 curity of small entities; and

3 “(ii) configurations and settings for  
4 some of the most commonly used software  
5 that can improve the cybersecurity of small  
6 entities.

7 “(2) EXISTING RECOMMENDATIONS.—The Di-  
8 rector shall ensure that each annual cybersecurity  
9 report published under paragraph (1) incorporates—

10 “(A) cybersecurity resources developed by  
11 NIST, as required by the NIST Small Business  
12 Cybersecurity Act (Public Law 115–236); and

13 “(B) the most recent version of the Cyber-  
14 security Framework, or successor resource,  
15 maintained by NIST.

16 “(3) CONSIDERATION FOR SPECIFIC TYPES OF  
17 SMALL ENTITIES.—The Director may include and  
18 prioritize the development of cybersecurity rec-  
19 ommendations, as required under paragraph (1), ap-  
20 propriate for specific types of small entities in addi-  
21 tion to recommendations applicable for all small en-  
22 tities.

23 “(4) CONSULTATION.—In publishing the annual  
24 cybersecurity report under paragraph (1), the Direc-

1       tor shall, to the degree practicable and as appro-  
2       priate, consult with—

3               “(A) the Administrator, the Secretary of  
4               Commerce, the Commission, and the Director of  
5               NIST;

6               “(B) small entities, insurers, State govern-  
7               ments, companies that work with small entities,  
8               and academic and Federal and non-Federal ex-  
9               perts in cybersecurity; and

10              “(C) any other entity as determined appro-  
11              priate by the Director.

12       “(c) PROMOTION OF ANNUAL CYBERSECURITY RE-  
13       PORT FOR SMALL BUSINESSES.—

14              “(1) PUBLICATION.—The annual cybersecurity  
15              report, and previous versions of the report as appro-  
16              priate, published under subsection (b)(1) shall be—

17                      “(A) made available, prominently and free  
18                      of charge, on the public website of the Agency;  
19                      and

20                      “(B) linked to from relevant portions of  
21                      the websites of the Administration and the Mi-  
22                      nority Business Development Agency, as deter-  
23                      mined by the Administrator and the Director of  
24                      the Minority Business Development Agency, re-  
25                      spectively.

1           “(2) PROMOTION GENERALLY.—The Director,  
2           the Administrator, and the Secretary of Commerce  
3           shall, to the degree practicable, promote the annual  
4           cybersecurity report through relevant resources that  
5           are intended for or known to be regularly used by  
6           small entities, including agency documents, websites,  
7           and events.

8           “(d) TRAINING AND TECHNICAL ASSISTANCE.—The  
9           Director, the Administrator, and the Director of the Mi-  
10          nority Business Development Agency shall make available  
11          to employees of small entities voluntary training and tech-  
12          nical assistance on how to implement the recommenda-  
13          tions of the annual cybersecurity report.”.

14           (2) TECHNICAL AND CONFORMING AMEND-  
15          MENT.—The table of contents in section 1(b) of the  
16          Homeland Security Act of 2002 (Public 107–296;  
17          116 Stat. 2135) is amended by inserting after the  
18          item relating to section 2220C the following:

“Sec. 2220D. Annual cybersecurity report for small entities.”.

19           (c) REPORT TO CONGRESS.—

20           (1) IN GENERAL.—Not later than 1 year after  
21          the date of enactment of this Act, and annually  
22          thereafter for 10 years, the Secretary shall submit to  
23          Congress a report describing methods to improve the  
24          cybersecurity of small entities, including through the  
25          adoption of policies, controls, and classes of products

1 and services that have been demonstrated to reduce  
2 cybersecurity risk.

3 (2) MATTERS TO BE INCLUDED.—The report  
4 required under paragraph (1) shall—

5 (A) identify barriers or challenges for  
6 small entities in purchasing or acquiring classes  
7 of products and services that promote the cy-  
8 bersecurity of small entities;

9 (B) assess market availability, market pric-  
10 ing, and affordability of classes of products and  
11 services that promote the cybersecurity of small  
12 entities, with particular attention to identifying  
13 high-risk and underserved sectors or regions;

14 (C) estimate the costs and benefits of poli-  
15 cies that promote the cybersecurity of small en-  
16 tities, including—

17 (i) tax breaks;

18 (ii) grants and subsidies; and

19 (iii) other incentives as determined  
20 appropriate by the Secretary;

21 (D) describe evidence-based cybersecurity  
22 controls and policies that improve the cyberse-  
23 curity of small entities;

24 (E) with respect to the incentives described  
25 in subparagraph (C), recommend measures that



1 can effectively improve cybersecurity at scale  
2 for small entities; and

3 (F) include any other matters as the Sec-  
4 retary determines relevant.

5 (3) SPECIFIC SECTORS OF SMALL ENTITIES.—

6 In preparing the report required under paragraph  
7 (1), the Secretary may include matters applicable for  
8 specific sectors of small entities in addition to mat-  
9 ters applicable to all small entities.

10 (4) CONSULTATION.—In preparing the report  
11 required under paragraph (1), the Secretary shall  
12 consult with—

13 (A) the Administrator, the Director of  
14 CISA, and the Commission; and

15 (B) small entities, insurers of risks related  
16 to cybersecurity, State governments, cybersecu-  
17 rity and information technology companies that  
18 work with small entities, and academic and  
19 Federal and non-Federal experts in cybersecu-  
20 rity.

21 (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
22 tion or the amendments made by this section shall be con-  
23 strued to provide any additional regulatory authority to  
24 CISA.

