

**AMENDMENT TO H.R. 1540, AS REPORTED
OFFERED BY MR. LANGEVIN OF RHODE ISLAND**

At the end of title X, add the following new subtitle:

1 **Subtitle J—Executive Cyberspace**
2 **Coordination**

3 **SEC. 1099C. COORDINATION OF FEDERAL INFORMATION**
4 **POLICY.**

5 Chapter 35 of title 44, United States Code, is amend-
6 ed by striking subchapters II and III and inserting the
7 following:

8 “SUBCHAPTER II—INFORMATION SECURITY

9 “§ 3551. **Purposes**

10 “The purposes of this subchapter are to—

11 “(1) provide a comprehensive framework for en-
12 suring the effectiveness of information security con-
13 trols over information resources that support Fed-
14 eral operations and assets;

15 “(2) recognize the highly networked nature of
16 the current Federal computing environment and pro-
17 vide effective Governmentwide management and
18 oversight of the related information security risks,
19 including coordination of information security efforts

1 throughout the civilian, national security, and law
2 enforcement communities;

3 “(3) provide for development and maintenance
4 of minimum controls required to protect Federal in-
5 formation and information infrastructure;

6 “(4) provide a mechanism for improved over-
7 sight of Federal agency information security pro-
8 grams;

9 “(5) acknowledge that commercially developed
10 information security products offer advanced, dy-
11 namic, robust, and effective information security so-
12 lutions, reflecting market solutions for the protection
13 of critical information infrastructures important to
14 the national defense and economic security of the
15 Nation that are designed, built, and operated by the
16 private sector; and

17 “(6) recognize that the selection of specific
18 technical hardware and software information secu-
19 rity solutions should be left to individual agencies
20 from among commercially developed products.

21 **“§ 3552. Definitions**

22 “(a) SECTION 3502 DEFINITIONS.—Except as pro-
23 vided under subsection (b), the definitions under section
24 3502 shall apply to this subchapter.

25 “(b) ADDITIONAL DEFINITIONS.—In this subchapter:

1 “(1) The term ‘adequate security’ means secu-
2 rity that complies with the regulations promulgated
3 under section 3554 and the standards promulgated
4 under section 3558.

5 “(2) The term ‘incident’ means an occurrence
6 that actually or potentially jeopardizes the confiden-
7 tiality, integrity, or availability of an information
8 system, information infrastructure, or the informa-
9 tion the system processes, stores, or transmits or
10 that constitutes a violation or imminent threat of
11 violation of security policies, security procedures, or
12 acceptable use policies.

13 “(3) The term ‘information infrastructure’
14 means the underlying framework that information
15 systems and assets rely on in processing, storing, or
16 transmitting information electronically.

17 “(4) The term ‘information security’ means
18 protecting information and information infrastruc-
19 ture from unauthorized access, use, disclosure, dis-
20 ruption, modification, or destruction in order to pro-
21 vide—

22 “(A) integrity, which means guarding
23 against improper information modification or
24 destruction, and includes ensuring information
25 nonrepudiation and authenticity;

1 “(B) confidentiality, which means pre-
2 serving authorized restrictions on access and
3 disclosure, including means for protecting per-
4 sonal privacy and proprietary information;

5 “(C) availability, which means ensuring
6 timely and reliable access to and use of infor-
7 mation; and

8 “(D) authentication, which means using
9 digital credentials to assure the identity of
10 users and validate access of such users.

11 “(5) The term ‘information technology’ has the
12 meaning given that term in section 11101 of title
13 40.

14 “(6)(A) The term ‘national security system’
15 means any information infrastructure (including any
16 telecommunications system) used or operated by an
17 agency or by a contractor of an agency, or other or-
18 ganization on behalf of an agency—

19 “(i) the function, operation, or use of
20 which—

21 “(I) involves intelligence activities;

22 “(II) involves cryptologic activities re-
23 lated to national security;

24 “(III) involves command and control
25 of military forces;

1 “(IV) involves equipment that is an
2 integral part of a weapon or weapons sys-
3 tem; or

4 “(V) subject to subparagraph (B), is
5 critical to the direct fulfillment of military
6 or intelligence missions; or

7 “(ii) is protected at all times by procedures
8 established for information that have been spe-
9 cifically authorized under criteria established by
10 an Executive order or an Act of Congress to be
11 kept classified in the interest of national de-
12 fense or foreign policy.

13 “(B) Subparagraph (A)(i)(V) does not include a
14 system that is to be used for routine administrative
15 and business applications (including payroll, finance,
16 logistics, and personnel management applications).

17 **“§ 3553. National Office for Cyberspace**

18 “(a) ESTABLISHMENT.—There is established within
19 the Executive Office of the President an office to be known
20 as the National Office for Cyberspace.

21 “(b) DIRECTOR.—

22 “(1) IN GENERAL.—There shall be at the head
23 of the National Office for Cyberspace a Director,
24 who shall be appointed by the President by and with
25 the advice and consent of the Senate. The Director

1 of the National Office for Cyberspace shall admin-
2 ister all functions designated to such Director under
3 this subchapter and collaborate to the extent prac-
4 ticable with the heads of appropriate agencies, the
5 private sector, and international partners. The Of-
6 fice shall serve as the principal office for coordi-
7 nating issues relating to cyberspace, including
8 achieving an assured, reliable, secure, and survivable
9 information infrastructure and related capabilities
10 for the Federal Government, while promoting na-
11 tional economic interests, security, and civil liberties.

12 “(2) BASIC PAY.—The Director of the National
13 Office for Cyberspace shall be paid at the rate of
14 basic pay for level III of the Executive Schedule.

15 “(c) STAFF.—The Director of the National Office for
16 Cyberspace may appoint and fix the pay of additional per-
17 sonnel as the Director considers appropriate.

18 “(d) EXPERTS AND CONSULTANTS.—The Director of
19 the National Office for Cyberspace may procure temporary
20 and intermittent services under section 3109(b) of title 5.

21 **“§ 3554. Federal Cybersecurity Practice Board**

22 “(a) ESTABLISHMENT.—Within the National Office
23 for Cyberspace, there shall be established a board to be
24 known as the ‘Federal Cybersecurity Practice Board’ (in
25 this section referred to as the ‘Board’).

1 “(b) MEMBERS.—The Board shall be chaired by the
2 Director of the National Office for Cyberspace and consist
3 of not more than 10 members, with at least one represent-
4 ative from—

5 “(1) the Office of Management and Budget;

6 “(2) civilian agencies;

7 “(3) the Department of Defense;

8 “(4) the Federal law enforcement community;

9 “(5) the Federal Chief Technology Office; and

10 “(6) such additional military and civilian agen-
11 cies as the Director considers appropriate.

12 “(c) RESPONSIBILITIES.—

13 “(1) DEVELOPMENT OF POLICIES AND PROCE-
14 DURES.—Subject to the authority, direction, and
15 control of the Director of the National Office for
16 Cyberspace, the Board shall be responsible for devel-
17 oping and periodically updating information security
18 policies and procedures relating to the matters de-
19 scribed in paragraph (2). In developing such policies
20 and procedures, the Board shall require that all
21 matters addressed in the policies and procedures are
22 consistent, to the maximum extent practicable and
23 in accordance with applicable law, among the civil-
24 ian, military, intelligence, and law enforcement com-
25 munities.

1 “(2) SPECIFIC MATTERS COVERED IN POLICIES
2 AND PROCEDURES.—

3 “(A) MINIMUM SECURITY CONTROLS.—
4 The Board shall be responsible for developing
5 and periodically updating information security
6 policies and procedures relating to minimum se-
7 curity controls for information technology, in
8 order to—

9 “(i) provide Governmentwide protec-
10 tion of Government-networked computers
11 against common attacks; and

12 “(ii) provide agencywide protection
13 against threats, vulnerabilities, and other
14 risks to the information infrastructure
15 within individual agencies.

16 “(B) MEASURES OF EFFECTIVENESS.—
17 The Board shall be responsible for developing
18 and periodically updating information security
19 policies and procedures relating to measure-
20 ments needed to assess the effectiveness of the
21 minimum security controls referred to in sub-
22 paragraph (A). Such measurements shall in-
23 clude a risk scoring system to evaluate risk to
24 information security both Governmentwide and
25 within contractors of the Federal Government.

1 “(C) PRODUCTS AND SERVICES.—The
2 Board shall be responsible for developing and
3 periodically updating information security poli-
4 cies, procedures, and minimum security stand-
5 ards relating to criteria for products and serv-
6 ices to be used in agency information systems
7 and information infrastructure that will meet
8 the minimum security controls referred to in
9 subparagraph (A). In carrying out this subpara-
10 graph, the Board shall act in consultation with
11 the Office of Management and Budget and the
12 General Services Administration.

13 “(D) REMEDIES.—The Board shall be re-
14 sponsible for developing and periodically updat-
15 ing information security policies and procedures
16 relating to methods for providing remedies for
17 security deficiencies identified in agency infor-
18 mation infrastructure.

19 “(3) ADDITIONAL CONSIDERATIONS.—The
20 Board shall also consider—

21 “(A) opportunities to engage with the
22 international community to set policies, prin-
23 ciples, training, standards, or guidelines for in-
24 formation security;

1 “(B) opportunities to work with agencies
2 and industry partners to increase information
3 sharing and policy coordination efforts in order
4 to reduce vulnerabilities in the national infor-
5 mation infrastructure; and

6 “(C) options necessary to encourage and
7 maintain accountability of any agency, or senior
8 agency official, for efforts to secure the infor-
9 mation infrastructure of such agency.

10 “(4) RELATIONSHIP TO OTHER STANDARDS.—
11 The policies and procedures developed under para-
12 graph (1) are supplemental to the standards promul-
13 gated by the Director of the National Office for
14 Cyberspace under section 3558.

15 “(5) RECOMMENDATIONS FOR REGULATIONS.—
16 The Board shall be responsible for making rec-
17 ommendations to the Director of the National Office
18 for Cyberspace on regulations to carry out the poli-
19 cies and procedures developed by the Board under
20 paragraph (1).

21 “(d) REGULATIONS.—The Director of the National
22 Office for Cyberspace, in consultation with the Director
23 of the Office of Management and the Administrator of
24 General Services, shall promulgate and periodically update

1 regulations to carry out the policies and procedures devel-
2 oped by the Board under subsection (c).

3 “(e) ANNUAL REPORT.—The Director of the Na-
4 tional Office for Cyberspace shall provide to Congress a
5 report containing a summary of agency progress in imple-
6 menting the regulations promulgated under this section as
7 part of the annual report to Congress required under sec-
8 tion 3555(a)(8).

9 “(f) NO DISCLOSURE BY BOARD REQUIRED.—The
10 Board is not required to disclose under section 552 of title
11 5 information submitted by agencies to the Board regard-
12 ing threats, vulnerabilities, and risks.

13 **“§ 3555. Authority and functions of the Director of**
14 **the National Office for Cyberspace**

15 “(a) IN GENERAL.—The Director of the National Of-
16 fice for Cyberspace shall oversee agency information secu-
17 rity policies and practices, including—

18 “(1) developing and overseeing the implementa-
19 tion of policies, principles, standards, and guidelines
20 on information security, including through ensuring
21 timely agency adoption of and compliance with
22 standards promulgated under section 3558;

23 “(2) requiring agencies, consistent with the
24 standards promulgated under section 3558 and
25 other requirements of this subchapter, to identify

1 and provide information security protections com-
2 mensurate with the risk and magnitude of the harm
3 resulting from the unauthorized access, use, disclo-
4 sure, disruption, modification, or destruction of—

5 “(A) information collected or maintained
6 by or on behalf of an agency; or

7 “(B) information infrastructure used or
8 operated by an agency or by a contractor of an
9 agency or other organization on behalf of an
10 agency;

11 “(3) coordinating the development of standards
12 and guidelines under section 20 of the National In-
13 stitute of Standards and Technology Act (15 U.S.C.
14 278g-3) with agencies and offices operating or exer-
15 cising control of national security systems (including
16 the National Security Agency) to assure, to the max-
17 imum extent feasible, that such standards and
18 guidelines are complementary with standards and
19 guidelines developed for national security systems;

20 “(4) overseeing agency compliance with the re-
21 quirements of this subchapter, including through
22 any authorized action under section 11303 of title
23 40, to enforce accountability for compliance with
24 such requirements;

1 “(5) reviewing at least annually, and approving
2 or disapproving, agency information security pro-
3 grams required under section 3556(b);

4 “(6) coordinating information security policies
5 and procedures of the Federal Government with re-
6 lated information resources management policies and
7 procedures on the security and resiliency of cyber-
8 space;

9 “(7) overseeing the operation of the Federal in-
10 formation security incident center required under
11 section 3559;

12 “(8) reporting to Congress no later than March
13 1 of each year on agency compliance with the re-
14 quirements of this subchapter, including—

15 “(A) a summary of the findings of audits
16 required by section 3557;

17 “(B) an assessment of the development,
18 promulgation, and adoption of, and compliance
19 with, standards developed under section 20 of
20 the National Institute of Standards and Tech-
21 nology Act (15 U.S.C. 278g-3) and promul-
22 gated under section 3558;

23 “(C) significant deficiencies in agency in-
24 formation security practices;

1 “(D) planned remedial action to address
2 such deficiencies; and

3 “(E) a summary of, and the views of the
4 Director of the National Office for Cyberspace
5 on, the report prepared by the National Insti-
6 tute of Standards and Technology under section
7 20(d)(10) of the National Institute of Stand-
8 ards and Technology Act (15 U.S.C. 278g-3);

9 “(9) coordinating the defense of information in-
10 frastructure operated by agencies in the case of a
11 large-scale attack on information infrastructure, as
12 determined by the Director;

13 “(10) establishing a national strategy not later
14 than 120 days after the date of the enactment of
15 this section;

16 “(11) coordinating information security training
17 for Federal employees with the Office of Personnel
18 Management;

19 “(12) ensuring the adequacy of protections for
20 privacy and civil liberties in carrying out the respon-
21 sibilities of the Director under this subchapter;

22 “(13) making recommendations that the Direc-
23 tor determines are necessary to ensure risk-based se-
24 curity of the Federal information infrastructure and
25 information infrastructure that is owned, operated,

1 controlled, or licensed for use by, or on behalf of, the
2 Department of Defense, a military department, or
3 another element of the intelligence community to—

4 “(A) the Director of the Office of Manage-
5 ment and Budget;

6 “(B) the head of an agency; or

7 “(C) to Congress with regard to the re-
8 programming of funds;

9 “(14) ensuring, in consultation with the Admin-
10 istrator of the Office of Information and Regulatory
11 Affairs, that the efforts of agencies relating to the
12 development of regulations, rules, requirements, or
13 other actions applicable to the national information
14 infrastructure are complementary;

15 “(15) when directed by the President, carrying
16 out the responsibilities for national security and
17 emergency preparedness communications described
18 in section 706 of the Communications Act of 1934
19 (47 U.S.C. 606) to ensure integration and coordina-
20 tion; and

21 “(16) as assigned by the President, other duties
22 relating to the security and resiliency of cyberspace.

23 “(b) RECRUITMENT PROGRAM.—Not later than 1
24 year after appointment, the Director of the National Of-
25 fice for Cyberspace shall establish a national program to

1 conduct competitions and challenges that instruct United
2 States students in cybersecurity education and computer
3 literacy.

4 “(c) BUDGET OVERSIGHT AND REPORTING.—(1)
5 The head of each agency shall submit to the Director of
6 the National Office for Cyberspace a budget each year for
7 the following fiscal year relating to the protection of infor-
8 mation infrastructure for such agency, by a date deter-
9 mined by the Director that is before the submission of
10 such budget by the head of the agency to the Office of
11 Management and Budget.

12 “(2) The Director shall review and offer a non-bind-
13 ing approval or disapproval of each agency’s annual budg-
14 et to each such agency before the submission of such budg-
15 et by the head of the agency to the Office of Management
16 and Budget.

17 “(3) If the Director offers a non-binding disapproval
18 of an agency’s budget, the Director shall transmit rec-
19 ommendations to the head of such agency for strength-
20 ening its proposed budget with regard to the protection
21 of such agency’s information infrastructure.

22 “(4) Each budget submitted by the head of an agency
23 pursuant to paragraph (1) shall include—

24 “(A) a review of any threats to information
25 technology for such agency;

1 “(B) a plan to secure the information infra-
2 structure for such agency based on threats to infor-
3 mation technology, using the National Institute of
4 Standards and Technology guidelines and rec-
5 ommendations;

6 “(C) a review of compliance by such agency
7 with any previous year plan described in subpara-
8 graph (B); and

9 “(D) a report on the development of the
10 credentialing process to enable secure authentication
11 of identity and authorization for access to the infor-
12 mation infrastructure of such agency.

13 “(5) The Director of the National Office for Cyber-
14 space may recommend to the President monetary penalties
15 or incentives necessary to encourage and maintain ac-
16 countability of any agency, or senior agency official, for
17 efforts to secure the information infrastructure of such
18 agency.

19 **“§ 3556. Agency responsibilities**

20 “(a) IN GENERAL.—The head of each agency shall—

21 “(1) be responsible for—

22 “(A) providing information security protec-
23 tions commensurate with the risk and mag-
24 nitude of the harm resulting from unauthorized

1 access, use, disclosure, disruption, modification,
2 or destruction of—

3 “(i) information collected or main-
4 tained by or on behalf of the agency; and

5 “(ii) information infrastructure used
6 or operated by an agency or by a con-
7 tractor of an agency or other organization
8 on behalf of an agency;

9 “(B) complying with the requirements of
10 this subchapter and related policies, procedures,
11 standards, and guidelines, including—

12 “(i) the regulations promulgated
13 under section 3554 and the information se-
14 curity standards promulgated under sec-
15 tion 3558;

16 “(ii) information security standards
17 and guidelines for national security sys-
18 tems issued in accordance with law and as
19 directed by the President; and

20 “(iii) ensuring the standards imple-
21 mented for information infrastructure and
22 national security systems under the agency
23 head are complementary and uniform, to
24 the extent practicable; and

1 “(C) ensuring that information security
2 management processes are integrated with
3 agency strategic and operational planning proc-
4 esses;

5 “(2) ensure that senior agency officials provide
6 information security for the information and infor-
7 mation infrastructure that support the operations
8 and assets under their control, including through—

9 “(A) assessing the risk and magnitude of
10 the harm that could result from the unauthor-
11 ized access, use, disclosure, disruption, modi-
12 fication, or destruction of such information or
13 information infrastructure;

14 “(B) determining the levels of information
15 security appropriate to protect such information
16 and information infrastructure in accordance
17 with regulations promulgated under section
18 3554 and standards promulgated under section
19 3558, for information security classifications
20 and related requirements;

21 “(C) implementing policies and procedures
22 to cost effectively reduce risks to an acceptable
23 level; and

1 “(D) continuously testing and evaluating
2 information security controls and techniques to
3 ensure that they are effectively implemented;

4 “(3) delegate to an agency official, designated
5 as the ‘Chief Information Security Officer’, under
6 the authority of the agency Chief Information Offi-
7 cer the responsibility to oversee agency information
8 security and the authority to ensure and enforce
9 compliance with the requirements imposed on the
10 agency under this subchapter, including—

11 “(A) overseeing the establishment and
12 maintenance of a security operations capability
13 on an automated and continuous basis that
14 can—

15 “(i) assess the state of compliance of
16 all networks and systems with prescribed
17 controls issued pursuant to section 3558
18 and report immediately any variance there-
19 from and, where appropriate and with the
20 approval of the agency Chief Information
21 Officer, shut down systems that are found
22 to be non-compliant;

23 “(ii) detect, report, respond to, con-
24 tain, and mitigate incidents that impair
25 adequate security of the information and

1 information infrastructure, in accordance
2 with policy provided by the Director of the
3 National Office for Cyberspace, in con-
4 sultation with the Chief Information Offi-
5 cers Council, and guidance from the Na-
6 tional Institute of Standards and Tech-
7 nology;

8 “(iii) collaborate with the National
9 Office for Cyberspace and appropriate pub-
10 lic and private sector security operations
11 centers to address incidents that impact
12 the security of information and informa-
13 tion infrastructure that extend beyond the
14 control of the agency; and

15 “(iv) not later than 24 hours after
16 discovery of any incident described under
17 subparagraph (A)(ii), unless otherwise di-
18 rected by policy of the National Office for
19 Cyberspace, provide notice to the appro-
20 priate security operations center, the Na-
21 tional Cyber Investigative Joint Task
22 Force, and the Inspector General of the
23 agency;

1 “(B) developing, maintaining, and over-
2 seeing an agency wide information security pro-
3 gram as required by subsection (b);

4 “(C) developing, maintaining, and over-
5 seeing information security policies, procedures,
6 and control techniques to address all applicable
7 requirements, including those issued under sec-
8 tions 3555 and 3558;

9 “(D) training and overseeing personnel
10 with significant responsibilities for information
11 security with respect to such responsibilities;
12 and

13 “(E) assisting senior agency officials con-
14 cerning their responsibilities under paragraph
15 (2);

16 “(4) ensure that the agency has trained and
17 cleared personnel sufficient to assist the agency in
18 complying with the requirements of this subchapter
19 and related policies, procedures, standards, and
20 guidelines;

21 “(5) ensure that the Chief Information Security
22 Officer, in coordination with other senior agency of-
23 ficials, reports biannually to the agency head on the
24 effectiveness of the agency information security pro-
25 gram, including progress of remedial actions; and

1 “(6) ensure that the Chief Information Security
2 Officer possesses necessary qualifications, including
3 education, professional certifications, training, expe-
4 rience, and the security clearance required to admin-
5 ister the functions described under this subchapter;
6 and has information security duties as the primary
7 duty of that official.

8 “(b) AGENCY PROGRAM.—Each agency shall develop,
9 document, and implement an agencywide information se-
10 curity program, approved by the Director of the National
11 Office for Cyberspace under section 3555(a)(5), to provide
12 information security for the information and information
13 infrastructure that support the operations and assets of
14 the agency, including those provided or managed by an-
15 other agency, contractor, or other source, that includes—

16 “(1) continuous automated technical monitoring
17 of information infrastructure used or operated by an
18 agency or by a contractor of an agency or other or-
19 ganization on behalf of an agency to assure conform-
20 ance with regulations promulgated under section
21 3554 and standards promulgated under section
22 3558;

23 “(2) testing of the effectiveness of security con-
24 trols that are commensurate with risk (as defined by
25 the National Institute of Standards and Technology

1 and the National Office for Cyberspace) for agency
2 information infrastructure;

3 “(3) policies and procedures that—

4 “(A) mitigate and remediate, to the extent
5 practicable, information security vulnerabilities
6 based on the risk posed to the agency;

7 “(B) cost effectively reduce information se-
8 curity risks to an acceptable level;

9 “(C) ensure that information security is
10 addressed throughout the life cycle of each
11 agency information system and information in-
12 frastructure;

13 “(D) ensure compliance with—

14 “(i) the requirements of this sub-
15 chapter;

16 “(ii) policies and procedures as may
17 be prescribed by the Director of the Na-
18 tional Office for Cyberspace, and informa-
19 tion security standards promulgated under
20 section 3558;

21 “(iii) minimally acceptable system
22 configuration requirements, as determined
23 by the Director of the National Office for
24 Cyberspace; and

1 “(iv) any other applicable require-
2 ments, including—

3 “(I) standards and guidelines for
4 national security systems issued in ac-
5 cordance with law and as directed by
6 the President;

7 “(II) the policy of the Director of
8 the National Office for Cyberspace;

9 “(III) the National Institute of
10 Standards and Technology guidance;
11 and

12 “(IV) the Chief Information Offi-
13 cers Council recommended ap-
14 proaches;

15 “(E) develop, maintain, and oversee infor-
16 mation security policies, procedures, and control
17 techniques to address all applicable require-
18 ments, including those issued under sections
19 3555 and 3558; and

20 “(F) ensure the oversight and training of
21 personnel with significant responsibilities for in-
22 formation security with respect to such respon-
23 sibilities;

24 “(4) ensuring that the agency has trained and
25 cleared personnel sufficient to assist the agency in

1 complying with the requirements of this subchapter
2 and related policies, procedures, standards, and
3 guidelines;

4 “(5) to the extent practicable, automated and
5 continuous technical monitoring for testing, and
6 evaluation of the effectiveness and compliance of in-
7 formation security policies, procedures, and prac-
8 tices, including—

9 “(A) management, operational, and tech-
10 nical controls of every information infrastruc-
11 ture identified in the inventory required under
12 section 3505(b); and

13 “(B) management, operational, and tech-
14 nical controls relied on for an evaluation under
15 section 3556;

16 “(6) a process for planning, implementing, eval-
17 uating, and documenting remedial action to address
18 any deficiencies in the information security policies,
19 procedures, and practices of the agency;

20 “(7) to the extent practicable, continuous auto-
21 mated technical monitoring for detecting, reporting,
22 and responding to security incidents, consistent with
23 standards and guidelines issued by the Director of
24 the National Office for Cyberspace, including—

1 “(A) mitigating risks associated with such
2 incidents before substantial damage is done;

3 “(B) notifying and consulting with the ap-
4 propriate security operations response center;
5 and

6 “(C) notifying and consulting with, as ap-
7 propriate—

8 “(i) law enforcement agencies and rel-
9 evant Offices of Inspectors General;

10 “(ii) the National Office for Cyber-
11 space; and

12 “(iii) any other agency or office, in ac-
13 cordance with law or as directed by the
14 President; and

15 “(8) plans and procedures to ensure continuity
16 of operations for information infrastructure that
17 support the operations and assets of the agency.

18 “(c) AGENCY REPORTING.—Each agency shall—

19 “(1) submit an annual report on the adequacy
20 and effectiveness of information security policies,
21 procedures, and practices, and compliance with the
22 requirements of this subchapter, including compli-
23 ance with each requirement of subsection (b) to—

24 “(A) the National Office for Cyberspace;

1 “(B) the Committee on Homeland Security
2 and Governmental Affairs of the Senate;

3 “(C) the Committee on Oversight and Gov-
4 ernment Reform of the House of Representa-
5 tives;

6 “(D) other appropriate authorization and
7 appropriations committees of Congress; and

8 “(E) the Comptroller General;

9 “(2) address the adequacy and effectiveness of
10 information security policies, procedures, and prac-
11 tices in plans and reports relating to—

12 “(A) annual agency budgets;

13 “(B) information resources management of
14 this subchapter;

15 “(C) information technology management
16 under this chapter;

17 “(D) program performance under sections
18 1105 and 1115 through 1119 of title 31, and
19 sections 2801 and 2805 of title 39;

20 “(E) financial management under chapter
21 9 of title 31, and the Chief Financial Officers
22 Act of 1990 (31 U.S.C. 501 note; Public Law
23 101–576) (and the amendments made by that
24 Act);

1 “(F) financial management systems under
2 the Federal Financial Management Improve-
3 ment Act (31 U.S.C. 3512 note); and

4 “(G) internal accounting and administra-
5 tive controls under section 3512 of title 31; and

6 “(3) report any significant deficiency in a pol-
7 icy, procedure, or practice identified under para-
8 graph (1) or (2)—

9 “(A) as a material weakness in reporting
10 under section 3512 of title 31; and

11 “(B) if relating to financial management
12 systems, as an instance of a lack of substantial
13 compliance under the Federal Financial Man-
14 agement Improvement Act (31 U.S.C. 3512
15 note).

16 “(d) PERFORMANCE PLAN.—(1) In addition to the
17 requirements of subsection (c), each agency, in consulta-
18 tion with the National Office for Cyberspace, shall include
19 as part of the performance plan required under section
20 1115 of title 31 a description of the resources, including
21 budget, staffing, and training, that are necessary to imple-
22 ment the program required under subsection (b).

23 “(2) The description under paragraph (1) shall be
24 based on the risk assessments required under subsection
25 (a)(2).

1 “(e) PUBLIC NOTICE AND COMMENT.—Each agency
2 shall provide the public with timely notice and opportuni-
3 ties for comment on proposed information security policies
4 and procedures to the extent that such policies and proce-
5 dures affect communication with the public.

6 **“§ 3557. Annual independent audit**

7 “(a) IN GENERAL.—(1) Each year each agency shall
8 have performed an independent audit of the information
9 security program and practices of that agency to deter-
10 mine the effectiveness of such program and practices.

11 “(2) Each audit under this section shall include—

12 “(A) testing of the effectiveness of the informa-
13 tion infrastructure of the agency for automated, con-
14 tinuous monitoring of the state of compliance of its
15 information infrastructure with regulations promul-
16 gated under section 3554 and standards promul-
17 gated under section 3558 in a representative subset
18 of—

19 “(i) the information infrastructure used or
20 operated by the agency; and

21 “(ii) the information infrastructure used,
22 operated, or supported on behalf of the agency
23 by a contractor of the agency, a subcontractor
24 (at any tier) of such contractor, or any other
25 entity;

1 “(B) an assessment (made on the basis of the
2 results of the testing) of compliance with—

3 “(i) the requirements of this subchapter;
4 and

5 “(ii) related information security policies,
6 procedures, standards, and guidelines;

7 “(C) separate assessments, as appropriate, re-
8 garding information security relating to national se-
9 curity systems; and

10 “(D) a conclusion regarding whether the infor-
11 mation security controls of the agency are effective,
12 including an identification of any significant defi-
13 ciencies in such controls.

14 “(3) Each audit under this section shall be performed
15 in accordance with applicable generally accepted Govern-
16 ment auditing standards.

17 “(b) INDEPENDENT AUDITOR.—Subject to sub-
18 section (c)—

19 “(1) for each agency with an Inspector General
20 appointed under the Inspector General Act of 1978
21 or any other law, the annual audit required by this
22 section shall be performed by the Inspector General
23 or by an independent external auditor, as deter-
24 mined by the Inspector General of the agency; and

1 “(2) for each agency to which paragraph (1)
2 does not apply, the head of the agency shall engage
3 an independent external auditor to perform the
4 audit.

5 “(c) NATIONAL SECURITY SYSTEMS.—For each
6 agency operating or exercising control of a national secu-
7 rity system, that portion of the audit required by this sec-
8 tion directly relating to a national security system shall
9 be performed—

10 “(1) only by an entity designated head; and

11 “(2) in such a manner as to ensure appropriate
12 protection for information associated with any infor-
13 mation security vulnerability in such system com-
14 mensurate with the risk and in accordance with all
15 applicable laws.

16 “(d) EXISTING AUDITS.—The audit required by this
17 section may be based in whole or in part on another audit
18 relating to programs or practices of the applicable agency.

19 “(e) AGENCY REPORTING.—(1) Each year, not later
20 than such date established by the Director of the National
21 Office for Cyberspace, the head of each agency shall sub-
22 mit to the Director the results of the audit required under
23 this section.

24 “(2) To the extent an audit required under this sec-
25 tion directly relates to a national security system, the re-

1 sults of the audit submitted to the Director of the Na-
2 tional Office for Cyberspace shall contain only a summary
3 and assessment of that portion of the audit directly relat-
4 ing to a national security system.

5 “(f) PROTECTION OF INFORMATION.—Agencies and
6 auditors shall take appropriate steps to ensure the protec-
7 tion of information which, if disclosed, may adversely af-
8 fect information security. Such protections shall be com-
9 mensurate with the risk and comply with all applicable
10 laws and regulations.

11 “(g) NATIONAL OFFICE FOR CYBERSPACE REPORTS
12 TO CONGRESS.—(1) The Director of the National Office
13 for Cyberspace shall summarize the results of the audits
14 conducted under this section in the annual report to Con-
15 gress required under section 3555(a)(8).

16 “(2) The Director’s report to Congress under this
17 subsection shall summarize information regarding infor-
18 mation security relating to national security systems in
19 such a manner as to ensure appropriate protection for in-
20 formation associated with any information security vulner-
21 ability in such system commensurate with the risk and in
22 accordance with all applicable laws.

23 “(3) Audits and any other descriptions of information
24 infrastructure under the authority and control of the Di-
25 rector of Central Intelligence or of National Foreign Intel-

1 ligen­ce Programs systems under the authority and control
2 of the Secretary of Defense shall be made available to Con-
3 gress only through the appropriate oversight committees
4 of Congress, in accordance with applicable laws.

5 “(h) COMPTROLLER GENERAL.—The Comptroller
6 General shall periodically evaluate and report to Congress
7 on—

8 “(1) the adequacy and effectiveness of agency
9 information security policies and practices; and

10 “(2) implementation of the requirements of this
11 subchapter.

12 “(i) CONTRACTOR AUDITS.—Each year each con-
13 tractor that operates, uses, or supports an information
14 system or information infrastructure on behalf of an agen-
15 cy and each subcontractor of such contractor—

16 “(1) shall conduct an audit using an inde-
17 pendent external auditor in accordance with sub-
18 section (a), including an assessment of compliance
19 with the applicable requirements of this subchapter;
20 and

21 “(2) shall submit the results of such audit to
22 such agency not later than such date established by
23 the Agency.

1 **“§ 3558. Responsibilities for Federal information sys-**
2 **tems standards**

3 “(a) REQUIREMENT TO PRESCRIBE STANDARDS.—

4 “(1) IN GENERAL.—

5 “(A) REQUIREMENT.—Except as provided
6 under paragraph (2), the Secretary of Com-
7 merce shall, on the basis of proposed standards
8 developed by the National Institute of Stand-
9 ards and Technology pursuant to paragraphs
10 (2) and (3) of section 20(a) of the National In-
11 stitute of Standards and Technology Act (15
12 U.S.C. 278g–3(a)) and in consultation with the
13 Secretary of Homeland Security, promulgate in-
14 formation security standards pertaining to Fed-
15 eral information systems.

16 “(B) REQUIRED STANDARDS.—Standards
17 promulgated under subparagraph (A) shall in-
18 clude—

19 “(i) standards that provide minimum
20 information security requirements as deter-
21 mined under section 20(b) of the National
22 Institute of Standards and Technology Act
23 (15 U.S.C. 278g–3(b)); and

24 “(ii) such standards that are other-
25 wise necessary to improve the efficiency of

1 operation or security of Federal informa-
2 tion systems.

3 “(C) REQUIRED STANDARDS BINDING.—
4 Information security standards described under
5 subparagraph (B) shall be compulsory and
6 binding.

7 “(2) STANDARDS AND GUIDELINES FOR NA-
8 TIONAL SECURITY SYSTEMS.—Standards and guide-
9 lines for national security systems, as defined under
10 section 3552(b), shall be developed, promulgated, en-
11 forced, and overseen as otherwise authorized by law
12 and as directed by the President.

13 “(b) APPLICATION OF MORE STRINGENT STAND-
14 ARDS.—The head of an agency may employ standards for
15 the cost-effective information security for all operations
16 and assets within or under the supervision of that agency
17 that are more stringent than the standards promulgated
18 by the Secretary of Commerce under this section, if such
19 standards—

20 “(1) contain, at a minimum, the provisions of
21 those applicable standards made compulsory and
22 binding by the Secretary; and

23 “(2) are otherwise consistent with policies and
24 guidelines issued under section 3555.

1 “(c) REQUIREMENTS REGARDING DECISIONS BY THE
2 SECRETARY.—

3 “(1) DEADLINE.—The decision regarding the
4 promulgation of any standard by the Secretary of
5 Commerce under subsection (b) shall occur not later
6 than 6 months after the submission of the proposed
7 standard to the Secretary by the National Institute
8 of Standards and Technology, as provided under sec-
9 tion 20 of the National Institute of Standards and
10 Technology Act (15 U.S.C. 278g–3).

11 “(2) NOTICE AND COMMENT.—A decision by
12 the Secretary of Commerce to significantly modify,
13 or not promulgate, a proposed standard submitted to
14 the Secretary by the National Institute of Standards
15 and Technology, as provided under section 20 of the
16 National Institute of Standards and Technology Act
17 (15 U.S.C. 278g–3), shall be made after the public
18 is given an opportunity to comment on the Sec-
19 retary’s proposed decision.

20 **“§ 3559. Federal information security incident center**

21 “(a) IN GENERAL.—The Director of the National Of-
22 fice for Cyberspace shall ensure the operation of a central
23 Federal information security incident center to—

24 “(1) provide timely technical assistance to oper-
25 ators of agency information systems and information

1 infrastructure regarding security incidents, including
2 guidance on detecting and handling information se-
3 curity incidents;

4 “(2) compile and analyze information about in-
5 cidents that threaten information security;

6 “(3) inform operators of agency information
7 systems and information infrastructure about cur-
8 rent and potential information security threats, and
9 vulnerabilities; and

10 “(4) consult with the National Institute of
11 Standards and Technology, agencies or offices oper-
12 ating or exercising control of national security sys-
13 tems (including the National Security Agency), and
14 such other agencies or offices in accordance with law
15 and as directed by the President regarding informa-
16 tion security incidents and related matters.

17 “(b) NATIONAL SECURITY SYSTEMS.—Each agency
18 operating or exercising control of a national security sys-
19 tem shall share information about information security in-
20 cidents, threats, and vulnerabilities with the Federal infor-
21 mation security incident center to the extent consistent
22 with standards and guidelines for national security sys-
23 tems, issued in accordance with law and as directed by
24 the President.

1 “(c) REVIEW AND APPROVAL.—In coordination with
2 the Administrator for Electronic Government and Infor-
3 mation Technology, the Director of the National Office for
4 Cyberspace shall review and approve the policies, proce-
5 dures, and guidance established in this subchapter to en-
6 sure that the incident center has the capability to effec-
7 tively and efficiently detect, correlate, respond to, contain,
8 mitigate, and remediate incidents that impair the ade-
9 quate security of the information systems and information
10 infrastructure of more than one agency. To the extent
11 practicable, the capability shall be continuous and tech-
12 nically automated.

13 **“§ 3560. National security systems**

14 “The head of each agency operating or exercising
15 control of a national security system shall be responsible
16 for ensuring that the agency—

17 “(1) provides information security protections
18 commensurate with the risk and magnitude of the
19 harm resulting from the unauthorized access, use,
20 disclosure, disruption, modification, or destruction of
21 the information contained in such system;

22 “(2) implements information security policies
23 and practices as required by standards and guide-
24 lines for national security systems, issued in accord-
25 ance with law and as directed by the President; and

1 “(3) complies with the requirements of this sub-
2 chapter.”.

3 **SEC. 1099D. INFORMATION SECURITY ACQUISITION RE-**
4 **QUIREMENTS.**

5 Chapter 113 of title 40, United States Code, is
6 amended by adding at the end of subchapter II the fol-
7 lowing new section:

8 **“§ 11319. Information security acquisition require-**
9 **ments.**

10 “(a) PROHIBITION.—Notwithstanding any other pro-
11 vision of law, beginning one year after the date of the en-
12 actment of the Executive Cyberspace Coordination Act of
13 2011, no agency may enter into a contract, an order under
14 a contract, or an interagency agreement for—

15 “(1) the collection, use, management, storage,
16 or dissemination of information on behalf of the
17 agency;

18 “(2) the use or operation of an information sys-
19 tem or information infrastructure on behalf of the
20 agency; or

21 “(3) information technology;
22 unless such contract, order, or agreement includes require-
23 ments to provide effective information security that sup-
24 ports the operations and assets under the control of the
25 agency, in compliance with the policies, standards, and

1 guidance developed under subsection (b), and otherwise
2 ensures compliance with this section.

3 “(b) COORDINATION OF SECURE ACQUISITION POLI-
4 CIES.—

5 “(1) IN GENERAL.—The Director of the Office
6 of Management and Budget, in consultation with the
7 Director of the National Institute of Standards and
8 Technology, the Director of the National Office for
9 Cyberspace, and the Administrator of General Serv-
10 ices, shall oversee the development and implementa-
11 tion of policies, standards, and guidance, including
12 through revisions to the Federal Acquisition Regula-
13 tion and the Department of Defense supplement to
14 the Federal Acquisition Regulation, to cost effec-
15 tively enhance agency information security, includ-
16 ing—

17 “(A) minimum information security re-
18 quirements for agency procurement of informa-
19 tion technology products and services; and

20 “(B) approaches for evaluating and miti-
21 gating significant supply chain security risks
22 associated with products or services to be ac-
23 quired by agencies.

24 “(2) REPORT.—Not later than two years after
25 the date of the enactment of the Executive Cyber-

1 space Coordination Act of 2011, the Director of the
2 Office of Management and Budget shall submit to
3 Congress a report describing—

4 “(A) actions taken to improve the informa-
5 tion security associated with the procurement of
6 products and services by the Federal Govern-
7 ment; and

8 “(B) plans for overseeing and coordinating
9 efforts of agencies to use best practice ap-
10 proaches for cost-effectively purchasing more
11 secure products and services.

12 “(c) VULNERABILITY ASSESSMENTS OF MAJOR SYS-
13 TEMS.—

14 “(1) REQUIREMENT FOR INITIAL VULNER-
15 ABILITY ASSESSMENTS.—The Director of the Office
16 of Management and Budget shall require each agen-
17 cy to conduct an initial vulnerability assessment for
18 any major system and its significant items of supply
19 prior to the development of the system. The initial
20 vulnerability assessment of a major system and its
21 significant items of supply shall include use of an
22 analysis-based approach to—

23 “(A) identify vulnerabilities;

24 “(B) define exploitation potential;

1 “(C) examine the system’s potential effec-
2 tiveness;

3 “(D) determine overall vulnerability; and

4 “(E) make recommendations for risk re-
5 duction.

6 “(2) SUBSEQUENT VULNERABILITY ASSESS-
7 MENTS.—

8 “(A) The Director shall require a subse-
9 quent vulnerability assessment of each major
10 system and its significant items of supply with-
11 in a program if the Director determines that
12 circumstances warrant the issuance of an addi-
13 tional vulnerability assessment.

14 “(B) Upon the request of a congressional
15 committee, the Director may require a subse-
16 quent vulnerability assessment of a particular
17 major system and its significant items of supply
18 within the program.

19 “(C) Any subsequent vulnerability assess-
20 ment of a major system and its significant
21 items of supply shall include use of an analysis-
22 based approach and, if applicable, a testing-
23 based approach, to monitor the exploitation po-
24 tential of such system and reexamine the fac-

1 tors described in subparagraphs (A) through
2 (E) of paragraph (1).

3 “(3) CONGRESSIONAL OVERSIGHT.—The Direc-
4 tor shall provide to the appropriate congressional
5 committees a copy of each vulnerability assessment
6 conducted under paragraph (1) or (2) not later than
7 10 days after the date of the completion of such as-
8 sessment.

9 “(d) DEFINITIONS.—In this section:

10 “(1) ITEM OF SUPPLY.—The term ‘item of sup-
11 ply’—

12 “(A) means any individual part, compo-
13 nent, subassembly, assembly, or subsystem inte-
14 gral to a major system, and other property
15 which may be replaced during the service life of
16 the major system, including a spare part or re-
17 plenishment part; and

18 “(B) does not include packaging or label-
19 ing associated with shipment or identification of
20 an item.

21 “(2) VULNERABILITY ASSESSMENT.—The term
22 ‘vulnerability assessment’ means the process of iden-
23 tifying and quantifying vulnerabilities in a major
24 system and its significant items of supply.

1 “(3) MAJOR SYSTEM.—The term ‘major system’
2 has the meaning given that term in section 4 of the
3 Office of Federal Procurement Policy Act (41 U.S.C.
4 403).”.

5 **SEC. 1099E. TECHNICAL AND CONFORMING AMENDMENTS.**

6 (a) TABLE OF SECTIONS IN TITLE 44.—The table
7 of sections for chapter 35 of title 44, United States Code,
8 is amended by striking the matter relating to subchapters
9 II and III and inserting the following:

 “SUBCHAPTER II—INFORMATION SECURITY

- “3551. Purposes.
- “3552. Definitions.
- “3553. National Office for Cyberspace.
- “3554. Federal Cybersecurity Practice Board.
- “3555. Authority and functions of the Director of the National Office for
 Cyberspace.
- “3556. Agency responsibilities.
- “3557. Annual independent audit.
- “3558. Responsibilities for Federal information systems standards.
- “3559. Federal information security incident center.
- “3560. National security systems.”.

10 (b) TABLE OF SECTIONS IN TITLE 40.—The table
11 of sections for chapter 113 of title 40, United States Code,
12 is amended by inserting after the item relating to section
13 11318 the following new item:

 “Sec. 11319. Information security acquisition requirements.”.

14 (c) OTHER REFERENCES.—

15 (1) Section 1001(c)(1)(A) of the Homeland Se-
16 curity Act of 2002 (6 U.S.C. 511(c)(1)(A)) is
17 amended by striking “section 3532(3)” and insert-
18 ing “section 3552(b)”.

1 (2) Section 2222(j)(6) of title 10, United States
2 Code, is amended by striking “section 3542(b)(2))”
3 and inserting “section 3552(b)”.

4 (3) Section 2223(c)(3) of title 10, United
5 States Code, is amended, by striking “section
6 3542(b)(2))” and inserting “section 3552(b)”.

7 (4) Section 2315 of title 10, United States
8 Code, is amended by striking “section 3542(b)(2))”
9 and inserting “section 3552(b)”.

10 (5) Section 20 of the National Institute of
11 Standards and Technology Act (15 U.S.C. 278g–3)
12 is amended—

13 (A) in subsections (a)(2) and (e)(5), by
14 striking “section 3532(b)(2)” and inserting
15 “section 3552(b)”;

16 (B) in subsection (e)(2), by striking “sec-
17 tion 3532(1)” and inserting “section 3552(b)”;
18 and

19 (C) in subsections (c)(3) and (d)(1), by
20 striking “section 11331 of title 40” and insert-
21 ing “section 3558 of title 44”.

22 (6) Section 8(d)(1) of the Cyber Security Re-
23 search and Development Act (15 U.S.C. 7406(d)(1))
24 is amended by striking “section 3534(b)” and in-
25 serting “section 3556(b)”.

1 (d) REPEAL.—

2 (1) Subchapter III of chapter 113 of title 40,
3 United States Code, is repealed.

4 (2) The table of sections for chapter 113 of
5 such title is amended by striking the matter relating
6 to subchapter III.

7 (e) EXECUTIVE SCHEDULE PAY RATE.—Section
8 5314 of title 5, United States Code, is amended by adding
9 at the end the following:

10 “Director of the National Office for Cyber-
11 space.”.

12 (f) MEMBERSHIP ON THE NATIONAL SECURITY
13 COUNCIL.—Section 101(a) of the National Security Act
14 of 1947 (50 U.S.C. 402(a)) is amended—

15 (1) by redesignating paragraphs (7) and (8) as
16 paragraphs (8) and (9), respectively; and

17 (2) by inserting after paragraph (6) the fol-
18 lowing:

19 “(7) the Director of the National Office for
20 Cyberspace;”.

21 **SEC. 1099F. OFFICE OF THE CHIEF TECHNOLOGY OFFICER.**

22 (a) ESTABLISHMENT AND STAFF.—

23 (1) ESTABLISHMENT.—

24 (A) IN GENERAL.—There is established in
25 the Executive Office of the President an Office

1 of the Federal Chief Technology Officer (in this
2 section referred to as the “Office”).

3 (B) HEAD OF THE OFFICE.—

4 (i) FEDERAL CHIEF TECHNOLOGY OF-
5 FICER.—The President shall appoint a
6 Federal Chief Technology Officer (in this
7 section referred to as the “Federal CTO”)
8 who shall be the head of the Office.

9 (ii) COMPENSATION.—Section 5314 of
10 title 5, United States Code, is amended by
11 adding at the end the following:

12 “Federal Chief Technology Officer.”.

13 (2) STAFF OF THE OFFICE.—The President
14 may appoint additional staff members to the Office.

15 (b) DUTIES OF THE OFFICE.—The functions of the
16 Federal CTO are the following:

17 (1) Undertake fact-gathering, analysis, and as-
18 sessment of the Federal Government’s information
19 technology infrastructures, information technology
20 strategy, and use of information technology, and
21 provide advice on such matters to the President,
22 heads of Federal departments and agencies, and
23 government chief information officers and chief tech-
24 nology officers.

1 (2) Lead an interagency effort, working with
2 the chief technology and chief information officers of
3 each of the Federal departments and agencies, to de-
4 velop and implement a planning process to ensure
5 that they use best-in-class technologies, share best
6 practices, and improve the use of technology in sup-
7 port of Federal Government requirements.

8 (3) Advise the President on information tech-
9 nology considerations with regard to Federal budg-
10 ets and with regard to general coordination of the
11 research and development programs of the Federal
12 Government for information technology-related mat-
13 ters.

14 (4) Promote technological innovation in the
15 Federal Government, and encourage and oversee the
16 adoption of robust cross-governmental architectures
17 and standards-based information technologies, in
18 support of effective operational and management
19 policies, practices, and services across Federal de-
20 partments and agencies and with the public and ex-
21 ternal entities.

22 (5) Establish cooperative public-private sector
23 partnership initiatives to achieve knowledge of tech-
24 nologies available in the marketplace that can be
25 used for improving governmental operations and in-

1 formation technology research and development ac-
2 tivities.

3 (6) Gather timely and authoritative information
4 concerning significant developments and trends in
5 information technology, and in national priorities,
6 both current and prospective, and analyze and inter-
7 pret the information for the purpose of determining
8 whether the developments and trends are likely to
9 affect achievement of the priority goals of the Fed-
10 eral Government.

11 (7) Develop, review, revise, and recommend cri-
12 teria for determining information technology activi-
13 ties warranting Federal support, and recommend
14 Federal policies designed to advance the develop-
15 ment and maintenance of effective and efficient in-
16 formation technology capabilities, including human
17 resources, at all levels of government, academia, and
18 industry, and the effective application of the capa-
19 bilities to national needs.

20 (8) Any other functions and activities that the
21 President may assign to the Federal CTO.

22 (c) **POLICY PLANNING; ANALYSIS AND ADVICE.**—The
23 Office shall serve as a source of analysis and advice for
24 the President and heads of Federal departments and agen-
25 cies with respect to major policies, plans, and programs

1 of the Federal Government in accordance with the func-
2 tions described in subsection (b).

3 (d) COORDINATION OF THE OFFICE WITH OTHER
4 ENTITIES.—

5 (1) FEDERAL CTO ON DOMESTIC POLICY COUN-
6 CIL.—The Federal CTO shall be a member of the
7 Domestic Policy Council.

8 (2) FEDERAL CTO ON CYBER SECURITY PRAC-
9 TICE BOARD.—The Federal CTO shall be a member
10 of the Federal Cybersecurity Practice Board.

11 (3) OBTAIN INFORMATION FROM AGENCIES.—
12 The Office may secure, directly from any depart-
13 ment or agency of the United States, information
14 necessary to enable the Federal CTO to carry out
15 this section. On request of the Federal CTO, the
16 head of the department or agency shall furnish the
17 information to the Office, subject to any applicable
18 limitations of Federal law.

19 (4) STAFF OF FEDERAL AGENCIES.—On re-
20 quest of the Federal CTO, to assist the Office in
21 carrying out the duties of the Office, the head of any
22 Federal department or agency may detail personnel,
23 services, or facilities of the department or agency to
24 the Office.

25 (e) ANNUAL REPORT.—

1 (1) PUBLICATION AND CONTENTS.—The Fed-
2 eral CTO shall publish, in the Federal Register and
3 on a public Internet website of the Federal CTO, an
4 annual report that includes the following:

5 (A) Information on programs to promote
6 the development of technological innovations.

7 (B) Recommendations for the adoption of
8 policies to encourage the generation of techno-
9 logical innovations.

10 (C) Information on the activities and ac-
11 complishments of the Office in the year covered
12 by the report.

13 (2) SUBMISSION.—The Federal CTO shall sub-
14 mit each report under paragraph (1) to—

15 (A) the President;

16 (B) the Committee on Oversight and Gov-
17 ernment Reform of the House of Representa-
18 tives;

19 (C) the Committee on Science and Tech-
20 nology of the House of Representatives; and

21 (D) the Committee on Commerce, Science,
22 and Transportation of the Senate.

23 **SEC. 1099G. AUTHORITY OF SECRETARY.**

24 (a) IN GENERAL.—The Secretary shall have primary
25 authority, in consultation with the Director of the Na-

1 tional Office for Cyberspace and the Federal Cyberspace
2 Practice Board, in the executive branch of the Federal
3 Government in creation, verification, and enforcement of
4 measures with respect to the protection of critical informa-
5 tion infrastructure, including promulgating risk-informed
6 information security practices and standards applicable to
7 critical information infrastructures that are not owned by
8 or under the direct control of the Federal Government.
9 The Secretary should consult with appropriate private sec-
10 tor entities, including private owners and operators of the
11 affected infrastructure, to carry out this section.

12 (b) OTHER FEDERAL AGENCIES.—In establishing
13 measures with respect to the protection of critical informa-
14 tion infrastructure the Secretary shall—

15 (1) consult with the Secretary of Commerce, the
16 Secretary of Defense, the National Institute of
17 Standards and Technology, and other sector specific
18 Federal regulatory agencies in exercising the author-
19 ity referred to in subsection (a); and

20 (2) coordinate, through the Executive Office of
21 the President, with sector specific Federal regulatory
22 agencies, including the Federal Energy Regulatory
23 Commission, in establishing enforcement mecha-
24 nisms under the authority referred to in subsection
25 (a).

1 (c) AUDITING AUTHORITY.—The Secretary may—

2 (1) conduct such audits as are necessary to en-
3 sure that appropriate measures are taken to secure
4 critical information infrastructure;

5 (2) issue such subpoenas as are necessary to
6 determine compliance with Federal regulatory re-
7 quirements for securing critical information infra-
8 structure; and

9 (3) authorize sector specific Federal regulatory
10 agencies to undertake such audits.

11 (d) DEFINITIONS.—In this section:

12 (1) CRITICAL INFORMATION INFRASTRUC-
13 TURE.—The term “critical information infrastruc-
14 ture” means the electronic information and commu-
15 nications systems, software, and assets that control,
16 protect, process, transmit, receive, program, or store
17 information in any form, including data, voice, and
18 video, relied upon by critical infrastructure, indus-
19 trial control systems such as supervisory control and
20 data acquisition systems, and programmable logic
21 controllers. This shall also include such systems of
22 the Federal Government.

23 (2) SECRETARY.—The term “Secretary” means
24 the Secretary of Homeland Security.

1 **SEC. 1099H. EFFECTIVE DATE.**

2 (a) IN GENERAL.—Unless otherwise specified in this
3 section, this subtitle (including the amendments made by
4 this subtitle) shall take effect 30 days after the date of
5 enactment of this Act.

6 (b) NATIONAL OFFICE FOR CYBERSPACE.—Section
7 3553 of title 44, United States Code, as added by section
8 1099C of this subtitle, shall take effect 180 days after
9 the date of enactment of this Act.

10 (c) FEDERAL CYBERSECURITY PRACTICE BOARD.—
11 Section 3554 of title 44, United States Code, as added
12 by section 1099C of this subtitle, shall take effect one year
13 after the date of enactment of this Act.

14 **SEC. 1099I. FUNDING OFFSETTING REDUCTION.**

15 Notwithstanding the amounts set forth in the funding
16 tables in division D, the amount authorized to be appro-
17 priated in section 4301 for Operations and Maintenance,
18 as specified in the corresponding funding table in division
19 D, is hereby reduced by \$1,500,000,000.

