AMENDMENT TO RULES COMMITTEE PRINT 118–36

OFFERED BY MS. MACE OF SOUTH CAROLINA

At the end of subtitle C of title XVII, insert the following new section:

1	SEC. 17 FEDERAL INFORMATION SECURITY MOD-
2	ERNIZATION.
3	(a) Amendments to Title 44.—
4	(1) SUBCHAPTER I AMENDMENTS.—Subchapter
5	I of chapter 35 of title 44, United States Code, is
6	amended—
7	(A) in section 3504—
8	(i) in subsection $(a)(1)(B)$ —
9	(I) by striking clause (v) and in-
10	serting the following:
11	"(v) privacy, confidentiality, disclosure,
12	and sharing of information;";
13	(II) by redesignating clause (vi)
14	as clause (vii); and
15	(III) by inserting after clause (v)
16	the following:

1	"(vi) in consultation with the National
2	Cyber Director, security of information; and";
3	and
4	(ii) in subsection (g)—
5	(I) by redesignating paragraph
6	(2) as paragraph (3) ; and
7	(II) by striking paragraph (1)
8	and inserting the following:
9	((1) develop and oversee the implementation of
10	policies, principles, standards, and guidelines on pri-
11	vacy, confidentiality, disclosure, and sharing of in-
12	formation collected or maintained by or for agencies;
13	((2) in consultation with the National Cyber
14	Director, oversee the implementation of policies,
15	principles, standards, and guidelines on security, of
16	information collected or maintained by or for agen-
17	cies; and";
18	(B) in section 3505—
19	(i) by striking the first subsection des-
20	ignated as subsection (c);
21	(ii) in paragraph (2) of the second
22	subsection designated as subsection (c), by
23	inserting "an identification of internet ac-
24	cessible information systems and" after

1	"an inventory under this subsection shall
2	include";
3	(iii) in paragraph (3) of the second
4	subsection designated as subsection (c)—
5	(I) in subparagraph (B)—
6	(aa) by inserting "the Direc-
7	tor of the Cybersecurity and In-
8	frastructure Security Agency, the
9	National Cyber Director, and"
10	before "the Comptroller Gen-
11	eral"; and
12	(bb) by striking "and" at
13	the end;
14	(II) in subparagraph (C)(v), by
15	striking the period at the end and in-
16	serting "; and"; and
17	(III) by adding at the end the
18	following:
19	"(D) maintained on a continual basis
20	through the use of automation, machine-read-
21	able data, and scanning, wherever practicable.";
22	(C) in section 3506—
23	(i) in subsection $(a)(3)$, by inserting
24	"In carrying out these duties, the Chief In-
25	formation Officer shall consult, as appro-

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priate, with the Chief Data Officer in ac-
cordance with the designated functions
under section 3520(c)." after "reduction of
information collection burdens on the pub-
lic.";
(ii) in subsection $(b)(1)(C)$, by insert-
ing "availability," after "integrity,";
(iii) in subsection $(h)(3)$, by inserting
"security," after "efficiency,"; and
(iv) by adding at the end the fol-
lowing:
((j)(1) Notwithstanding paragraphs (2) and (3) of
subsection (a), the head of each agency shall, in accord-
ance with section 522(a) of division H of the Consolidated
Appropriations Act, 2005 (42 U.S.C. 2000ee–2), des-
ignate a Chief Privacy Officer with the necessary skills,
knowledge, and expertise, who shall have the authority and
responsibility to—
"(A) lead the privacy program of the agency;
and
"(B) carry out the privacy responsibilities of
the agency under this chapter, section 552a of title
5, and guidance issued by the Director.
"(2) The Chief Privacy Officer of each agency shall—

1	"(A) serve in a central leadership position with-
2	in the agency;
3	"(B) have visibility into relevant agency oper-
4	ations; and
5	"(C) be positioned highly enough within the
6	agency to regularly engage with other agency leaders
7	and officials, including the head of the agency.
8	"(3) A privacy officer of an agency established under
9	a statute enacted before the date of enactment of the Fed-
10	eral Information Security Modernization Act of 2024 may
11	carry out the responsibilities under this subsection for the
12	agency."; and
13	(D) in section 3513—
14	(i) by redesignating subsection (c) as
15	subsection (d); and
15 16	subsection (d); and (ii) by inserting after subsection (b)
16	(ii) by inserting after subsection (b)
16 17	(ii) by inserting after subsection (b) the following:
16 17 18	(ii) by inserting after subsection (b)the following:"(c) Each agency providing a written plan under sub-
16 17 18 19	(ii) by inserting after subsection (b) the following:"(c) Each agency providing a written plan under sub- section (b) shall provide any portion of the written plan
16 17 18 19 20	 (ii) by inserting after subsection (b) the following: "(c) Each agency providing a written plan under sub- section (b) shall provide any portion of the written plan addressing information security to the Secretary of Home-
16 17 18 19 20 21	 (ii) by inserting after subsection (b) the following: "(c) Each agency providing a written plan under subsection (b) shall provide any portion of the written plan addressing information security to the Secretary of Homeland Security and the National Cyber Director.".

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1	(i) by redesignating paragraphs (2),
2	(3), (4), (5), (6), and (7) as paragraphs
3	(3), (4), (5), (6), (8), and (10), respec-
4	tively;
5	(ii) by inserting after paragraph (1)
6	the following:
7	"(2) The term 'high value asset' means infor-
8	mation or an information system that the head of an
9	agency, using policies, principles, standards, or
10	guidelines issued by the Director under section
11	3553(a), determines to be so critical to the agency
12	that the loss or degradation of the confidentiality,
13	integrity, or availability of such information or infor-
14	mation system would have a serious impact on the
15	ability of the agency to perform the mission of the
16	agency or conduct business.";
17	(iii) by inserting after paragraph (6),
18	as so redesignated, the following:
19	"(7) The term 'major incident' has the meaning
20	given the term in guidance issued by the Director
21	under section 3598(a).";
22	(iv) in paragraph (8)(A), as so redes-
23	ignated, in the matter preceding clause (i),
24	by striking "used" and inserting "owned,
25	managed,";

1	(v) by inserting after paragraph (8),
2	as so redesignated, the following:
3	"(9) The term 'penetration test'—
4	"(A) means an authorized assessment that
5	emulates attempts to gain unauthorized access
6	to, or disrupt the operations of, an information
7	system or component of an information system;
8	and
9	"(B) includes any additional meaning
10	given the term in policies, principles, standards,
11	or guidelines issued by the Director under sec-
12	tion 3553(a)."; and
13	(vi) by inserting after paragraph (10),
14	as so redesignated, the following:
15	"(11) The term 'shared service' means a cen-
16	tralized mission capability or consolidated business
17	function that is provided to multiple organizations
18	within an agency or to multiple agencies.
19	((12) The term 'zero trust architecture' has the
20	meaning given the term in Special Publication 800–
21	207 of the National Institute of Standards and
22	Technology, or any successor document.".
23	(B) Conforming Amendments.—
24	(i) Homeland security act of
25	2002.—Section $1001(c)(1)(A)$ of the Home-

1	land Security Act of 2002 (6 U.S.C.
2	511(c)(1)(A)) is amended by striking "sec-
3	tion $3552(b)(5)$ " and inserting "section
4	3552(b)".
5	(ii) TITLE 10.—
6	(I) SECTION 2222.—Section
7	2222(i)(8) of title 10, United States
8	Code, is amended by striking "section
9	3552(b)(6)(A)" and inserting "section
10	3552(b)(8)(A)".
11	(II) SECTION 2223.—Section
12	2223(c)(3) of title 10, United States
13	Code, is amended by striking "section
14	3552(b)(6)" and inserting "section
15	3552(b)".
16	(III) Section 3068.—Section
17	3068(b) of title 10, United States
18	Code, is amended by striking "section
19	3552(b)(6)" and inserting "section
20	3552(b)".
21	(IV) SECTION 3252.—Section
22	3252(e)(5) of title 10, United States
23	Code, is amended by striking "section
24	3552(b)(6)" and inserting "section
25	3552(b)".

1	(iii) High-performance computing
2	ACT OF 1991.—Section 207(a) of the High-
3	Performance Computing Act of 1991 (15
4	U.S.C. 5527(a)) is amended by striking
5	"section $3552(b)(6)(A)(i)$ " and inserting
6	"section 3552(b)(8)(A)(i)".
7	(iv) INTERNET OF THINGS CYBERSE-
8	CURITY IMPROVEMENT ACT OF 2020.—Sec-
9	tion 3(5) of the Internet of Things Cyber-
10	security Improvement Act of 2020 (15)
11	U.S.C. 278g–3a(5)) is amended by striking
12	"section $3552(b)(6)$ " and inserting "sec-
13	tion 3552(b)".
14	(v) NATIONAL DEFENSE AUTHORIZA-
15	TION ACT FOR FISCAL YEAR 2013.—Section
16	933(e)(1)(B) of the National Defense Au-
17	thorization Act for Fiscal Year 2013 (10
18	U.S.C. 2224 note) is amended by striking
19	"section $3542(b)(2)$ " and inserting "sec-
20	tion 3552(b)".
21	(vi) IKE SKELTON NATIONAL DE-
22	FENSE AUTHORIZATION ACT FOR FISCAL
23	YEAR 2011.—The Ike Skelton National De-
24	fense Authorization Act for Fiscal Year
25	2011 (Public Law 111–383) is amended—

1	(I) in section $931(b)(3)$ (10
2	U.S.C. 2223 note), by striking "sec-
3	tion 3542(b)(2)" and inserting "sec-
4	tion 3552(b)"; and
5	(II) in section $932(b)(2)$ (10)
6	U.S.C. 2224 note), by striking "sec-
7	tion 3542(b)(2)" and inserting "sec-
8	tion 3552(b)".
9	(vii) E-Government act of 2002.—
10	Section $301(c)(1)(A)$ of the E–Government
11	Act of 2002 (44 U.S.C. 3501 note) is
12	amended by striking "section $3542(b)(2)$ "
13	and inserting "section 3552(b)".
14	(viii) NATIONAL INSTITUTE OF
15	STANDARDS AND TECHNOLOGY ACT.—Sec-
16	tion 20 of the National Institute of Stand-
17	ards and Technology Act (15 U.S.C. 278g–
18	3) is amended—
19	(I) in subsection $(a)(2)$, by strik-
20	ing "section $3552(b)(6)$ " and insert-
21	ing "section 3552(b)"; and
22	(II) in subsection (f)—
23	(aa) in paragraph (2), by
24	striking "section $3532(1)$ " and
25	inserting "section 3552(b)"; and

1	(bb) in paragraph (5), by
2	striking "section 3532(b)(2)"
3	and inserting "section 3552(b)".
4	(3) SUBCHAPTER II AMENDMENTS.—Sub-
5	chapter II of chapter 35 of title 44, United States
6	Code, is amended—
7	(A) in section 3551—
8	(i) in paragraph (4), by striking "di-
9	agnose and improve" and inserting "inte-
10	grate, deliver, diagnose, and improve";
11	(ii) in paragraph (5), by striking
12	"and" at the end;
13	(iii) in paragraph (6), by striking the
14	period at the end and inserting a semi-
15	colon; and
16	(iv) by adding at the end the fol-
17	lowing:
18	((7) recognize that each agency has specific
19	mission requirements and, at times, unique cyberse-
20	curity requirements to meet the mission of the agen-
21	cy;
22	"(8) recognize that each agency does not have
23	the same resources to secure agency systems, and an
24	agency should not be expected to have the capability

1	to secure the systems of the agency from advanced
2	adversaries alone; and
3	"(9) recognize that a holistic Federal cybersecu-
4	rity model is necessary to account for differences be-
5	tween the missions and capabilities of agencies.";
6	(B) in section 3553—
7	(i) in subsection (a)—
8	(I) in paragraph (5), by striking
9	"and" at the end;
10	(II) in paragraph (6), by striking
11	the period at the end and inserting ";
12	and"; and
13	(III) by adding at the end the
14	following:
15	((7)) promoting, in consultation with the Direc-
16	tor of the Cybersecurity and Infrastructure Security
17	Agency, the National Cyber Director, and the Direc-
18	tor of the National Institute of Standards and Tech-
19	nology—
20	"(A) the use of automation to improve
21	Federal cybersecurity and visibility with respect
22	to the implementation of Federal cybersecurity;
23	and
24	"(B) the use of presumption of com-
25	promise and least privilege principles, such as

1	zero trust architecture, to improve resiliency
2	and timely response actions to incidents on
3	Federal systems.";
4	(ii) in subsection (b)—
5	(I) in the matter preceding para-
6	graph (1), by inserting "and the Na-
7	tional Cyber Director" after "Direc-
8	tor'';
9	(II) in paragraph (2)(A), by in-
10	serting "and reporting requirements
11	under subchapter IV of this chapter"
12	after "section 3556";
13	(III) by redesignating paragraphs
14	(8) and (9) as paragraphs (10) and
15	(11), respectively; and
16	(IV) by inserting after paragraph
17	(7) the following:
18	"(8) expeditiously seeking opportunities to re-
19	duce costs, administrative burdens, and other bar-
20	riers to information technology security and mod-
21	ernization for agencies, including through shared
22	services (and appropriate commercial off the shelf
23	options for such shared services) for cybersecurity
24	capabilities identified as appropriate by the Director,
25	in coordination with the Director of the Cybersecu-

1	rity and Infrastructure Security Agency and other
2	agencies as appropriate;";
3	(iii) in subsection (c)—
4	(I) in the matter preceding para-
5	graph (1)—
6	(aa) by striking "each year"
7	and inserting "each year during
8	which agencies are required to
9	submit reports under section
10	3554(c)";
11	(bb) by inserting ", which
12	shall be unclassified but may in-
13	clude 1 or more annexes that
14	contain classified or other sen-
15	sitive information, as appro-
16	priate" after "a report"; and
17	(cc) by striking "preceding
18	year" and inserting "preceding 2
19	years'';
20	(II) by striking paragraph (1);
21	(III) by redesignating paragraphs
22	(2), (3) , and (4) as paragraphs (1) ,
23	(2), and (3), respectively;

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1	(IV) in paragraph (3), as so re-
2	designated, by striking "and" at the
3	end; and
4	(V) by inserting after paragraph
5	(3), as so redesignated, the following:
6	"(4) a summary of the risks and trends identi-
7	fied in the Federal risk assessment required under
8	subsection (i); and";
9	(iv) in subsection (h)—
10	(I) in paragraph (2)—
11	(aa) in subparagraph (A),
12	by inserting "and the National
13	Cyber Director" after "in coordi-
14	nation with the Director";
15	(bb) in subparagraph (B),
16	by inserting ", the scope of the
17	required action (such as applica-
18	ble software, firmware, or hard-
19	ware versions)," after "reasons
20	for the required action"; and
21	(cc) in subparagraph (D), by
22	inserting ", the National Cyber
23	Director," after "notify the Di-
24	rector"; and

1	(II) in paragraph (3)(A)(iv), by
2	inserting ", the National Cyber Direc-
3	tor" after "the Secretary provides
4	prior notice to the Director";
5	(v) by amending subsection (i) to read
6	as follows:
7	"(i) Federal Risk Assessment.—On an ongoing
8	and continual basis, the Director of the Cybersecurity and
9	Infrastructure Security Agency shall assess the Federal
10	risk posture using any available information on the cyber-
11	security posture of agencies, and brief the Director and
12	National Cyber Director on the findings of such assess-
13	ment, including—
14	"(1) the status of agency cybersecurity remedial
15	actions for high value assets described in section
16	3554(b)(7);
17	((2) any vulnerability information relating to
18	the systems of an agency that is known by the agen-
19	cy;
20	"(3) analysis of incident information under sec-
21	tion 3597;
22	"(4) evaluation of penetration testing per-
23	formed under section 3559A;
24	"(5) evaluation of vulnerability disclosure pro-
25	gram information under section 3559B;

1	"(6) evaluation of agency threat hunting re-
2	sults;
3	"(7) evaluation of Federal and non-Federal
4	cyber threat intelligence;
5	"(8) data on agency compliance with standards
6	issued under section 11331 of title 40;
7	"(9) agency system risk assessments required
8	under section $3554(a)(1)(A)$;
9	((10) relevant reports from inspectors general
10	of agencies and the Government Accountability Of-
11	fice; and
12	"(11) any other information the Director of the
13	Cybersecurity and Infrastructure Security Agency
14	determines relevant."; and
15	(vi) by adding at the end the fol-
16	lowing:
17	"(m) DIRECTIVES.—
18	"(1) Emergency directive updates.—If the
19	Secretary issues an emergency directive under this
20	section, the Director of the Cybersecurity and Infra-
21	structure Security Agency shall submit to the Direc-
22	tor, the National Cyber Director, the Committee on
23	Homeland Security and Governmental Affairs of the
24	Senate, and the Committees on Oversight and Ac-
25	countability and Homeland Security of the House of

1	Representatives an update on the status of the im-
2	plementation of the emergency directive at agencies
3	not later than 7 days after the date on which the
4	emergency directive requires an agency to complete
5	a requirement specified by the emergency directive,
6	and every 30 days thereafter until—
7	"(A) the date on which every agency has
8	fully implemented the emergency directive;
9	"(B) the Secretary determines that an
10	emergency directive no longer requires active
11	reporting from agencies or additional implemen-
12	tation; or
13	"(C) the date that is 1 year after the
14	issuance of the directive.
15	"(2) BINDING OPERATIONAL DIRECTIVE UP-
16	DATES.—If the Secretary issues a binding oper-
17	ational directive under this section, the Director of
18	the Cybersecurity and Infrastructure Security Agen-
19	cy shall submit to the Director, the National Cyber
20	Director, the Committee on Homeland Security and
21	Governmental Affairs of the Senate, and the Com-
22	mittees on Oversight and Accountability and Home-
23	land Security of the House of Representatives an
24	update on the status of the implementation of the
25	binding operational directive at agencies not later

1	than 30 days after the issuance of the binding oper-
2	ational directive, and every 90 days thereafter
3	until—
4	"(A) the date on which every agency has
5	fully implemented the binding operational direc-
6	tive;
7	"(B) the Secretary determines that a bind-
8	ing operational directive no longer requires ac-
9	tive reporting from agencies or additional im-
10	plementation; or
11	"(C) the date that is 1 year after the
12	issuance or substantive update of the directive.
13	"(3) REPORT.—If the Director of the Cyberse-
14	curity and Infrastructure Security Agency ceases
15	submitting updates required under paragraphs (1)
16	or (2) on the date described in paragraph $(1)(C)$ or
17	(2)(C), the Director of the Cybersecurity and Infra-
18	structure Security Agency shall submit to the Direc-
19	tor, the National Cyber Director, the Committee on
20	Homeland Security and Governmental Affairs of the
21	Senate, and the Committees on Oversight and Ac-
22	countability and Homeland Security of the House of
23	Representatives a list of every agency that, at the
24	time of the report—

1	"(A) has not completed a requirement
2	specified by an emergency directive; or
3	"(B) has not implemented a binding oper-
4	ational directive.
5	"(n) Review of Office of Management and
6	BUDGET GUIDANCE AND POLICY.—
7	"(1) Conduct of review.—Not less fre-
8	quently than once every 3 years, the Director of the
9	Office of Management and Budget shall review the
10	efficacy of the guidance and policy promulgated by
11	the Director in reducing cybersecurity risks, includ-
12	ing a consideration of reporting and compliance bur-
13	den on agencies.
14	"(2) Congressional notification.—The Di-
15	rector of the Office of Management and Budget
16	shall notify the Committee on Homeland Security
17	and Governmental Affairs of the Senate and the
18	Committee on Oversight and Accountability of the
19	House of Representatives of the results of the review
20	under paragraph (1).
21	"(3) GAO REVIEW.—The Government Account-
22	ability Office shall review guidance and policy pro-
23	mulgated by the Director to assess its efficacy in
24	risk reduction and burden on agencies.

1 **(**(0) AUTOMATED Standard IMPLEMENTATION 2 VERIFICATION.—When the Director of the National Institute of Standards and Technology issues a proposed 3 4 standard or guideline pursuant to paragraphs (2) or (3)5 of section 20(a) of the National Institute of Standards and 6 Technology Act (15 U.S.C. 278g–3(a)), the Director of 7 the National Institute of Standards and Technology shall 8 consider developing and, if appropriate and practical, de-9 velop specifications to enable the automated verification of the implementation of the controls. 10

11 "(p) INSPECTORS GENERAL ACCESS TO FEDERAL RISK ASSESSMENTS.—The Director of the Cybersecurity 12 13 and Infrastructure Security Agency shall, upon request, make available Federal risk assessment information under 14 15 subsection (i) to the Inspector General of the Department 16 of Homeland Security and the inspector general of any agency that was included in the Federal risk assessment."; 17 18 (C) in section 3554—

19	(i) in subsection (a)—
20	(I) in paragraph (1) —
21	(aa) by redesignating sub-
22	paragraphs (A), (B), and (C) as
23	subparagraphs (B), (C), and (D),
24	respectively;

1	(bb) by inserting before sub-
2	paragraph (B), as so redesig-
3	nated, the following:
4	"(A) on an ongoing and continual basis,
5	assessing agency system risk, as applicable,
6	by—
7	"(i) identifying and documenting the
8	high value assets of the agency using guid-
9	ance from the Director;
10	"(ii) evaluating the data assets inven-
11	toried under section 3511 for sensitivity to
12	compromises in confidentiality, integrity,
13	and availability;
14	"(iii) identifying whether the agency
15	is participating in federally offered cyber-
16	security shared services programs;
17	"(iv) identifying agency systems that
18	have access to or hold the data assets
19	inventoried under section 3511;
20	"(v) evaluating the threats facing
21	agency systems and data, including high
22	value assets, based on Federal and non-
23	Federal cyber threat intelligence products,
24	where available;

1	"(vi) evaluating the vulnerability of
2	agency systems and data, including high
3	value assets, including by analyzing—
4	"(I) the results of penetration
5	testing performed by the Department
6	of Homeland Security under section
7	3553(b)(9);
8	"(II) the results of penetration
9	testing performed under section
10	3559A;
11	"(III) information provided to
12	the agency through the vulnerability
13	disclosure program of the agency
14	under section 3559B;
15	"(IV) incidents; and
16	"(V) any other vulnerability in-
17	formation relating to agency systems
18	that is known to the agency;
19	"(vii) assessing the impacts of poten-
20	tial agency incidents to agency systems,
21	data, and operations based on the evalua-
22	tions described in clauses (ii) and (v) and
23	the agency systems identified under clause
24	(iv); and

1	"(viii) assessing the consequences of
2	potential incidents occurring on agency
3	systems that would impact systems at
4	other agencies, including due to
5	interconnectivity between different agency
6	systems or operational reliance on the op-
7	erations of the system or data in the sys-
8	tem;";
9	(cc) in subparagraph (B), as
10	so redesignated, in the matter
11	preceding clause (i), by striking
12	"providing information" and in-
13	serting "using information from
14	the assessment required under
15	subparagraph (A), providing in-
16	formation";
17	(dd) in subparagraph (C), as
18	so redesignated—
19	(AA) in clause (ii) by
20	inserting "binding" before
21	"operational"; and
22	(BB) in clause (vi), by
23	striking "and" at the end;
24	(ee) in subparagraph (D), as
25	so redesignated, by inserting

1	"and" after the semicolon at the
2	end; and
3	(ff) by adding at the end the
4	following:
5	"(E) providing an update on the ongoing
6	and continual assessment required under sub-
7	paragraph (A)—
8	"(i) upon request, to the inspector
9	general of the agency or the Comptroller
10	General of the United States; and
11	"(ii) at intervals determined by guid-
12	ance issued by the Director, and to the ex-
13	tent appropriate and practicable using au-
14	tomation, to—
15	"(I) the Director;
16	"(II) the Director of the Cyberse-
17	curity and Infrastructure Security
18	Agency; and
19	"(III) the National Cyber Direc-
20	tor;";
21	(II) in paragraph (2)—
22	(aa) in subparagraph (A),
23	by inserting "in accordance with
24	the agency system risk assess-
25	ment required under paragraph

	- •
1	(1)(A)" after "information sys-
2	tems"; and
3	(bb) in subparagraph (D),
4	by inserting ", through the use of
5	penetration testing, the vulner-
6	ability disclosure program estab-
7	lished under section 3559B, and
8	other means," after "periodi-
9	cally";
10	(III) in paragraph (3)(A)—
11	(aa) in the matter preceding
12	clause (i), by striking "senior
13	agency information security offi-
14	cer" and inserting "Chief Infor-
15	mation Security Officer";
16	(bb) in clause (i), by striking
17	"this section" and inserting
18	"subsections (a) through (c)";
19	(cc) in clause (ii), by strik-
20	ing "training and" and inserting
21	"skills, training, and";
22	(dd) by redesignating
23	clauses (iii) and (iv) as clauses
24	(iv) and (v), respectively;

1	(ee) by inserting after clause
2	(ii) the following:
3	"(iii) manage information security, cy-
4	bersecurity budgets, and risk and compli-
5	ance activities and explain those concepts
6	to the head of the agency and the executive
7	team of the agency;"; and
8	(ff) in clause (iv), as so re-
9	designated, by striking "informa-
10	tion security duties as that offi-
11	cial's primary duty" and insert-
12	ing "information, computer net-
13	work, and technology security du-
14	ties as the Chief Information Se-
15	curity Officers' primary duty";
16	(IV) in paragraph (5), by strik-
17	ing "annually" and inserting "not less
18	frequently than quarterly"; and
19	(V) in paragraph (6), by striking
20	"official delegated" and inserting
21	"Chief Information Security Officer
22	delegated";
23	(ii) in subsection (b)—
24	(I) by striking paragraph (1) and
25	inserting the following:

	-
1	((1) the ongoing and continual assessment of
2	agency system risk required under subsection
3	(a)(1)(A), which may include using guidance and
4	automated tools consistent with standards and
5	guidelines promulgated under section 11331 of title
6	40, as applicable;";
7	(II) in paragraph (2)—
8	(aa) by striking subpara-
9	graph (B);
10	(bb) by redesignating sub-
11	paragraphs (C) and (D) as sub-
12	paragraphs (B) and (C), respec-
13	tively; and
14	(cc) in subparagraph (C), as
15	so redesignated—
16	(AA) by redesignating
17	clauses (iii) and (iv) as
18	clauses (iv) and (v), respec-
19	tively;
20	(BB) by inserting after
21	clause (ii) the following:
22	"(iii) binding operational directives
23	and emergency directives issued by the
24	Secretary under section 3553;"; and

1	(CC) in clause (iv), as
2	so redesignated, by striking
3	"as determined by the agen-
4	cy;" and inserting "as deter-
5	mined by the agency, consid-
6	ering the agency risk assess-
7	ment required under sub-
8	section (a)(1)(A);";
9	(III) in paragraph (5)(A), by in-
10	serting ", including penetration test-
11	ing, as appropriate," after "shall in-
12	clude testing'';
13	(IV) by redesignating paragraphs
14	(7) and (8) as paragraphs (8) and
15	(9), respectively;
16	(V) by inserting after paragraph
17	(6) the following:
18	"(7) a process for securely providing the status
19	of remedial cybersecurity actions and un-remediated
20	identified system vulnerabilities of high value assets
21	to the Director and the Director of the Cybersecu-
22	rity and Infrastructure Security Agency, using auto-
23	mation and machine-readable data as appropriate;";
24	and

1	(VI) in paragraph (8)(C), as so
2	redesignated-
3	(aa) by striking clause (ii)
4	and inserting the following:
5	"(ii) notifying and consulting with the
6	Federal information security incident cen-
7	ter established under section 3556 pursu-
8	ant to the requirements of section 3594;";
9	(bb) by redesignating clause
10	(iii) as clause (iv);
11	(cc) by inserting after clause
12	(ii) the following:
13	"(iii) performing the notifications and
14	other activities required under subchapter
15	IV of this chapter; and"; and
16	(dd) in clause (iv), as so re-
17	designated—
18	(AA) in subclause (II),
19	by adding "and" at the end;
20	(BB) by striking sub-
21	clause (III); and
22	(CC) by redesignating
23	subclause (IV) as subclause
24	(III); and
25	(iii) in subsection (c)—

	01
1	(I) by redesignating paragraph
2	(2) as paragraph (4) ;
3	(II) by striking paragraph (1)
4	and inserting the following:
5	"(1) BIENNIAL REPORT.—Not later than 2
6	years after the date of enactment of the Federal In-
7	formation Security Modernization Act of 2024 and
8	not less frequently than once every 2 years there-
9	after, using the ongoing and continual agency sys-
10	tem risk assessment required under subsection
11	(a)(1)(A), the head of each agency shall submit to
12	the Director, the National Cyber Director, the Di-
13	rector of the Cybersecurity and Infrastructure Secu-
14	rity Agency, the Comptroller General of the United
15	States, the majority and minority leaders of the Sen-
16	ate, the Speaker and minority leader of the House
17	of Representatives, the Committee on Homeland Se-
18	curity and Governmental Affairs of the Senate, the
19	Committee on Oversight and Accountability of the
20	House of Representatives, the Committee on Home-
21	land Security of the House of Representatives, the
22	Committee on Commerce, Science, and Transpor-
23	tation of the Senate, the Committee on Science,
24	Space, and Technology of the House of Representa-

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tives, and the appropriate authorization and appropriations committees of Congress a report that—

"(A) summarizes the agency system risk assessment required under subsection (a)(1)(A);

5 "(B) evaluates the adequacy and effective-6 ness of information security policies, proce-7 dures, and practices of the agency to address 8 the risks identified in the agency system risk 9 assessment required under subsection (a)(1)(A), 10 including an analysis of the agency's cybersecu-11 rity and incident response capabilities using the 12 metrics established under section 224(c) of the 13 Cybersecurity Act of 2015 (6 U.S.C. 1522(c));

"(C) summarizes the status of remedial actions identified by inspector general of the
agency, the Comptroller General of the United
States, and any other source determined appropriate by the head of the agency; and

"(D) includes the cybersecurity shared
services offered by the Cybersecurity and Infrastructure Security Agency that the agency participates in, if any, and explanations for any
non-participation in such services.

24 "(2) UNCLASSIFIED REPORTS.—Each report
25 submitted under paragraph (1)—

24	(ii) in subsection (a)—
23	"Independent";
22	"Annual independent" and inserting
21	(i) in the section heading, by striking
20	(D) in section 3555—
19	tion.";
18	subsection $(a)(3)(A)(v)$ of this sec-
17	under section 11315(d) of title 40 and
16	reporting procedures established
15	the end and inserting ", including the
14	designated, by striking the period at
13	(III) in paragraph (4), as so re-
12	risk postures."; and
11	briefing summarizing current agency and Federal
10	gressional committees described in paragraph (1) a
9	paragraph (1), the Director shall provide to the con-
8	which a report is not required to be submitted under
7	"(3) BRIEFINGS.—During each year during
6	as appropriate.
5	contain classified or other sensitive information,
4	"(B) may include 1 or more annexes that
3	trolled form; and
2	ticable, in an unclassified and otherwise uncon-
1	"(A) shall be, to the greatest extent prac-

1	(I) in paragraph (1), by inserting
2	"during which a report is required to
3	be submitted under section 3553(c),"
4	after "Each year";
5	(II) in paragraph (2)(A), by in-
6	serting ", including by performing, or
7	reviewing the results of, agency pene-
8	tration testing and analyzing the vul-
9	nerability disclosure program of the
10	agency" after "information systems";
11	and
12	(III) by adding at the end the
13	following:
14	((3) An evaluation under this section may include
15	recommendations for improving the cybersecurity posture
16	of the agency.";
17	(iii) in subsection $(b)(1)$, by striking
18	"annual";
19	(iv) in subsection $(e)(1)$, by inserting
20	"during which a report is required to be
21	submitted under section 3553(c)" after
22	"Each year";
23	(v) in subsection $(g)(2)$ —

1	(I) by striking "this subsection
2	shall" and inserting "this sub-
3	section-
4	"(A) shall";
5	(II) in subparagraph (A), as so
6	designated, by striking the period at
7	the end and inserting "; and"; and
8	(III) by adding at the end the
9	following:
10	"(B) identify any entity that performs an inde-
11	pendent evaluation under subsection (b).";
12	(vi) by striking subsection (j) and in-
13	serting the following:
14	"(j) GUIDANCE.—
15	"(1) IN GENERAL.—The Director, in consulta-
16	tion with the Director of the Cybersecurity and In-
17	frastructure Security Agency, the Chief Information
18	Officers Council, the Council of the Inspectors Gen-
19	eral on Integrity and Efficiency, and other interested
20	parties as appropriate, shall ensure the development
21	of risk-based guidance for evaluating the effective-
22	ness of an information security program and prac-
23	tices.
24	"(2) PRIORITIES.—The risk-based guidance de-
25	veloped under paragraph (1) shall include—

1	"(A) the identification of the most common
2	successful threat patterns;
3	"(B) the identification of security controls
4	that address the threat patterns described in
5	subparagraph (A);
6	"(C) any other security risks unique to
7	Federal systems; and
8	"(D) any other element the Director deter-
9	mines appropriate."; and
10	(vii) by adding at the end the fol-
11	lowing:
12	"(k) COORDINATION.—The head of each agency shall
13	coordinate with the inspector general of the agency, as ap-
14	plicable, to ensure consistent understanding of agency cy-
15	bersecurity or information security policies for the purpose
16	of evaluations of such policies conducted by the inspector
17	general."; and
18	(E) in section 3556(a)—
19	(i) in the matter preceding paragraph
20	(1), by inserting "within the Cybersecurity
21	and Infrastructure Security Agency" after
22	"incident center"; and
23	(ii) in paragraph (4), by striking
24	"3554(b)" and inserting "3554(a)(1)(A)".
25	(4) Conforming Amendments.—

1	(A) TABLE OF SECTIONS.—The table of
2	sections for chapter 35 of title 44, United
3	States Code, is amended by striking the item
4	relating to section 3555 and inserting the fol-
5	lowing:
	"3555. Independent evaluation.".
6	(B) OMB REPORTS.—Section 226(c) of
7	the Cybersecurity Act of 2015 (6 U.S.C.
8	1524(c)) is amended—
9	(i) in paragraph (1)(B), in the matter
10	preceding clause (i), by striking "annually
11	thereafter" and inserting "thereafter dur-
12	ing the years during which a report is re-
13	quired to be submitted under section
14	3553(c) of title 44, United States Code";
15	and
16	(ii) in paragraph (2)(B), in the matter
17	preceding clause (i)—
18	(I) by striking "annually there-
19	after" and inserting "thereafter dur-
20	ing the years during which a report is
21	required to be submitted under sec-
22	tion 3553(c) of title 44, United States
23	Code"; and
24	(II) by striking "the report re-
25	quired under section 3553(c) of title

1	44, United States Code" and inserting
2	"that report".
3	(C) NIST RESPONSIBILITIES.—Section
4	20(d)(3)(B) of the National Institute of Stand-
5	ards and Technology Act (15 U.S.C. 278g–
6	3(d)(3)(B)) is amended by striking "annual".
7	(5) Federal system incident response.—
8	(A) IN GENERAL.—Chapter 35 of title 44,
9	United States Code, is amended by adding at
10	the end the following:
11	"SUBCHAPTER IV—FEDERAL SYSTEM
12	INCIDENT RESPONSE
13	"§ 3591. Definitions
13 14	"§ 3591. Definitions "(a) IN GENERAL.—Except as provided in subsection
14	"(a) IN GENERAL.—Except as provided in subsection
14 15	"(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall
14 15 16	"(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter.
14 15 16 17	 "(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter. "(b) ADDITIONAL DEFINITIONS.—As used in this
14 15 16 17 18	 "(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter. "(b) ADDITIONAL DEFINITIONS.—As used in this subchapter:
14 15 16 17 18 19	 "(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter. "(b) ADDITIONAL DEFINITIONS.—As used in this subchapter: "(1) APPROPRIATE REPORTING ENTITIES.—The
 14 15 16 17 18 19 20 	 "(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter. "(b) ADDITIONAL DEFINITIONS.—As used in this subchapter: "(1) APPROPRIATE REPORTING ENTITIES.—The term 'appropriate reporting entities' means—
 14 15 16 17 18 19 20 21 	 "(a) IN GENERAL.—Except as provided in subsection (b), the definitions under sections 3502 and 3552 shall apply to this subchapter. "(b) ADDITIONAL DEFINITIONS.—As used in this subchapter: "(1) APPROPRIATE REPORTING ENTITIES.—The term 'appropriate reporting entities' means— "(A) the majority and minority leaders of

1	"(C) the Committee on Homeland Security
2	and Governmental Affairs of the Senate;
3	"(D) the Committee on Commerce,
4	Science, and Transportation of the Senate;
5	"(E) the Committee on Oversight and Ac-
6	countability of the House of Representatives;
7	"(F) the Committee on Homeland Security
8	of the House of Representatives;
9	"(G) the Committee on Science, Space,
10	and Technology of the House of Representa-
11	tives;
12	"(H) the appropriate authorization and ap-
13	propriations committees of Congress;
14	"(I) the Director;
15	"(J) the Director of the Cybersecurity and
16	Infrastructure Security Agency;
17	"(K) the National Cyber Director;
18	"(L) the Comptroller General of the
19	United States; and
20	"(M) the inspector general of any impacted
21	agency.
22	"(2) AWARDEE.—The term 'awardee', with re-
23	spect to an agency—
24	"(A) means—

1	"(i) the recipient of a grant from an
2	agency;
3	"(ii) a party to a cooperative agree-
4	ment with an agency; and
5	"(iii) a party to an other transaction
6	agreement with an agency; and
7	"(B) includes a subawardee of an entity
8	described in subparagraph (A).
9	"(3) BREACH.—The term 'breach'—
10	"(A) means the compromise, unauthorized
11	disclosure, unauthorized acquisition, or loss of
12	control of personally identifiable information
13	owned, maintained or otherwise controlled by
14	an agency, or any similar occurrence; and
15	"(B) includes any additional meaning
16	given the term in policies, principles, standards,
17	or guidelines issued by the Director.
18	"(4) CONTRACTOR.—The term 'contractor'
19	means a prime contractor of an agency or a subcon-
20	tractor of a prime contractor of an agency that cre-
21	ates, collects, stores, processes, maintains, or trans-
22	mits Federal information on behalf of an agency.
23	"(5) Federal information.—The term 'Fed-
24	eral information' means information created, col-
25	lected, processed, maintained, disseminated, dis-

- closed, or disposed of by or for the Federal Govern ment in any medium or form.
- 3 "(6) FEDERAL INFORMATION SYSTEM.—The
 4 term 'Federal information system' means an infor5 mation system owned, managed, or operated by an
 6 agency, or on behalf of an agency by a contractor,
 7 an awardee, or another organization.
- 8 "(7) INTELLIGENCE COMMUNITY.—The term
 9 'intelligence community' has the meaning given the
 10 term in section 3 of the National Security Act of
 11 1947 (50 U.S.C. 3003).
- 12 "(8) NATIONWIDE CONSUMER REPORTING
 13 AGENCY.—The term 'nationwide consumer reporting
 14 agency' means a consumer reporting agency de15 scribed in section 603(p) of the Fair Credit Report16 ing Act (15 U.S.C. 1681a(p)).
- 17 "(9) VULNERABILITY DISCLOSURE.—The term
 18 'vulnerability disclosure' means a vulnerability iden19 tified under section 3559B.

20 "§ 3592. Notification of breach

21 "(a) DEFINITION.—In this section, the term 'covered
22 breach' means a breach—

23 "(1) involving not less than 50,000 potentially24 affected individuals; or

1	((2)) the result of which the head of an agency
2	determines that notifying potentially affected indi-
3	viduals is necessary pursuant to subsection $(b)(1)$,
4	regardless of whether—
5	"(A) the number of potentially affected in-
6	dividuals is less than 50,000; or
7	"(B) the notification is delayed under sub-
8	section (d).
9	"(b) NOTIFICATION.—As expeditiously as practicable
10	and without unreasonable delay, and in any case not later
11	than 45 days after an agency has a reasonable basis to
12	conclude that a breach has occurred, the head of the agen-
13	cy, in consultation with the Chief Information Officer and
14	Chief Privacy Officer of the agency and, as appropriate,
15	any non-Federal entity supporting the remediation of the
16	breach, shall—
17	"(1) determine whether notice to any individual
18	potentially affected by the breach is appropriate, in-
19	cluding by conducting an assessment of the risk of
20	harm to the individual that considers—
21	"(A) the nature and sensitivity of the per-
22	sonally identifiable information affected by the
23	breach;

1	"(B) the likelihood of access to and use of
2	the personally identifiable information affected
3	by the breach;
4	"(C) the type of breach; and
5	"(D) any other factors determined by the
6	Director; and
7	((2)) if the head of the agency determines notifi-
8	cation is necessary pursuant to paragraph (1), pro-
9	vide written notification in accordance with sub-
10	section (c) to each individual potentially affected by
11	the breach—
12	"(A) to the last known mailing address of
13	the individual; or
14	"(B) through an appropriate alternative
15	method of notification.
16	"(c) CONTENTS OF NOTIFICATION.—Each notifica-
17	tion of a breach provided to an individual under subsection
18	(b)(2) shall include, to the maximum extent practicable—
19	"(1) a brief description of the breach;
20	"(2) if possible, a description of the types of
21	personally identifiable information affected by the
22	breach;
23	"(3) contact information of the agency that
24	may be used to ask questions of the agency, which—

1	"(A) shall include an e-mail address or an-
2	other digital contact mechanism; and
3	"(B) may include a telephone number,
4	mailing address, or a website;
5	"(4) information on any remedy being offered
6	by the agency;
7	"(5) any applicable educational materials relat-
8	ing to what individuals can do in response to a
9	breach that potentially affects their personally iden-
10	tifiable information, including relevant contact infor-
11	mation for the appropriate Federal law enforcement
12	agencies and each nationwide consumer reporting
13	agency; and
14	"(6) any other appropriate information, as de-
15	termined by the head of the agency or established in
16	guidance by the Director.
17	"(d) Delay of Notification.—
18	"(1) IN GENERAL.—The head of an agency, in
19	coordination with the Director and the National
20	Cyber Director, and as appropriate, the Attorney
21	General, the Director of National Intelligence, or the
22	Secretary of Homeland Security, may delay a notifi-
23	cation required under subsection (b) or (e) if the no-
24	tification would—

1	"(A) impede a criminal investigation or a
2	national security activity;
3	"(B) cause an adverse result (as described
4	in section $2705(a)(2)$ of title 18);
5	"(C) reveal sensitive sources and methods;
6	"(D) cause damage to national security; or
7	"(E) hamper security remediation actions.
8	"(2) RENEWAL.—A delay under paragraph (1)
9	shall be for a period of 60 days and may be renewed.
10	"(3) NATIONAL SECURITY SYSTEMS.—The head
11	of an agency delaying notification under this sub-
12	section with respect to a breach exclusively of a na-
13	tional security system shall coordinate such delay
14	with the Secretary of Defense.
15	"(e) UPDATE NOTIFICATION.—If an agency deter-
16	mines there is a significant change in the reasonable basis
17	to conclude that a breach occurred, a significant change
18	to the determination made under subsection $(b)(1)$, or that
19	it is necessary to update the details of the information pro-
20	vided to potentially affected individuals as described in
21	subsection (c), the agency shall as expeditiously as prac-
22	ticable and without unreasonable delay, and in any case
23	not later than 30 days after such a determination, notify
24	each individual who received a notification pursuant to
25	subsection (b) of those changes.

1 "(f) Delay of Notification Report.—

2 "(1) IN GENERAL.—Not later than 1 year after 3 the date of enactment of the Federal Information Security Modernization Act of 2024, and annually 4 5 thereafter, the head of an agency, in coordination 6 with any official who delays a notification under sub-7 section (d), shall submit to the appropriate reporting 8 entities a report on each delay that occurred during 9 the previous 2 years.

10 "(2) COMPONENT OF OTHER REPORT.—The
11 head of an agency may submit the report required
12 under paragraph (1) as a component of the report
13 submitted under section 3554(c).

14 "(g) CONGRESSIONAL REPORTING REQUIRE-15 MENTS.—

"(1) REVIEW AND UPDATE.—On a periodic
basis, the Director of the Office of Management and
Budget shall review, and update as appropriate,
breach notification policies and guidelines for agencies.

21 "(2) REQUIRED NOTICE FROM AGENCIES.—
22 Subject to paragraph (4), the Director of the Office
23 of Management and Budget shall require the head
24 of an agency affected by a covered breach to expedi25 tiously and not later than 30 days after the date on

1	which the agency discovers the covered breach give
2	notice of the breach, which may be provided elec-
3	tronically, to—
4	"(A) each congressional committee de-
5	scribed in section $3554(c)(1)$; and
6	"(B) the Committee on the Judiciary of
7	the Senate and the Committee on the Judiciary
8	of the House of Representatives.
9	"(3) CONTENTS OF NOTICE.—Notice of a cov-
10	ered breach provided by the head of an agency pur-
11	suant to paragraph (2) shall include, to the extent
12	practicable—
13	"(A) information about the covered breach,
14	including a summary of any information about
15	how the covered breach occurred known by the
16	agency as of the date of the notice;
17	"(B) an estimate of the number of individ-
18	uals affected by the covered breach based on in-
19	formation known by the agency as of the date
20	of the notice, including an assessment of the
21	risk of harm to affected individuals;
22	"(C) a description of any circumstances
23	necessitating a delay in providing notice to indi-
24	viduals affected by the covered breach in ac-
25	cordance with subsection (d); and

1	"(D) an estimate of when the agency will
2	provide notice to individuals affected by the cov-
3	ered breach, if applicable.
4	"(4) EXCEPTION.—Any agency that is required
5	to provide notice to Congress pursuant to paragraph
6	(2) due to a covered breach exclusively on a national
7	security system shall only provide such notice to—
8	"(A) the majority and minority leaders of
9	the Senate;
10	"(B) the Speaker and minority leader of
11	the House of Representatives;
12	"(C) the appropriations committees of
13	Congress;
14	"(D) the Committee on Homeland Security
15	and Governmental Affairs of the Senate;
16	"(E) the Select Committee on Intelligence
17	of the Senate;
18	"(F) the Committee on Oversight and Ac-
19	countability of the House of Representatives;
20	and
21	"(G) the Permanent Select Committee on
22	Intelligence of the House of Representatives.
23	"(5) RULE OF CONSTRUCTION.—Nothing in
24	paragraphs (1) through (3) shall be construed to
25	alter any authority of an agency.

1	"(h) RULE OF CONSTRUCTION.—Nothing in this sec-
2	tion shall be construed to—
3	"(1) limit—
4	"(A) the authority of the Director to issue
5	guidance relating to notifications of, or the
6	head of an agency to notify individuals poten-
7	tially affected by, breaches that are not deter-
8	mined to be covered breaches or major inci-
9	dents;
10	"(B) the authority of the Director to issue
11	guidance relating to notifications and reporting
12	of breaches, covered breaches, or major inci-
13	dents;
14	"(C) the authority of the head of an agen-
15	cy to provide more information than required
16	under subsection (b) when notifying individuals
17	potentially affected by a breach;
18	"(D) the timing of incident reporting or
19	the types of information included in incident re-
20	ports provided, pursuant to this subchapter,
21	to—
22	"(i) the Director;
23	"(ii) the National Cyber Director;
24	"(iii) the Director of the Cybersecu-
25	rity and Infrastructure Security Agency; or

1	"(iv) any other agency;
2	"(E) the authority of the head of an agen-
3	cy to provide information to Congress about
4	agency breaches, including—
5	"(i) breaches that are not covered
6	breaches; and
7	"(ii) additional information beyond
8	the information described in subsection
9	(g)(3); or
10	"(F) any congressional reporting require-
11	ments of agencies under any other law; or
12	"(2) limit or supersede any existing privacy
13	protections in existing law.
13 14	protections in existing law. "§ 3593. Congressional and executive branch reports
14	"§3593. Congressional and executive branch reports
14 15	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In
14 15 16	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In
14 15 16 17	 "§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In this section, the term 'appropriate congressional entities'
14 15 16 17 18	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In this section, the term 'appropriate congressional entities' means—
14 15 16 17 18 19	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In this section, the term 'appropriate congressional entities' means— "(1) the majority and minority leaders of the
 14 15 16 17 18 19 20 	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In this section, the term 'appropriate congressional entities' means— "(1) the majority and minority leaders of the Senate;
 14 15 16 17 18 19 20 21 	"§ 3593. Congressional and executive branch reports on major incidents "(a) APPROPRIATE CONGRESSIONAL ENTITIES.—In this section, the term 'appropriate congressional entities' means— "(1) the majority and minority leaders of the Senate; "(2) the Speaker and minority leader of the

1	"(4) the Committee on Commerce, Science, and
2	Transportation of the Senate;
3	"(5) the Committee on Oversight and Account-
4	ability of the House of Representatives;
5	"(6) the Committee on Homeland Security of
6	the House of Representatives;
7	"(7) the Committee on Science, Space, and
8	Technology of the House of Representatives; and
9	"(8) the appropriate authorization and appro-
10	priations committees of Congress.
11	"(b) INITIAL NOTIFICATION.—
12	"(1) IN GENERAL.—Not later than 72 hours
13	after an agency has a reasonable basis to conclude
14	that a major incident occurred, the head of the
15	agency impacted by the major incident shall submit
16	to the appropriate reporting entities a written notifi-
17	cation, which may be submitted electronically and
18	include 1 or more annexes that contain classified or
19	other sensitive information, as appropriate.
20	"(2) CONTENTS.—A notification required under
21	paragraph (1) with respect to a major incident shall
22	include the following, based on information available
23	to agency officials as of the date on which the agen-
24	cy submits the notification:

1	"(A) A summary of the information avail-
2	able about the major incident, including how
3	the major incident occurred and the threat
4	causing the major incident.
5	"(B) If applicable, information relating to
6	any breach associated with the major incident,
7	regardless of whether—
8	"(i) the breach was the reason the in-
9	cident was determined to be a major inci-
10	dent; and
11	"(ii) head of the agency determined it
12	was appropriate to provide notification to
13	potentially impacted individuals pursuant
14	to section $3592(b)(1)$.
15	"(C) A preliminary assessment of the im-
16	pacts to—
17	"(i) the agency;
18	"(ii) the Federal Government;
19	"(iii) the national security, foreign re-
20	lations, homeland security, and economic
21	security of the United States; and
22	"(iv) the civil liberties, public con-
23	fidence, privacy, and public health and
24	safety of the people of the United States.

1 "(D) If applicable, whether any ransom 2 has been demanded or paid, or is expected to be 3 paid, by any entity operating a Federal infor-4 mation system or with access to Federal infor-5 mation or a Federal information system, includ-6 ing, as available, the name of the entity de-7 manding ransom, the date of the demand, and 8 the amount and type of currency demanded, un-9 less disclosure of such information will disrupt 10 an active Federal law enforcement or national 11 security operation.

12 "(c) SUPPLEMENTAL UPDATE.—Within a reasonable 13 amount of time, but not later than 30 days after the date 14 on which the head of an agency submits a written notifica-15 tion under subsection (b), the head of the agency shall provide to the appropriate congressional entities an un-16 17 classified and written update, which may include 1 or 18 more annexes that contain classified or other sensitive in-19 formation, as appropriate, on the major incident, based 20 on information available to agency officials as of the date 21 on which the agency provides the update, on—

"(1) system vulnerabilities relating to the major
incident, where applicable, means by which the
major incident occurred, the threat causing the

1	major incident, where applicable, and impacts of the
2	major incident to—
3	"(A) the agency;
4	"(B) other Federal agencies, Congress, or
5	the judicial branch;
6	"(C) the national security, foreign rela-
7	tions, homeland security, or economic security
8	of the United States; or
9	"(D) the civil liberties, public confidence,
10	privacy, or public health and safety of the peo-
11	ple of the United States;
12	((2) the status of compliance of the affected
13	Federal information system with applicable security
14	requirements at the time of the major incident;
15	"(3) if the major incident involved a breach, a
16	description of the affected information, an estimate
17	of the number of individuals potentially impacted,
18	and any assessment to the risk of harm to such indi-
19	viduals;
20	((4) an update to the assessment of the risk to
21	agency operations, or to impacts on other agency or
22	non-Federal entity operations, affected by the major
23	incident;
24	"(5) the detection, response, and remediation
25	actions of the agency, including any support pro-

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vided by the Cybersecurity and Infrastructure Secu rity Agency under section 3594(d), if applicable;
 "(6) as appropriate and available, actions un dertaken by any non-Federal entities impacted by or

supporting remediation of the major incident; and

6 "(7) as appropriate and available, recommenda-7 tions for mitigating future similar incidents, includ-8 ing recommendations from any non-Federal entity 9 impacted by or supporting the remediation of the 10 major incident.

11 "(d) ADDITIONAL UPDATE.—If the head of an agen-12 cy, the Director, or the National Cyber Director determines that there is any significant change in the under-13 standing of the scope, scale, or consequence of a major 14 15 incident for which the head of the agency submitted a written notification and update under subsections (b) and 16 17 (c), the head of the agency shall submit to the appropriate 18 congressional entities a written update that includes infor-19 mation relating to the change in understanding.

"(e) BIENNIAL REPORT.—Each agency shall submit
as part of the biennial report required under section
3554(c)(1) a description of each major incident that occurred during the 2-year period preceding the date on
which the biennial report is submitted.

25 "(f) Report Delivery.—

1	"(1) IN GENERAL.—Any written notification or
2	update required to be submitted under this section—
3	"(A) shall be submitted in an electronic
4	format; and
5	"(B) may be submitted in a paper format.
6	"(2) CLASSIFICATION STATUS.—Any written
7	notification or update required to be submitted
8	under this section—
9	"(A) shall be—
10	"(i) unclassified; and
11	"(ii) submitted through unclassified
12	electronic means pursuant to paragraph
13	(1)(A); and
14	"(B) may include classified annexes, as ap-
15	propriate.
16	"(g) Report Consistency.—To achieve consistent
17	and coherent agency reporting to Congress, the National
18	Cyber Director, in coordination with the Director, shall—
19	((1)) provide recommendations to agencies on
20	formatting and the contents of information to be in-
21	cluded in the reports required under this section, in-
22	cluding recommendations for consistent formats for
23	presenting any associated metrics; and

1	((2) maintain a comprehensive record of each
2	major incident notification, update, and briefing pro-
3	vided under this section, which shall—
4	"(A) include, at a minimum—
5	"(i) the full contents of the written
6	notification or update;
7	"(ii) the identity of the reporting
8	agency; and
9	"(iii) the date of submission; and
10	"(iv) a list of the recipient congres-
11	sional entities; and
12	"(B) be made available upon request to the
13	majority and minority leaders of the Senate, the
14	Speaker and minority leader of the House of
15	Representatives, the Committee on Homeland
16	Security and Governmental Affairs of the Sen-
17	ate, and the Committee on Oversight and Ac-
18	countability of the House of Representatives.
19	"(h) NATIONAL SECURITY SYSTEMS CONGRESSIONAL
20	REPORTING EXEMPTION.—With respect to a major inci-
21	dent that occurs exclusively on a national security system,
22	the head of the affected agency shall submit the notifica-
23	tions and reports required to be submitted to Congress
24	under this section only to—

1	"(1) the majority and minority leaders of the
2	Senate;
3	((2) the Speaker and minority leader of the
4	House of Representatives;
5	"(3) the appropriations committees of Con-
6	gress;
7	"(4) the appropriate authorization committees
8	of Congress;
9	"(5) the Committee on Homeland Security and
10	Governmental Affairs of the Senate;
11	"(6) the Select Committee on Intelligence of the
12	Senate;
13	"(7) the Committee on Oversight and Account-
14	ability of the House of Representatives; and
15	"(8) the Permanent Select Committee on Intel-
16	ligence of the House of Representatives.
17	"(i) Major Incidents Including Breaches.—If
18	a major incident constitutes a covered breach, as defined
19	in section 3592(a), information on the covered breach re-
20	quired to be submitted to Congress pursuant to section
21	3592(g) may—
22	"(1) be included in the notifications required
23	under subsection (b) or (c); or
24	((2) be reported to Congress under the process
25	established under section 3592(g).

"(j) RULE OF CONSTRUCTION.—Nothing in this sec-
tion shall be construed to—
"(1) limit—
"(A) the ability of an agency to provide ad-
ditional reports or briefings to Congress;
"(B) Congress from requesting additional
information from agencies through reports,
briefings, or other means; and
"(C) any congressional reporting require-
ments of agencies under any other law; or
((2) limit or supersede any privacy protections
under any other law.
"§3594. Government information sharing and inci-
dent response
"(a) IN GENERAL.—
(a) in demenant.
(a) IN GENERAL.— "(1) INCIDENT SHARING.—Subject to para-
"(1) Incident sharing.—Subject to para-
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance with the applicable requirements pursuant to section
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance with the applicable requirements pursuant to section 3553(b)(2)(A) for reporting to the Federal informa-
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance with the applicable requirements pursuant to section 3553(b)(2)(A) for reporting to the Federal informa- tion security incident center established under sec-
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance with the applicable requirements pursuant to section 3553(b)(2)(A) for reporting to the Federal informa- tion security incident center established under sec- tion 3556, the head of each agency shall provide to
"(1) INCIDENT SHARING.—Subject to para- graph (4) and subsection (b), and in accordance with the applicable requirements pursuant to section 3553(b)(2)(A) for reporting to the Federal informa- tion security incident center established under sec- tion 3556, the head of each agency shall provide to the Cybersecurity and Infrastructure Security Agen-

1	"(2) CONTENTS.—A provision of information
2	relating to an incident made by the head of an agen-
3	cy under paragraph (1) shall include, at a min-
4	imum—
5	"(A) a full description of the incident, in-
6	cluding—
7	"(i) all indicators of compromise and
8	tactics, techniques, and procedures;
9	"(ii) an indicator of how the intruder
10	gained initial access, accessed agency data
11	or systems, and undertook additional ac-
12	tions on the network of the agency;
13	"(iii) information that would support
14	enabling defensive measures; and
15	"(iv) other information that may as-
16	sist in identifying other victims;
17	"(B) information to help prevent similar
18	incidents, such as information about relevant
19	safeguards in place when the incident occurred
20	and the effectiveness of those safeguards; and
21	"(C) information to aid in incident re-
22	sponse, such as—
23	"(i) a description of the affected sys-
24	tems or networks;

1	"(ii) the estimated dates of when the
2	incident occurred; and
3	"(iii) information that could reason-
4	ably help identify any malicious actor that
5	may have conducted or caused the inci-
6	dent, subject to appropriate privacy protec-
7	tions.
8	"(3) INFORMATION SHARING.—The Director of
9	the Cybersecurity and Infrastructure Security Agen-
10	cy shall—
11	"(A) make incident information provided
12	under paragraph (1) available to the Director
13	and the National Cyber Director;
14	"(B) to the greatest extent practicable,
15	share information relating to an incident with—
16	"(i) the head of any agency that may
17	be—
18	"(I) impacted by the incident;
19	"(II) particularly susceptible to
20	the incident; or
21	"(III) similarly targeted by the
22	incident; and
23	"(ii) appropriate Federal law enforce-
24	ment agencies to facilitate any necessary
25	threat response activities, as requested;

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1	"(C) coordinate any necessary information
2	sharing efforts relating to a major incident with
3	the private sector; and
4	"(D) notify the National Cyber Director of
5	any efforts described in subparagraph (C).
6	"(4) NATIONAL SECURITY SYSTEMS EXEMP-
7	TION.—
8	"(A) IN GENERAL.—Notwithstanding
9	paragraphs (1) and (3), each agency operating
10	or exercising control of a national security sys-
11	tem shall share information about an incident
12	that occurs exclusively on a national security
13	system with the Secretary of Defense, the Di-
14	rector, the National Cyber Director, and the
15	Director of the Cybersecurity and Infrastruc-
16	ture Security Agency to the extent consistent
17	with standards and guidelines for national secu-
18	rity systems issued in accordance with law and
19	as directed by the President.
20	"(B) PROTECTIONS.—Any information
21	sharing and handling of information under this
22	paragraph shall be appropriately protected con-
23	sistent with procedures authorized for the pro-
24	tection of sensitive sources and methods or by
25	procedures established for information that

have been specifically authorized under criteria
 established by an Executive order or an Act of
 Congress to be kept classified in the interest of
 national defense or foreign policy.

5 "(b) AUTOMATION.—In providing information and 6 selecting a method to provide information under sub-7 section (a), the head of each agency shall implement sub-8 section (a)(1) in a manner that provides such information 9 to the Cybersecurity and Infrastructure Security Agency 10 in an automated and machine-readable format, to the 11 greatest extent practicable.

12 "(c) INCIDENT RESPONSE.—Each agency that has a 13 reasonable basis to suspect or conclude that a major inci-14 dent occurred involving Federal information in electronic 15 medium or form that does not exclusively involve a na-16 tional security system shall coordinate with—

"(1) the Cybersecurity and Infrastructure Security Agency to facilitate asset response activities and
provide recommendations for mitigating future incidents; and

21 "(2) consistent with relevant policies, appro22 priate Federal law enforcement agencies to facilitate
23 threat response activities.

24 "§ 3595. Responsibilities of contractors and awardees
25 "(a) NOTIFICATION.—

1	"(1) IN GENERAL.—Any contractor or awardee
2	of an agency shall provide written notification to the
3	agency if the contractor or awardee has a reasonable
4	basis to conclude that—
5	"(A) an incident or breach has occurred
6	with respect to Federal information the con-
7	tractor or awardee collected, used, or main-
8	tained on behalf of an agency;
9	"(B) an incident or breach has occurred
10	with respect to a Federal information system
11	used, operated, managed, or maintained on be-
12	half of an agency by the contractor or awardee;
13	"(C) a component of any Federal informa-
14	tion system operated, managed, or maintained
15	by a contractor or awardee contains a security
16	vulnerability, including a supply chain com-
17	promise or an identified software or hardware
18	vulnerability, for which there is reliable evidence
19	of a successful exploitation of the vulnerability
20	by an actor without authorization of the Fed-
21	eral information system owner; or
22	"(D) the contractor or awardee has re-
23	ceived from the agency personally identifiable
24	information or personal health information that

is beyond the scope of the contract or agree-

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ment with the agency that the contractor or awardee is not authorized to receive.

3 (2)THIRD-PARTY NOTIFICATION \mathbf{OF} 4 VULNERABILITIES.—Subject to the guidance issued 5 by the Director pursuant to paragraph (4), any con-6 tractor or awardee of an agency shall provide written 7 notification to the agency and the Cybersecurity and 8 Infrastructure Security Agency if the contractor or 9 awardee has a reasonable basis to conclude that a 10 component of any Federal information system oper-11 ated, managed, or maintained on behalf of an agen-12 cy by the contractor or awardee on behalf of the 13 agency contains a security vulnerability, including a 14 supply chain compromise or an identified software or 15 hardware vulnerability, that has been reported to the 16 contractor or awardee by a third party, including 17 through a vulnerability disclosure program.

18 "(3) PROCEDURES.—

"(A) SHARING WITH CISA.—As soon as
practicable following a notification of an incident or vulnerability to an agency by a contractor or awardee under paragraph (1), the
head of the agency shall provide, pursuant to
section 3594, information about the incident or

1	vulnerability to the Director of the Cybersecu-
2	rity and Infrastructure Security Agency.
3	"(B) TIMING OF NOTIFICATIONS.—Unless
4	a different time for notification is specified in
5	a contract, grant, cooperative agreement, or
6	other transaction agreement, a contractor or
7	awardee shall—
8	"(i) make a notification required
9	under paragraph (1) not later than 1 day
10	after the date on which the contractor or
11	awardee has reasonable basis to suspect or
12	conclude that the criteria under paragraph
13	(1) have been met; and
14	"(ii) make a notification required
15	under paragraph (2) within a reasonable
16	time, but not later than 90 days after the
17	date on which the contractor or awardee
18	has reasonable basis to suspect or conclude
19	that the criteria under paragraph (2) have
20	been met.
21	"(C) Procedures.—Following a notifica-
22	tion of a breach or incident to an agency by a
23	contractor or awardee under paragraph (1), the
24	head of the agency, in consultation with the
25	contractor or awardee, shall carry out the appli-

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cable requirements under sections 3592, 3593, and 3594 with respect to the breach or incident.

4 "(D) RULE OF CONSTRUCTION.—Nothing
5 in subparagraph (B) shall be construed to allow
6 the negation of the requirements to notify
7 vulnerabilities under paragraph (1) or (2)
8 through a contract, grant, cooperative agree9 ment, or other transaction agreement.

"(4) GUIDANCE.—The Director shall issue 10 11 guidance as soon as practicable to agencies relating 12 to the scope of vulnerabilities to be included in re-13 quired notifications under paragraph (2), such as 14 the minimum severity or minimum risk level of a 15 vulnerability included in required notifications, 16 whether vulnerabilities that are already publicly dis-17 closed must be reported, or likely cybersecurity im-18 pact to Federal information systems.

19 "(b) Regulations; Modifications.—

20 "(1) IN GENERAL.—Not later than 2 years
21 after the date of enactment of the Federal Informa22 tion Security Modernization Act of 2024—

23 "(A) the Federal Acquisition Regulatory
24 Council shall promulgate regulations, as appro25 priate, relating to the responsibilities of con-

1	tractors and recipients of other transaction
2	agreements and cooperative agreements to com-
3	ply with this section; and
4	"(B) the Office of Federal Financial Man-
5	agement shall promulgate regulations under
6	title 2, Code of Federal Regulations, as appro-
7	priate, relating to the responsibilities of grant-
8	ees to comply with this section.
9	"(2) IMPLEMENTATION.—Not later than 1 year
10	after the date on which the Federal Acquisition Reg-
11	ulatory Council and the Office of Federal Financial
12	Management promulgates regulations under para-
13	graph (1), the head of each agency shall implement
14	policies and procedures, as appropriate, necessary to
15	implement those regulations.
16	"(3) Congressional notification.—
17	"(A) IN GENERAL.—The head of each
18	agency head shall notify the Director upon im-
19	plementation of policies and procedures nec-
20	essary to implement the regulations promul-
21	gated under paragraph (1).
22	"(B) OMB NOTIFICATION.— Not later
23	than 30 days after the date described in para-
24	graph (2), the Director shall notify the Com-
25	mittee on Homeland Security and Govern-

1	mental Affairs of the Senate and the Commit-
2	tees on Oversight and Accountability and
3	Homeland Security of the House of Representa-
4	tives on the status of the implementation by
5	each agency of the regulations promulgated
6	under paragraph (1).
7	"(c) Allowable Use.—Information provided to an
8	agency pursuant to this section may be disclosed to, re-
9	tained by, and used by any agency, component, officer,
10	employee, or agent of the Federal Government solely for
11	any of the following:
12	"(1) A cybersecurity purpose (as defined in sec-
13	tion 2200 of the Homeland Security Act of 2002 (6
14	U.S.C. 650)).
15	"(2) Identifying—
16	"(A) a cyber threat (as defined in such
17	section 2200), including the source of the cyber
18	threat; or
19	"(B) a security vulnerability (as defined in
20	such section 2200).
21	"(3) Preventing, investigating, disrupting, or
22	prosecuting an offense arising out of an incident no-
23	tified to an agency pursuant to this section or any
24	of the offenses listed in section $105(d)(5)(A)(v)$ of

the Cybersecurity Information Sharing Act of 2015
 (6 U.S.C. 1504(d)(5)(A)(v)).

3 "(d) HARMONIZATION OF OTHER PRIVATE-SECTOR 4 CYBERSECURITY REPORTING OBLIGATIONS.—Any non-5 Federal entity required to report an incident under section 2242 of the Homeland Security Act of 2002 (6 U.S.C. 6 681b) may submit as part of the written notification re-7 8 quirements in this section all information required by such 9 section 2242 to the agency of which the entity is a con-10 tractor or recipient of Federal financial assistance, or with which the entity holds an other transaction agreement or 11 12 cooperative agreement, within the deadline specified in subsection (a)(3)(B)(1). If such submission is completed, 13 the non-Federal entity shall not be required to subse-14 15 quently report the same incident under the requirements of such section 2242. Any incident information shared 16 under this subsection shall be shared with the Director 17 18 of the Cybersecurity and Infrastructure Security Agency pursuant to subsection (a)(3)(A). 19

"(e) NATIONAL SECURITY SYSTEMS EXEMPTION.—
Notwithstanding any other provision of this section, a contractor or awardee of an agency that would be required
to report an incident or vulnerability pursuant to this section that occurs exclusively on a national security system
shall—

"(1) report the incident or vulnerability to the
 head of the agency and the Secretary of Defense;
 and

4 "(2) comply with applicable laws and policies
5 relating to national security systems.

6 "§3596. Training

7 "(a) COVERED INDIVIDUAL DEFINED.—In this sec8 tion, the term 'covered individual' means an individual
9 who obtains access to a Federal information system be10 cause of the status of the individual as—

11 "(1) an employee, contractor, awardee, volun12 teer, or intern of an agency; or

13 "(2) an employee of a contractor or awardee of14 an agency.

15 "(b) BEST PRACTICES AND CONSISTENCY.—The Di-16 rector of the Cybersecurity and Infrastructure Security 17 Agency, in consultation with the Director, the National 18 Cyber Director, and the Director of the National Institute 19 of Standards and Technology, shall consolidate best prac-20 tices to support consistency across agencies in cybersecu-21 rity incident response training, including—

"(1) information to be collected and shared
with the Cybersecurity and Infrastructure Security
Agency pursuant to section 3594(a) and processes
for sharing such information; and

1	((2) appropriate training and qualifications for
2	cyber incident responders.
3	"(c) AGENCY TRAINING.—The head of each agency
4	shall develop training for covered individuals on how to
5	identify and respond to an incident, including—
6	((1) the internal process of the agency for re-
7	porting an incident; and
8	"(2) the obligation of a covered individual to re-
9	port to the agency any suspected or confirmed inci-
10	dent involving Federal information in any medium
11	or form, including paper, oral, and electronic.
12	"(d) Inclusion in Annual Training.—The train-
13	ing developed under subsection (c) may be included as
14	part of an annual privacy, security awareness, or other
15	appropriate training of an agency.
16	"§3597. Analysis and report on Federal incidents
17	"(a) Analysis of Federal Incidents.—
18	"(1) QUANTITATIVE AND QUALITATIVE ANAL-
19	YSES.—The Director of the Cybersecurity and Infra-
20	structure Security Agency shall perform and, in co-
21	ordination with the Director and the National Cyber
22	Director, develop, continuous monitoring and quan-
23	titative and qualitative analyses of incidents at agen-
24	cies, including major incidents, including—
25	"(A) the causes of incidents, including—

1	"(i) attacker tactics, techniques, and
2	procedures; and
3	"(ii) system vulnerabilities, including
4	zero days, unpatched systems, and infor-
5	mation system misconfigurations;
6	"(B) the scope and scale of incidents at
7	agencies;
8	"(C) common root causes of incidents
9	across multiple agencies;
10	"(D) agency incident response, recovery,
11	and remediation actions and the effectiveness of
12	those actions, as applicable;
13	"(E) lessons learned and recommendations
14	in responding to, recovering from, remediating,
15	and mitigating future incidents; and
16	"(F) trends across multiple agencies to ad-
17	dress intrusion detection and incident response
18	capabilities using the metrics established under
19	section 224(c) of the Cybersecurity Act of 2015
20	(6 U.S.C. 1522(c)).
21	"(2) AUTOMATED ANALYSIS.—The analyses de-
22	veloped under paragraph (1) shall, to the greatest
23	extent practicable, use machine-readable data, auto-
24	mation, and machine learning processes.
25	"(3) Sharing of data and analysis.—

"(A) IN GENERAL.—The Director of the
Cybersecurity and Infrastructure Security
Agency shall share on an ongoing basis the
analyses and underlying data required under
this subsection with agencies, the Director, and
the National Cyber Director to—
"(i) improve the understanding of cy-
bersecurity risk of agencies; and
"(ii) support the cybersecurity im-
provement efforts of agencies.
"(B) FORMAT.—In carrying out subpara-
graph (A), the Director of the Cybersecurity
and Infrastructure Security Agency shall share
the analyses—
"(i) in human-readable written prod-
ucts; and
"(ii) to the greatest extent practicable,
in machine-readable formats in order to
enable automated intake and use by agen-
cies.
"(C) EXEMPTION.—This subsection shall
not apply to incidents that occur exclusively on
national security systems.
"(b) Annual Report on Federal Incidents.—
Not later than 2 years after the date of enactment of this

section, and not less frequently than annually thereafter,
 the Director of the Cybersecurity and Infrastructure Secu rity Agency, in consultation with the Director, the Na tional Cyber Director and the heads of other agencies, as
 appropriate, shall submit to the appropriate reporting en tities a report that includes—

7 "(1) a summary of causes of incidents from
8 across the Federal Government that categorizes
9 those incidents as incidents or major incidents;

"(2) the quantitative and qualitative analyses of
incidents developed under subsection (a)(1) on an
agency-by-agency basis and comprehensively across
the Federal Government, including—

"(A) a specific analysis of breaches; and
"(B) an analysis of the Federal Government's performance against the metrics established under section 224(c) of the Cybersecurity
Act of 2015 (6 U.S.C. 1522(c)); and

19 "(3) an annex for each agency that includes—
20 "(A) a description of each major incident;
21 "(B) the total number of incidents of the
22 agency; and

23 "(C) an analysis of the agency's perform24 ance against the metrics established under sec-

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1	tion $224(c)$ of the Cybersecurity Act of 2015 (6
2	U.S.C. 1522(c)).
3	"(c) Publication.—
4	"(1) IN GENERAL.—The Director of the Cyber-
5	security and Infrastructure Security Agency shall
6	make a version of each report submitted under sub-
7	section (b) publicly available on the website of the
8	Cybersecurity and Infrastructure Security Agency
9	during the year during which the report is sub-
10	mitted.
11	"(2) EXEMPTION.—The publication require-
12	ment under paragraph (1) shall not apply to a por-
13	tion of a report that contains content that should be
14	protected in the interest of national security, as de-
15	termined by the Director, the Director of the Cyber-
16	security and Infrastructure Security Agency, or the
17	National Cyber Director.
18	"(3) Limitation on exemption.—The exemp-
19	tion under paragraph (2) shall not apply to any
20	version of a report submitted to the appropriate re-

21 porting entities under subsection (b).

22 "(4) REQUIREMENT FOR COMPILING INFORMA23 TION.—

24 "(A) COMPILATION.—Subject to subpara-25 graph (B), in making a report publicly available

1	under paragraph (1), the Director of the Cyber-
2	security and Infrastructure Security Agency
3	shall sufficiently compile information so that no
4	specific incident of an agency can be identified.
5	"(B) EXCEPTION.—The Director of the
6	Cybersecurity and Infrastructure Security
7	Agency may include information that enables a
8	specific incident of an agency to be identified in
9	a publicly available report—
10	"(i) with the concurrence of the Di-
11	rector and the National Cyber Director;
12	"(ii) in consultation with the impacted
13	agency, which may, as appropriate, consult
14	with any non-Federal entity impacted by
15	or supporting the remediation of such inci-
16	dent; and
17	"(iii) in consultation with the inspec-
18	tor general of the impacted agency.
19	"(d) Information Provided by Agencies.—
20	"(1) IN GENERAL.—The analysis required
21	under subsection (a) and each report submitted
22	under subsection (b) shall use information provided
23	by agencies under section 3594(a).
24	"(2) Noncompliance reports.—During any
25	

25 year during which the head of an agency does not

1	provide data for an incident to the Cybersecurity
2	and Infrastructure Security Agency in accordance
3	with section 3594(a), the head of the agency, in co-
4	ordination with the Director of the Cybersecurity
5	and Infrastructure Security Agency and the Direc-
6	tor, shall submit to the appropriate reporting enti-
7	ties a report that includes the information described
8	in subsection (b) with respect to the agency.
9	"(e) NATIONAL SECURITY SYSTEM REPORTS.—
10	"(1) IN GENERAL.—Notwithstanding any other
11	provision of this section, the Secretary of Defense, in
12	consultation with the Director, the National Cyber
13	Director, the Director of National Intelligence, and
14	the Director of the Cybersecurity and Infrastructure
15	Security Agency shall annually submit a report that
16	includes the information described in subsection (b)
17	with respect to national security systems, to the ex-
18	tent that the submission is consistent with standards
19	and guidelines for national security systems issued
20	in accordance with law and as directed by the Presi-
21	dent, to—
22	"(A) the majority and minority leaders of
23	the Senate;
24	"(B) the Speaker and minority leader of
25	the House of Representatives;

1	"(C) the Committee on Homeland Security
2	and Governmental Affairs of the Senate;
3	"(D) the Select Committee on Intelligence
4	of the Senate;
5	"(E) the Committee on Armed Services of
6	the Senate;
7	"(F) the Committee on Appropriations of
8	the Senate;
9	"(G) the Committee on Oversight and Ac-
10	countability of the House of Representatives;
11	"(H) the Committee on Homeland Security
12	of the House of Representatives;
13	"(I) the Permanent Select Committee on
14	Intelligence of the House of Representatives;
15	"(J) the Committee on Armed Services of
16	the House of Representatives; and
17	"(K) the Committee on Appropriations of
18	the House of Representatives.
19	"(2) CLASSIFIED FORM.—A report required
20	under paragraph (1) may be submitted in a classi-
21	fied form.
22	"§ 3598. Major incident definition
23	"(a) IN GENERAL.—Not later than 1 year after the
24	later of the date of enactment of the Federal Information
25	Security Modernization Act of 2024 and the most recent

publication by the Director of guidance to agencies regard ing major incidents as of the date of enactment of the
 Federal Information Security Modernization Act of 2024,
 the Director shall develop, in coordination with the Na tional Cyber Director, and promulgate guidance on the
 definition of the term 'major incident' for the purposes
 of subchapter II and this subchapter.

8 "(b) REQUIREMENTS.—With respect to the guidance
9 issued under subsection (a), the definition of the term
10 'major incident' shall—

"(1) include, with respect to any information
collected or maintained by or on behalf of an agency
or a Federal information system—

14 "(A) any incident the head of the agency
15 determines is likely to result in demonstrable
16 harm to—

- 17 "(i) the national security interests,
 18 foreign relations, homeland security, or
 19 economic security of the United States; or
 20 "(ii) the civil liberties, public con21 fidence, privacy, or public health and safe22 ty of the people of the United States;
 23 "(B) any incident the head of the agency
- 24 determines likely to result in an inability or
 25 substantial disruption for the agency, a compo-

1	nent of the agency, or the Federal Government,
2	to provide 1 or more critical services;
3	"(C) any incident the head of the agency
4	determines substantially disrupts or substan-
5	tially degrades the operations of a high value
6	asset owned or operated by the agency;
7	"(D) any incident involving the exposure to
8	a foreign entity of sensitive agency information,
9	such as the communications of the head of the
10	agency, the head of a component of the agency,
11	or the direct reports of the head of the agency
12	or the head of a component of the agency; and
13	"(E) any other type of incident determined
14	appropriate by the Director;
15	"(2) stipulate that the National Cyber Director,
16	in consultation with the Director and the Director of
17	the Cybersecurity and Infrastructure Security Agen-
18	cy, may declare a major incident at any agency, and
19	such a declaration shall be considered if it is deter-
20	mined that an incident—
21	"(A) occurs at not less than 2 agencies;
22	and
23	"(B) is enabled by—
24	"(i) a common technical root cause,
25	such as a supply chain compromise, or a

1	common software or hardware vulner-
2	ability; or
3	"(ii) the related activities of a com-
4	mon threat actor;
5	"(3) stipulate that, in determining whether an
6	incident constitutes a major incident under the
7	standards described in paragraph (1), the head of
8	the agency shall consult with the National Cyber Di-
9	rector; and
10	"(4) stipulate that the mere report of a vulner-
11	ability discovered or disclosed without a loss of con-
12	fidentiality, integrity, or availability shall not on its
13	own constitute a major incident.
14	"(c) EVALUATION AND UPDATES.—Not later than 60
15	days after the date on which the Director first promul-
16	gates the guidance required under subsection (a), and not
17	less frequently than once during the first 90 days of each
18	evenly numbered Congress thereafter, the Director shall
19	provide to the Committee on Homeland Security and Gov-
20	ernmental Affairs of the Senate and the Committees on
21	Oversight and Accountability and Homeland Security of
22	the House of Representatives a briefing that includes—
23	((1) an evaluation of any necessary updates to
24	the guidance;

1	((2) an evaluation of any necessary updates to
2	the definition of the term 'major incident' included
3	in the guidance; and
4	"(3) an explanation of, and the analysis that
5	led to, the definition described in paragraph (2).".
6	(B) CLERICAL AMENDMENT.—The table of
7	sections for chapter 35 of title 44, United
8	States Code, is amended by adding at the end
9	the following:
	"SUBCHAPTER IV—FEDERAL SYSTEM INCIDENT RESPONSE
	 "3591. Definitions. "3592. Notification of breach. "3593. Congressional and executive branch reports on major incidents. "3594. Government information sharing and incident response. "3595. Responsibilities of contractors and awardees. "3596. Training. "3597. Analysis and report on Federal incidents. "3598. Major incident definition.".
10	(b) Amendments to Subtitle III of Title 40.—
11	(1) MODERNIZING GOVERNMENT TECH-
12	NOLOGY.—Subtitle G of title X of division A of the
13	National Defense Authorization Act for Fiscal Year
14	2018 (40 U.S.C. 11301 note) is amended in section
15	1078—
16	(A) by striking subsection (a) and insert-
17	ing the following:
18	"(a) DEFINITIONS.—In this section:
19	"(1) AGENCY.—The term 'agency' has the
20	meaning given the term in section 551 of title 5,
21	United States Code.

1	"(2) HIGH VALUE ASSET.—The term 'high
2	value asset' has the meaning given the term in sec-
3	tion 3552 of title 44, United States Code.";
4	(B) in subsection (b), by adding at the end
5	the following:
6	"(8) Proposal evaluation.—The Director
7	shall—
8	"(A) give consideration for the use of
9	amounts in the Fund to improve the security of
10	high value assets; and
11	"(B) require that any proposal for the use
12	of amounts in the Fund includes, as appro-
13	priate, and which may be incorporated into oth-
14	erwise required project proposal documenta-
15	tion—
16	"(i) cybersecurity risk management
17	considerations; and
18	"(ii) a supply chain risk assessment in
19	accordance with section 1326 of title 41.";
20	and
21	(C) in subsection (c)—
22	(i) in paragraph (2)(A)(i), by insert-
23	ing ", including a consideration of the im-
24	pact on high value assets' after "oper-
25	ational risks";

1	(ii) in paragraph (5)—
2	(I) in subparagraph (A), by strik-
3	ing "and" at the end;
4	(II) in subparagraph (B), by
5	striking the period at the end and in-
6	serting "; and"; and
7	(III) by adding at the end the
8	following:
9	"(C) a senior official from the Cybersecu-
10	rity and Infrastructure Security Agency of the
11	Department of Homeland Security, appointed
12	by the Director."; and
13	(iii) in paragraph (6)(A), by striking
14	"shall be—" and all that follows through
15	"4 employees" and inserting "shall be 4
16	employees".
17	(2) SUBCHAPTER I.—Subchapter I of chapter
18	113 of subtitle III of title 40, United States Code,
19	is amended—
20	(A) in section 11302—
21	(i) in subsection (b), by striking "use,
22	security, and disposal of" and inserting
23	"use, and disposal of, and, in consultation
24	with the Director of the Cybersecurity and
25	Infrastructure Security Agency and the

1	National Cyber Director, promote and im-
2	prove the security of,"; and
3	(ii) in subsection (h), by inserting ",
4	including cybersecurity performances,"
5	after "the performances"; and
6	(B) in section 11303(b)(2)(B)—
7	(i) in clause (i), by striking "or" at
8	the end;
9	(ii) in clause (ii), by adding "or" at
10	the end; and
11	(iii) by adding at the end the fol-
12	lowing:
13	"(iii) whether the function should be
14	performed by a shared service offered by
15	another executive agency;".
16	(3) SUBCHAPTER II.—Subchapter II of chapter
17	113 of subtitle III of title 40, United States Code,
18	is amended—
19	(A) in section 11312(a), by inserting ", in-
20	cluding security risks" after "managing the
21	risks'';
22	(B) in section 11313(1), by striking "effi-
23	ciency and effectiveness' and inserting "effi-
24	ciency, security, and effectiveness";

1	(C) in section 11317, by inserting "secu-
2	rity," before "or schedule"; and
3	(D) in section $11319(b)(1)$, in the para-
4	graph heading, by striking "CIOS" and inserting
5	"CHIEF INFORMATION OFFICERS".
6	(c) Actions to Enhance Federal Incident
7	TRANSPARENCY.—
8	(1) Responsibilities of the cybersecurity
9	AND INFRASTRUCTURE SECURITY AGENCY.—
10	(A) IN GENERAL.—Not later than 180
11	days after the date of enactment of this section,
12	the Director of the Cybersecurity and Infra-
13	structure Security Agency shall—
14	(i) develop a plan for the development,
15	using systems in place on the date of en-
16	actment of this section, of the analysis re-
17	quired under section 3597(a) of title 44,
18	United States Code, as added by this
19	sectuib, and the report required under sub-
20	section (b) of that section that includes—
21	(I) a description of any chal-
22	lenges the Director of the Cybersecu-
23	rity and Infrastructure Security Agen-
24	cy anticipates encountering; and

1	(II) the use of automation and
2	machine-readable formats for col-
3	lecting, compiling, monitoring, and
4	analyzing data; and
5	(ii) provide to the appropriate con-
6	gressional committees a briefing on the
7	plan developed under clause (i).
8	(B) BRIEFING.—Not later than 1 year
9	after the date of enactment of this section, the
10	Director of the Cybersecurity and Infrastruc-
11	ture Security Agency shall provide to the appro-
12	priate congressional committees a briefing on—
13	(i) the execution of the plan required
14	under subparagraph (A)(i); and
15	(ii) the development of the report re-
16	quired under section 3597(b) of title 44,
17	United States Code, as added by this sec-
18	tion.
19	(2) Responsibilities of the director of
20	THE OFFICE OF MANAGEMENT AND BUDGET.—
21	(A) UPDATING FISMA 2014.—Section 2 of
22	the Federal Information Security Modernization
23	Act of 2014 (Public Law 113-283; 128 Stat.
24	3073) is amended—

1	(i) by striking subsections (b) and (d);
2	and
3	(ii) by redesignating subsections (c),
4	(e), and (f) as subsections (b), (c), and (d),
5	respectively.
6	(B) Incident data sharing.—
7	(i) IN GENERAL.—The Director, in co-
8	ordination with the Director of the Cyber-
9	security and Infrastructure Security Agen-
10	cy, shall develop, and as appropriate up-
11	date, guidance, on the content, timeliness,
12	and format of the information provided by
13	agencies under section 3594(a) of title 44,
14	United States Code, as added by this sec-
15	tion.
16	(ii) REQUIREMENTS.—The guidance
17	developed under clause (i) shall—
18	(I) enable the efficient develop-
19	ment of—
20	(aa) lessons learned and rec-
21	ommendations in responding to,
22	recovering from, remediating,
23	and mitigating future incidents;
24	and

1 (bb) th	e report on Federal
2 incidents ree	quired under section
3 3597(b) of	title 44, United
4 States Code	e, as added by this
5 section; and	
6 (II) include	requirements for the
7 timeliness of data	production.
8 (iii) Automation	N.—The Director, in
9 coordination with the	Director of the Cy-
10 bersecurity and Inf	rastructure Security
11 Agency, shall promote	e, as feasible, the use
12 of automation and m	achine-readable data
13 for data sharing under	er section 3594(a) of
14 title 44, United State	es Code, as added by
15 this section.	
16 (C) CONTRACTOR AN	ND AWARDEE GUID-
17 ANCE.—	
18 (i) IN GENERAL	.—Not later than 1
19 year after the date of	of enactment of this
20 section, the Director	shall issue guidance
21 to agencies on how	to deconflict, to the
22 greatest extent practic	eable, existing regula-
23 tions, policies, and p	rocedures relating to
24 the responsibilities	of contractors and
25 awardees established u	under section 3595 of

1	title 44, United States Code, as added by
2	this section.
3	(ii) EXISTING PROCESSES.—To the
4	greatest extent practicable, the guidance
5	issued under clause (i) shall allow contrac-
6	tors and awardees to use existing processes
7	for notifying agencies of incidents involving
8	information of the Federal Government.
9	(3) UPDATE TO THE PRIVACY ACT OF 1974.—
10	Section 552a(b) of title 5, United States Code (com-
11	monly known as the "Privacy Act of 1974") is
12	amended—
13	(A) in paragraph (11), by striking "or" at
14	the end;
15	(B) in paragraph (12), by striking the pe-
16	riod at the end and inserting "; or"; and
17	(C) by adding at the end the following:
18	"(13) to another agency, to the extent nec-
19	essary, to assist the recipient agency in responding
20	to an incident (as defined in section 3552 of title
21	44) or breach (as defined in section 3591 of title 44)
22	or to fulfill the information sharing requirements
23	under section 3594 of title 44.".
24	(d) Agency Requirements to Notify Private
25	Sector Entities Impacted by Incidents.—

1 (1) GUIDANCE ON NOTIFICATION OF REPORT-2 ING ENTITIES.—Not later than 1 year after the date 3 of enactment of this section, the Director shall de-4 velop, in consultation with the National Cyber Direc-5 tor, and issue guidance requiring the head of each 6 agency to notify a reporting entity in an appropriate 7 and timely manner, and take into consideration the 8 need to coordinate with Sector Risk Management 9 Agencies (as defined in section 2200 of the Home-10 land Security Act of 2002 (6 U.S.C. 650)), as ap-11 propriate, of an incident at the agency that is likely 12 to substantially affect— 13 (A) the confidentiality or integrity of sen-14 sitive information submitted by the reporting 15 entity to the agency pursuant to a statutory or 16 regulatory requirement; or 17 (B) any information system (as defined in 18 section 3502 of title 44, United States Code) 19 used in the transmission or storage of the sen-20 sitive information described in subparagraph 21 (A). 22 (2) DEFINITIONS.—In this subsection: 23 (A) REPORTING ENTITY.—The term "re-24 porting entity" means private organization or

1	regulation to submit sensitive information to an
2	agency.
3	(B) SENSITIVE INFORMATION.—The term
4	"sensitive information" has the meaning given
5	the term by the Director in guidance issued
6	under paragraph (1).
7	(e) Federal Penetration Testing Policy.—
8	(1) IN GENERAL.—Subchapter II of chapter 35
9	of title 44, United States Code, is amended by add-
10	ing at the end the following:
11	"§3559A. Federal penetration testing
12	"(a) GUIDANCE.—The Director, in consultation with
13	the Director of the Cybersecurity and Infrastructure Secu-
14	rity Agency, shall issue guidance to agencies that—
15	"(1) requires agencies to perform penetration
16	(1) requires agencies to perform periodiation
	testing on information systems, as appropriate, in-
17	
	testing on information systems, as appropriate, in-
17	testing on information systems, as appropriate, in- cluding on high value assets;
17 18	testing on information systems, as appropriate, in- cluding on high value assets; "(2) provides policies governing the develop-
17 18 19	testing on information systems, as appropriate, in- cluding on high value assets; "(2) provides policies governing the develop- ment of—
17 18 19 20	testing on information systems, as appropriate, in- cluding on high value assets; "(2) provides policies governing the develop- ment of— "(A) rules of engagement for using pene-
17 18 19 20 21	testing on information systems, as appropriate, in- cluding on high value assets; "(2) provides policies governing the develop- ment of— "(A) rules of engagement for using pene- tration testing; and

1	"(3) ensures that operational support or a
2	shared service is available; and
3	"(4) in no manner restricts the authority of the
4	Secretary of Homeland Security or the Director of
5	the Cybersecurity and Infrastructure Agency to con-
6	duct threat hunting pursuant to section 3553, or
7	penetration testing under this chapter.
8	"(b) Exception for National Security Sys-
9	TEMS.—The guidance issued under subsection (a) shall
10	not apply to national security systems.
11	"(c) Delegation of Authority for Certain Sys-
12	TEMS.—The authorities of the Director described in sub-
13	section (a) shall be delegated to—
13 14	<pre>section (a) shall be delegated to—</pre>
14	"(1) the Secretary of Defense in the case of a
14 15	"(1) the Secretary of Defense in the case of a system described in section $3553(e)(2)$; and
14 15 16	"(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and"(2) the Director of National Intelligence in the
14 15 16 17	 "(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and "(2) the Director of National Intelligence in the case of a system described in section 3553(e)(3).".
14 15 16 17 18	 "(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and "(2) the Director of National Intelligence in the case of a system described in section 3553(e)(3).". (2) EXISTING GUIDANCE.—
14 15 16 17 18 19	 "(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and "(2) the Director of National Intelligence in the case of a system described in section 3553(e)(3).". (2) EXISTING GUIDANCE.— (A) IN GENERAL.—Compliance with guid-
 14 15 16 17 18 19 20 	 "(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and "(2) the Director of National Intelligence in the case of a system described in section 3553(e)(3).". (2) EXISTING GUIDANCE.— (A) IN GENERAL.—Compliance with guidance issued by the Director relating to penetra-
 14 15 16 17 18 19 20 21 	 "(1) the Secretary of Defense in the case of a system described in section 3553(e)(2); and "(2) the Director of National Intelligence in the case of a system described in section 3553(e)(3).". (2) EXISTING GUIDANCE.— (A) IN GENERAL.—Compliance with guidance issued by the Director relating to penetration testing before the date of enactment of this

1	(B) IMMEDIATE NEW GUIDANCE NOT RE-
2	QUIRED.—Nothing in section 3559A of title 44,
3	United States Code, as added by this section,
4	shall be construed to require the Director to
5	issue new guidance to agencies relating to pene-
6	tration testing before the date described in
7	clause (iii).
8	(C) GUIDANCE UPDATES.—Notwith-
9	standing clauses (i) and (ii), not later than 2
10	years after the date of enactment of this sec-
11	tion, the Director shall review and, as appro-
12	priate, update existing guidance requiring pene-
13	tration testing by agencies.
14	(3) CLERICAL AMENDMENT.—The table of sec-
15	tions for chapter 35 of title 44, United States Code,
16	is amended by adding after the item relating to sec-
17	tion 3559 the following:
	"3559A. Federal penetration testing.".
18	(4) PENETRATION TESTING BY THE SECRETARY
19	OF HOMELAND SECURITY.—Section 3553(b) of title
20	44, United States Code, as amended by this section,
21	is further amended by inserting after paragraph (8)
22	the following:
23	"(9) performing penetration testing that may
24	leverage manual expert analysis to identify threats

and vulnerabilities within information systems—

1	"(A) without consent or authorization from
2	agencies; and
3	"(B) with prior consultation with the head
4	of the agency at least 72 hours in advance of
5	such testing;".
6	(f) Vulnerability Disclosure Policies.—
7	(1) IN GENERAL.—Chapter 35 of title 44,
8	United States Code, is amended by inserting after
9	section 3559A, as added by this section, the fol-
10	lowing:
11	"§3559B. Federal vulnerability disclosure policies
12	"(a) Purpose; Sense of Congress.—
13	"(1) PURPOSE.—The purpose of Federal vul-
14	nerability disclosure policies is to create a mecha-
15	nism to enable the public to inform agencies of
16	vulnerabilities in Federal information systems.
17	"(2) SENSE OF CONGRESS.—It is the sense of
18	Congress that, in implementing the requirements of
19	this section, the Federal Government should take
20	appropriate steps to reduce real and perceived bur-
21	dens in communications between agencies and secu-
22	rity researchers.
23	"(b) DEFINITIONS.—In this section:
24	"(1) CONTRACTOR.—The term 'contractor' has
25	the meaning given the term in section 3591.

1 "(2) INTERNET OF THINGS.—The term 'inter-2 net of things' has the meaning given the term in 3 Special Publication 800–213 of the National Insti-4 tute of Standards and Technology, entitled 'IoT De-5 vice Cybersecurity Guidance for the Federal Govern-6 ment: Establishing IoT Device Cybersecurity Re-7 quirements', or any successor document. "(3) SECURITY VULNERABILITY.—The term 8 9 'security vulnerability' has the meaning given the 10 term in section 102 of the Cybersecurity Information 11 Sharing Act of 2015 (6 U.S.C. 1501). 12 "(4) SUBMITTER.—The term 'submitter' means 13 an individual that submits a vulnerability disclosure 14 report pursuant to the vulnerability disclosure proc-15 ess of an agency. "(5) VULNERABILITY DISCLOSURE REPORT.— 16 17 The term 'vulnerability disclosure report' means a 18 disclosure of a security vulnerability made to an 19 agency by a submitter. 20 "(c) GUIDANCE.—The Director shall issue guidance 21 to agencies that includes—

"(1) use of the information system security
vulnerabilities disclosure process guidelines established under section 4(a)(1) of the IoT Cybersecurity

1	Improvement Act of 2020 (15 U.S.C. 278g–
2	3b(a)(1));
3	"(2) direction to not recommend or pursue legal
4	action against a submitter or an individual that con-
5	ducts a security research activity that—
6	"(A) represents a good faith effort to iden-
7	tify and report security vulnerabilities in infor-
8	mation systems; or
9	"(B) otherwise represents a good faith ef-
10	fort to follow the vulnerability disclosure policy
11	of the agency developed under subsection $(f)(2)$;
12	"(3) direction on sharing relevant information
13	in a consistent, automated, and machine-readable
14	manner with the Director of the Cybersecurity and
15	Infrastructure Security Agency;
16	"(4) the minimum scope of agency systems re-
17	quired to be covered by the vulnerability disclosure
18	policy of an agency required under subsection $(f)(2)$,
19	including exemptions under subsection (g);
20	"(5) requirements for providing information to
21	the submitter of a vulnerability disclosure report on
22	the resolution of the vulnerability disclosure report;
23	"(6) a stipulation that the mere identification
24	by a submitter of a security vulnerability, without a
25	significant compromise of confidentiality, integrity,

or availability, does not constitute a major incident;
 and

3 "(7) the applicability of the guidance to inter4 net of things devices owned or controlled by an
5 agency.

6 "(d) CONSULTATION.—In developing the guidance re7 quired under subsection (c)(3), the Director shall consult
8 with the Director of the Cybersecurity and Infrastructure
9 Security Agency.

10 "(e) RESPONSIBILITIES OF CISA.—The Director of
11 the Cybersecurity and Infrastructure Security Agency
12 shall—

13 "(1) provide support to agencies with respect to
14 the implementation of the requirements of this sec15 tion;

"(2) develop tools, processes, and other mechanisms determined appropriate to offer agencies capabilities to implement the requirements of this section;

"(3) upon a request by an agency, assist the
agency in the disclosure to vendors of newly identified security vulnerabilities in vendor products and
services; and

24 "(4) as appropriate, implement the require-25 ments of this section, in accordance with the author-

100

ity under section 3553(b)(8), as a shared service

2	available to agencies.
3	"(f) Responsibilities of Agencies.—
4	"(1) PUBLIC INFORMATION.—The head of each
5	agency shall make publicly available, with respect to
6	each internet domain under the control of the agen-
7	cy that is not a national security system and to the
8	extent consistent with the security of information
9	systems but with the presumption of disclosure—
10	"(A) an appropriate security contact; and
11	"(B) the component of the agency that is
12	responsible for the internet accessible services
13	offered at the domain.
14	"(2) Vulnerability disclosure policy.—
15	The head of each agency shall develop and make
16	publicly available a vulnerability disclosure policy for
17	the agency, which shall—
18	"(A) describe—
19	"(i) the scope of the systems of the
20	agency included in the vulnerability disclo-
21	sure policy, including for internet of things
22	devices owned or controlled by the agency;
23	"(ii) the type of information system
24	testing that is authorized by the agency;

1	"(iii) the type of information system
2	testing that is not authorized by the agen-
3	cy;
4	"(iv) the disclosure policy for a con-
5	tractor; and
6	"(v) the disclosure policy of the agen-
7	cy for sensitive information;
8	"(B) with respect to a vulnerability disclo-
9	sure report to an agency, describe—
10	"(i) how the submitter should submit
11	the vulnerability disclosure report; and
12	"(ii) if the report is not anonymous,
13	when the reporter should anticipate an ac-
14	knowledgment of receipt of the report by
15	the agency;
16	"(C) include any other relevant informa-
17	tion; and
18	"(D) be mature in scope and cover every
19	internet accessible information system used or
20	operated by that agency or on behalf of that
21	agency.
22	"(3) IDENTIFIED SECURITY
23	VULNERABILITIES.—The head of each agency
24	shall—

1	"(A) consider security vulnerabilities re-
2	ported in accordance with paragraph (2);
3	"(B) commensurate with the risk posed by
4	the security vulnerability, address such security
5	vulnerability using the security vulnerability
6	management process of the agency; and
7	"(C) in accordance with subsection $(c)(5)$,
8	provide information to the submitter of a vul-
9	nerability disclosure report.
10	"(g) EXEMPTIONS.—
11	"(1) IN GENERAL.—The Director and the head
12	of each agency shall carry out this section in a man-
13	ner consistent with the protection of national secu-
14	rity information.
15	"(2) LIMITATION.—The Director and the head
16	of each agency may not publish under subsection
17	(f)(1) or include in a vulnerability disclosure policy
18	under subsection $(f)(2)$ host names, services, infor-
19	mation systems, or other information that the Direc-
20	tor or the head of an agency, in coordination with
21	the Director and other appropriate heads of agen-
22	cies, determines would—
23	"(A) disrupt a law enforcement investiga-
24	tion;

1	"(B) endanger national security or intel-
2	ligence activities; or
3	"(C) impede national defense activities or
4	military operations.
5	"(3) NATIONAL SECURITY SYSTEMS.—This sec-
6	tion shall not apply to national security systems.
7	"(h) Delegation of Authority for Certain
8	SYSTEMS.—The authorities of the Director and the Direc-
9	tor of the Cybersecurity and Infrastructure Security Agen-
10	cy described in this section shall be delegated—
11	"(1) to the Secretary of Defense in the case of
12	systems described in section 3553(e)(2); and
13	"(2) to the Director of National Intelligence in
14	the case of systems described in section $3553(e)(3)$.
15	"(i) REVISION OF FEDERAL ACQUISITION REGULA-
16	TION.—The Federal Acquisition Regulation shall be re-
17	vised as necessary to implement the provisions under this
18	section.".
19	(2) Existing guidance and policies.—
20	(A) IN GENERAL.—Compliance with guid-
21	ance issued by the Director relating to vulner-
22	ability disclosure policies before the date of en-
23	actment of this section shall be deemed to be
24	compliance with section 3559B of title 44,
25	United States Code, as added by this section.

1 (B) IMMEDIATE NEW GUIDANCE NOT RE-2 QUIRED.—Nothing in section 3559B of title 44, 3 United States Code, as added by this title, shall 4 be construed to require the Director to issue 5 new guidance to agencies relating to vulner-6 ability disclosure policies before the date de-7 scribed in paragraph (4).

8 (C) IMMEDIATE NEW POLICIES NOT RE-9 QUIRED.—Nothing in section 3559B of title 44, 10 United States Code, as added by this title, shall 11 be construed to require the head of any agency 12 to issue new policies relating to vulnerability 13 disclosure policies before the issuance of any 14 updated guidance under paragraph (4).

15 (D) GUIDANCE UPDATE.—Notwithstanding 16 paragraphs (1), (2) and (3), not later than 4 17 years after the date of enactment of this sec-18 tion, the Director shall review and, as appro-19 priate, update existing guidance relating to vul-20 nerability disclosure policies.

(3) CLERICAL AMENDMENT.—The table of sections for chapter 35 of title 44, United States Code,
is amended by adding after the item relating to section 3559A, as added by this section, the following:
"3559B. Federal vulnerability disclosure policies.".

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(4) Conforming update and repeal.—

1	(A) GUIDELINES ON THE DISCLOSURE
2	PROCESS FOR SECURITY VULNERABILITIES RE-
3	LATING TO INFORMATION SYSTEMS, INCLUDING
4	INTERNET OF THINGS DEVICES.—Section 5 of
5	the IoT Cybersecurity Improvement Act of
6	2020 (15 U.S.C. 278g–3c) is amended by strik-
7	ing subsections (d) and (e).
8	(B) Implementation and contractor
9	COMPLIANCE.—The IoT Cybersecurity Improve-
10	ment Act of 2020 (15 U.S.C. 278g–3a et seq.)
11	is amended—
12	(i) by striking section 6 (15 U.S.C.
13	278g–3d); and
14	(ii) by striking section 7 (15 U.S.C.
15	278g–3e).
16	(g) Implementing Zero Trust Architecture.—
17	(1) BRIEFINGS.—Not later than 1 year after
18	the date of enactment of this section, the Director
19	shall provide to the Committee on Homeland Secu-
20	rity and Governmental Affairs of the Senate and the
21	Committees on Oversight and Accountability and
22	Homeland Security of the House of Representatives
23	a briefing on progress in increasing the internal de-
24	fenses of agency systems, including—

1	(A) shifting away from trusted networks to
2	implement security controls based on a pre-
3	sumption of compromise, including through the
4	transition to zero trust architecture;
5	(B) implementing principles of least privi-
6	lege in administering information security pro-
7	grams;
8	(C) limiting the ability of entities that
9	cause incidents to move laterally through or be-
10	tween agency systems;
11	(D) identifying incidents quickly;
12	(E) isolating and removing unauthorized
13	entities from agency systems as quickly as prac-
14	ticable, accounting for intelligence or law en-
15	forcement purposes; and
16	(F) otherwise increasing the resource costs
17	for entities that cause incidents to be success-
18	ful.
19	(2) Progress report.—As a part of each re-
20	port required to be submitted under section 3553(c)
21	of title 44, United States Code, during the period
22	beginning on the date that is 4 years after the date
23	of enactment of this section and ending on the date
24	that is 10 years after the date of enactment of this
25	section, the Director shall include an update on

1	agency implementation of zero trust architecture,
2	which shall include—
3	(A) a description of steps agencies have
4	completed, including progress toward achieving
5	any requirements issued by the Director, in-
6	cluding the adoption of any models or reference
7	architecture;
8	(B) an identification of activities that have
9	not yet been completed and that would have the
10	most immediate security impact; and
11	(C) a schedule to implement any planned
12	activities.
13	(3) CLASSIFIED ANNEX.—Each update required
14	under paragraph (2) may include 1 or more annexes
15	that contain classified or other sensitive information,
16	as appropriate.
17	(4) NATIONAL SECURITY SYSTEMS.—
18	(A) BRIEFING.—Not later than 1 year
19	after the date of enactment of this section, the
20	Secretary of Defense shall provide to the Com-
21	mittee on Homeland Security and Govern-
22	mental Affairs of the Senate, the Committee on
23	Oversight and Accountability of the House of
24	Representatives, the Committee on Armed Serv-
25	ices of the Senate, the Committee on Armed

1 Services of the House of Representatives, the 2 Select Committee on Intelligence of the Senate, 3 and the Permanent Select Committee on Intel-4 ligence of the House of Representatives a brief-5 ing on the implementation of zero trust archi-6 tecture with respect to national security sys-7 tems.

8 (B) PROGRESS REPORT.—Not later than 9 the date on which each update is required to be 10 submitted under paragraph (2), the Secretary 11 of Defense shall submit to the congressional 12 committees described in subparagraph (A) a 13 progress report on the implementation of zero 14 trust architecture with respect to national secu-15 rity systems.

16	(h) Automation and Artificial Intelligence.—
17	(1) Use of artificial intelligence.—
10	(Λ) IN OPPERATE As approximate the Di

(A) IN GENERAL.—As appropriate, the Director shall issue guidance on the use of artificial intelligence by agencies to improve the cybersecurity of information systems.

(B) CONSIDERATIONS.—The Director and
head of each agency shall consider the use and
capabilities of artificial intelligence systems in

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furtherance of the cybersecurity of information systems.

(C) REPORT.—Not later than 1 year after 3 4 the date of enactment of this section, and annually thereafter until the date that is 5 years 5 6 after the date of enactment of this section, the 7 Director shall submit to the appropriate con-8 gressional committees a report on the use of ar-9 tificial intelligence to further the cybersecurity 10 of information systems.

11 (2) Comptroller general reports.—

12 (A) IN GENERAL.—Not later than 2 years after the date of enactment of this section, the 13 14 Comptroller General of the United States shall 15 submit to the appropriate congressional com-16 mittees a report on the risks to the privacy of 17 individuals and the cybersecurity of information 18 systems associated with the use by Federal 19 agencies of artificial intelligence systems or ca-20 pabilities.

(B) STUDY.—Not later than 2 years after
the date of enactment of this section, the
Comptroller General of the United States shall
perform a study, and submit to the Committees
on Homeland Security and Governmental Af-

1	fairs and Commerce, Science, and Transpor-
2	tation of the Senate and the Committees on
3	Oversight and Accountability, Homeland Secu-
4	rity, and Science, Space, and Technology of the
5	House of Representatives a report, on the use
6	of automation, artificial intelligence, including
7	generative artificial intelligence, and machine-
8	readable data across the Federal Government
9	for cybersecurity purposes, including—
10	(i) the automated updating of cyberse-
11	curity tools, sensors, or processes employed
12	by agencies under paragraphs (1) , $(5)(C)$,
13	and $(8)(B)$ of section $3554(b)$ of title 44,
14	United States Code, as amended by this
15	section; and
16	(ii) to combat social engineering at-
17	tacks.
18	(3) INFORMATION SYSTEM DEFINED.—In this
19	subsection, the term "information system" has the
20	meaning given the term in section 3502 of title 44,
21	United States Code.
22	(i) Federal Cybersecurity Requirements.—
23	(1) Codifying federal cybersecurity re-
24	QUIREMENTS IN TITLE 44.—

1	(A) Amendment to federal cyberse-
2	CURITY ENHANCEMENT ACT OF 2015.—Section
3	225 of the Federal Cybersecurity Enhancement
4	Act of 2015 (6 U.S.C. 1523) is amended by
5	striking subsections (b) and (c).
6	(B) TITLE 44.—Section 3554 of title 44,
7	United States Code, as amended by this sec-
8	tion, is further amended by adding at the end
9	the following:
10	"(f) Specific Cybersecurity Requirements at
11	Agencies.—
12	"(1) IN GENERAL.—Consistent with policies,
13	standards, guidelines, and directives on information
14	security under this subchapter, and except as pro-
15	vided under paragraph (3), the head of each agency
16	shall—
17	"(A) identify sensitive and mission critical
18	data stored by the agency consistent with the
19	inventory required under section 3505(c);
20	"(B) assess access controls to the data de-
21	scribed in subparagraph (A), the need for read-
22	ily accessible storage of the data, and the need
23	of individuals to access the data;
24	"(C) encrypt or otherwise render indeci-
25	pherable to unauthorized users the data de-

1	scribed in subparagraph (A) that is stored on
2	or transiting agency information systems;
3	"(D) implement identity and access man-
4	agement systems to ensure the security of Fed-
5	eral information systems and protect agency
6	records and data from fraud resulting from the
7	misrepresentation of identity or identity theft,
8	including—
9	"(i) a single sign-on trusted identity
10	platform for individuals accessing each
11	public website of the agency that requires,
12	at a minimum, user authentication and
13	verification services consistent with appli-
14	cable law and guidance issued by the Di-
15	rector of the Office of Management and
16	Budget who shall consider any applicable
17	standard or guideline developed by the Na-
18	tional Institute of Standards and Tech-
19	nology, which may be one developed by the
20	Administrator of General Services in con-
21	sultation with the Director of the Office of
22	Management and Budget; and
23	"(ii) multi-factor authentication, con-
24	sistent with guidance issued by the Direc-
25	tor of the Office of Management and

1	Budget who shall consider any applicable
2	standard or guideline developed by the Na-
3	tional Institute of Standards and Tech-
4	nology, for—
5	"(I) remote access to an informa-
6	tion system; and
7	"(II) each user account with ele-
8	vated privileges on an information
9	system.
10	"(2) Prohibition.—
11	"(A) DEFINITION.—In this paragraph, the
12	term 'internet of things' has the meaning given
13	the term in section 3559B.
14	"(B) PROHIBITION.—Consistent with poli-
15	cies, standards, guidelines, and directives on in-
16	formation security under this subchapter, and
17	except as provided under paragraph (3), the
18	head of an agency may not procure, obtain,
19	renew a contract to procure or obtain in any
20	amount, notwithstanding section 1905 of title
21	41, or use an internet of things device if the
22	Chief Information Officer of the agency deter-
23	mines during a review required under section
24	11319(b)(1)(C) of title 40 of a contract for an
25	internet of things device that the use of the de-

1	vice prevents compliance with the standards
2	and guidelines developed under section 4 of the
3	IoT Cybersecurity Improvement Act (15 U.S.C.
4	278g–3b) with respect to the device.
5	"(3) Exceptions.—
6	"(A) IN GENERAL.—The requirements
7	under subparagraphs (A), (B), (C), and (D)(ii)
8	of paragraph (1) shall not apply to an informa-
9	tion system for which the head of the agency,
10	without delegation, has—
11	"(i) certified to the Director with par-
12	ticularity that—
13	"(I) operational requirements ar-
14	ticulated in the certification and re-
15	lated to the information system would
16	make it excessively burdensome to im-
17	plement the cybersecurity require-
18	ment;
19	"(II) the cybersecurity require-
20	ment is not necessary to secure the
21	information system or agency infor-
22	mation stored on or transiting it; and
23	"(III) the agency has taken all
24	necessary steps to secure the informa-

1	tion system and agency information
2	stored on or transiting it; and
3	"(ii) submitted the certification de-
4	scribed in clause (i) to the appropriate con-
5	gressional committees and the authorizing
6	committees of the agency.
7	"(B) IDENTITY MANAGEMENT PLATFORM
8	WAIVER.—The head of an agency shall be in
9	compliance with the requirement under para-
10	graph $(1)(D)(i)$ with respect to implementing a
11	single-sign on trusted identity system or plat-
12	form other than one developed by the Adminis-
13	trator of General Services as described under
14	paragraph (1)(D)(i) if the head of the agency—
15	"(i) without delegation—
16	"(I) has certified to the Director
17	that the alternative system or plat-
18	form, including a procured system or
19	platform, conforms with applicable se-
20	curity and privacy requirements of
21	this subchapter and guidance issued
22	by the Director, at least 30 days be-
23	fore use of the system or platform; or
24	"(II) with regard to a system or
25	platform in use as of the date of en-

1	actment of this subsection, the head
2	of the agency provides such certifi-
3	cation to the Director within 60 days
4	after the date of enactment of this
5	subsection;
6	"(ii) has received a written waiver
7	from the Director in response to the re-
8	quest submitted under clause (i); and
9	"(iii) has submitted the certification
10	described in clause (i) and the waiver de-
11	scribed clause (ii) to the appropriate con-
12	gressional committees and the authorizing
13	committees of the agency.
14	"(4) DURATION OF CERTIFICATION.—
15	"(A) IN GENERAL.—A certification and
16	corresponding exemption of an agency under
17	paragraph (3) shall expire on the date that is
18	4 years after the date on which the head of the
19	agency submits the certification under para-
20	graph (3).
21	"(B) RENEWAL.—Upon the expiration of a
22	certification of an agency under paragraph (3),
23	the head of the agency may submit an addi-
24	tional certification in accordance with that
25	paragraph.

1	"(5) PRESUMPTION OF ADEQUACY.—A
2	FedRAMP authorization issued pursuant to chapter
3	36 of title 44 shall be presumed adequate to fulfill
4	the requirements under subparagraphs (A) through
5	(C) of paragraph (1) with respect to an agency au-
6	thorization to operate cloud computing products and
7	services if such presumption of adequacy does not
8	alter or modify—
9	"(A) the responsibility of any agency to en-
10	sure compliance with this subchapter for any
11	cloud computing product or service used by the
12	agency; or
13	"(B) the authority of the head of any
14	agency to make a determination that there is a
15	demonstrable need to include additional security
16	controls beyond those included in a FedRAMP
17	authorization package for a particular cloud
18	computing product or service.
19	"(6) RULES OF CONSTRUCTION.—Nothing in
20	this subsection shall be construed—
21	"(A) to alter the authority of the Sec-
22	retary, the Director, or the Director of the Na-
23	tional Institute of Standards and Technology in
24	implementing subchapter II of this title;

1	"(B) to affect the standards or process of
2	the National Institute of Standards and Tech-
3	nology;
4	"(C) to affect the requirement under sec-
5	tion $3553(a)(4);$
6	"(D) to discourage continued improve-
7	ments and advancements in the technology,
8	standards, policies, and guidelines used to pro-
9	mote Federal information security; or
10	"(E) to affect the requirements under sub-
11	chapter III.
12	"(g) EXCEPTION.—
13	"(1) NATIONAL SECURITY SYSTEM REQUIRE-
14	MENTS.—The requirements under subsection $(f)(1)$
15	shall not apply to—
16	"(A) a national security system; or
17	"(B) an information system described in
18	paragraph (2) or (3) of section $3553(e)(2)$.
19	"(2) PROHIBITION.—The prohibition under
20	subsection $(f)(2)$ shall not apply to—
21	"(A) necessary in the interest of national
22	security;
23	"(B) national security systems; or
24	"(C) a procured internet of things device
25	described in subsection $(f)(2)(B)$ that the Chief

1	Information Officer of an agency determines
2	is—
3	"(i) necessary for research purposes;
4	"(ii) necessary in the interest of na-
5	tional security; or
6	"(iii) secured using alternative and ef-
7	fective methods appropriate to the function
8	of the internet of things device.".
9	(2) REPORT ON EXEMPTIONS.—Section
10	3554(c)(1) of title 44, United States Code, as
11	amended by this section, is further amended—
12	(A) in subparagraph (C), by striking
13	"and" at the end;
14	(B) in subparagraph (D), by striking the
15	period at the end and inserting "; and"; and
16	(C) by adding at the end the following:
17	"(E) with respect to any exemption from
18	the requirements of subsection $(f)(3)$ that is ef-
19	fective on the date of submission of the report,
20	includes the number of information systems
21	that have received an exemption from those re-
22	quirements.".
23	(3) GUIDANCE FOR IDENTITY MANAGEMENT
24	SYSTEMS USED BY AGENCIES.—Not later than 1
25	year after the date of enactment of this section, the

1	Director of the Office of Management and Budget,
2	in consultation with the Director of the National In-
3	stitute of Standards and Technology, shall issue,
4	and routinely update thereafter, guidance for agen-
5	cies to implement identity management systems and
6	a single sign-on trusted identity platform as required
7	under section $3554(f)(1)(D)(i)$ of title 44, United
8	States Code, as amended by this section, which shall
9	at a minimum, include the following:
10	(A) Requirements for agencies to routinely
11	certify that such systems are in compliance with
12	this guidance.
13	(B) Requirements for agencies to routinely
14	verify and certify that information stored on or
15	transiting through a commercially available
16	product (as defined in section 103 of title 41,
17	United States Code) or commercial service (as
18	defined in section 103a of title 41, United
19	States Code) used to fulfil such requirements is
20	appropriately secured in conformity with sub-
21	chapter II of chapter 35 of title 44, United
22	States Code.
23	(C) Address national security concerns and
24	requirements to ensure the protection of sen-
25	sitive personal records and biometric data of

1	United States persons from malign foreign own-
2	ership, control, or influence and fraud actors.
3	(D) Requirements or guidelines to comply
4	with section 3 of the 21st Century Idea Act (44
5	U.S.C. 3501 note).
6	(E) Requirements to prevent discrimina-
7	tion in violation of title VI of the Civil Rights
8	Act of 1964 (42 U.S.C. 2000d et seq.).
9	(F) A description of the information nec-
10	essary to be submitted under the exception de-
11	scribed in section 3554(f)(3)(B) of title 44,
12	United States Code, as amended by this sec-
13	tion.
14	(4) GAO EVALUATION OF TECHNICAL CAPA-
15	BILITY OF IDENTITY MANAGEMENT SYSTEMS AND
16	PLATFORMS.—Not less frequently than every 3 years
17	for the next 6 years after the date of the enactment
18	of this section, the Comptroller General shall submit
19	to the appropriate congressional committees a report
20	on whether the single sign-on trusted identity sys-
21	tems and platforms used by agencies or the one de-
22	veloped by the General Services Administration
23	under section $3554(f)(D)(i)$ of title 44, United
24	States Code, as amended by this section, adhere to
25	the information security requirements of chapter 35

1	of title 44, United States Code, guidance issued
2	under subparagraph (C), and relevant identity man-
3	agement technical standards promulgated by the Na-
4	tional Institute of Standards and Technology, as ap-
5	propriate, including section 504 of the Cybersecurity
6	Enhancement Act of 2014 (15 U.S.C. 7464).
7	(5) DURATION OF CERTIFICATION EFFECTIVE
8	DATE.—Paragraph (3) of section 3554(f) of title 44,
9	United States Code, as added by this section, shall
10	take effect on the date that is 1 year after the date
11	of enactment of this section.
12	(6) FEDERAL CYBERSECURITY ENHANCEMENT
13	ACT OF 2015 UPDATE.—Section $222(3)(B)$ of the
14	Federal Cybersecurity Enhancement Act of 2015 (6
15	U.S.C. 1521(3)(B)) is amended by inserting "and
16	the Committee on Oversight and Accountability' be-
17	fore "of the House of Representatives".
18	(j) Federal Chief Information Security Offi-
19	CER.—
20	(1) Amendment.—Chapter 36 of title 44,
21	United States Code, is amended by adding at the
22	end the following:

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1	"§3617. Federal Chief Information Security Officer
2	"(a) ESTABLISHMENT.—There is established a Fed-
3	eral Chief Information Security Officer, who shall serve
4	in—
5	"(1) the Office of the Federal Chief Informa-
6	tion Officer of the Office of Management and Budg-
7	et; and
8	"(2) the Office of the National Cyber Director.
9	"(b) APPOINTMENT.—The Federal Chief Information
10	Security Officer shall be appointed by the President.
11	"(c) OMB DUTIES.—The Federal Chief Information
12	Security Officer shall report to the Federal Chief Informa-
13	tion Officer and assist the Federal Chief Information Offi-
14	cer in carrying out—
15	"(1) every function under this chapter;
16	((2) every function assigned to the Director
17	under title II of the E–Government Act of 2002 (44 $$
18	U.S.C. 3501 note; Public Law 107–347);
19	"(3) other electronic government initiatives con-
20	sistent with other statutes; and
21	"(4) other Federal cybersecurity initiatives de-
22	termined by the Federal Chief Information Officer.
23	"(d) Additional Duties.—The Federal Chief In-
24	formation Security Officer shall—
25	"(1) support the Federal Chief Information Of-
26	ficer in overseeing and implementing Federal cyber-
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1	security under the E–Government Act of 2002 (Pub-
2	lic Law 107–347; 116 Stat. 2899) and other rel-
3	evant statutes in a manner consistent with law; and
4	"(2) perform every function assigned to the Di-
5	rector under sections 1321 through 1328 of title 41,
6	United States Code.
7	"(e) COORDINATION WITH ONCD.—The Federal
8	Chief Information Security Officer shall support initiatives
9	determined by the Federal Chief Information Officer nec-
10	essary to coordinate with the Office of the National Cyber
11	Director.".
12	(2) NATIONAL CYBER DIRECTOR DUTIES.—Sec-
13	tion 1752 of the William M. (Mac) Thornberry Na-
14	tional Defense Authorization Act for Fiscal Year
15	2021 (6 U.S.C. 1500) is amended—
16	(A) by redesignating subsection (g) as sub-
17	section (h); and
18	(B) by inserting after subsection (f) the
19	following:
20	"(g) Senior Federal Cybersecurity Officer.—
21	The Federal Chief Information Security Officer appointed
22	by the President under section 3617 of title 44, United
23	States Code, shall be a senior official within the Office
24	and carry out duties applicable to the protection of infor-
25	mation technology (as defined in section 11101 of title 40,

United States Code), including initiatives determined by
 the Director necessary to coordinate with the Office of the
 Federal Chief Information Officer.".

4 (3) TREATMENT OF INCUMBENT.—The indi-5 vidual serving as the Federal Chief Information Se-6 curity Officer appointed by the President as of the 7 date of enactment of this Act may serve as the Fed-8 eral Chief Information Security Officer under sec-9 tion 3617 of title 44, United States Code, as added by this section, beginning on the date of enactment 10 11 of this section, without need for a further or addi-12 tional appointment under such section.

13 (4) CLERICAL AMENDMENT.—The table of sec14 tions for chapter 36 of title 44, United States Code,
15 is amended by adding at the end the following:

"3617. Federal Chief Information Security Officer.".

16 (k) RENAMING OFFICE OF THE FEDERAL CHIEF IN17 FORMATION OFFICER.—

18 (1) DEFINITIONS.—

19 (A) IN GENERAL.—Section 3601 of title
20 44, United States Code, is amended—
21 (i) by striking paragraph (1); and
22 (ii) by redesignating paragraphs (2)
23 through (8) as paragraphs (1) through (7),
24 respectively.
25 (B) CONFORMING AMENDMENTS.—

1	(i) TITLE 10.—Section 2222(i)(6) of
2	title 10, United States Code, is amended
3	by striking "section $3601(4)$ " and insert-
4	ing "section 3601".
5	(ii) NATIONAL SECURITY ACT OF
6	1947.—Section $506D(k)(1)$ of the National
7	Security Act of 1947 (50 U.S.C.
8	3100(k)(1)) is amended by striking "sec-
9	tion $3601(4)$ " and inserting "section
10	3601".
11	(2) Office of electronic government.—
12	Section 3602 of title 44, United States Code, is
13	amended—
14	(A) in the heading, by striking " Office of
15	Electronic Government" and inserting
16	"Office of the Federal Chief Informa-
17	tion Officer";
18	(B) in subsection (a), by striking "Office
19	of Electronic Government" and inserting "Of-
20	fice of the Federal Chief Information Officer";
21	(C) in subsection (b), by striking "an Ad-
22	ministrator" and inserting "a Federal Chief In-
23	formation Officer";
24	(D) in subsection (c), in the matter pre-
25	ceding paragraph (1), by striking "The Admin-

1	istrator" and inserting "The Federal Chief In-
2	formation Officer";
3	(E) in subsection (d), in the matter pre-
4	ceding paragraph (1), by striking "The Admin-
5	istrator" and inserting "The Federal Chief In-
6	formation Officer";
7	(F) in subsection (e), in the matter pre-
8	ceding paragraph (1), by striking "The Admin-
9	istrator" and inserting "The Federal Chief In-
10	formation Officer";
11	(G) in subsection (f)—
12	(i) in the matter preceding paragraph
13	(1), by striking "the Administrator" and
14	inserting "the Federal Chief Information
15	Officer'';
16	(ii) in paragraph (16), by striking
17	"the Office of Electronic Government" and
18	inserting "the Office of the Federal Chief
19	Information Officer''; and
20	(iii) in paragraph (17), by striking
21	"E–Government" and inserting "annual";
22	and
23	(H) in subsection (g), by striking "the Of-
24	fice of Electronic Government" and inserting

1	"the Office of the Federal Chief Information
2	Officer".
3	(3) Chief information officers council.—
4	Section 3603 of title 44, United States Code, is
5	amended—
6	(A) in subsection $(b)(2)$, by striking "The
7	Administrator of the Office of Electronic Gov-
8	ernment" and inserting "The Federal Chief In-
9	formation Officer";
10	(B) in subsection $(c)(1)$, by striking "The
11	Administrator of the Office of Electronic Gov-
12	ernment" and inserting "The Federal Chief In-
13	formation Officer'; and
14	(C) in subsection (f)—
15	(i) in paragraph (3), by striking "the
16	Administrator" and inserting "the Federal
17	Chief Information Officer"; and
18	(ii) in paragraph (5), by striking "the
19	Administrator" and inserting "the Federal
20	Chief Information Officer".
21	(4) E-Government fund.—Section 3604 of
22	title 44, United States Code, is amended—
23	(A) in subsection $(a)(2)$, by striking "the
24	Administrator of the Office of Electronic Gov-

1	ernment" and inserting "the Federal Chief In-
2	formation Officer'';
3	(B) in subsection (b), by striking "Admin-
4	istrator" each place it appears and inserting
5	"Federal Chief Information Officer"; and
6	(C) in subsection (c), in the matter pre-
7	ceding paragraph (1), by striking "the Adminis-
8	trator" and inserting "the Federal Chief Infor-
9	mation Officer".
10	(5) Program to encourage innovative so-
11	LUTIONS TO ENHANCE ELECTRONIC GOVERNMENT
12	SERVICES AND PROCESSES.—Section 3605 of title
13	44, United States Code, is amended—
14	(A) in subsection (a), by striking "The Ad-
15	ministrator" and inserting "The Federal Chief
16	Information Officer'';
17	(B) in subsection (b), by striking ", the
18	Administrator," and inserting ", the Federal
19	Chief Information Officer,"; and
20	(C) in subsection $(c)(1)$ —
21	(i) by striking "The Administrator"
22	and inserting "The Federal Chief Informa-
23	tion Officer"; and
24	(ii) by striking "proposals submitted
25	to the Administrator" and inserting "pro-

1	posals submitted to the Federal Chief In-
2	formation Officer'';
3	(D) in subsection $(c)(2)(B)$, by striking
4	"the Administrator" and inserting "the Federal
5	Chief Information Officer"; and
6	(E) in subsection $(c)(4)$, by striking "the
7	Administrator" and inserting "the Federal
8	Chief Information Officer".
9	(6) E-Government Report.—Section 3606 of
10	title 44, United States Code, is amended—
11	(A) in the section heading by striking '' E –
12	Government" and inserting "Annual";
13	(B) in subsection (a), by striking "E–Gov-
14	ernment" and inserting "annual"; and
15	(C) in subsection $(b)(1)$, by striking
16	"202(f)" and inserting "202(g)".
17	(7) TREATMENT OF INCUMBENT.—The indi-
18	vidual serving as the Administrator of the Office of
19	Electronic Government under section 3602 of title
20	44, United States Code, as of the date of enactment
21	of this Act, may continue to serve as the Federal
22	Chief Information Officer commencing as of that
23	
25	date, without need for a further or additional ap-

1	(8) TECHNICAL AND CONFORMING AMEND-
2	MENTS.—The table of sections for chapter 36 of title
3	44, United States Code, is amended—
4	(A) by striking the item relating to section
5	3602 and inserting the following:
	"3602. Office of the Federal Chief Information Officer.";
6	and
7	(B) in the item relating to section 3606, by
8	striking "E–Government" and inserting "An-
9	nual".
10	(9) References.—
11	(A) Administrator.—Any reference to
12	the Administrator of the Office of Electronic
13	Government in any law, regulation, map, docu-
14	ment, record, or other paper of the United
15	States shall be deemed to be a reference to the
16	Federal Chief Information Officer.
17	(B) OFFICE OF ELECTRONIC GOVERN-
18	MENT.—Any reference to the Office of Elec-
19	tronic Government in any law, regulation, map,
20	document, record, or other paper of the United
21	States shall be deemed to be a reference to the
22	Office of the Federal Chief Information Officer.
23	(1) RULES OF CONSTRUCTION.—
24	(1) AGENCY ACTIONS.—Nothing in this section,

or an amendment made by this section, shall be con-

1	strued to authorize the head of an agency to take an
2	action that is not authorized by this section, an
3	amendment made by this section, or existing law.
4	(2) PROTECTION OF RIGHTS.—Nothing in this
5	section, or an amendment made by this section, shall
6	be construed to permit the violation of the rights of
7	any individual protected by the Constitution of the
8	United States, including through censorship of
9	speech protected by the Constitution of the United
10	States or unauthorized surveillance.
11	(3) PROTECTION OF PRIVACY.—Nothing in this
12	section, or an amendment made by this section, shall
13	be construed to—
14	(A) impinge on the privacy rights of indi-
15	viduals; or
16	(B) allow the unauthorized access, sharing,
17	or use of personal data.
18	(m) DEFINITIONS.—In t his section, unless otherwise
19	specified:
20	(1) The term "agency" has the meaning given
21	the term in section 3502 of title 44, United States
22	Code.
23	(2) The term "appropriate congressional com-
24	mittees" means—

1	(A) the Committee on Homeland Security
2	and Governmental Affairs of the Senate;
3	(B) the Committee on Oversight and Ac-
4	countability of the House of Representatives;
5	and
6	(C) the Committee on Homeland Security
7	of the House of Representatives.
8	(3) The term "awardee" has the meaning given
9	the term in section 3591 of title 44, United States
10	Code, as added by this section.
11	(4) The term "contractor" has the meaning
12	given the term in section 3591 of title 44, United
13	States Code, as added by this section.
14	(5) The term "Director" means the Director of
15	the Office of Management and Budget.
16	(6) The term "Federal information system" has
17	the meaning given the term in section 3591 of title
18	44, United States Code, as added by this section.
19	(7) The term "incident" has the meaning given
20	the term in section 3552(b) of title 44, United
21	States Code.
22	(8) The term "national security system" has
23	the meaning given the term in section 3552(b) of
24	title 44, United States Code.

(9) The term "penetration test" has the mean ing given the term in section 3552(b) of title 44,
 United States Code, as amended by this section.
 (10) The term "threat hunting" means

(10) The term threat hunting means
proactively and iteratively searching systems for
threats and vulnerabilities, including threats or
vulnerabilities that may evade detection by automated threat detection systems.

9 (11) The term "zero trust architecture" has the
10 meaning given the term in Special Publication 800–
11 207 of the National Institute of Standards and
12 Technology, or any successor document.

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