



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 3, 2014

**S. 2354
DHS Cybersecurity Workforce Recruitment
and Retention Act of 2014**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on May 21, 2014*

SUMMARY

S. 2354 would provide the Department of Homeland Security (DHS) with enhanced authorities to hire and compensate DHS employees who perform roles that are necessary for the department to complete its cybersecurity mission. The bill also would require DHS to identify critical cybersecurity positions within the department that are vacant, and to report annually over the next five years on its efforts to fill those positions. Assuming appropriation of the necessary amounts, CBO estimates that implementing the bill would cost \$104 million over the 2015-2019 period.

Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

S. 2354 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2354 is shown in the following table. The costs of this legislation fall within budget function 050 (national defense).

	By Fiscal Year, in Millions of Dollars					2015- 2019
	2015	2016	2017	2018	2019	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	0	24	25	26	30	106
Estimated Outlays	0	23	25	26	30	104

Note: Numbers may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the beginning of fiscal year 2015 and that spending will follow historical patterns for similar activities.

DHS Cybersecurity Personnel Authorities

Section 2 would provide DHS with enhanced authority to hire and compensate DHS employees who perform cybersecurity functions for the department. Under such authority DHS could convert eligible positions into the excepted service and would have expanded flexibility to determine pay and bonuses for employees in those positions. (Excepted service authorities allow for expedited hiring of individuals into federal service by allowing agencies to fill positions without following the procedures, rules, and classifications required for hiring employees into the competitive service.)

The Transportation Security Administration (TSA) has hiring and pay authorities similar to those that would be provided by S. 2354. CBO analyzed data provided by the Office of Personnel Management for TSA employees in the field of information technology management and found that, after accounting for years of service and education, employees in that category earned about 15 percent more at TSA than elsewhere at DHS. On that basis, CBO anticipates that pay for positions established in the excepted service under this proposal would increase by about 15 percent above current levels.

According to DHS, approximately 1,500 employees, mostly in the general schedule grades GS-13, GS-14, and GS-15, would move into a new pay plan for cybersecurity specialists under this provision. However, CBO estimates that 100 of those individuals are in TSA, and would not see a pay increase. For the remaining 1,400 employees, based on the difference in pay and the number and grades of the affected employees, CBO

estimates that implementing this provision would cost \$104 million over the 2016-2019 period, assuming appropriation of the necessary amounts.

Homeland Security Cybersecurity Workforce Assessment

S. 2354 also would require DHS to identify critical cybersecurity positions within the department that are currently unfilled, and to report annually over the next five years on its efforts to fill such positions. In conducting the analysis and preparing those reports, CBO expects that DHS would be able to draw on its current efforts and utilize several previous reports—such as the National Cybersecurity Workforce Framework, the Information Technology Workforce Assessment for Cybersecurity, and DHS’s Coordinated Recruiting and Outreach Strategy; therefore, we estimate that implementing the new requirements would not have a significant cost.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2354 contains no intergovernmental or private-sector mandates as defined in UMRA.

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