H.R. 3101
Strengthening Cybersecurity Information Sharing and Coordination in Our Ports Act of 2017

As ordered reported by the House Committee on Homeland Security on September 7, 2017

SUMMARY

H.R. 3101 would require the Department of Homeland Security (DHS) to expand efforts to enhance the cybersecurity of U.S. ports. The bill also would clarify that the Coast Guard, the agency within DHS primarily responsible for activities related to maritime security, is authorized to pursue efforts related to cybersecurity. Based on information from DHS, CBO estimates that implementing H.R. 3101 would cost $38 million over the 2018-2022 period, assuming appropriation of the necessary amounts.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 3101 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 3101 would impose intergovernmental and private-sector mandates, as defined in the Unfunded Mandates Reform Act (UMRA), on owners and operators of port facilities and vessels. Based on an analysis of information from the Coast Guard about current practices related to cybersecurity among maritime facilities and vessels, CBO estimates that the cost of complying with the mandates for public and private entities would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates ($78 million and $156 million in 2017, respectively, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 3101 is shown in the following table. The costs of this legislation fall primarily within budget functions 050 (defense), 400 (transportation), and 450 (community and regional development).
INCREASES IN SPENDING SUBJECT TO APPROPRIATION

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<td>Estimiated Outlays</td>
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**BASIS OF ESTIMATE**

For this estimate CBO assumes the bill will be enacted near the end of 2017 and that the estimated amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for similar activities.

H.R. 3101 would direct DHS to pursue a variety of activities to enhance cybersecurity, particularly by increasing the capacity for information sharing among maritime stakeholders in the federal, state, local, and private sectors. Under the bill, DHS would need to develop a model for assessing maritime-related cybersecurity risks and require area maritime security advisory committees—stakeholder groups formed to address security-related issues at specific U.S. ports—to share information related to cybersecurity threats and develop plans to address port-specific vulnerabilities.

According to DHS, many of the activities required under the bill are consistent with current administrative policy, but implementing some efforts—particularly those aimed at increasing the capacity for information sharing among maritime stakeholders—would require additional spending. Based on an analysis of information from DHS, CBO estimates that fully funding such efforts would cost $38 million over the 2018-2022 period, mostly for additional staff required to design and implement data-sharing systems and provide analytical support related to risk assessment.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

**INCREASE IN LONG TERM DIRECT SPENDING AND DEFICITS:**

CBO estimates that enacting H.R. 3101 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.
INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3101 would impose intergovernmental and private-sector mandates, as defined in UMRA, on owners and operators of port facilities and vessels by requiring them to incorporate cybersecurity information into their vulnerability assessments. The bill also would require facilities to address cybersecurity risks and develop a mitigation plan if they submit security plans for approval after DHS has developed a model for assessing maritime-related cybersecurity risk. Based on an analysis of information from the Coast Guard about current practices among maritime facilities and vessels, CBO estimates that the incremental cost of complying with the mandates for public and private entities would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates ($78 million and $156 million in 2017, respectively, adjusted annually for inflation).

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