

H.R. 5823, State and Local Cybersecurity Improvement Act

As ordered reported by the House Committee on Homeland Security on February 12, 2020

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	872	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

H.R. 5823 would authorize the appropriation of \$400 million annually over the 2021-2025 period for the Department of Homeland Security (DHS) to award grants to state and local governments. Grant recipients would use those funds to address cybersecurity threats and risks to their information systems. The bill also would establish the process through which DHS would assess grant applications, review cybersecurity plans, and monitor the performance of grant recipients.

Based on historical spending patterns for similar grant programs, CBO estimates that implementing H.R. 5823 would cost \$872 million over the 2020-2025 period (detailed in Table 1). Such spending would be subject to the appropriation of the specified and estimated amounts. That estimate includes \$15 million in salaries and expenses over the 2020-2025 period for administrative costs of reviewing grant applications and cybersecurity plans, and communicating with state and local governments. It also includes \$5 million for the costs of establishing an external advisory committee.

For this estimate, CBO assumes that the bill will be enacted in fiscal year 2020. Under that assumption, the agency could incur some costs in 2020, but CBO expects that most of the costs would be incurred in 2021 and later.



Table 1.
Estimated Increases in Spending Subject to Appropriation Under H.R. 5823

	By Fiscal Year, Millions of Dollars						2020-2025
	2020	2021	2022	2023	2024	2025	
Cybersecurity Grants							
Authorization	0	400	400	400	400	400	2,000
Estimated Outlays	0	12	84	164	256	336	852
Administrative Costs							
Estimated Authorization	*	2	2	3	4	4	15
Estimated Outlays	*	2	2	3	4	4	15
Advisory Committee							
Estimated Authorization	*	1	1	1	1	1	5
Estimated Outlays	*	1	1	1	1	1	5
Total Changes							
Estimated Authorization	*	403	403	404	405	405	2,020
Estimated Outlays	*	15	87	168	261	341	872

* = between zero and \$500,000.

The CBO staff contact for this estimate is Aldo Prospero. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.