

Authorize and Appropriate a Dedicated Cybersecurity Grant Program for State and Local Governments

Issue and Background

- There is a growing recognition at all levels of government that cybersecurity is no longer an IT issue; it is a business risk that impacts the daily functioning of our society and economy, as well as a potential threat to our nation's security.
- State CIOs continue to face an increasingly complex cybersecurity threat environment without dedicated cybersecurity funding.
- Cybersecurity has remained the top priority for the State CIOs for the past eight years, according to [the 2020 NASCIO State CIO Survey](#).
- Only half of all states have a dedicated cybersecurity budget line item while federal government agencies and private sectors allocate a significant percentage of their IT budget on cybersecurity.
- According to [the 2020 Deloitte-NASCIO Cybersecurity Study](#), state cybersecurity budgets are less than three percent of their overall IT budget and face further cuts due to the bleak economic outlook as a result of the COVID-19 pandemic.
- State and local governments remain, and will remain, attractive targets for cyber-attacks as evidenced by dozens of high-profile and debilitating ransomware incidents with a financial cost of more than \$7.5 billion in 2019, according to EMSISOFT.
- Current federal funding for state and local government cybersecurity has proven inadequate with less than four percent of all State Homeland Security Grant Program funding allocated to cybersecurity over the last decades.

Recommendation

- **Authorize and appropriate a federally funded cybersecurity grant program** that would allow state CIOs to better assist local government partners and thwart well-funded nation-states and criminal actors that continue to grow in sophistication.
- **In the 116th Congress, NASCIO endorsed numerous bipartisan and bicameral bills that would create new grant programs for state and local governments to bolster their cybersecurity posture.** These bills include: S. 1846, the *State and Local Government Cybersecurity Act*, H.R. 5823, the *State and Local Cybersecurity Improvement Act*, S. 1065/H.R. 2130, the *State Cyber Resiliency Act* and H.R. 8048, the *State and Local IT Modernization and Cybersecurity Act*. These bills should serve as a model for legislation in the 117th Congress.

