

At a Glance

H.R. 4552, Federal Information Security Modernization Act of 2024

As ordered reported by the House Committee on Oversight and Accountability on March 7, 2024

| By Fiscal Year, Millions of Dollars | 2024 | 2024-2029 | 2024-2034 |
|---|----------|-----------|---------------|
| Direct Spending (Outlays) | * | * | * |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (-) in the Deficit | * | * | * |
| Spending Subject to Appropriation (Outlays) | * | 43 | not estimated |

| | | | |
|--|---|---|-----|
| Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035? | * | Statutory pay-as-you-go procedures apply? | Yes |
| Mandate Effects | | | |
| Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035? | * | Contains intergovernmental mandate? | No |
| | | Contains private-sector mandate? | No |

* = between zero and \$500,000.

The bill would

- Update policies, procedures, and programs for information security at federal agencies
- Require all federal agencies to report significant cyber incidents on their networks
- Require agencies to train federal information technology workers on responding to cyber incidents

Estimated budgetary effects would mainly stem from

- Contracting with information security service companies
- Hiring information security analysts
- Providing cyber incident response training to federal employees
- Reporting and responding to cyber incidents at federal agencies

Areas of significant uncertainty include

- Anticipating the adoption schedules of new cybersecurity procedures and programs
- Predicting the staffing and contracting requirements of federal information security offices

Detailed estimate begins on the next page.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Bill Summary

The Federal Information Security Modernization Act (FISMA) provides a framework to protect government information operations against cybersecurity threats. H.R. 4552 would update FISMA to require federal agencies to report all cybersecurity incidents and conduct standardized cybersecurity procedures on a regular basis.

Estimated Federal Cost

The estimated budgetary effects of H.R. 4552 are shown in Table 1. The costs of the legislation fall within budget functions 050 (national defense) and 800 (general government).

Table 1.
Estimated Budgetary Effects of H.R. 4552

| | By Fiscal Year, Millions of Dollars | | | | | | 2024-2029 |
|---|-------------------------------------|------|------|------|------|------|-----------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| Increases in Spending Subject to Appropriation | | | | | | | |
| Federal Risk Assessment | | | | | | | |
| Estimated Authorization | * | 3 | 3 | 3 | 3 | 3 | 15 |
| Estimated Outlays | * | 3 | 3 | 3 | 3 | 3 | 15 |
| Cyber Incident Training | | | | | | | |
| Estimated Authorization | * | 2 | 3 | 3 | 3 | 3 | 14 |
| Estimated Outlays | * | 2 | 3 | 3 | 3 | 3 | 14 |
| Reporting Requirements | | | | | | | |
| Estimated Authorization | * | * | 4 | 2 | 6 | 2 | 14 |
| Estimated Outlays | * | * | 4 | 2 | 6 | 2 | 14 |
| Total Changes | | | | | | | |
| Estimated Authorization | * | 5 | 10 | 8 | 12 | 8 | 43 |
| Estimated Outlays | * | 5 | 10 | 8 | 12 | 8 | 43 |

In addition to the budgetary effects shown above, CBO estimates that enacting H.R. 4552 would have insignificant effects on direct spending and the deficit over the 2024-2034 period.

* = between zero and \$500,000.

Basis of Estimate

For this estimate, CBO assumes that H.R. 4552 will be enacted in fiscal year 2024. Outlays are based on historical spending patterns for existing or similar programs.

Spending Subject to Appropriation

CBO estimates that implementing the bill would cost \$43 million over the 2024–2029 period. Such spending would be subject to the availability of appropriated funds.

Federal Risk Assessment. H.R. 4552 would codify and expand the responsibility of the Cybersecurity and Infrastructure Security Agency (CISA) to assess and report on cyber preparedness at federal agencies. Using information from CISA about risk assessments and



reporting efforts similar to those that the bill would require, CBO anticipates that the agency would need five full-time employees to track and report on cyber risks to federal agencies. Compensation and salaries for those employees would total \$5 million over the 2024–2029 period. CBO also expects that federal agencies would modify existing cybersecurity services contracts to track and transmit additional data from their information technology systems to CISA at a cost of \$10 million over that same period. In total, implementing the risk assessments would cost \$15 million over the 2024–2029 period, CBO estimates.

Cyber Incident Training. H.R. 4552 would require federal agencies to develop training for information technology workers on how to identify and respond to cyber incidents. Using information from agencies about government-wide training efforts, CBO expects that CISA would need five full-time employees to study best practices and establish standard qualifications for the training. CBO also anticipates that agencies will modify existing contracts for training to incorporate the new content created by CISA. Accounting for the time needed to develop the training, CBO estimates that implementing this program would cost \$14 million over the 2024–2029 period for staff and information technology costs.

Reporting Requirements. H.R. 4552 would require federal agencies to track and report on the effectiveness of their information security programs. Under the bill, the Office of Management and Budget (OMB) would compile those reports and publish information about agency performance on a federal dashboard. The Administration has issued executive orders and memoranda concerning many of the reporting requirements included in H.R. 4552. CBO expects those actions would satisfy most of the requirements of the bill. H.R. 4552 also would increase the frequency of some of the existing reporting requirements and decrease the frequency of others. On the basis of the costs of similar plans and reports, CBO estimates that satisfying the reporting requirements of the bill would cost \$14 million over the 2024–2029 period.

Direct Spending

Enacting the bill could affect direct spending by some federal agencies that are allowed to use fees, receipts from the sale of goods, and other collections to cover operating costs. CBO estimates that any net changes in direct spending by those agencies would be negligible because most of them can adjust amounts collected to reflect changes in operating costs.

Uncertainty

Areas of uncertainty in this estimate include predicting the implementation timeline at federal agencies. The budgetary effects of the bill could be significantly higher or lower than CBO's estimate if the time needed to adopt new cybersecurity procedures and technology differs from CBO's estimate.

The budgetary effects of the bill also would depend on the number of additional employees that would be needed at CISA, OMB, and other federal agencies to satisfy the requirements



of the bill. Costs would be moderately larger or smaller than this estimate if the number of analysts hired differs from CBO's estimate.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that enacting the bill would increase direct spending by less than \$500,000 over the 2024–2034 period.

Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that enacting H.R. 4552 would not significantly increase net direct spending in any of the four consecutive 10-year periods beginning in 2035.

CBO estimates that enacting H.R. 4552 would not significantly increase on-budget deficits in any of the four consecutive 10-year periods beginning in 2035.

Mandates

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Previous CBO Estimate

On August 16, 2023, CBO transmitted a [cost estimate for S. 2251](#), the Cybersecurity Act of 2023, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on July 26, 2023. The estimated cost to CISA and federal agencies to implement H.R. 4552 is substantially less than for S. 2551 because that bill included requirements for data logging and retention, continuous risk assessments, and additional personnel that would not be required under H.R. 4552.



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