|                               | Calendar No.                                                                                           |
|-------------------------------|--------------------------------------------------------------------------------------------------------|
| 114TH CONGRESS<br>1ST SESSION | <b>S.</b>                                                                                              |
|                               | [Report No. 114]                                                                                       |
|                               | urity in the United States through enhanced sharing out cybersecurity threats, and for other purposes. |

## IN THE SENATE OF THE UNITED STATES

Mr. Burr, from the Select Committee on Intelligence, reported the following original bill; which was read twice and placed on the calendar

# A BILL

To improve cybersecurity in the United States through enhanced sharing of information about cybersecurity threats, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
- 4 (a) SHORT TITLE.—This Act may be cited as the
- 5 "Cybersecurity Information Sharing Act of 2015".
- 6 (b) Table of Contents.—The table of contents of
- 7 this Act is as follows:

| Sec  | 1  | Short | title. | table | $\alpha f$ | contents. |
|------|----|-------|--------|-------|------------|-----------|
| DOC. | 1. | SHOLU | uiue,  | table | OΤ         | contents. |

- Sec. 2. Definitions.
- Sec. 3. Sharing of information by the Federal Government.
- Sec. 4. Authorizations for preventing, detecting, analyzing, and mitigating cybersecurity threats.
- Sec. 5. Sharing of cyber threat indicators and defensive measures with the Federal Government.
- Sec. 6. Protection from liability.
- Sec. 7. Oversight of Government activities.
- Sec. 8. Construction and preemption.
- Sec. 9. Report on cybersecurity threats.
- Sec. 10. Conforming amendments.

#### 1 SEC. 2. DEFINITIONS.

In this Act:

| _ |     |               |        |          |     |      |
|---|-----|---------------|--------|----------|-----|------|
| 3 | (1) | AGENCY.—The   | term   | "agency" | has | the  |
| J | (1) | ALGERTOI. THE | UCLIII | agoney   | HUB | ULIC |

- 4 meaning given the term in section 3502 of title 44,
- 5 United States Code.
- 6 (2) Antitrust laws.—The term "antitrust
- 7 laws''—

2

- 8 (A) has the meaning given the term in sec-
- 9 tion 1 of the Clayton Act (15 U.S.C. 12);
- (B) includes section 5 of the Federal
- 11 Trade Commission Act (15 U.S.C. 45) to the
- extent that section 5 of that Act applies to un-
- fair methods of competition; and
- 14 (C) includes any State law that has the
- same intent and effect as the laws under sub-
- paragraphs (A) and (B).
- 17 (3) APPROPRIATE FEDERAL ENTITIES.—The
- term "appropriate Federal entities" means the fol-
- lowing:
- 20 (A) The Department of Commerce.

| 1  | (B) The Department of Defense.                        |
|----|-------------------------------------------------------|
| 2  | (C) The Department of Energy.                         |
| 3  | (D) The Department of Homeland Secu-                  |
| 4  | rity.                                                 |
| 5  | (E) The Department of Justice.                        |
| 6  | (F) The Department of the Treasury.                   |
| 7  | (G) The Office of the Director of National            |
| 8  | Intelligence.                                         |
| 9  | (4) Cybersecurity purpose.—The term "cy-              |
| 10 | bersecurity purpose" means the purpose of pro-        |
| 11 | tecting an information system or information that is  |
| 12 | stored on, processed by, or transiting an information |
| 13 | system from a cybersecurity threat or security vul-   |
| 14 | nerability.                                           |
| 15 | (5) Cybersecurity threat.—                            |
| 16 | (A) In general.—Except as provided in                 |
| 17 | subparagraph (B), the term "cybersecurity             |
| 18 | threat" means an action, not protected by the         |
| 19 | First Amendment to the Constitution of the            |
| 20 | United States, on or through an information           |
| 21 | system that may result in an unauthorized ef-         |
| 22 | fort to adversely impact the security, avail-         |
| 23 | ability, confidentiality, or integrity of an infor-   |
| 24 | mation system or information that is stored on,       |

| 1  | processed by, or transiting an information sys-    |
|----|----------------------------------------------------|
| 2  | tem.                                               |
| 3  | (B) Exclusion.—The term "cybersecurity             |
| 4  | threat" does not include any action that solely    |
| 5  | involves a violation of a consumer term of serv-   |
| 6  | ice or a consumer licensing agreement.             |
| 7  | (6) Cyber threat indicator.—The term               |
| 8  | "cyber threat indicator" means information that is |
| 9  | necessary to describe or identify—                 |
| 10 | (A) malicious reconnaissance, including            |
| 11 | anomalous patterns of communications that ap-      |
| 12 | pear to be transmitted for the purpose of gath-    |
| 13 | ering technical information related to a cyberse-  |
| 14 | curity threat or security vulnerability;           |
| 15 | (B) a method of defeating a security con-          |
| 16 | trol or exploitation of a security vulnerability;  |
| 17 | (C) a security vulnerability, including            |
| 18 | anomalous activity that appears to indicate the    |
| 19 | existence of a security vulnerability;             |
| 20 | (D) a method of causing a user with legiti-        |
| 21 | mate access to an information system or infor-     |
| 22 | mation that is stored on, processed by, or         |
| 23 | transiting an information system to unwittingly    |
| 24 | enable the defeat of a security control or exploi- |
| 25 | tation of a security vulnerability;                |

| 1  | (E) malicious cyber command and control;            |
|----|-----------------------------------------------------|
| 2  | (F) the actual or potential harm caused by          |
| 3  | an incident, including a description of the infor-  |
| 4  | mation exfiltrated as a result of a particular cy-  |
| 5  | bersecurity threat;                                 |
| 6  | (G) any other attribute of a cybersecurity          |
| 7  | threat, if disclosure of such attribute is not oth- |
| 8  | erwise prohibited by law; or                        |
| 9  | (H) any combination thereof.                        |
| 10 | (7) Defensive measure.—                             |
| 11 | (A) In general.—Except as provided in               |
| 12 | subparagraph (B), the term "defensive meas-         |
| 13 | ure" means an action, device, procedure, signa-     |
| 14 | ture, technique, or other measure applied to an     |
| 15 | information system or information that is           |
| 16 | stored on, processed by, or transiting an infor-    |
| 17 | mation system that detects, prevents, or miti-      |
| 18 | gates a known or suspected cybersecurity threat     |
| 19 | or security vulnerability.                          |
| 20 | (B) Exclusion.—The term "defensive                  |
| 21 | measure" does not include a measure that de-        |
| 22 | stroys, renders unusable, or substantially harms    |
| 23 | an information system or data on an informa-        |
| 24 | tion system not belonging to—                       |

| 1  | (i) the private entity operating the             |
|----|--------------------------------------------------|
| 2  | measure; or                                      |
| 3  | (ii) another entity or Federal entity            |
| 4  | that is authorized to provide consent and        |
| 5  | has provided consent to that private entity      |
| 6  | for operation of such measure.                   |
| 7  | (8) Entity.—                                     |
| 8  | (A) In general.—Except as otherwise              |
| 9  | provided in this paragraph, the term "entity"    |
| 10 | means any private entity, non-Federal govern-    |
| 11 | ment agency or department, or State, tribal, or  |
| 12 | local government (including a political subdivi- |
| 13 | sion, department, or component thereof).         |
| 14 | (B) Inclusions.—The term "entity" in-            |
| 15 | cludes a government agency or department of      |
| 16 | the District of Columbia, the Commonwealth of    |
| 17 | Puerto Rico, the Virgin Islands, Guam, Amer-     |
| 18 | ican Samoa, the Northern Mariana Islands, and    |
| 19 | any other territory or possession of the United  |
| 20 | States.                                          |
| 21 | (C) Exclusion.—The term "entity" does            |
| 22 | not include a foreign power as defined in sec-   |
| 23 | tion 101 of the Foreign Intelligence Surveil-    |
| 24 | lance Act of 1978 (50 U.S.C. 1801).              |
|    |                                                  |

| 1  | (9) Federal entity.—The term "Federal en-               |
|----|---------------------------------------------------------|
| 2  | tity" means a department or agency of the United        |
| 3  | States or any component of such department or           |
| 4  | agency.                                                 |
| 5  | (10) Information system.—The term "infor-               |
| 6  | mation system"—                                         |
| 7  | (A) has the meaning given the term in sec-              |
| 8  | tion 3502 of title 44, United States Code; and          |
| 9  | (B) includes industrial control systems,                |
| 10 | such as supervisory control and data acquisition        |
| 11 | systems, distributed control systems, and pro-          |
| 12 | grammable logic controllers.                            |
| 13 | (11) Local government.—The term "local                  |
| 14 | government" means any borough, city, county, par-       |
| 15 | ish, town, township, village, or other political sub-   |
| 16 | division of a State.                                    |
| 17 | (12) Malicious cyber command and con-                   |
| 18 | TROL.—The term "malicious cyber command and             |
| 19 | control" means a method for unauthorized remote         |
| 20 | identification of, access to, or use of, an information |
| 21 | system or information that is stored on, processed      |
| 22 | by, or transiting an information system.                |
| 23 | (13) Malicious reconnaissance.—The term                 |
| 24 | "malicious reconnaissance" means a method for ac-       |
| 25 | tively probing or passively monitoring an information   |

| 1   | system for the purpose of discerning security          |
|-----|--------------------------------------------------------|
| 2   | vulnerabilities of the information system, if such     |
| 3   | method is associated with a known or suspected cy-     |
| 4   | bersecurity threat.                                    |
| 5   | (14) Monitor.—The term "monitor" means to              |
| 6   | acquire, identify, or scan, or to possess, information |
| 7   | that is stored on, processed by, or transiting an in-  |
| 8   | formation system.                                      |
| 9   | (15) Private entity.—                                  |
| 10  | (A) In general.—Except as otherwise                    |
| l 1 | provided in this paragraph, the term "private          |
| 12  | entity" means any person or private group, or-         |
| 13  | ganization, proprietorship, partnership, trust,        |
| 14  | cooperative, corporation, or other commercial or       |
| 15  | nonprofit entity, including an officer, employee,      |
| 16  | or agent thereof.                                      |
| 17  | (B) Inclusion.—The term "private enti-                 |
| 18  | ty" includes a State, tribal, or local government      |
| 19  | performing electric utility services.                  |
| 20  | (C) Exclusion.—The term "private enti-                 |
| 21  | ty" does not include a foreign power as defined        |
| 22  | in section 101 of the Foreign Intelligence Sur-        |
| 23  | veillance Act of 1978 (50 U.S.C. 1801).                |
| 24  | (16) Security Control.—The term "security              |
| 25  | control" means the management, operational, and        |

| 1                                                                           | technical controls used to protect against an unau-                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2                                                                           | thorized effort to adversely affect the confidentiality,                                                                                                                                                                                                                                                                                                                                                                     |
| 3                                                                           | integrity, and availability of an information system                                                                                                                                                                                                                                                                                                                                                                         |
| 4                                                                           | or its information.                                                                                                                                                                                                                                                                                                                                                                                                          |
| 5                                                                           | (17) SECURITY VULNERABILITY.—The term                                                                                                                                                                                                                                                                                                                                                                                        |
| 6                                                                           | "security vulnerability" means any attribute of hard-                                                                                                                                                                                                                                                                                                                                                                        |
| 7                                                                           | ware, software, process, or procedure that could en-                                                                                                                                                                                                                                                                                                                                                                         |
| 8                                                                           | able or facilitate the defeat of a security control.                                                                                                                                                                                                                                                                                                                                                                         |
| 9                                                                           | (18) Tribal.—The term "tribal" has the                                                                                                                                                                                                                                                                                                                                                                                       |
| 10                                                                          | meaning given the term "Indian tribe" in section 4                                                                                                                                                                                                                                                                                                                                                                           |
| 11                                                                          | of the Indian Self-Determination and Education As-                                                                                                                                                                                                                                                                                                                                                                           |
| 12                                                                          | sistance Act (25 U.S.C. 450b).                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 13                                                                          | SEC. 3. SHARING OF INFORMATION BY THE FEDERAL GOV-                                                                                                                                                                                                                                                                                                                                                                           |
| <ul><li>13</li><li>14</li></ul>                                             | SEC. 3. SHARING OF INFORMATION BY THE FEDERAL GOVERNMENT.                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 14                                                                          | ERNMENT.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 14<br>15                                                                    | ERNMENT.  (a) In General.—Consistent with the protection of                                                                                                                                                                                                                                                                                                                                                                  |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li></ul>                       | ERNMENT.  (a) IN GENERAL.—Consistent with the protection of classified information, intelligence sources and methods,                                                                                                                                                                                                                                                                                                        |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li></ul>                       | ERNMENT.  (a) In General.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National                                                                                                                                                                                                                                              |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li><li>18</li></ul>            | ERNMENT.  (a) IN GENERAL.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National Intelligence, the Secretary of Homeland Security, the Sec-                                                                                                                                                                                   |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li><li>18</li><li>19</li></ul> | ERNMENT.  (a) IN GENERAL.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National Intelligence, the Secretary of Homeland Security, the Secretary of Defense, and the Attorney General, in consultations.                                                                                                                      |
| 14<br>15<br>16<br>17<br>18<br>19<br>20                                      | ERNMENT.  (a) IN GENERAL.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National Intelligence, the Secretary of Homeland Security, the Secretary of Defense, and the Attorney General, in consultation with the heads of the appropriate Federal entities,                                                                    |
| 14<br>15<br>16<br>17<br>18<br>19<br>20<br>21                                | ERNMENT.  (a) In General.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National Intelligence, the Secretary of Homeland Security, the Secretary of Defense, and the Attorney General, in consultation with the heads of the appropriate Federal entities, shall develop and promulgate procedures to facilitate and          |
| 14<br>15<br>16<br>17<br>18<br>19<br>20<br>21<br>22                          | ERNMENT.  (a) IN GENERAL.—Consistent with the protection of classified information, intelligence sources and methods, and privacy and civil liberties, the Director of National Intelligence, the Secretary of Homeland Security, the Secretary of Defense, and the Attorney General, in consultation with the heads of the appropriate Federal entities, shall develop and promulgate procedures to facilitate and promote— |

| 1  | ment with cleared representatives of relevant enti-    |
|----|--------------------------------------------------------|
| 2  | ties;                                                  |
| 3  | (2) the timely sharing with relevant entities of       |
| 4  | cyber threat indicators or information in the posses-  |
| 5  | sion of the Federal Government that may be declas-     |
| 6  | sified and shared at an unclassified level;            |
| 7  | (3) the sharing with relevant entities, or the         |
| 8  | public if appropriate, of unclassified, including con- |
| 9  | trolled unclassified, cyber threat indicators in the   |
| 10 | possession of the Federal Government; and              |
| 11 | (4) the sharing with entities, if appropriate, of      |
| 12 | information in the possession of the Federal Govern-   |
| 13 | ment about cybersecurity threats to such entities to   |
| 14 | prevent or mitigate adverse effects from such cyber-   |
| 15 | security threats.                                      |
| 16 | (b) Development of Procedures.—                        |
| 17 | (1) In general.—The procedures developed               |
| 18 | and promulgated under subsection (a) shall—            |
| 19 | (A) ensure the Federal Government has                  |
| 20 | and maintains the capability to share cyber            |
| 21 | threat indicators in real time consistent with         |
| 22 | the protection of classified information;              |
| 23 | (B) incorporate, to the greatest extent                |
| 24 | practicable, existing processes and existing roles     |
| 25 | and responsibilities of Federal and non-Federal        |

| 1  | entities for information sharing by the Federal   |
|----|---------------------------------------------------|
| 2  | Government, including sector specific informa-    |
| 3  | tion sharing and analysis centers;                |
| 4  | (C) include procedures for notifying enti-        |
| 5  | ties that have received a cyber threat indicator  |
| 6  | from a Federal entity under this Act that is      |
| 7  | known or determined to be in error or in con-     |
| 8  | travention of the requirements of this Act or     |
| 9  | another provision of Federal law or policy of     |
| 10 | such error or contravention;                      |
| 11 | (D) include requirements for Federal enti-        |
| 12 | ties receiving cyber threat indicators or defen-  |
| 13 | sive measures to implement and utilize security   |
| 14 | controls to protect against unauthorized access   |
| 15 | to or acquisition of such cyber threat indicators |
| 16 | or defensive measures; and                        |
| 17 | (E) include procedures that require a Fed-        |
| 18 | eral entity, prior to the sharing of a cyber      |
| 19 | threat indicator—                                 |
| 20 | (i) to review such cyber threat indi-             |
| 21 | cator to assess whether such cyber threat         |
| 22 | indicator contains any information that           |
| 23 | such Federal entity knows at the time of          |
| 24 | sharing to be personal information of or          |
| 25 | identifying a specific person not directly        |

| 1  | related to a cybersecurity threat and re-                    |
|----|--------------------------------------------------------------|
| 2  | move such information; or                                    |
| 3  | (ii) to implement and utilize a tech-                        |
| 4  | nical capability configured to remove any                    |
| 5  | personal information of or identifying a                     |
| 6  | specific person not directly related to a cy-                |
| 7  | bersecurity threat.                                          |
| 8  | (2) COORDINATION.—In developing the proce-                   |
| 9  | dures required under this section, the Director of           |
| 10 | National Intelligence, the Secretary of Homeland Se-         |
| 11 | curity, the Secretary of Defense, and the Attorney           |
| 12 | General shall coordinate with appropriate Federa             |
| 13 | entities, including the National Laboratories (as de-        |
| 14 | fined in section 2 of the Energy Policy Act of 2005          |
| 15 | (42 U.S.C. 15801)), to ensure that effective proto-          |
| 16 | cols are implemented that will facilitate and promote        |
| 17 | the sharing of cyber threat indicators by the Federa         |
| 18 | Government in a timely manner.                               |
| 19 | (c) Submittal to Congress.—Not later than 60                 |
| 20 | days after the date of the enactment of this Act, the Direc- |
| 21 | tor of National Intelligence, in consultation with the heads |
| 22 | of the appropriate Federal entities, shall submit to Con-    |
| 23 | gress the procedures required by subsection (a).             |
|    |                                                              |

| 1  | SEC. 4. AUTHORIZATIONS FOR PREVENTING, DETECTING,      |
|----|--------------------------------------------------------|
| 2  | ANALYZING, AND MITIGATING CYBERSECU-                   |
| 3  | RITY THREATS.                                          |
| 4  | (a) Authorization for Monitoring.—                     |
| 5  | (1) IN GENERAL.—Notwithstanding any other              |
| 6  | provision of law, a private entity may, for cybersecu- |
| 7  | rity purposes, monitor—                                |
| 8  | (A) an information system of such private              |
| 9  | entity;                                                |
| 10 | (B) an information system of another enti-             |
| 11 | ty, upon the authorization and written consent         |
| 12 | of such other entity;                                  |
| 13 | (C) an information system of a Federal en-             |
| 14 | tity, upon the authorization and written consent       |
| 15 | of an authorized representative of the Federal         |
| 16 | entity; and                                            |
| 17 | (D) information that is stored on, proc-               |
| 18 | essed by, or transiting an information system          |
| 19 | monitored by the private entity under this para-       |
| 20 | graph.                                                 |
| 21 | (2) Construction.—Nothing in this sub-                 |
| 22 | section shall be construed—                            |
| 23 | (A) to authorize the monitoring of an in-              |
| 24 | formation system, or the use of any information        |
| 25 | obtained through such monitoring, other than           |
| 26 | as provided in this Act; or                            |

| 1  | (B) to limit otherwise lawful activity.                |
|----|--------------------------------------------------------|
| 2  | (b) Authorization for Operation of Defensive           |
| 3  | Measures.—                                             |
| 4  | (1) In General.—Notwithstanding any other              |
| 5  | provision of law, a private entity may, for cybersecu- |
| 6  | rity purposes, operate a defensive measure that is     |
| 7  | applied to—                                            |
| 8  | (A) an information system of such private              |
| 9  | entity in order to protect the rights or property      |
| 10 | of the private entity;                                 |
| 11 | (B) an information system of another enti-             |
| 12 | ty upon written consent of such entity for oper-       |
| 13 | ation of such defensive measure to protect the         |
| 14 | rights or property of such entity; and                 |
| 15 | (C) an information system of a Federal en-             |
| 16 | tity upon written consent of an authorized rep-        |
| 17 | resentative of such Federal entity for operation       |
| 18 | of such defensive measure to protect the rights        |
| 19 | or property of the Federal Government.                 |
| 20 | (2) Construction.—Nothing in this sub-                 |
| 21 | section shall be construed—                            |
| 22 | (A) to authorize the use of a defensive                |
| 23 | measure other than as provided in this sub-            |
| 24 | section; or                                            |
| 25 | (B) to limit otherwise lawful activity.                |

| 1  | (c) Authorization for Sharing or Receiving             |
|----|--------------------------------------------------------|
| 2  | CYBER THREAT INDICATORS OR DEFENSIVE MEAS-             |
| 3  | URES.—                                                 |
| 4  | (1) In general.—Except as provided in para-            |
| 5  | graph (2) and notwithstanding any other provision      |
| 6  | of law, an entity may, for the purposes permitted      |
| 7  | under this Act and consistent with the protection of   |
| 8  | classified information, share with, or receive from,   |
| 9  | any other entity or the Federal Government a cyber     |
| 10 | threat indicator or defensive measure.                 |
| 11 | (2) LAWFUL RESTRICTION.—An entity receiving            |
| 12 | a cyber threat indicator or defensive measure from     |
| 13 | another entity or Federal entity shall comply with     |
| 14 | otherwise lawful restrictions placed on the sharing or |
| 15 | use of such cyber threat indicator or defensive meas-  |
| 16 | ure by the sharing entity or Federal entity.           |
| 17 | (3) Construction.—Nothing in this sub-                 |
| 18 | section shall be construed—                            |
| 19 | (A) to authorize the sharing or receiving of           |
| 20 | a cyber threat indicator or defensive measure          |
| 21 | other than as provided in this subsection; or          |
| 22 | (B) to limit otherwise lawful activity.                |
| 23 | (d) Protection and Use of Information.—                |
| 24 | (1) Security of Information.—An entity                 |
| 25 | monitoring an information system, operating a de-      |

| 1  | fensive measure, or providing or receiving a cyber     |
|----|--------------------------------------------------------|
| 2  | threat indicator or defensive measure under this sec-  |
| 3  | tion shall implement and utilize a security control to |
| 4  | protect against unauthorized access to or acquisition  |
| 5  | of such cyber threat indicator or defensive measure.   |
| 6  | (2) Removal of Certain Personal Informa-               |
| 7  | TION.—An entity sharing a cyber threat indicator       |
| 8  | pursuant to this Act shall, prior to such sharing—     |
| 9  | (A) review such cyber threat indicator to              |
| 10 | assess whether such cyber threat indicator con-        |
| 11 | tains any information that the entity knows at         |
| 12 | the time of sharing to be personal information         |
| 13 | of or identifying a specific person not directly       |
| 14 | related to a cybersecurity threat and remove           |
| 15 | such information; or                                   |
| 16 | (B) implement and utilize a technical capa-            |
| 17 | bility configured to remove any information            |
| 18 | contained within such indicator that the entity        |
| 19 | knows at the time of sharing to be personal in-        |
| 20 | formation of or identifying a specific person not      |
| 21 | directly related to a cybersecurity threat.            |
| 22 | (3) Use of cyber threat indicators and                 |
| 23 | DEFENSIVE MEASURES BY ENTITIES.—                       |
| 24 | (A) IN GENERAL.—Consistent with this                   |
| 25 | Act, a cyber threat indicator or defensive meas-       |

| 1  | ure shared or received under this section may,  |
|----|-------------------------------------------------|
| 2  | for cybersecurity purposes—                     |
| 3  | (i) be used by an entity to monitor or          |
| 4  | operate a defensive measure on—                 |
| 5  | (I) an information system of the                |
| 6  | entity; or                                      |
| 7  | (II) an information system of an-               |
| 8  | other entity or a Federal entity upon           |
| 9  | the written consent of that other enti-         |
| 10 | ty or that Federal entity; and                  |
| 11 | (ii) be otherwise used, retained, and           |
| 12 | further shared by an entity subject to—         |
| 13 | (I) an otherwise lawful restriction             |
| 14 | placed by the sharing entity or Fed-            |
| 15 | eral entity on such cyber threat indi-          |
| 16 | cator or defensive measure; or                  |
| 17 | (II) an otherwise applicable pro-               |
| 18 | vision of law.                                  |
| 19 | (B) Construction.—Nothing in this               |
| 20 | paragraph shall be construed to authorize the   |
| 21 | use of a cyber threat indicator or defensive    |
| 22 | measure other than as provided in this section. |
| 23 | (4) Use of cyber threat indicators by           |
| 24 | STATE, TRIBAL, OR LOCAL GOVERNMENT.—            |
| 25 | (A) Law enforcement use.—                       |

| 1  | (i) Prior written consent.—Ex-                    |
|----|---------------------------------------------------|
| 2  | cept as provided in clause (ii), a cyber          |
| 3  | threat indicator shared with a State, tribal,     |
| 4  | or local government under this section            |
| 5  | may, with the prior written consent of the        |
| 6  | entity sharing such indicator, be used by a       |
| 7  | State, tribal, or local government for the        |
| 8  | purpose of preventing, investigating, or          |
| 9  | prosecuting any of the offenses described         |
| 10 | in section $5(d)(5)(A)(vi)$ .                     |
| 11 | (ii) Oral consent.—If exigent cir-                |
| 12 | cumstances prevent obtaining written con-         |
| 13 | sent under clause (i), such consent may be        |
| 14 | provided orally with subsequent docu-             |
| 15 | mentation of the consent.                         |
| 16 | (B) Exemption from disclosure.—A                  |
| 17 | cyber threat indicator shared with a State, trib- |
| 18 | al, or local government under this section shall  |
| 19 | be—                                               |
| 20 | (i) deemed voluntarily shared informa-            |
| 21 | tion; and                                         |
| 22 | (ii) exempt from disclosure under any             |
| 23 | State, tribal, or local law requiring disclo-     |
| 24 | sure of information or records.                   |

| 1  | (C) State, tribal, and local regu-            |
|----|-----------------------------------------------|
| 2  | LATORY AUTHORITY.—                            |
| 3  | (i) In general.—Except as provided            |
| 4  | in clause (ii), a cyber threat indicator or   |
| 5  | defensive measure shared with a State,        |
| 6  | tribal, or local government under this Act    |
| 7  | shall not be directly used by any State,      |
| 8  | tribal, or local government to regulate, in-  |
| 9  | cluding an enforcement action, the lawful     |
| 10 | activity of any entity, including an activity |
| 11 | relating to monitoring, operating a defen-    |
| 12 | sive measure, or sharing of a cyber threat    |
| 13 | indicator.                                    |
| 14 | (ii) Regulatory authority spe-                |
| 15 | CIFICALLY RELATING TO PREVENTION OR           |
| 16 | MITIGATION OF CYBERSECURITY                   |
| 17 | THREATS.—A cyber threat indicator or de-      |
| 18 | fensive measures shared as described in       |
| 19 | clause (i) may, consistent with a State,      |
| 20 | tribal, or local government regulatory au-    |
| 21 | thority specifically relating to the preven-  |
| 22 | tion or mitigation of cybersecurity threats   |
| 23 | to information systems, inform the devel-     |
| 24 | opment or implementation of a regulation      |
| 25 | relating to such information systems.         |

| (6    | (   | ANTITRUST | EXEMPTION.— |
|-------|-----|-----------|-------------|
| - 1 ( | ; , | ANTITION  | EXEMPTION.— |

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(1) In General.—Except as provided in section 8(e), it shall not be considered a violation of any provision of antitrust laws for 2 or more private entities to exchange or provide a cyber threat indicator, or assistance relating to the prevention, investigation, or mitigation of a cybersecurity threat, for cybersecurity purposes under this Act.

- (2) APPLICABILITY.—Paragraph (1) shall apply only to information that is exchanged or assistance provided in order to assist with—
  - (A) facilitating the prevention, investigation, or mitigation of a cybersecurity threat to an information system or information that is stored on, processed by, or transiting an information system; or
  - (B) communicating or disclosing a cyber threat indicator to help prevent, investigate, or mitigate the effect of a cybersecurity threat to an information system or information that is stored on, processed by, or transiting an information system.
- 23 (f) NO RIGHT OR BENEFIT.—The sharing of a cyber 24 threat indicator with an entity under this Act shall not

| 1  | create a right or benefit to similar information by such |
|----|----------------------------------------------------------|
| 2  | entity or any other entity.                              |
| 3  | SEC. 5. SHARING OF CYBER THREAT INDICATORS AND DE-       |
| 4  | FENSIVE MEASURES WITH THE FEDERAL                        |
| 5  | GOVERNMENT.                                              |
| 6  | (a) Requirement for Policies and Proce-                  |
| 7  | DURES.—                                                  |
| 8  | (1) Interim policies and procedures.—Not                 |
| 9  | later than 60 days after the date of the enactment       |
| 10 | of this Act, the Attorney General, in coordination       |
| 11 | with the heads of the appropriate Federal entities,      |
| 12 | shall develop and submit to Congress interim policies    |
| 13 | and procedures relating to the receipt of cyber          |
| 14 | threat indicators and defensive measures by the          |
| 15 | Federal Government.                                      |
| 16 | (2) Final policies and procedures.—Not                   |
| 17 | later than 180 days after the date of the enactment      |
| 18 | of this Act, the Attorney General shall, in coordina-    |
| 19 | tion with the heads of the appropriate Federal enti-     |
| 20 | ties, promulgate final policies and procedures relat-    |
| 21 | ing to the receipt of cyber threat indicators and de-    |
| 22 | fensive measures by the Federal Government.              |
| 23 | (3) Requirements concerning policies and                 |
| 24 | PROCEDURES.—Consistent with the guidelines re-           |
| 25 | quired by subsection (b), the policies and procedures    |

| 1  | developed and promulgated under this subsection  |
|----|--------------------------------------------------|
| 2  | shall—                                           |
| 3  | (A) ensure that cyber threat indicators are      |
| 4  | shared with the Federal Government by any en-    |
| 5  | tity pursuant to section 4(c) through the real-  |
| 6  | time process described in subsection (c) of this |
| 7  | section—                                         |
| 8  | (i) are shared in an automated man-              |
| 9  | ner with all of the appropriate Federal en-      |
| 10 | tities;                                          |
| 11 | (ii) are not subject to any delay, modi-         |
| 12 | fication, or any other action that could im-     |
| 13 | pede real-time receipt by all of the appro-      |
| 14 | priate Federal entities; and                     |
| 15 | (iii) may be provided to other Federal           |
| 16 | entities;                                        |
| 17 | (B) ensure that cyber threat indicators          |
| 18 | shared with the Federal Government by any en-    |
| 19 | tity pursuant to section 4 in a manner other     |
| 20 | than the real time process described in sub-     |
| 21 | section (e) of this section—                     |
| 22 | (i) are shared as quickly as operation-          |
| 23 | ally practicable with all of the appropriate     |
| 24 | Federal entities;                                |

| I  | (11) are not subject to any unnecessary           |
|----|---------------------------------------------------|
| 2  | delay, interference, or any other action          |
| 3  | that could impede receipt by all of the ap-       |
| 4  | propriate Federal entities; and                   |
| 5  | (iii) may be provided to other Federal            |
| 6  | entities;                                         |
| 7  | (C) consistent with this Act, any other ap-       |
| 8  | plicable provisions of law, and the fair informa- |
| 9  | tion practice principles set forth in appendix A  |
| 10 | of the document entitled "National Strategy for   |
| 11 | Trusted Identities in Cyberspace" and pub-        |
| 12 | lished by the President in April, 2011, govern    |
| 13 | the retention, use, and dissemination by the      |
| 14 | Federal Government of cyber threat indicators     |
| 15 | shared with the Federal Government under this     |
| 16 | Act, including the extent, if any, to which such  |
| 17 | cyber threat indicators may be used by the Fed-   |
| 18 | eral Government; and                              |
| 19 | (D) ensure there is—                              |
| 20 | (i) an audit capability; and                      |
| 21 | (ii) appropriate sanctions in place for           |
| 22 | officers, employees, or agents of a Federal       |
| 23 | entity who knowingly and willfully conduct        |
| 24 | activities under this Act in an unauthor-         |
| 25 | ized manner.                                      |

| 1  | (4) Guidelines for entities sharing cyber        |
|----|--------------------------------------------------|
| 2  | THREAT INDICATORS WITH FEDERAL GOVERN-           |
| 3  | MENT.—                                           |
| 4  | (A) In general.—Not later than 60 days           |
| 5  | after the date of the enactment of this Act, the |
| 6  | Attorney General shall develop and make pub-     |
| 7  | licly available guidance to assist entities and  |
| 8  | promote sharing of cyber threat indicators with  |
| 9  | Federal entities under this Act.                 |
| 10 | (B) Contents.—The guidelines developed           |
| 11 | and made publicly available under subpara-       |
| 12 | graph (A) shall include guidance on the fol-     |
| 13 | lowing:                                          |
| 14 | (i) Identification of types of informa-          |
| 15 | tion that would qualify as a cyber threat        |
| 16 | indicator under this Act that would be un-       |
| 17 | likely to include personal information of or     |
| 18 | identifying a specific person not directly       |
| 19 | related to a cyber security threat.              |
| 20 | (ii) Identification of types of informa-         |
| 21 | tion protected under otherwise applicable        |
| 22 | privacy laws that are unlikely to be directly    |
| 23 | related to a cybersecurity threat.               |
| 24 | (iii) Such other matters as the Attor-           |
| 25 | ney General considers appropriate for enti-      |

ties sharing cyber threat indicators withFederal entities under this Act.

## (b) Privacy and Civil Liberties.—

(1) Guidelines of attorney general.—Not later than 60 days after the date of the enactment of this Act, the Attorney General shall, in coordination with heads of the appropriate Federal entities and in consultation with officers designated under section 1062 of the National Security Intelligence Reform Act of 2004 (42 U.S.C. 2000ee–1), develop, submit to Congress, and make available to the public interim guidelines relating to privacy and civil liberties which shall govern the receipt, retention, use, and dissemination of cyber threat indicators by a Federal entity obtained in connection with activities authorized in this Act.

### (2) Final guidelines.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Attorney General shall, in coordination with heads of the appropriate Federal entities and in consultation with officers designated under section 1062 of the National Security Intelligence Reform Act of 2004 (42 U.S.C. 2000ee–1) and such private entities with indus-

| 1  | try expertise as the Attorney General considers     |
|----|-----------------------------------------------------|
| 2  | relevant, promulgate final guidelines relating to   |
| 3  | privacy and civil liberties which shall govern the  |
| 4  | receipt, retention, use, and dissemination of       |
| 5  | cyber threat indicators by a Federal entity ob-     |
| 6  | tained in connection with activities authorized     |
| 7  | in this Act.                                        |
| 8  | (B) Periodic Review.—The Attorney                   |
| 9  | General shall, in coordination with heads of the    |
| 10 | appropriate Federal entities and in consultation    |
| 11 | with officers and private entities described in     |
| 12 | subparagraph (A), periodically review the guide-    |
| 13 | lines promulgated under subparagraph (A).           |
| 14 | (3) Content.—The guidelines required by             |
| 15 | paragraphs (1) and (2) shall, consistent with the   |
| 16 | need to protect information systems from cybersecu- |
| 17 | rity threats and mitigate cybersecurity threats—    |
| 18 | (A) limit the impact on privacy and civil           |
| 19 | liberties of activities by the Federal Government   |
| 20 | under this Act;                                     |
| 21 | (B) limit the receipt, retention, use, and          |
| 22 | dissemination of cyber threat indicators con-       |
| 23 | taining personal information of or identifying      |
| 24 | specific persons, including by establishing—        |

| 1  | (1) a process for the timely destruction          |
|----|---------------------------------------------------|
| 2  | of such information that is known not to          |
| 3  | be directly related to uses authorized under      |
| 4  | this Act; and                                     |
| 5  | (ii) specific limitations on the length           |
| 6  | of any period in which a cyber threat indi-       |
| 7  | cator may be retained;                            |
| 8  | (C) include requirements to safeguard             |
| 9  | cyber threat indicators containing personal in-   |
| 10 | formation of or identifying specific persons      |
| 11 | from unauthorized access or acquisition, includ-  |
| 12 | ing appropriate sanctions for activities by offi- |
| 13 | cers, employees, or agents of the Federal Gov-    |
| 14 | ernment in contravention of such guidelines;      |
| 15 | (D) include procedures for notifying enti-        |
| 16 | ties and Federal entities if information received |
| 17 | pursuant to this section is known or determined   |
| 18 | by a Federal entity receiving such information    |
| 19 | not to constitute a cyber threat indicator;       |
| 20 | (E) protect the confidentiality of cyber          |
| 21 | threat indicators containing personal informa-    |
| 22 | tion of or identifying specific persons to the    |
| 23 | greatest extent practicable and require recipi-   |
| 24 | ents to be informed that such indicators may      |
|    |                                                   |

| 1  | only be used for purposes authorized under this      |
|----|------------------------------------------------------|
| 2  | Act; and                                             |
| 3  | (F) include steps that may be needed so              |
| 4  | that dissemination of cyber threat indicators is     |
| 5  | consistent with the protection of classified and     |
| 6  | other sensitive national security information.       |
| 7  | (e) Capability and Process Within the Depart-        |
| 8  | MENT OF HOMELAND SECURITY.—                          |
| 9  | (1) In general.—Not later than 90 days after         |
| 10 | the date of the enactment of this Act, the Secretary |
| 11 | of Homeland Security, in coordination with the       |
| 12 | heads of the appropriate Federal entities, shall de- |
| 13 | velop and implement a capability and process within  |
| 14 | the Department of Homeland Security that—            |
| 15 | (A) shall accept from any entity in real             |
| 16 | time cyber threat indicators and defensive           |
| 17 | measures, pursuant to this section;                  |
| 18 | (B) shall, upon submittal of the certifi-            |
| 19 | cation under paragraph (2) that such capability      |
| 20 | and process fully and effectively operates as de-    |
| 21 | scribed in such paragraph, be the process by         |
| 22 | which the Federal Government receives cyber          |
| 23 | threat indicators and defensive measures under       |
| 24 | this Act that are shared by a private entity with    |
| 25 | the Federal Government through electronic mail       |

| 1  | or media, an interactive form on an Internet      |
|----|---------------------------------------------------|
| 2  | website, or a real time, automated process be-    |
| 3  | tween information systems except—                 |
| 4  | (i) communications between a Federal              |
| 5  | entity and a private entity regarding a pre-      |
| 6  | viously shared cyber threat indicator; and        |
| 7  | (ii) communications by a regulated en-            |
| 8  | tity with such entity's Federal regulatory        |
| 9  | authority regarding a cybersecurity threat;       |
| 10 | (C) ensures that all of the appropriate           |
| 11 | Federal entities receive in an automated man-     |
| 12 | ner such cyber threat indicators shared through   |
| 13 | the real-time process within the Department of    |
| 14 | Homeland Security;                                |
| 15 | (D) is in compliance with the policies, pro-      |
| 16 | cedures, and guidelines required by this section; |
| 17 | and                                               |
| 18 | (E) does not limit or prohibit otherwise          |
| 19 | lawful disclosures of communications, records,    |
| 20 | or other information, including—                  |
| 21 | (i) reporting of known or suspected               |
| 22 | criminal activity, by an entity to any other      |
| 23 | entity or a Federal entity;                       |
| 24 | (ii) voluntary or legally compelled par-          |
| 25 | ticipation in a Federal investigation; and        |

| 1  | (iii) providing cyber threat indicators               |
|----|-------------------------------------------------------|
| 2  | or defensive measures as part of a statu-             |
| 3  | tory or authorized contractual requirement.           |
| 4  | (2) Certification.—Not later than 10 days             |
| 5  | prior to the implementation of the capability and     |
| 6  | process required by paragraph (1), the Secretary of   |
| 7  | Homeland Security shall, in consultation with the     |
| 8  | heads of the appropriate Federal entities, certify to |
| 9  | Congress whether such capability and process fully    |
| 10 | and effectively operates—                             |
| 11 | (A) as the process by which the Federal               |
| 12 | Government receives from any entity a cyber           |
| 13 | threat indicator or defensive measure under this      |
| 14 | Act; and                                              |
| 15 | (B) in accordance with the policies, proce-           |
| 16 | dures, and guidelines developed under this sec-       |
| 17 | tion.                                                 |
| 18 | (3) Public Notice and Access.—The Sec-                |
| 19 | retary of Homeland Security shall ensure there is     |
| 20 | public notice of, and access to, the capability and   |
| 21 | process developed and implemented under paragraph     |
| 22 | (1) so that—                                          |
| 23 | (A) any entity may share cyber threat indi-           |
| 24 | cators and defensive measures through such            |
| 25 | process with the Federal Government; and              |

| 1  | (B) all of the appropriate Federal entities           |
|----|-------------------------------------------------------|
| 2  | receive such cyber threat indicators and defen-       |
| 3  | sive measures in real time with receipt through       |
| 4  | the process within the Department of Home-            |
| 5  | land Security.                                        |
| 6  | (4) Other federal entities.—The process               |
| 7  | developed and implemented under paragraph (1)         |
| 8  | shall ensure that other Federal entities receive in a |
| 9  | timely manner any cyber threat indicators and de-     |
| 10 | fensive measures shared with the Federal Govern-      |
| 11 | ment through such process.                            |
| 12 | (5) Report on Development and Imple-                  |
| 13 | MENTATION.—                                           |
| 14 | (A) In general.—Not later than 60 days                |
| 15 | after the date of the enactment of this Act, the      |
| 16 | Secretary of Homeland Security shall submit to        |
| 17 | Congress a report on the development and im-          |
| 18 | plementation of the capability and process re-        |
| 19 | quired by paragraph (1), including a description      |
| 20 | of such capability and process and the public         |
| 21 | notice of, and access to, such process.               |
| 22 | (B) Classified annex.—The report re-                  |
| 23 | quired by subparagraph (A) shall be submitted         |
| 24 | in unclassified form, but may include a classi-       |
| 25 | fied annex.                                           |

| 1  | (a) INFORMATION SHARED WITH OR PROVIDED TO              |
|----|---------------------------------------------------------|
| 2  | THE FEDERAL GOVERNMENT.—                                |
| 3  | (1) No waiver of privilege or protec-                   |
| 4  | TION.—The provision of cyber threat indicators and      |
| 5  | defensive measures to the Federal Government            |
| 6  | under this Act shall not constitute a waiver of any     |
| 7  | applicable privilege or protection provided by law, in- |
| 8  | cluding trade secret protection.                        |
| 9  | (2) Proprietary information.—Consistent                 |
| 10 | with section 4(c)(2), a cyber threat indicator or de-   |
| 11 | fensive measure provided by an entity to the Federal    |
| 12 | Government under this Act shall be considered the       |
| 13 | commercial, financial, and proprietary information of   |
| 14 | such entity when so designated by the originating       |
| 15 | entity or a third party acting in accordance with the   |
| 16 | written authorization of the originating entity.        |
| 17 | (3) Exemption from disclosure.—Cyber                    |
| 18 | threat indicators and defensive measures provided to    |
| 19 | the Federal Government under this Act shall be—         |
| 20 | (A) deemed voluntarily shared information               |
| 21 | and exempt from disclosure under section 552            |
| 22 | of title 5, United States Code, and any State,          |
| 23 | tribal, or local law requiring disclosure of infor-     |
| 24 | mation or records; and                                  |
|    |                                                         |

| 1  | (B) withheld, without discretion, from the            |
|----|-------------------------------------------------------|
| 2  | public under section 552(b)(3)(B) of title 5,         |
| 3  | United States Code, and any State, tribal, or         |
| 4  | local provision of law requiring disclosure of in-    |
| 5  | formation or records.                                 |
| 6  | (4) Ex parte communications.—The provi-               |
| 7  | sion of a cyber threat indicator or defensive measure |
| 8  | to the Federal Government under this Act shall not    |
| 9  | be subject to a rule of any Federal agency or depart- |
| 10 | ment or any judicial doctrine regarding ex parte      |
| 11 | communications with a decision-making official.       |
| 12 | (5) Disclosure, retention, and use.—                  |
| 13 | (A) AUTHORIZED ACTIVITIES.—Cyber                      |
| 14 | threat indicators and defensive measures pro-         |
| 15 | vided to the Federal Government under this Act        |
| 16 | may be disclosed to, retained by, and used by,        |
| 17 | consistent with otherwise applicable provisions       |
| 18 | of Federal law, any Federal agency or depart-         |
| 19 | ment, component, officer, employee, or agent of       |
| 20 | the Federal Government solely for—                    |
| 21 | (i) a cybersecurity purpose;                          |
| 22 | (ii) the purpose of identifying a cyber-              |
| 23 | security threat, including the source of              |
| 24 | such cybersecurity threat, or a security              |
| 25 | vulnerability;                                        |

| 1  | (III) the purpose of identifying a cy-        |
|----|-----------------------------------------------|
| 2  | bersecurity threat involving the use of an    |
| 3  | information system by a foreign adversary     |
| 4  | or terrorist;                                 |
| 5  | (iv) the purpose of responding to, or         |
| 6  | otherwise preventing or mitigating, an im-    |
| 7  | minent threat of death, serious bodily        |
| 8  | harm, or serious economic harm, including     |
| 9  | a terrorist act or a use of a weapon of       |
| 10 | mass destruction;                             |
| 11 | (v) the purpose of responding to, or          |
| 12 | otherwise preventing or mitigating, a seri-   |
| 13 | ous threat to a minor, including sexual ex-   |
| 14 | ploitation and threats to physical safety; or |
| 15 | (vi) the purpose of preventing, inves-        |
| 16 | tigating, disrupting, or prosecuting an of-   |
| 17 | fense arising out of a threat described in    |
| 18 | clause (iv) or any of the offenses listed     |
| 19 | in—                                           |
| 20 | (I) section $3559(e)(2)(F)$ of title          |
| 21 | 18, United States Code (relating to           |
| 22 | serious violent felonies);                    |
| 23 | (II) sections 1028 through 1030               |
| 24 | of such title (relating to fraud and          |
| 25 | identity theft);                              |
|    |                                               |

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| 1  | (III) chapter 37 of such title (re-              |
|----|--------------------------------------------------|
| 2  | lating to espionage and censorship);             |
| 3  | and                                              |
| 4  | (IV) chapter 90 of such title (re-               |
| 5  | lating to protection of trade secrets).          |
| 6  | (B) Prohibited activities.—Cyber                 |
| 7  | threat indicators and defensive measures pro-    |
| 8  | vided to the Federal Government under this Act   |
| 9  | shall not be disclosed to, retained by, or used  |
| 10 | by any Federal agency or department for any      |
| 11 | use not permitted under subparagraph (A).        |
| 12 | (C) Privacy and civil liberties.—                |
| 13 | Cyber threat indicators and defensive measures   |
| 14 | provided to the Federal Government under this    |
| 15 | Act shall be retained, used, and disseminated by |
| 16 | the Federal Government—                          |
| 17 | (i) in accordance with the policies,             |
| 18 | procedures, and guidelines required by sub-      |
| 19 | sections (a) and (b);                            |
| 20 | (ii) in a manner that protects from              |
| 21 | unauthorized use or disclosure any cyber         |
| 22 | threat indicators that may contain personal      |
| 23 | information of or identifying specific per-      |
| 24 | sons; and                                        |

| 1  | (iii) in a manner that protects the          |
|----|----------------------------------------------|
| 2  | confidentiality of cyber threat indicators   |
| 3  | containing personal information of or iden-  |
| 4  | tifying a specific person.                   |
| 5  | (D) Federal regulatory authority.—           |
| 6  | (i) In general.—Except as provided           |
| 7  | in clause (ii), cyber threat indicators and  |
| 8  | defensive measures provided to the Federal   |
| 9  | Government under this Act shall not be di-   |
| 10 | rectly used by any Federal, State, tribal,   |
| 11 | or local government to regulate, including   |
| 12 | an enforcement action, the lawful activities |
| 13 | of any entity, including activities relating |
| 14 | to monitoring, operating defensive meas-     |
| 15 | ures, or sharing cyber threat indicators.    |
| 16 | (ii) Exceptions.—                            |
| 17 | (I) REGULATORY AUTHORITY                     |
| 18 | SPECIFICALLY RELATING TO PREVEN-             |
| 19 | TION OR MITIGATION OF CYBERSECU-             |
| 20 | RITY THREATS.—Cyber threat indica-           |
| 21 | tors and defensive measures provided         |
| 22 | to the Federal Government under this         |
| 23 | Act may, consistent with Federal or          |
| 24 | State regulatory authority specifically      |
| 25 | relating to the prevention or mitiga-        |

| tion of cybersecurity threats to infor-                    |
|------------------------------------------------------------|
| mation systems, inform the develop-                        |
| ment or implementation of regulations                      |
| relating to such information systems.                      |
| (II) Procedures developed                                  |
| AND IMPLEMENTED UNDER THIS                                 |
| ACT.—Clause (i) shall not apply to                         |
| procedures developed and imple-                            |
| mented under this Act.                                     |
| SEC. 6. PROTECTION FROM LIABILITY.                         |
| (a) Monitoring of Information Systems.—No                  |
| cause of action shall lie or be maintained in any court    |
| against any private entity, and such action shall be       |
| promptly dismissed, for the monitoring of information sys- |
| tems and information under section 4(a) that is conducted  |
| in accordance with this Act.                               |
| (b) Sharing or Receipt of Cyber Threat Indi-               |
| CATORS.—No cause of action shall lie or be maintained      |
| in any court against any entity, and such action shall be  |
| promptly dismissed, for the sharing or receipt of cyber    |
| threat indicators or defensive measures under section 4(c) |
| if—                                                        |
| (1) such sharing or receipt is conducted in ac-            |
| cordance with this Act; and                                |
|                                                            |

| 1  | (2) in a case in which a cyber threat indicator        |
|----|--------------------------------------------------------|
| 2  | or defensive measure is shared with the Federal        |
| 3  | Government, the cyber threat indicator or defensive    |
| 4  | measure is shared in a manner that is consistent       |
| 5  | with section 5(c)(1)(B) and the sharing or receipt,    |
| 6  | as the case may be, occurs after the earlier of—       |
| 7  | (A) the date on which the interim policies             |
| 8  | and procedures are submitted to Congress               |
| 9  | under section $5(a)(1)$ ; or                           |
| 10 | (B) the date that is 60 days after the date            |
| 11 | of the enactment of this Act.                          |
| 12 | (c) Construction.—Nothing in this section shall be     |
| 13 | construed—                                             |
| 14 | (1) to require dismissal of a cause of action          |
| 15 | against an entity that has engaged in gross neg-       |
| 16 | ligence or willful misconduct in the course of con-    |
| 17 | ducting activities authorized by this Act; or          |
| 18 | (2) to undermine or limit the availability of oth-     |
| 19 | erwise applicable common law or statutory defenses.    |
| 20 | SEC. 7. OVERSIGHT OF GOVERNMENT ACTIVITIES.            |
| 21 | (a) Biennial Report on Implementation.—                |
| 22 | (1) IN GENERAL.—Not later than 1 year after            |
| 23 | the date of the enactment of this Act, and not less    |
| 24 | frequently than once every 2 years thereafter, the     |
| 25 | heads of the appropriate Federal entities shall joint- |

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ly submit and the Inspector General of the Department of Homeland Security, the Inspector General of the Intelligence Community, the Inspector General of the Department of Justice, the Inspector General of the Department of Defense, and the Inspector General of the Department of Energy, in consultation with the Council of Inspectors General on Financial Oversight, shall jointly submit to Congress a detailed report concerning the implementation of this Act. (2) Contents.—Each report submitted under paragraph (1) shall include the following: (A) An assessment of the sufficiency of the policies, procedures, and guidelines required by section 5 in ensuring that cyber threat indicators are shared effectively and responsibly within the Federal Government. (B) An evaluation of the effectiveness of real-time information sharing through the capability and process developed under section 5(c), including any impediments to such real-time sharing. (C) An assessment of the sufficiency of the procedures developed under section 3 in ensuring that cyber threat indicators in the posses-

| 1  | sion of the Federal Government are shared in    |
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| 2  | a timely and adequate manner with appropriate   |
| 3  | entities, or, if appropriate, are made publicly |
| 4  | available.                                      |
| 5  | (D) An assessment of whether cyber threat       |
| 6  | indicators have been properly classified and an |
| 7  | accounting of the number of security clearances |
| 8  | authorized by the Federal Government for the    |
| 9  | purposes of this Act.                           |
| 10 | (E) A review of the type of cyber threat in-    |
| 11 | dicators shared with the Federal Government     |
| 12 | under this Act, including the following:        |
| 13 | (i) The degree to which such informa-           |
| 14 | tion may impact the privacy and civil lib-      |
| 15 | erties of specific persons.                     |
| 16 | (ii) A quantitative and qualitative as-         |
| 17 | sessment of the impact of the sharing of        |
| 18 | such cyber threat indicators with the Fed-      |
| 19 | eral Government on privacy and civil lib-       |
| 20 | erties of specific persons.                     |
| 21 | (iii) The adequacy of any steps taken           |
| 22 | by the Federal Government to reduce such        |
| 23 | impact.                                         |
| 24 | (F) A review of actions taken by the Fed-       |
| 25 | eral Government based on cyber threat indica-   |

| 1  | tors shared with the Federal Government under        |
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| 2  | this Act, including the appropriateness of any       |
| 3  | subsequent use or dissemination of such cyber        |
| 4  | threat indicators by a Federal entity under sec      |
| 5  | tion 5.                                              |
| 6  | (G) A description of any significant viola           |
| 7  | tions of the requirements of this Act by the         |
| 8  | Federal Government.                                  |
| 9  | (H) A summary of the number and type of              |
| 10 | entities that received classified cyber threat in    |
| 11 | dicators from the Federal Government under           |
| 12 | this Act and an evaluation of the risks and ben      |
| 13 | efits of sharing such cyber threat indicators.       |
| 14 | (3) RECOMMENDATIONS.—Each report sub                 |
| 15 | mitted under paragraph (1) may include rec           |
| 16 | ommendations for improvements or modifications to    |
| 17 | the authorities and processes under this Act.        |
| 18 | (4) Form of Report.—Each report required             |
| 19 | by paragraph (1) shall be submitted in unclassified  |
| 20 | form, but may include a classified annex.            |
| 21 | (b) Reports on Privacy and Civil Liberties.—         |
| 22 | (1) BIENNIAL REPORT FROM PRIVACY AND                 |
| 23 | CIVIL LIBERTIES OVERSIGHT BOARD.—Not later           |
| 24 | than 2 years after the date of the enactment of this |
| 25 | Act and not less frequently than once every 2 years  |
|    |                                                      |

| 1  | thereafter, the Privacy and Civil Liberties Oversight |
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| 2  | Board shall submit to Congress and the President a    |
| 3  | report providing—                                     |
| 4  | (A) an assessment of the effect on privacy            |
| 5  | and civil liberties by the type of activities car-    |
| 6  | ried out under this Act; and                          |
| 7  | (B) an assessment of the sufficiency of the           |
| 8  | policies, procedures, and guidelines established      |
| 9  | pursuant to section 5 in addressing concerns re-      |
| 10 | lating to privacy and civil liberties.                |
| 11 | (2) Biennial report of inspectors gen-                |
| 12 | ERAL.—                                                |
| 13 | (A) In General.—Not later than 2 years                |
| 14 | after the date of the enactment of this Act and       |
| 15 | not less frequently than once every 2 years           |
| 16 | thereafter, the Inspector General of the Depart-      |
| 17 | ment of Homeland Security, the Inspector Gen-         |
| 18 | eral of the Intelligence Community, the Inspec-       |
| 19 | tor General of the Department of Justice, the         |
| 20 | Inspector General of the Department of De-            |
| 21 | fense, and the Inspector General of the Depart-       |
| 22 | ment of Energy shall, in consultation with the        |
| 23 | Council of Inspectors General on Financial            |
| 24 | Oversight, jointly submit to Congress a report        |
| 25 | on the receipt, use, and dissemination of cyber       |
|    |                                                       |

| 1  | threat indicators and defensive measures that        |
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| 2  | have been shared with Federal entities under         |
| 3  | this Act.                                            |
| 4  | (B) Contents.—Each report submitted                  |
| 5  | under subparagraph (A) shall include the fol-        |
| 6  | lowing:                                              |
| 7  | (i) A review of the types of cyber                   |
| 8  | threat indicators shared with Federal enti-          |
| 9  | ties.                                                |
| 10 | (ii) A review of the actions taken by                |
| 11 | Federal entities as a result of the receipt          |
| 12 | of such cyber threat indicators.                     |
| 13 | (iii) A list of Federal entities receiving           |
| 14 | such cyber threat indicators.                        |
| 15 | (iv) A review of the sharing of such                 |
| 16 | cyber threat indicators among Federal en-            |
| 17 | tities to identify inappropriate barriers to         |
| 18 | sharing information.                                 |
| 19 | (3) Recommendations.—Each report sub-                |
| 20 | mitted under this subsection may include such rec-   |
| 21 | ommendations as the Privacy and Civil Liberties      |
| 22 | Oversight Board, with respect to a report submitted  |
| 23 | under paragraph (1), or the Inspectors General re-   |
| 24 | ferred to in paragraph (2)(A), with respect to a re- |
| 25 | port submitted under paragraph (2), may have for     |

1 improvements or modifications to the authorities 2 under this Act. 3 (4) FORM.—Each report required under this subsection shall be submitted in unclassified form, 4 5 but may include a classified annex. 6 SEC. 8. CONSTRUCTION AND PREEMPTION. 7 (a) Otherwise Lawful Disclosures.—Nothing in 8 this Act shall be construed— 9 (1) to limit or prohibit otherwise lawful disclo-10 sures of communications, records, or other informa-11 tion, including reporting of known or suspected 12 criminal activity, by an entity to any other entity or 13 the Federal Government under this Act; or 14 (2) to limit or prohibit otherwise lawful use of 15 such disclosures by any Federal entity, even when 16 such otherwise lawful disclosures duplicate or rep-17 licate disclosures made under this Act. 18 (b) Whistle Blower Protections.—Nothing in 19 this Act shall be construed to prohibit or limit the disclo-20 sure of information protected under section 2302(b)(8) of 21 title 5, United States Code (governing disclosures of ille-22 gality, waste, fraud, abuse, or public health or safety 23 threats), section 7211 of title 5, United States Code (governing disclosures to Congress), section 1034 of title 10, United States Code (governing disclosure to Congress by

- 1 members of the military), section 1104 of the National
- 2 Security Act of 1947 (50 U.S.C. 3234) (governing disclo-
- 3 sure by employees of elements of the intelligence commu-
- 4 nity), or any similar provision of Federal or State law.
- 5 (c) Protection of Sources and Methods.—
- 6 Nothing in this Act shall be construed—
- 7 (1) as creating any immunity against, or other-
- 8 wise affecting, any action brought by the Federal
- 9 Government, or any agency or department thereof,
- to enforce any law, executive order, or procedure
- governing the appropriate handling, disclosure, or
- use of classified information;
- 13 (2) to affect the conduct of authorized law en-
- 14 forcement or intelligence activities; or
- 15 (3) to modify the authority of a department or
- agency of the Federal Government to protect classi-
- fied information and sources and methods and the
- 18 national security of the United States.
- 19 (d) Relationship to Other Laws.—Nothing in
- 20 this Act shall be construed to affect any requirement
- 21 under any other provision of law for an entity to provide
- 22 information to the Federal Government.
- (e) Prohibited Conduct.—Nothing in this Act
- 24 shall be construed to permit price-fixing, allocating a mar-
- 25 ket between competitors, monopolizing or attempting to

| 1  | monopolize a market, boycotting, or exchanges of price of  |
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| 2  | cost information, customer lists, or information regarding |
| 3  | future competitive planning.                               |
| 4  | (f) Information Sharing Relationships.—Noth-               |
| 5  | ing in this Act shall be construed—                        |
| 6  | (1) to limit or modify an existing information             |
| 7  | sharing relationship;                                      |
| 8  | (2) to prohibit a new information sharing rela-            |
| 9  | tionship;                                                  |
| 10 | (3) to require a new information sharing rela-             |
| 11 | tionship between any entity and the Federal Govern-        |
| 12 | ment; or                                                   |
| 13 | (4) to require the use of the capability and               |
| 14 | process within the Department of Homeland Secu-            |
| 15 | rity developed under section 5(c).                         |
| 16 | (g) Preservation of Contractual Obligations                |
| 17 | AND RIGHTS.—Nothing in this Act shall be construed—        |
| 18 | (1) to amend, repeal, or supersede any current             |
| 19 | or future contractual agreement, terms of service          |
| 20 | agreement, or other contractual relationship between       |
| 21 | any entities, or between any entity and a Federal en-      |
| 22 | tity; or                                                   |
| 23 | (2) to abrogate trade secret or intellectual prop-         |
| 24 | erty rights of any entity or Federal entity.               |

| 1  | (h) Anti-tasking Restriction.—Nothing in this                |
|----|--------------------------------------------------------------|
| 2  | Act shall be construed to permit the Federal Govern-         |
| 3  | ment—                                                        |
| 4  | (1) to require an entity to provide information              |
| 5  | to the Federal Government;                                   |
| 6  | (2) to condition the sharing of cyber threat in-             |
| 7  | dicators with an entity on such entity's provision of        |
| 8  | cyber threat indicators to the Federal Government;           |
| 9  | or                                                           |
| 10 | (3) to condition the award of any Federal                    |
| 11 | grant, contract, or purchase on the provision of a           |
| 12 | cyber threat indicator to a Federal entity.                  |
| 13 | (i) No Liability for Non-Participation.—Noth-                |
| 14 | ing in this Act shall be construed to subject any entity     |
| 15 | to liability for choosing not to engage in the voluntary ac- |
| 16 | tivities authorized in this Act.                             |
| 17 | (j) Use and Retention of Information.—Noth-                  |
| 18 | ing in this Act shall be construed to authorize, or to mod-  |
| 19 | ify any existing authority of, a department or agency of     |
| 20 | the Federal Government to retain or use any information      |
| 21 | shared under this Act for any use other than permitted       |
| 22 | in this Act.                                                 |
| 23 | (k) Federal Preemption.—                                     |
| 24 | (1) In general.—This Act supersedes any                      |
| 25 | statute or other provision of law of a State or polit-       |

| 1  | ical subdivision of a State that restricts or otherwise     |
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| 2  | expressly regulates an activity authorized under this       |
| 3  | Act.                                                        |
| 4  | (2) STATE LAW ENFORCEMENT.—Nothing in                       |
| 5  | this Act shall be construed to supersede any statute        |
| 6  | or other provision of law of a State or political sub-      |
| 7  | division of a State concerning the use of authorized        |
| 8  | law enforcement practices and procedures.                   |
| 9  | (l) REGULATORY AUTHORITY.—Nothing in this Act               |
| 10 | shall be construed—                                         |
| 11 | (1) to authorize the promulgation of any regu-              |
| 12 | lations not specifically authorized by this Act;            |
| 13 | (2) to establish or limit any regulatory author-            |
| 14 | ity not specifically established or limited under this      |
| 15 | Act; or                                                     |
| 16 | (3) to authorize regulatory actions that would              |
| 17 | duplicate or conflict with regulatory requirements.         |
| 18 | mandatory standards, or related processes under an-         |
| 19 | other provision of Federal law.                             |
| 20 | (m) Authority of Secretary of Defense to                    |
| 21 | RESPOND TO CYBER ATTACKS.—Nothing in this Act shall         |
| 22 | be construed to limit the authority of the Secretary of De- |
| 23 | fense to develop, prepare, coordinate, or, when authorized  |
| 24 | by the President to do so, conduct a military cyber oper-   |
| 25 | ation in response to a malicious cyber activity carried out |
|    |                                                             |

- 1 against the United States or a United States person by
- 2 a foreign government or an organization sponsored by a
- 3 foreign government or a terrorist organization.

## 4 SEC. 9. REPORT ON CYBERSECURITY THREATS.

- 5 (a) Report Required.—Not later than 180 days
- 6 after the date of the enactment of this Act, the Director
- 7 of National Intelligence, in coordination with the heads of
- 8 other appropriate elements of the intelligence community,
- 9 shall submit to the Select Committee on Intelligence of
- 10 the Senate and the Permanent Select Committee on Intel-
- 11 ligence of the House of Representatives a report on cyber-
- 12 security threats, including cyber attacks, theft, and data
- 13 breaches.
- 14 (b) Contents.—The report required by subsection
- 15 (a) shall include the following:
- 16 (1) An assessment of the current intelligence
- sharing and cooperation relationships of the United
- 18 States with other countries regarding cybersecurity
- threats, including cyber attacks, theft, and data
- breaches, directed against the United States and
- 21 which threaten the United States national security
- interests and economy and intellectual property, spe-
- cifically identifying the relative utility of such rela-
- 24 tionships, which elements of the intelligence commu-

nity participate in such relationships, and whether
and how such relationships could be improved.

- (2) A list and an assessment of the countries and nonstate actors that are the primary threats of carrying out a cybersecurity threat, including a cyber attack, theft, or data breach, against the United States and which threaten the United States national security, economy, and intellectual property.
- (3) A description of the extent to which the capabilities of the United States Government to respond to or prevent cybersecurity threats, including cyber attacks, theft, or data breaches, directed against the United States private sector are degraded by a delay in the prompt notification by private entities of such threats or cyber attacks, theft, and breaches.
- (4) An assessment of additional technologies or capabilities that would enhance the ability of the United States to prevent and to respond to cybersecurity threats, including cyber attacks, theft, and data breaches.
- (5) An assessment of any technologies or practices utilized by the private sector that could be rapidly fielded to assist the intelligence community in preventing and responding to cybersecurity threats.

- 1 (c) FORM OF REPORT.—The report required by sub-
- 2 section (a) shall be made available in classified and unclas-
- 3 sified forms.
- 4 (d) Intelligence Community Defined.—In this
- 5 section, the term "intelligence community" has the mean-
- 6 ing given that term in section 3 of the National Security
- 7 Act of 1947 (50 U.S.C. 3003).
- 8 SEC. 10. CONFORMING AMENDMENTS.
- 9 (a) Public Information.—Section 552(b) of title
- 10 5, United States Code, is amended—
- 11 (1) in paragraph (8), by striking "or" at the
- 12 end;
- (2) in paragraph (9), by striking "wells." and
- inserting "wells; or"; and
- 15 (3) by inserting after paragraph (9) the fol-
- lowing:
- 17 "(10) information shared with or provided to
- the Federal Government pursuant to the Cybersecu-
- rity Information Sharing Act of 2015.".
- 20 (b) Modification of Limitation on Dissemina-
- 21 TION OF CERTAIN INFORMATION CONCERNING PENETRA-
- 22 Tions of Defense Contractor Networks.—Section
- 23 941(c)(3) of the National Defense Authorization Act for
- 24 Fiscal Year 2013 (Public Law 112–239; 10 U.S.C. 2224
- 25 note) is amended by inserting at the end the following:

- 1 "The Secretary may share such information with other
- 2 Federal entities if such information consists of cyber
- 3 threat indicators and defensive measures and such infor-
- 4 mation is shared consistent with the policies and proce-
- 5 dures promulgated by the Attorney General under section
- 6 5 of the Cybersecurity Information Sharing Act of 2015.".