

**Suspend the Rules and Pass the Bill, H. R. 4668, With an  
Amendment**

**(The amendment strikes all after the enacting clause and inserts a  
new text)**

115<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4668

To amend the Small Business Act to provide for the establishment of an enhanced cybersecurity assistance and protections for small businesses, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2017

Mr. CHABOT (for himself and Ms. VELÁZQUEZ) introduced the following bill;  
which was referred to the Committee on Small Business

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## A BILL

To amend the Small Business Act to provide for the establishment of an enhanced cybersecurity assistance and protections for small businesses, 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.**

4       This Act may be cited as the “Small Business Ad-  
5       vanced Cybersecurity Enhancements Act of 2017”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) Small businesses represent more than 97  
4 percent of total businesses in the United States and  
5 make up an essential part of the supply chain to  
6 some of the largest companies, many of which are in  
7 critical infrastructure sectors, from financial and  
8 transportation organizations to power, water, and  
9 healthcare suppliers.

10 (2) Many small businesses do not have dedi-  
11 cated information technology (“IT”) departments  
12 and must outsource IT functions or assign these du-  
13 ties to an employee as a secondary function.

14 (3) The Internet Crime Complaint Center with-  
15 in the United States Department of Justice recorded  
16 298,728 cybersecurity-related complaints in its 2016  
17 report.

18 (4) There has been steady increases of  
19 cybersecurity-related complaints year over year since  
20 the year 2000, totaling 3,762,348.

21 (5) Seventy-one percent of cyber attacks oc-  
22 curred in businesses with fewer than 100 employees.

23 (6) Only 14 percent of small- and medium-sized  
24 businesses believe they have the ability to effectively  
25 mitigate cyber risks and vulnerabilities.

1           (7) Small businesses risk theft and manipula-  
2           tion of sensitive data if they lack adequate  
3           cybersecurity measures.

4           (8) The Better Business Bureau found that  
5           half of small businesses could remain profitable for  
6           only one month if they lost essential data.

7           (9) Cyber crime is growing rapidly and the an-  
8           nual costs to the global economy are estimated to  
9           reach over \$2,000,000,000,000 by 2019.

10          (10) Cybersecurity is a global challenge where  
11          the security threat, attacks, and techniques contin-  
12          ually evolve and no company, individual, or Federal  
13          agency is immune from these threats.

14          (11) Strong collaboration between the public  
15          and private sector is essential in the fight against  
16          cyber crime.

17          (12) There is a reluctance among small busi-  
18          nesses to voluntarily share information with govern-  
19          ment entities, and the Federal Government should  
20          work proactively to incentivize and encourage vol-  
21          untary information sharing to improve the Nation's  
22          cybersecurity posture.

1   **SEC. 3. ENHANCED CYBERSECURITY ASSISTANCE AND PRO-**  
2                   **TECTIONS FOR SMALL BUSINESSES.**

3           Section 21(a) of the Small Business Act (15 U.S.C.  
4   648(a)) is amended by adding at the end the following  
5   new paragraph:

6                   “(9) SMALL BUSINESS CYBERSECURITY ASSIST-  
7           ANCE AND PROTECTIONS.—

8                   “(A) ESTABLISHMENT OF SMALL BUSI-  
9           NESS CYBERSECURITY ASSISTANCE UNITS.—  
10           The Administrator of the Small Business Ad-  
11           ministration, in coordination with the Secretary  
12           of Commerce, and in consultation with the Sec-  
13           retary of Homeland Security and the Attorney  
14           General, shall establish—

15                   “(i) in the Administration, a central  
16           small business cybersecurity assistance  
17           unit; and

18                   “(ii) within each small business devel-  
19           opment center, a regional small business  
20           cybersecurity assistance unit.

21                   “(B) DUTIES OF THE CENTRAL SMALL  
22           BUSINESS CYBERSECURITY ASSISTANCE UNIT.—

23                   “(i) IN GENERAL.—The central small  
24           business cybersecurity assistance unit es-  
25           tablished under subparagraph (A)(i) shall  
26           serve as the primary interface for small

1 business concerns to receive and share  
2 cyber threat indicators and defensive meas-  
3 ures with the Federal Government.

4 “(ii) USE OF CAPABILITY AND PROC-  
5 ESSES.—The central small business  
6 cybersecurity assistance unit shall use the  
7 capability and process certified pursuant to  
8 section 105(c)(2)(A) of the Cybersecurity  
9 Information Sharing Act of 2015 (6  
10 U.S.C. 1504(c)(2)(A)) to receive cyber  
11 threat indicators or defensive measures  
12 from small business concerns.

13 “(iii) APPLICATION OF CISA.—A small  
14 business concern that receives or shares  
15 cyber threat indicators and defensive meas-  
16 ures with the Federal Government through  
17 the central small business cybersecurity as-  
18 sistance unit established under subpara-  
19 graph (A)(i), or with any appropriate enti-  
20 ty pursuant to section 103(c) of the  
21 Cybersecurity Information Sharing Act of  
22 2015 (6 U.S.C. 1503(c)), shall receive the  
23 protections and exemptions provided in  
24 such Act and this paragraph.

25 “(C) RELATION TO NCCIC.—

1                   “(i) CENTRAL SMALL BUSINESS  
2 CYBERSECURITY ASSISTANCE UNIT.—The  
3 central small business cybersecurity assist-  
4 ance unit established under subparagraph  
5 (A)(i) may be collocated, with the concu-  
6 rence of the Secretary of Homeland Secu-  
7 rity, with the national cybersecurity and  
8 communications integration center.

9                   “(ii) ACCESS TO INFORMATION.—The  
10 national cybersecurity and communications  
11 integration center shall have access to all  
12 cyber threat indicators or defensive meas-  
13 ures shared with the central small  
14 cybersecurity assistance unit established  
15 under subparagraph (A)(i) through the use  
16 of the capability and process described in  
17 subparagraph (B)(ii).

18                   “(D) CYBERSECURITY ASSISTANCE FOR  
19 SMALL BUSINESSES.—The central small busi-  
20 ness cybersecurity assistance unit established  
21 under subparagraph (A)(i) shall—

22                   “(i) work with each regional small  
23 business cybersecurity assistance unit es-  
24 tablished under subparagraph (A)(ii) to

1 provide cybersecurity assistance to small  
2 business concerns;

3 “(ii) leverage resources from the Ad-  
4 ministration, the Department of Com-  
5 merce, the Department of Homeland Secu-  
6 rity, the Department of Justice, the De-  
7 partment of the Treasury, the Department  
8 of State, and any other Federal depart-  
9 ment or agency the Administrator deter-  
10 mines appropriate, in order to help im-  
11 prove the cybersecurity posture of small  
12 business concerns;

13 “(iii) coordinate with the Department  
14 of Homeland Security to identify and dis-  
15 seminate information to small business  
16 concerns in a form that is accessible and  
17 actionable by small business concerns;

18 “(iv) coordinate with the National In-  
19 stitute of Standards and Technology to  
20 identify and disseminate information to  
21 small business concerns on the most cost-  
22 effective methods for implementing ele-  
23 ments of the cybersecurity framework of  
24 the National Institute of Standards and  
25 Technology applicable to improving the

1           cybersecurity posture of small business  
2           concerns;

3           “(v) seek input from the Chief Coun-  
4           sel for Advocacy of the Administration to  
5           ensure that any policies or procedures  
6           adopted by any department, agency, or in-  
7           strumentality of the Federal Government  
8           do not unduly add regulatory burdens to  
9           small business concerns in a manner that  
10          will hamper the improvement of the  
11          cybersecurity posture of such small busi-  
12          ness concerns; and

13          “(vi) leverage resources and relation-  
14          ships with representatives and entities in-  
15          volved in the national cybersecurity and  
16          communications integration center to pub-  
17          licize the capacity of the Federal Govern-  
18          ment to assist small business concerns in  
19          improving cybersecurity practices.

20          “(E) ENHANCED CYBERSECURITY PROTEC-  
21          TIONS FOR SMALL BUSINESSES.—

22          “(i) IN GENERAL.—Notwithstanding  
23          any other provision of law, no cause of ac-  
24          tion shall lie or be maintained in any court  
25          against any small business concern, and



1           such action shall be promptly dismissed, if  
2           such action related to or arises out of—

3                   “(I) any activity authorized  
4                   under this paragraph or the  
5                   Cybersecurity Information Sharing  
6                   Act of 2015 (6 U.S.C. 1501 et seq.);  
7                   or

8                   “(II) any action or inaction in re-  
9                   sponse to any cyber threat indicator,  
10                  defensive measure, or other informa-  
11                  tion shared or received pursuant to  
12                  this paragraph or the Cybersecurity  
13                  Information Sharing Act of 2015 (6  
14                  U.S.C. 1501 et seq.).

15                  “(ii) APPLICATION.—The exception  
16                  provided in section 105(d)(5)(D)(ii)(I) of  
17                  the Cybersecurity Information Sharing Act  
18                  of 2015 (6 U.S.C. 1504(d)(5)(D)(ii)(I))  
19                  shall not apply to any cyber threat indi-  
20                  cator or defensive measure shared or re-  
21                  ceived by small business concerns pursuant  
22                  to this paragraph or the Cybersecurity In-  
23                  formation Sharing Act of 2015 (6 U.S.C.  
24                  1501 et seq.).

1 “(iii) RULE OF CONSTRUCTION.—

2 Nothing in this subparagraph shall be con-  
3 strued to affect the applicability or merits  
4 of any defense, motion, or argument in any  
5 cause of action in a court brought against  
6 an entity that is not a small business con-  
7 cern.

8 “(F) DEFINITIONS.—In this paragraph:

9 “(i) CISA DEFINITIONS.—The terms  
10 ‘cyber threat indicator’ and ‘defensive  
11 measure’ have the meanings given such  
12 terms in section 102 of the Cybersecurity  
13 Information Sharing Act of 2015 (6  
14 U.S.C. 1501).

15 “(ii) NATIONAL CYBERSECURITY AND  
16 COMMUNICATIONS INTEGRATION CEN-  
17 TER.—The term ‘national cybersecurity  
18 and communications integration center’  
19 means the national cybersecurity and com-  
20 munications integration center established  
21 under section 227 of the Homeland Secu-  
22 rity Act of 2002 (6 U.S.C. 148).”.

1   **SEC. 4. PROHIBITION ON NEW APPROPRIATIONS.**

2           (a) IN GENERAL.—No additional funds are author-  
3 ized to be appropriated to carry out this Act and the  
4 amendments made by this Act.

5           (b) EXISTING FUNDING.—This Act and the amend-  
6 ments made by this Act shall be carried out using amounts  
7 made available under section 21(a)(4)(C)(viii) of the Small  
8 Business Act (15 U.S.C. 648(a)(4)(viii)).

9           (c) TECHNICAL AND CONFORMING AMENDMENT.—  
10 Section 21(a)(4)(C)(viii) of the Small Business Act (15  
11 U.S.C. 648(a)(4)(C)(viii)) is amended to read as follows:

12                   “(viii) LIMITATION.—

13                           “(I) CYBERSECURITY ASSISTANCE.—  
14                           From the funds appropriated pursuant to  
15                           clause (vii), the Administration shall re-  
16                           serve not less than \$1,000,000 in each fis-  
17                           cal year to develop cybersecurity assistance  
18                           units at small business development cen-  
19                           ters under paragraph (9).

20                           “(II) PORTABLE ASSISTANCE.—

21                                   “(aa) IN GENERAL.—Any funds  
22                                   appropriated pursuant to clause (vii)  
23                                   that are remaining after reserving  
24                                   amounts under subclause (I) may be  
25                                   used for portable assistance for start-  
26                                   up and sustainability non-matching

1 grant programs to be conducted by el-  
2 ible small business development cen-  
3 ters in communities that are economi-  
4 cally challenged as a result of a busi-  
5 ness or government facility down  
6 sizing or closing, which has resulted  
7 in the loss of jobs or small business  
8 instability.

9 “(bb) GRANT AMOUNT AND  
10 USE.—A non-matching grant under  
11 this subclause shall not exceed  
12 \$100,000, and shall be used for small  
13 business development center personnel  
14 expenses and related small business  
15 programs and services.”.