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112TH CONGRESS 2D SESSION

H.R.3523

IN THE SENATE OF THE UNITED STATES

May 7, 2012

Received; read twice and referred to the Select Committee on Intelligence

AN ACT

To provide for the sharing of certain cyber threat intelligence and cyber threat information between the intelligence community and cybersecurity entities, 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,

1	SECTION 1. SHORT TITLE.
2	This Act may be cited as the "Cyber Intelligence
3	Sharing and Protection Act".
4	SEC. 2. CYBER THREAT INTELLIGENCE AND INFORMATION
5	SHARING.
6	(a) In General.—Title XI of the National Security
7	Act of 1947 (50 U.S.C. 442 et seq.) is amended by adding
8	at the end the following new section:
9	"CYBER THREAT INTELLIGENCE AND INFORMATION
10	SHARING
11	"Sec. 1104. (a) Intelligence Community Shar-
12	ING OF CYBER THREAT INTELLIGENCE WITH PRIVATE
13	SECTOR AND UTILITIES.—
14	"(1) In General.—The Director of National
15	Intelligence shall establish procedures to allow ele-
16	ments of the intelligence community to share cyber
17	threat intelligence with private-sector entities and
18	utilities and to encourage the sharing of such intel-
19	ligence.
20	"(2) Sharing and use of classified intel-
21	LIGENCE.—The procedures established under para-
22	graph (1) shall provide that classified cyber threat
23	intelligence may only be—
24	"(A) shared by an element of the intel-
25	ligence community with—

"(i) certified entities; or

1	"(ii) a person with an appropriate se-
2	curity clearance to receive such cyber
3	threat intelligence;
4	"(B) shared consistent with the need to
5	protect the national security of the United
6	States; and
7	"(C) used by a certified entity in a manner
8	which protects such cyber threat intelligence
9	from unauthorized disclosure.
10	"(3) Security Clearance approvals.—The
11	Director of National Intelligence shall issue guide-
12	lines providing that the head of an element of the
13	intelligence community may, as the head of such ele-
14	ment considers necessary to carry out this sub-
15	section—
16	"(A) grant a security clearance on a tem-
17	porary or permanent basis to an employee or
18	officer of a certified entity;
19	"(B) grant a security clearance on a tem-
20	porary or permanent basis to a certified entity
21	and approval to use appropriate facilities; and
22	"(C) expedite the security clearance proc-
23	ess for a person or entity as the head of such
24	element considers necessary, consistent with the

1	need to protect the national security of the
2	United States.
3	"(4) No right or benefit.—The provision of
4	information to a private-sector entity or a utility
5	under this subsection shall not create a right or ben-
6	efit to similar information by such entity or such
7	utility or any other private-sector entity or utility.
8	"(5) Restriction on disclosure of cyber
9	THREAT INTELLIGENCE.—Notwithstanding any
10	other provision of law, a certified entity receiving
11	cyber threat intelligence pursuant to this subsection
12	shall not further disclose such cyber threat intel-
13	ligence to another entity, other than to a certified
14	entity or other appropriate agency or department of
15	the Federal Government authorized to receive such
16	cyber threat intelligence.
17	"(b) Use of Cybersecurity Systems and Shar-
18	ING OF CYBER THREAT INFORMATION.—
19	"(1) In general.—
20	"(A) Cybersecurity providers.—Not-
21	withstanding any other provision of law, a cy-
22	bersecurity provider, with the express consent
23	of a protected entity for which such cybersecu-

rity provider is providing goods or services for

1	cybersecurity purposes, may, for cybersecurity
2	purposes—
3	"(i) use cybersecurity systems to iden-
4	tify and obtain cyber threat information to
5	protect the rights and property of such
6	protected entity; and
7	"(ii) share such cyber threat informa-
8	tion with any other entity designated by
9	such protected entity, including, if specifi-
10	cally designated, the Federal Government.
11	"(B) Self-protected entities.—Not-
12	withstanding any other provision of law, a self-
13	protected entity may, for cybersecurity pur-
14	poses—
15	"(i) use cybersecurity systems to iden-
16	tify and obtain cyber threat information to
17	protect the rights and property of such
18	self-protected entity; and
19	"(ii) share such cyber threat informa-
20	tion with any other entity, including the
21	Federal Government.
22	"(2) Sharing with the federal govern-
23	MENT.—
24	"(A) Information shared with the
25	NATIONAL CYBERSECURITY AND COMMUNICA-

MENT OF HOMELAND SECURITY.—Subject to the use and protection of information requirements under paragraph (3), the head of a department or agency of the Federal Government receiving cyber threat information in accordance with paragraph (1) shall provide such cyber threat information to the National Cybersecurity and Communications Integration Center of the Department of Homeland Security.

"(B) REQUEST TO SHARE WITH ANOTHER DEPARTMENT OR AGENCY OF THE FEDERAL GOVERNMENT.—An entity sharing cyber threat information that is provided to the National Cybersecurity and Communications Integration Center of the Department of Homeland Security under subparagraph (A) or paragraph (1) may request the head of such Center to, and the head of such Center may, provide such information to another department or agency of the Federal Government.

"(3) USE AND PROTECTION OF INFORMATION.—Cyber threat information shared in accordance with paragraph (1)—

1	"(A) shall only be shared in accordance
2	with any restrictions placed on the sharing of
3	such information by the protected entity or self-
4	protected entity authorizing such sharing, in-
5	cluding appropriate anonymization or minimiza-
6	tion of such information;
7	"(B) may not be used by an entity to gain
8	an unfair competitive advantage to the det-
9	riment of the protected entity or the self-pro-
10	tected entity authorizing the sharing of infor-
11	mation;
12	"(C) if shared with the Federal Govern-
13	ment—
14	"(i) shall be exempt from disclosure
15	under section 552 of title 5, United States
16	Code;
17	"(ii) shall be considered proprietary
18	information and shall not be disclosed to
19	an entity outside of the Federal Govern-
20	ment except as authorized by the entity
21	sharing such information;
22	"(iii) shall not be used by the Federal
23	Government for regulatory purposes;
24	"(iv) shall not be provided by the de-
25	partment or agency of the Federal Govern-

1	ment receiving such cyber threat informa-
2	tion to another department or agency of
3	the Federal Government under paragraph
4	(2)(A) if—
5	"(I) the entity providing such in-
6	formation determines that the provi-
7	sion of such information will under-
8	mine the purpose for which such in-
9	formation is shared; or
10	"(II) unless otherwise directed by
11	the President, the head of the depart-
12	ment or agency of the Federal Gov-
13	ernment receiving such cyber threat
14	information determines that the provi-
15	sion of such information will under-
16	mine the purpose for which such in-
17	formation is shared; and
18	"(v) shall be handled by the Federal
19	Government consistent with the need to
20	protect sources and methods and the na-
21	tional security of the United States; and
22	"(D) shall be exempt from disclosure
23	under a State, local, or tribal law or regulation
24	that requires public disclosure of information by
25	a public or quasi-public entity.

1	"(4) Exemption from liability.—No civil or
2	criminal cause of action shall lie or be maintained in
3	Federal or State court against a protected entity,
4	self-protected entity, cybersecurity provider, or an
5	officer, employee, or agent of a protected entity, self-
6	protected entity, or cybersecurity provider, acting in
7	good faith—
8	"(A) for using cybersecurity systems to
9	identify or obtain cyber threat information or
10	for sharing such information in accordance with
11	this section; or
12	"(B) for decisions made based on cyber
13	threat information identified, obtained, or
14	shared under this section.
15	"(5) Relationship to other laws requir-
16	ING THE DISCLOSURE OF INFORMATION.—The sub-
17	mission of information under this subsection to the
18	Federal Government shall not satisfy or affect—
19	"(A) any requirement under any other pro-
20	vision of law for a person or entity to provide
21	information to the Federal Government; or
22	"(B) the applicability of other provisions of
23	law, including section 552 of title 5, United
24	States Code (commonly known as the 'Freedom
25	of Information Act'), with respect to informa-

1	tion required to be provided to the Federal Gov-
2	ernment under such other provision of law.
3	"(c) Federal Government Use of Informa-
4	TION.—
5	"(1) Limitation.—The Federal Government
6	may use cyber threat information shared with the
7	Federal Government in accordance with subsection
8	(b)—
9	"(A) for cybersecurity purposes;
10	"(B) for the investigation and prosecution
11	of cybersecurity crimes;
12	"(C) for the protection of individuals from
13	the danger of death or serious bodily harm and
14	the investigation and prosecution of crimes in-
15	volving such danger of death or serious bodily
16	harm;
17	"(D) for the protection of minors from
18	child pornography, any risk of sexual exploi-
19	tation, and serious threats to the physical safe-
20	ty of such minor, including kidnapping and
21	trafficking and the investigation and prosecu-
22	tion of crimes involving child pornography, any
23	risk of sexual exploitation, and serious threats
24	to the physical safety of minors, including kid-
25	napping and trafficking, and any crime referred

1	to in 2258A(a)(2) of title 18, United States
2	Code; or
3	"(E) to protect the national security of the
4	United States.
5	"(2) Affirmative search restriction.—
6	The Federal Government may not affirmatively
7	search cyber threat information shared with the
8	Federal Government under subsection (b) for a pur-
9	pose other than a purpose referred to in paragraph
10	(1)(B).
11	"(3) Anti-tasking restriction.—Nothing in
12	this section shall be construed to permit the Federal
13	Government to—
14	"(A) require a private-sector entity to
15	share information with the Federal Govern-
16	ment; or
17	"(B) condition the sharing of cyber threat
18	intelligence with a private-sector entity on the
19	provision of cyber threat information to the
20	Federal Government.
21	"(4) Protection of sensitive personal
22	DOCUMENTS.—The Federal Government may not
23	use the following information, containing informa-
24	tion that identifies a person, shared with the Federal
25	Government in accordance with subsection (h):

1	"(A) Library circulation records.
2	"(B) Library patron lists.
3	"(C) Book sales records.
4	"(D) Book customer lists.
5	"(E) Firearms sales records.
6	"(F) Tax return records.
7	"(G) Educational records.
8	"(H) Medical records.
9	"(5) Notification of non-cyber threat in-
10	FORMATION.—If a department or agency of the Fed-
11	eral Government receiving information pursuant to
12	subsection $(b)(1)$ determines that such information
13	is not cyber threat information, such department or
14	agency shall notify the entity or provider sharing
15	such information pursuant to subsection $(b)(1)$.
16	"(6) Retention and use of cyber threat
17	INFORMATION.—No department or agency of the
18	Federal Government shall retain or use information
19	shared pursuant to subsection $(b)(1)$ for any use
20	other than a use permitted under subsection $(c)(1)$.
21	"(7) Protection of individual informa-
22	TION.—The Federal Government may, consistent
23	with the need to protect Federal systems and critical
24	information infrastructure from cybersecurity
25	threats and to mitigate such threats, undertake rea-

1	sonable efforts to limit the impact on privacy and
2	civil liberties of the sharing of cyber threat informa-
3	tion with the Federal Government pursuant to this
4	subsection.
5	"(d) Federal Government Liability for Viola-
6	TIONS OF RESTRICTIONS ON THE DISCLOSURE, USE, AND
7	PROTECTION OF VOLUNTARILY SHARED INFORMATION.—
8	"(1) In general.—If a department or agency
9	of the Federal Government intentionally or willfully
10	violates subsection (b)(3)(C) or subsection (c) with
11	respect to the disclosure, use, or protection of volun-
12	tarily shared cyber threat information shared under
13	this section, the United States shall be liable to a
14	person adversely affected by such violation in an
15	amount equal to the sum of—
16	"(A) the actual damages sustained by the
17	person as a result of the violation or \$1,000,
18	whichever is greater; and
19	"(B) the costs of the action together with
20	reasonable attorney fees as determined by the
21	court.
22	"(2) Venue.—An action to enforce liability cre-
23	ated under this subsection may be brought in the
24	district court of the United States in—

1	"(A) the district in which the complainant
2	resides;
3	"(B) the district in which the principal
4	place of business of the complainant is located;
5	"(C) the district in which the department
6	or agency of the Federal Government that dis-
7	closed the information is located; or
8	"(D) the District of Columbia.
9	"(3) Statute of Limitations.—No action
10	shall lie under this subsection unless such action is
11	commenced not later than two years after the date
12	of the violation of subsection (b)(3)(C) or subsection
13	(c) that is the basis for the action.
14	"(4) Exclusive cause of action.—A cause
15	of action under this subsection shall be the exclusive
16	means available to a complainant seeking a remedy
17	for a violation of subsection (b)(3)(C) or subsection
18	(e).
19	"(e) Report on Information Sharing.—
20	"(1) Report.—The Inspector General of the
21	Intelligence Community shall annually submit to the
22	congressional intelligence committees a report con-
23	taining a review of the use of information shared
24	with the Federal Government under this section, in-
25	cluding—

1	"(A) a review of the use by the Federal
2	Government of such information for a purpose
3	other than a cybersecurity purpose;
4	"(B) a review of the type of information
5	shared with the Federal Government under this
6	section;
7	"(C) a review of the actions taken by the
8	Federal Government based on such information;
9	"(D) appropriate metrics to determine the
10	impact of the sharing of such information with
11	the Federal Government on privacy and civil
12	liberties, if any;
13	"(E) a list of the department or agency re-
14	ceiving such information;
15	"(F) a review of the sharing of such infor-
16	mation within the Federal Government to iden-
17	tify inappropriate stovepiping of shared infor-
18	mation; and
19	"(G) any recommendations of the Inspec-
20	tor General for improvements or modifications
21	to the authorities under this section.
22	"(2) FORM.—Each report required under para-
23	graph (1) shall be submitted in unclassified form,
24	but may include a classified annex.

1	"(f) Federal Preemption.—This section super-
2	sedes any statute of a State or political subdivision of a
3	State that restricts or otherwise expressly regulates an ac-
4	tivity authorized under subsection (b).
5	"(g) Savings Clauses.—
6	"(1) Existing authorities.—Nothing in this
7	section shall be construed to limit any other author-
8	ity to use a cybersecurity system or to identify, ob-
9	tain, or share cyber threat intelligence or cyber
10	threat information.
11	"(2) Limitation on military and intel-
12	LIGENCE COMMUNITY INVOLVEMENT IN PRIVATE
13	AND PUBLIC SECTOR CYBERSECURITY EFFORTS.—
14	Nothing in this section shall be construed to provide
15	additional authority to, or modify an existing au-
16	thority of, the Department of Defense or the Na-
17	tional Security Agency or any other element of the
18	intelligence community to control, modify, require,
19	or otherwise direct the cybersecurity efforts of a pri-
20	vate-sector entity or a component of the Federal
21	Government or a State, local, or tribal government.
22	"(3) Information sharing relationships.—
23	Nothing in this section shall be construed to—
24	"(A) limit or modify an existing informa-
25	tion sharing relationship;

1	"(B)	prohibit	a	new	information	sharing
2	relationshi	ip;				

- "(C) require a new information sharing relationship between the Federal Government and a private-sector entity; or
- "(D) modify the authority of a department or agency of the Federal Government to protect sources and methods and the national security of the United States.
- "(4) Limitation on federal government use of cybersecurity systems.—Nothing in this section shall be construed to provide additional authority to, or modify an existing authority of, any entity to use a cybersecurity system owned or controlled by the Federal Government on a private-sector system or network to protect such private-sector system or network.
- "(5) No LIABILITY FOR NON-PARTICIPATION.—
 Nothing in this section shall be construed to subject a protected entity, self-protected entity, cyber security provider, or an officer, employee, or agent of a protected entity, self-protected entity, or cybersecurity provider, to liability for choosing not to engage in the voluntary activities authorized under this section.

1	"(6) Use and retention of information.—
2	Nothing in this section shall be construed to author-
3	ize, or to modify any existing authority of, a depart-
4	ment or agency of the Federal Government to retain
5	or use information shared pursuant to subsection
6	(b)(1) for any use other than a use permitted under
7	subsection $(c)(1)$.
8	"(h) Definitions.—In this section:
9	"(1) AVAILABILITY.—The term 'availability'
10	means ensuring timely and reliable access to and use
11	of information.
12	"(2) CERTIFIED ENTITY.—The term 'certified
13	entity' means a protected entity, self-protected enti-
14	ty, or cybersecurity provider that—
15	"(A) possesses or is eligible to obtain a se-
16	curity clearance, as determined by the Director
17	of National Intelligence; and
18	"(B) is able to demonstrate to the Director
19	of National Intelligence that such provider or
20	such entity can appropriately protect classified
21	cyber threat intelligence.
22	"(3) Confidentiality.—The term confiden-
23	tiality' means preserving authorized restrictions on
24	access and disclosure, including means for protecting
25	personal privacy and proprietary information.

1	"(4) Cyber threat information.—
2	"(A) IN GENERAL.—The term 'cyber
3	threat information' means information directly
4	pertaining to—
5	"(i) a vulnerability of a system or net-
6	work of a government or private entity;
7	"(ii) a threat to the integrity, con-
8	fidentiality, or availability of a system or
9	network of a government or private entity
10	or any information stored on, processed on,
11	or transiting such a system or network;
12	"(iii) efforts to deny access to or de-
13	grade, disrupt, or destroy a system or net-
14	work of a government or private entity; or
15	"(iv) efforts to gain unauthorized ac-
16	cess to a system or network of a govern-
17	ment or private entity, including to gain
18	such unauthorized access for the purpose
19	of exfiltrating information stored on, proc-
20	essed on, or transiting a system or network
21	of a government or private entity.
22	"(B) Exclusion.—Such term does not in-
23	clude information pertaining to efforts to gain
24	unauthorized access to a system or network of
25	a government or private entity that solely in-

1	volve violations of consumer terms of service or
2	consumer licensing agreements and do not oth-
3	erwise constitute unauthorized access.
4	"(5) Cyber threat intelligence.—
5	"(A) IN GENERAL.—The term 'cyber
6	threat intelligence' means intelligence in the
7	possession of an element of the intelligence
8	community directly pertaining to—
9	"(i) a vulnerability of a system or net-
10	work of a government or private entity;
11	"(ii) a threat to the integrity, con-
12	fidentiality, or availability of a system or
13	network of a government or private entity
14	or any information stored on, processed on,
15	or transiting such a system or network;
16	"(iii) efforts to deny access to or de-
17	grade, disrupt, or destroy a system or net-
18	work of a government or private entity; or
19	"(iv) efforts to gain unauthorized ac-
20	cess to a system or network of a govern-
21	ment or private entity, including to gain
22	such unauthorized access for the purpose
23	of exfiltrating information stored on, proc-
24	essed on, or transiting a system or network
25	of a government or private entity.

1	"(B) Exclusion.—Such term does not in-
2	clude intelligence pertaining to efforts to gain
3	unauthorized access to a system or network of
4	a government or private entity that solely in-
5	volve violations of consumer terms of service or
6	consumer licensing agreements and do not oth-
7	erwise constitute unauthorized access.
8	"(6) Cybersecurity crime.—The term 'cy-
9	bersecurity crime' means—
10	"(A) a crime under a Federal or State law
11	that involves—
12	"(i) efforts to deny access to or de-
13	grade, disrupt, or destroy a system or net-
14	work;
15	"(ii) efforts to gain unauthorized ac-
16	cess to a system or network; or
17	"(iii) efforts to exfiltrate information
18	from a system or network without author-
19	ization; or
20	"(B) the violation of a provision of Federal
21	law relating to computer crimes, including a
22	violation of any provision of title 18, United
23	States Code, created or amended by the Com-
24	puter Fraud and Abuse Act of 1986 (Public
25	Law 99–474).

1	"(7) Cybersecurity provider.—The term
2	'cybersecurity provider' means a non-governmental
3	entity that provides goods or services intended to be
4	used for cybersecurity purposes.
5	"(8) Cybersecurity purpose.—
6	"(A) IN GENERAL.—The term 'cybersecu-
7	rity purpose' means the purpose of ensuring the
8	integrity, confidentiality, or availability of, or
9	safeguarding, a system or network, including
10	protecting a system or network from—
11	"(i) a vulnerability of a system or net-
12	work;
13	"(ii) a threat to the integrity, con-
14	fidentiality, or availability of a system or
15	network or any information stored on,
16	processed on, or transiting such a system
17	or network;
18	"(iii) efforts to deny access to or de-
19	grade, disrupt, or destroy a system or net-
20	work; or
21	"(iv) efforts to gain unauthorized ac-
22	cess to a system or network, including to
23	gain such unauthorized access for the pur-
24	pose of exfiltrating information stored on,

1	processed on, or transiting a system or
2	network.
3	"(B) Exclusion.—Such term does not in-
4	clude the purpose of protecting a system or net-
5	work from efforts to gain unauthorized access
6	to such system or network that solely involve
7	violations of consumer terms of service or con-
8	sumer licensing agreements and do not other-
9	wise constitute unauthorized access.
10	"(9) Cybersecurity system.—
11	"(A) IN GENERAL.—The term 'cybersecu-
12	rity system' means a system designed or em-
13	ployed to ensure the integrity, confidentiality,
14	or availability of, or safeguard, a system or net-
15	work, including protecting a system or network
16	from—
17	"(i) a vulnerability of a system or net-
18	work;
19	"(ii) a threat to the integrity, con-
20	fidentiality, or availability of a system or
21	network or any information stored on
22	processed on, or transiting such a system
23	or network;

1	"(iii) efforts to deny access to or de-
2	grade, disrupt, or destroy a system or net-
3	work; or
4	"(iv) efforts to gain unauthorized ac-
5	cess to a system or network, including to
6	gain such unauthorized access for the pur-
7	pose of exfiltrating information stored on,
8	processed on, or transiting a system or
9	network.
10	"(B) Exclusion.—Such term does not in-
11	clude a system designed or employed to protect
12	a system or network from efforts to gain unau-
13	thorized access to such system or network that
14	solely involve violations of consumer terms of
15	service or consumer licensing agreements and
16	do not otherwise constitute unauthorized access.
17	"(10) Integrity.—The term 'integrity' means
18	guarding against improper information modification
19	or destruction, including ensuring information non-
20	repudiation and authenticity.
21	"(11) Protected entity.—The term 'pro-
22	tected entity' means an entity, other than an indi-
23	vidual, that contracts with a cybersecurity provider
24	for goods or services to be used for cybersecurity
25	purposes.

- 1 "(12) SELF-PROTECTED ENTITY.—The term 2 'self-protected entity' means an entity, other than an 3 individual, that provides goods or services for cyber-4 security purposes to itself.
- 5 "(13) UTILITY.—The term 'utility' means an 6 entity providing essential services (other than law 7 enforcement or regulatory services), including elec-8 tricity, natural gas, propane, telecommunications, 9 transportation, water, or wastewater services.".
- (b) PROCEDURES AND GUIDELINES.—The Directorof National Intelligence shall—
 - (1) not later than 60 days after the date of the enactment of this Act, establish procedures under paragraph (1) of section 1104(a) of the National Security Act of 1947, as added by subsection (a) of this section, and issue guidelines under paragraph (3) of such section 1104(a);
 - (2) in establishing such procedures and issuing such guidelines, consult with the Secretary of Homeland Security to ensure that such procedures and such guidelines permit the owners and operators of critical infrastructure to receive all appropriate cyber threat intelligence (as defined in section 1104(h)(3) of such Act, as added by subsection (a)) in the possession of the Federal Government; and

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1	(3) following the establishment of such proce-
2	dures and the issuance of such guidelines, expedi-
3	tiously distribute such procedures and such guide-
4	lines to appropriate departments and agencies of the
5	Federal Government, private-sector entities, and
6	utilities (as defined in section 1104(h)(9) of such
7	Act, as added by subsection (a)).
8	(c) Initial Report.—The first report required to be
9	submitted under subsection (e) of section 1104 of the Na-
10	tional Security Act of 1947, as added by subsection (a)
11	of this section, shall be submitted not later than 1 year
12	after the date of the enactment of this Act.
13	(d) Table of Contents Amendment.—The table
14	of contents in the first section of the National Security
15	Act of 1947 is amended by adding at the end the following
16	new item:
	"Sec. 1104. Cyber threat intelligence and information sharing.".
17	SEC. 3. SUNSET.
18	Effective on the date that is 5 years after the date
19	of the enactment of this Act—
20	(1) section 1104 of the National Security Act of
21	1947, as added by section 2(a) of this Act, is re-
22	pealed; and
23	(2) the table of contents in the first section of
24	the National Security Act of 1947, as amended by

section 2(d) of this Act, is amended by striking the

- 1 item relating to section 1104, as added by such sec-
- 2 tion 2(d).

Passed the House of Representatives April 26, 2012.

Attest:

KAREN L. HAAS,

Clerk.