

Comeback Request: Cyber and Physical Security Federal Backfill and Cash-Neutral Personal Services Balancing

Overview

There are two components of the Department of State's (Department) request:

1. Spending authority in FY 2025-26 (ongoing) for backfilling physical security assessment and cybersecurity threat response that had previously been provided by federal partners.
2. A one-time, cash-neutral reallocation of spending authority between personal services line items in FY 2024-25.

Physical Security Assessments and Cybersecurity Threat Response

This request impacts three line items in the Department FY 2025-26 (ongoing) budget request. The request by line item is shown in the table at the end of this section. All spending authority is requested from the Department of State Cash Fund (CDOS Cash Fund).

For many years, the Department of Homeland Security through the Cybersecurity Infrastructure Security Agency (CISA) has evaluated the physical security of county and state elections facilities at no cost to the state or the counties. These assessments aided counties with identifying and evaluating physical security vulnerabilities and prioritizing mitigation strategies. Regular assessments are critical to reinforce security strategies and reduce the risk of security breaches. This is also a requirement in Department rule (Rule 7.7.8). Through the Trump administration's federal cuts and cuts specifically to CISA, it is likely that these services will be eliminated. In the absence of this service, it is critical that the Department is prepared to assist counties with these assessments. Based on preliminary conversations, engaging a contractor to perform these assessments will cost approximately \$15,000 per site visit with 20-25 site visits per year. The \$15,000 per site is split between \$14,000 of personal services time and \$1,000 of reimbursable travel expenses. Based on an average of 23 site visits per year, this is \$345,000 per year starting in FY 2025-26 (ongoing) to be split between the Elections Division Personal Services and Operating Expenses line items as shown in the table below. While the Department is planning to engage a contractor for this service, it will explore whether it is feasible and more cost effective to hire a qualified employee to perform this work prior to committing to a contract.

In addition, the Multi-State Information Sharing and Analysis Center (MS-ISAC) was expected to cover Endpoint Detection Response (EDR) for all elections systems, including for counties, however, this coverage is also not certain to be funded. EDR is a top enterprise cybersecurity tool that runs on each computer within the organization and looks for anomalous behavior using machine learning and known global threat activity. It is capable of isolating an individual computer and stopping the threat from propagating across the network without IT staff intervention. While the Department currently deploys EDR on its own systems, this spending authority would ensure it is available to counties. By granting this spending authority, it ensures that this service is available to counties without interruption and without the need for the Department to seek an emergency supplemental request over the

summer. The Department estimates that it will cost \$65,000 per year (ongoing) to be paid from the IT Division: Operating Expenses appropriation to extend this service to cover counties.

Line Item Appropriation	FY 2025-26 Request
Elections Division: Personal Services	\$322,000
Elections Division: Operating Expenses	\$23,000
IT Division: Operating Expenses	\$65,000
Total	\$410,000

FY 2024-25 Personal Services Balancing

The Department requests a one-time, cash-neutral reallocation of spending authority between four personal services line items in FY 2024-25. In the current fiscal year, personal services in the Administration, Elections, and Business & Licensing Division have been greater than anticipated due to a combination of less than anticipated vacancy savings and greater than anticipated contractor services. At the same time, the Department has been able to realize savings in the form of unexpended spending authority within the IT Division: Personal Services line item. Therefore, the Department requests a one-time reallocation in FY 2024-25 of \$750,000 in cash-funded personal services from the IT Division: Personal Services appropriation to the Administration, Business & Licensing, and Elections Personal Services appropriations as shown in the table below.

Line Item Appropriation	FY 2024-25 Reallocation Amount
IT Division: Personal Services	(\$750,000)
Administration Division: Personal Services	\$250,000
Elections Division: Personal Services	\$250,000
Business & Licensing Division: Personal Services	\$250,000
Total	\$0