

**H.R. 370, Pipeline and LNG Facility Cybersecurity Preparedness Act**

As reported by the House Committee on Energy and Commerce on November 20, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2024
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	6	64	not estimated
Statutory pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 370 would require the Cyber Security, Energy Security and Emergency Response office within the Department of Energy (DOE) to pursue a physical security and cybersecurity program for pipelines and liquefied natural gas facilities.

The bill would direct DOE to develop and test advanced cybersecurity technologies for natural gas pipelines using pilot demonstration projects. DOE also would be required to establish energy curricula to help develop a physical security and cybersecurity workforce for the energy sector. In addition to authorizing DOE to provide technical tools to assist the energy sector in pipeline security, H.R. 370 also would specify DOE's role in coordinating federal, state, and private entities' responses to and recoveries from physical and cyber incidents that affect the energy sector.

Assuming appropriation of the necessary amounts and using information from DOE, CBO estimates that implementing H.R. 370 would cost \$64 million over the 2020-2024 period. About \$45 million of that amount would be used to develop the physical infrastructure and technical tools necessary to complete demonstration projects for pipeline security and to develop advanced cybersecurity applications for the energy sector. The remaining amount, \$19 million, would be used over the same period to support approximately 30 additional employees at an initial average annual cost of \$120,000 each to establish policies, procedures, workforce development curricula, and to coordinate responses and recovery efforts related to cyber incidents that affect the energy sector.

The costs of the legislation (detailed in Table 1) fall within budget function 270 (energy).

**Table 1.**  
**Estimated Increases in Spending Subject to Appropriation Under H.R. 370**

	By Fiscal Year, Millions of Dollars					2020-2024
	2020	2021	2022	2023	2024	
Estimated Authorization	27	19	13	9	8	76
Estimated Outlays	6	15	16	15	12	64

The CBO staff contact for this estimate is Sofia Guo. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.