

ANALYSIS

Item 9: Department of Emergency Management

Cybersecurity and Infrastructure Security

Analyst: Steve Robbins

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Homeland Security, Federal Emergency Management Agency, Cybersecurity and Infrastructure Security Agency (CISA), in the amount of \$2,464,962 for a State and Local Cybersecurity Program grant.

Analysis: The State and Local Cybersecurity Grant Program (SLCGP) is designed to support states, local governments, rural areas, and territories in addressing cybersecurity risks and threats to information systems. The Oregon Department of Emergency Management (ODEM) has successfully applied for this grant in prior years, utilizing initial funds for the required establishment of a Cybersecurity Planning Committee and Cybersecurity Plan developed by Department of Administrative Services (DAS) Enterprise Information Services (EIS). The plan was approved by CISA, and guides development of cybersecurity capabilities across the state, with the Committee responsible for approving the plan and prioritizing individual projects. ODEM and DAS EIS solicit, review and approve local applications for funding for individual projects as outlined in the plan through this federal grant program.

ODEM serves as the State Administrative Agency to apply for and receive this formula grant and will utilize 5% of the available funding, or \$123,248, for administration of the grant. 80% of the grant award will be passed through to subrecipients and the remaining 15%, or \$369,744, will be allocated for state-level projects managed by DAS EIS.

There is a 40% match requirement. The grant notice allows for the possibility of a waiver for the match, which has been granted in prior years, however, no determination has been made on a waiver approval for this grant cycle. As such, the amount of matching funds needed from local entities and/or the state to expend the full grant amount would be approximately \$985,000. Although in-kind match is eligible, ODEM cannot determine if in-kind match will be accepted until potential projects are presented. Federal terms and conditions of the grant have been reviewed by the Oregon Department of Justice and no concerns currently exist over the agency's ability to comply.

The grant was announced August 1, 2025, and the application deadline was August 15, 2025. The agency submitted the required 10-day letter requesting retroactive approval on August 6, 2025. The grant's period of performance is from September 1, 2025, through August 31, 2029.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

Request: Retroactive authorization to apply for a \$2,464,962 State and Local Cybersecurity Grant from the Federal Emergency Management Agency and Cybersecurity and Infrastructure Security Agency for reducing systemic cybersecurity risk.

Recommendation: Approve the request.

Discussion: The Oregon Department of Emergency Management (OEM) requests retroactive authorization to apply for a grant of \$2.5 million from the Federal Emergency Management Agency (FEMA) and Cybersecurity and Infrastructure Security Agency, both part of the Department of Homeland Security. The grant would be used to reduce statewide cybersecurity infrastructure risk by providing additional funding that supports OEM's cybersecurity plan, developed in partnership with the Department of Administrative Services.

Of the \$2.5 million requested, OEM would retain five percent (\$0.1 million) for management and administration of the grant. Subrecipients would receive 80 percent as pass-through funds (\$2.0 million), and OEM will hold the remaining 15 percent (\$0.4 million) for statewide projects in accordance with grant guidelines. OEM was notified of the grant on August 1, 2025, provided a 10-day letter to the legislature on August 6, 2025, and the application deadline was August 15, 2025. The anticipated performance period for this grant is September 2025 through August 2029.

The grant award requires a 40 percent state match (\$1.0 million), which OEM expects will be supported via an in-kind match from the Enterprise Information Services Cyber Security Services division and the Higher Education Coordinating Commission, the latter responsible for managing the Cybersecurity Center of Excellence grant program. FEMA has agreed to exempt this grant from the 2025 standard terms and conditions around participation in statewide immigration enforcement.



Oregon

Tina Kotek, Governor

Oregon Department of Emergency Management
3930 Fairview Industrial Drive SE
Salem, OR 97302
Phone: 503-378-2911
TTY: 7-1-1
www.Oregon.gov/OEM

August 25, 2025

The Honorable Senator Kate Lieber, Co-Chair
The Honorable Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE, H-178
Salem, OR 97301

Dear Senator Lieber and Representative Sanchez:

Nature of Request

The Oregon Department of Emergency Management (OEM) requests retroactive authorization to apply for a \$2,464,962 State and Local Cybersecurity Grant Program (SLCGP) grant from the Federal Emergency Management Agency (FEMA) and Cybersecurity and Infrastructure Security Agency (CISA), both components of the Department of Homeland Security (DHS). These funds will be used to reduce systemic cybersecurity risk in Oregon.

Agency Action

The mission of OEM is to lead statewide collaborative efforts to ensure the capability to get help in an emergency and to protect, mitigate, prepare for, respond to, and recover from emergencies or disasters regardless of cause, including cybersecurity. Oregon faces unprecedented cybersecurity risks, including increasingly sophisticated adversaries, widespread vulnerabilities in commonly used hardware and software, and broad dependencies on networked technologies for the day-to-day operation of critical infrastructure. Numerous Oregon communities have fallen victim to cyber incidents in recent years necessitating support from Oregon's comprehensive emergency management response and recovery structure. Some key points of this program are as follows:

- Award will come through OEM as the State Administering Agency (SAA)
- There is a 40% match requirement
 - Enterprise Information Services Cyber Security Services (EIS-CSS) and Higher Education Coordinating Commission (HECC), who manages the Cybersecurity Center of Excellence grant program have agreed to serve as sources of in-kind match.
- Period of Performance 09/01/2025 - 08/31/2029
- A 5% Management and Administration (M&A) (\$123,248.08) will be maintained by OEM

- \$73,948.85 Federal funds
- \$49,299.23 State match funds
- OEM and DAS Cyber Security Services will retain 15% for statewide projects (\$369,744)
 - \$221,846.50 federal funds
 - \$147,898 State match funds
- Subrecipients will receive 80% of pass-through funds and OEM will retain 20% for statewide projects in accordance with the grant guidelines
 - Subrecipients will need to meet the 40% match requirement

The funding is required to go through OEM as the SAA. In partnership with DAS, OEM developed a statewide cybersecurity plan to guide investments in cybersecurity protection, detection and response infrastructure at the state and local level. This new SLCGP grant opportunity will allow for additional funding to support statewide efforts to reduce the state's risk of cyber incidents.

OEM was notified of the grant on August 1, 2025. The grant application deadline was August 15, 2025. This grant is 60% funded by FEMA and has a 40% match requirement. This is a grant renewal, however previous years provided a cost share waiver. The agency partners with Enterprise Information Services Cyber Security Services (EIS-CSS) and Higher Education Coordinating Commission (HECC), who manages the Cybersecurity Center of Excellence grant program have agreed to serve as sources of in-kind match. As this is a grant renewal, OEM has sufficient federal expenditure limitation.

Action Requested

OEM respectfully requests retroactive authorization to apply for the SLCGP grant.

Thank you for your consideration of this request.

Best regards,



Erin McMahon
Director

**Revised per DAS' feedback 08.27.2025