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Senate

By Mr. TSONGAS (for himself and Mr. NUNN):

S. 1920. A bill to amend the Small Business Act to establish a Small Business Computer Crime and Security Task Force, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS COMPUTER CRIME PREVENTION ACT

● Mr. TSONGAS. Mr. President, the bill I am introducing today, the Small Business Computer Crime Prevention Act, would aid in protecting America's small business from the growing threat of computer crime. This bill is a companion measure to H.R. 3075, which has been introduced in the House by Hon. RON WYDEN, of Oregon, and was reported by the House Small Business Committee today.

Small business is of obvious and enormous importance to our economy. It accounts for more than a third of our gross national product, for virtually all of the private sector employment growth, and for at least half of all innovations.

In recent months there has been much publicity surrounding the issue of computer crime. While the definition of computer crime varies, it involves theft of information, and unauthorized alteration of records, and damage to computer systems themselves. Computer crime is an issue of growing importance to the small business community, as the use of computerized accounting and management systems becomes widespread among small businesses eager to save costs and improve productivity. But because small businesses—and particularly high technology small businesses—are attractive targets for computer criminals, the introduction of computers could be inhibited unless small business can be effectively secure their computer systems.

Congress and the administration have devoted considerable attention to the issues of computer security and information management as they relate to the operations of the Federal Government. The issues arise especially

where there are national security concerns.

But the phenomenon of computer crime as it affects the small business community has not yet been assessed. There has been little or no study on how computer crime specifically harms small businesses. Yet, small businesses are more likely to be affected by computer crime because they have fewer resources available to protect themselves against it.

The purpose of this bill is to establish, within the Small Business Administration, the Small Business Computer Crime and Security Task Force. This task force would inquire into computer crime committed against small business, evaluate the technical and legal means for preventing and combating computer crimes, and develop guidelines for enhancing the security of computer systems in cooperation with the National Bureau of Standards. The task force would report its findings and recommendations to the Administrator within 18 months. The bill also calls for the establishment of a resource center to provide information on computer crimes and on computer security technology available to the small business community. The resource center would serve as a clearinghouse to transfer computer security technology developed for the Federal Government.

Mr. President, in the interest of strengthening security in an emerging technological area of vital importance to small business, I urge the speedy passage of this bill. I ask unanimous consent that the text of the bill be printed in the RECORD in full.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Small Business Computer Crime Prevention Act".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress hereby finds that—

(1) there is an increased dependency on, and proliferation of, information technology (including computers, data networks, and other communication devices) in the small business community;

(2) such technology has permitted and expanded criminal activity against small business concerns; and

(3) small business concerns are not always able to protect their information technology from computer criminals.

(b) The purposes of this Act are—

(1) to improve the management by small business concerns of their information technology; and

(2) to encourage small business concerns to protect such technology from criminal activity.

COMPUTER CRIME AND SECURITY TASK FORCE

SEC. 3. Section 4(b) of the Small Business Act (15 U.S.C. 633(b)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) The Administrator shall, not later than the 60 days after the effective date of this paragraph, establish a task force to be known as the 'Small Business Computer Crime and Security Task Force'.

"(B) The Task Force shall consist of the following members:

"(i) an employee of the Small Business Administration, appointed by the Administrator;

"(ii) an employee of the Institute for Computer Sciences and Technology of the Department of Commerce, appointed by the Secretary of Commerce;

"(iii) an employee of the Department of Justice, appointed by the Attorney General;

"(iv) an employee of the Department of Defense, appointed by the Secretary of Defense;

"(v) one individual, appointed by the Administrator, who is representative of the interests of the providers of computer hardware to small business concerns;

"(vi) one individual, appointed by the Administrator, who is representative of the interests of the providers of computer software to small business concerns;

"(vii) one individual, appointed by the Administrator, who is representative of the interests of the providers of insurance to small business concerns;

"(viii) one individual, appointed by the Administrator, who is representative of the interests of the providers of computer security equipment and services to small business concerns;

"(ix) one individual, appointed by the Administrator, who is representative of the in-

terests of associations of small business concerns, other than small business concerns engaging in any of the activities described in clauses (v) through (viii); and

"(x) such additional qualified individuals, appointed by the Administrator, as the Administrator determines to be appropriate.

"(C) It shall be the function of the Task Force—

"(i) to define the nature and scope of computer crimes committed against small business concerns;

"(ii) to ascertain the effectiveness of State legislation, and available security equipment, in preventing computer crimes against small business concerns;

"(iii) in cooperation with the National Bureau of Standards, to develop guidelines to assist small business concerns in evaluating the security of computer systems; and

"(iv) to make recommendations to the Administrator with respect to the appropriate activities of the resource center established under paragraph (4).

"(D) The Administrator shall designate one of the members of the Task Force as its chairperson. The Task Force shall meet not less than once during each 6-month period following the effective date of this paragraph, at the call of its chairperson. A majority of the members of the Task Force shall constitute a quorum.

"(E) Each member of the Task Force shall serve without additional pay, allowances, or benefits by reason of such service. Each such member shall be reimbursed for actual expenses, including travel expenses, determined by the Administrator to have been reasonably incurred in the course of performing the functions vested in the Task Force.

"(F) The Administrator shall provide the Task Force with such staff and office facilities as the Administrator, following consultation with the Task Force, considers necessary to permit the Task Force to carry out its functions under this paragraph.

"(G) The Task Force may secure directly from any Federal agency information necessary to enable the Task Force to carry out its functions under this paragraph. Upon request of the chairperson of the Task Force, the head of such agency shall furnish such information to the Task Force.

"(H) Not later than 18 months after the effective date of this paragraph, the Task Force shall submit to the President, the Administrator, and the Congress a detailed report setting forth the findings of the Task Force with respect to the matters described in subparagraph (C) and containing such recommendations as the Task Force determines to be appropriate.

"(I) The Task Force shall terminate not later than 30 days after the submission of its report under subparagraph (H).

"(J) For purposes of this paragraph and paragraph (4)—

"(i) the term 'computer crime' means—

"(I) any crime committed against a small business concern by means of the use of a computer; and

"(II) any crime involving the illegal use of, or tampering with, a computer owned or utilized by a small business concern; and

"(ii) the term 'Task Force' means the Small Business Computer Crime and Security Task Force established under subparagraph (A)."

COMPUTER CRIME AND SECURITY INFORMATION

Sec. 4. Section 4(b) of the Small Business Act (15 U.S.C. 633(b)), as amended in section 3 of this Act, is amended by adding at the end thereof the following new paragraph:

"(4)(A) The Administrator shall—

"(i) provide to small business concerns information regarding—

"(I) computer crimes committed against small business concerns; and

"(II) security for computers owned or utilized by small business concerns; and

"(ii) provide for periodic regional forums for small business concerns to improve the exchange of information regarding the matters described in clause (i).

"(B) Not later than 60 days after receipt of the report of the Task Force under paragraph (3)(H), the Administrator shall establish as part of the Small Business Administration a resource center that will carry out the functions of the administrator under subparagraph (A)(i)."