

119TH CONGRESS  
1ST SESSION

# S. 245

To require the Assistant Secretary of Commerce for Communications and Information to establish a working group on cyber insurance, to require dissemination of informative resources for issuers and customers of cyber insurance, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 24, 2025

Mr. HICKENLOOPER (for himself and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To require the Assistant Secretary of Commerce for Communications and Information to establish a working group on cyber insurance, to require dissemination of informative resources for issuers and customers of cyber insurance, 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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Insure Cybersecurity  
5       Act of 2025”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

1           (1) ASSISTANT SECRETARY.—The term “Assist-  
2           ant Secretary” means the Assistant Secretary of  
3           Commerce for Communications and Information.

4           (2) CRITICAL INFRASTRUCTURE.—The term  
5           “critical infrastructure” has the meaning given the  
6           term in subsection (e) of the Critical Infrastructures  
7           Protection Act of 2001 (42 U.S.C. 5195c).

8           (3) CUSTOMER.—The term “customer” means  
9           an individual or organization that purchases cyber  
10          insurance from an issuer.

11          (4) CYBER INCIDENT.—The term “cyber inci-  
12          dent” has the meaning given the term “incident” in  
13          section 3552(b) of title 44, United States Code.

14          (5) CYBER INSURANCE.—Subject to section  
15          3(c)(1)(A), the term “cyber insurance” means an in-  
16          surance policy that includes coverage for losses,  
17          damages, and costs incurred due to cyber incidents.

18          (6) ISSUER.—The term “issuer” means an or-  
19          ganization that issues cyber insurance.

20          (7) POLICY.—The term “policy” means a policy  
21          for cyber insurance.

22          (8) SMALL BUSINESS.—The term “small busi-  
23          ness” has the meaning given the term “small busi-  
24          ness concern” in section 3 of the Small Business Act  
25          (15 U.S.C. 632).

1           (9) WORKING GROUP.—The term “working  
2       group” means the working group established under  
3       section 3(a).

4   **SEC. 3. WORKING GROUP ON CYBER INSURANCE.**

5       (a) ESTABLISHMENT.—Not later than 90 days after  
6       the date of enactment of this Act, the Assistant Secretary  
7       shall establish a working group on cyber insurance.

8       (b) COMPOSITION.—

9           (1) MEMBERSHIP.—The working group shall be  
10       composed of the following members:

11           (A) Not less than 1 member from each of  
12       the following:

13           (i) The Cybersecurity and Infrastruc-  
14       ture Security Agency.

15           (ii) The National Institute of Stand-  
16       ards and Technology.

17           (iii) The Department of the Treasury.

18           (iv) The Department of Justice.

19           (v) The Federal Trade Commission.

20           (B) Not less than 1 State insurance regu-  
21       lator with expertise regarding cybersecurity and  
22       cyber insurance.

23       (2) CHAIRPERSON.—The Assistant Secretary  
24       shall be the chairperson of the working group.

25       (c) ACTIVITIES.—

1           (1) IN GENERAL.—The working group shall  
2       carry out the following activities:

3           (A) For the purposes of the activities of  
4       the working group, define the term “cyber in-  
5       surance” in a manner that is different from the  
6       definition of that term under section 2(5), if the  
7       working group determines that such a modified  
8       definition is necessary.

9           (B) Analyze and explain in a manner un-  
10      derstandable to customers the technical and  
11      legal terminology commonly used in policies.

12          (C) Analyze and explain in a manner un-  
13      derstandable to customers how provisions in  
14      policies correspond to common types of cyber  
15      incidents, including those involving ransomware.

16          (D) Analyze and explain in a manner un-  
17      derstandable to customers how provisions in  
18      policies correspond to common customer re-  
19      sponses to cyber incidents, including with re-  
20      spect to system recovery and potential ransom  
21      payments.

22          (E) Analyze and explain in a manner un-  
23      derstandable to customers the terminology used  
24      in policies to include or exclude coverage for  
25      losses due to cyber incidents.

1 (F) Analyze and explain in a manner un-  
2 derstandable to customers the constraints faced  
3 by issuers in covering higher amounts of losses  
4 and cyber risk areas, such as reputational dam-  
5 age and the loss of intellectual property.

6 (G) Develop information for customers on  
7 ways to effectively evaluate the types and levels  
8 of coverage offered under a policy.

9 (H) Develop information for issuers,  
10 agents, and brokers regarding how to provide  
11 and communicate policy provisions that are  
12 clear and easy to understand for customers.

13 (I) Gather input from issuers on what  
14 measures could improve the ability of those  
15 issuers to offer additional coverage under poli-  
16 cies, including—

17 (i) improvements to their actuarial  
18 data and cyber risk data;

19 (ii) the development of effective infor-  
20 mation sharing mechanisms; and

21 (iii) accurate measurement of the cy-  
22 bersecurity practices of customers.

23 (J) Identify what measures could reduce  
24 the cost of policies and reduce the amount of  
25 cyber risk and the number of cyber incidents.

1           (K) Develop recommendations for cus-  
2           tomers on how best to use cyber insurance and  
3           the benefits of doing so.

4           (2) CONSULTATION.—In carrying out the activi-  
5           ties of the working group under paragraph (1), the  
6           working group shall consult with the public in an  
7           open and transparent manner, including by con-  
8           sulting with the following stakeholders:

9           (A) Issuers.

10          (B) Insurance agents and brokers with ex-  
11          perience in the sale and distribution of cyber in-  
12          surance.

13          (C) Representatives of business customers  
14          from multiple sectors and representatives of  
15          small businesses.

16          (D) Academia.

17          (E) State insurance regulators with exper-  
18          tise regarding cybersecurity and cyber insur-  
19          ance.

20          (F) Owners and operators of critical infra-  
21          structure.

22          (G) Other individuals or entities with cy-  
23          bersecurity and cyber insurance expertise as the  
24          Assistant Secretary considers appropriate.

1 (d) REPORT.—Not later than 1 year after the date  
 2 on which the working group first convenes, the working  
 3 group shall submit to Congress a report regarding the ac-  
 4 tivities of the working group under subsection (c) and any  
 5 recommendations of the working group.

6 (e) TERMINATION.—The working group shall termi-  
 7 nate upon submission of the report required under sub-  
 8 section (d).

9 (f) RULE OF CONSTRUCTION.—Nothing in this sec-  
 10 tion shall be construed to—

11 (1) require adoption of the recommendations of  
 12 the working group; or

13 (2) provide any authority to any member of the  
 14 working group or any other individual to regulate  
 15 the business of insurance that is not already pro-  
 16 vided under any other provision of law.

17 **SEC. 4. DISSEMINATION OF INFORMATIVE RESOURCES FOR**  
 18 **CYBER INSURANCE STAKEHOLDERS.**

19 (a) IN GENERAL.—Not later than 90 days after the  
 20 date on which the working group submits the report re-  
 21 quired under section 3(d), the Assistant Secretary shall  
 22 disseminate and make publicly available informative re-  
 23 sources for cyber insurance stakeholders.

1 (b) REQUIREMENTS.—The Assistant Secretary shall  
2 ensure that the resources disseminated under subsection  
3 (a)—

4 (1) incorporate the recommendations included  
5 in the report submitted under section 3(d);

6 (2) are generally applicable and usable by a  
7 wide range of cyber insurance stakeholders, includ-  
8 ing issuers, agents, brokers, and customers; and

9 (3) include case studies and specific examples,  
10 where appropriate.

11 (c) PUBLICATION.—The resources disseminated  
12 under subsection (a) shall be published on the public  
13 website of the National Telecommunications and Informa-  
14 tion Administration.

15 (d) OUTREACH.—The Assistant Secretary shall con-  
16 duct outreach and coordination activities to promote the  
17 availability of the resources disseminated under subsection  
18 (a) to relevant industry stakeholders and the general pub-  
19 lic.

20 (e) VOLUNTARY USE.—Nothing in this section may  
21 be construed to require the use of the resources dissemi-  
22 nated under subsection (a).

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