

April 30, 2025

Co-Chair Janeen Sollman Co-Chair Ricki Ruiz Joint Subcommittee on Education Oregon State Legislature 900 Court St NE Salem, OR 97301

Re: Senate Bill 5525

Dear Co-Chair Sollman, Co-Chair Ruiz, and members of the Joint Committee on Education,

On behalf of the League of Oregon Cities (LOC), I am writing in support of SB 5525, which would appropriate moneys from the General Fund to the Higher Education Coordinating Commission for funding the second biennium of the Oregon Cybersecurity Center of Excellence (OCCoE).

As the LOC lobbyist who works on cybersecurity issues and worked with a broad coalition of supporters to stand up the OCCoE, funding the center is crucial to increase Oregon's cybersecurity workforce for the public and private sector and providing vital resources to local governments. Especially our smaller cities who do not have the tax base nor resources to adequately protect against cyber threats.

As the recent cyber hacks and schemes have shown, cyber threats are increasing exponentially with dire consequences for our communities. This is not just a big city or small city issue. Attacks are getting more sophisticated and targeted everyday as evidenced by the recent attack on the city of Portland where attackers were able to trick a city employee into providing access and redirecting \$6.7 million intended for the Bull Run Filtration Project.

In 2017, the City of Glendal Oregon, population of about 870, was impacted by a ransomware attack. As a small city with few resources available to them, they were caught by surprise and unable to afford the ransom to get their data and operations back up and running, even if they wanted to. They were unable to afford a firm to help with these efforts and over the last 8 years, have tediously rebuilt their entire operations by hand, utilizing years of paper backups that they thankfully had. They finally passed their first audit since this incident last year.

These attacks can have devastating effects on our communities. They can impact city operations or finances with devastating consequences. While we have thankfully not seen any large attacks or

disruptions on our utilities, it's only a matter of time. If access to water is taken offline, streetlights are disrupted, or power taken offline, the impact could be devastating.

State support is crucial. Federal funding freezes are creating a critical need for funding state programs now more than ever. Oregon's cost to citizens from cybercrimes rose from \$78 million in 2022 to \$117 million in 2023. Costs in 2024 are expected to be at least \$150 million. At this unprecedented moment, state-led cybersecurity initiatives are of the highest priority.

The CCOE, if fully funded, will have the ability to;

- Increase workforce development for public services;
- Provide affordable Security Operations Center (SOC) services for public entities, thus providing a more statewide reach;
- Public outreach and awareness; and
- Hiring security analysts for incident reporting, assessment, information sharing and best practices for local governments.

Two of OCCoE's arguably highest impact programs for addressing these needs are at risk of losing funding: the Professional Certificate in Building Cyber Resilience for government/tribal employees and leaders to increase cyber resilience in public organizations, and GenCyber Cyber Camps for high schoolers to develop interest and experience in pursuing cybersecurity degrees/careers.

OCCoE is also working to expand its low to no-cost SOC services at partnering universities/colleges across the state, which addresses these needs by providing hands-on cybersecurity training to college students while serving public entities at affordable rates. This helps to create realtime experience and train the cyber workforce for tomorrow. However, significantly more resources are necessary to expand these services to meet this increasing demand.

The LOC strongly urges this committee to support SB 5525 to allocate the \$11.3 million requested for the Oregon Cybersecurity Center of Excellence. Thank you for your time and your consideration of this request.

Sincerely,

Nolan Pleše Lobbyist, League of Oregon Cities (LOC)