

# **Ransom Disclosure Act**

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## **Background**

Ransomware attacks pose a significant national security threat, impacting critical infrastructure and military facilities, hospitals and medical centers, small and large businesses, schools and universities, and municipal governments. Between 2019 and 2020, ransomware attacks rose by [62 percent](#) worldwide and 158 percent in North America. In 2020, the FBI received nearly [2,500](#) ransomware complaints, up 20 percent from 2019, which identified losses of over \$29 million. According to one cybersecurity firm, victims worldwide paid nearly [\\$350 million](#) in ransom in 2020 – a more than 300 percent increase over the previous year – with the average payment increasing by 170 percent to \$312,000.

Ransomware victims are not currently required to report attacks or ransom payments to federal authorities. Consequently, we lack comprehensive and accurate data on how much money cybercriminals are siphoning from American entities to finance criminal enterprises.

## **About the Legislation**

The Ransom Disclosure Act will provide the Department of Homeland Security with critical data on ransomware payments in order to bolster our understanding of how cybercriminal enterprises operate and develop a fuller picture of the ransomware threat. Specifically, the bill will:

- Require ransomware victims (excluding individuals) to disclose information about ransom payments no later than 48 hours after the date of payment, including the amount of ransom demanded and paid, the type of currency used for payment of the ransom, and any known information about the entity demanding the ransom;
- Require DHS to make public the information disclosed during the previous year, excluding identifying information about the entities that paid ransoms;
- Require DHS to establish a website through which individuals can voluntarily report payment of ransoms;
- Direct the Secretary of Homeland Security to conduct a study on commonalities among ransomware attacks and the extent to which cryptocurrency facilitated these attacks and provide recommendations for protecting information systems and strengthening cybersecurity.