

The Aerospace & Defense Forum

**Santa Clarita Valley Chapter Meeting
August 15, 2023**

“Cybersecurity Update for Small and Mid-Size (SME) Defense Contractors”

*Jacob Horne
Chief Security Evangelist
Summit 7 Systems*

7:15 – 9:00 AM

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The Aerospace & Defense Forum

Who We Are...

- An 11-year-old global aerospace and defense leadership community of over 2,400 professionals that facilitates communication, collaboration, and commerce relative to the business of A&D
- Nine chapters – Los Angeles, San Fernando Valley, Santa Clarita Valley, South Bay, Orange County, San Diego, Arizona, Dallas-Ft. Worth, and Ventura County.
- Conduct monthly meetings with presentations, panels and tours with industry leaders focused on some aspect of the business of A&D
- Our practice is to make copies of the business cards and provide them to the attendees. If you wish to do so, please place your cards in the basket



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“Cybersecurity Update for Small and Mid-Size (SME) Defense Contractors”



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August 15, 2023


When Do I Need to be CMMC Compliant?
Understanding CMMC Rulemaking in 2023



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Agenda

- 01** CMMC Rulemaking & Recent DoD Statements
- 02** Visualizing the Rulemaking Timeline
- 03** Key Takeaways



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CMMC Rulemaking & Recent DoD Statements

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DoD has consistently emphasized the priority and importance of the CMMC program throughout rulemaking "delays"

"Right now, we're re-working the rules so there's a lot of work happening, but it's behind the scenes. Those rules will go to OMB and then they'll be available for public comment in March of 2023... and we may see CMMC in contracts as early as Summer 2023..."

- Dr. Kelly Fleisher, Principal Deputy CIO
May 14th, 2022

"We're in a position right now... this has taken on as longer, frankly, than we wanted to for the review... but... we want to make sure, out there, we want to do this correctly before it gets over to OMB... and it's public review. We're committed to getting this right."

- John Sherman, DoD CIO
March 27th, 2022

The Pentagon is "heavily focused on DIB Cybersecurity and we continue to work on the CMMC rule. That's progressing pretty well inside the building. We're targeting late fall of next year... we're looking for the budgeting contracts."

- David McKee, DoD Deputy CIO
May 14th, 2022

"I recognize full well that CMMC is a controversial topic, but it's necessary ones. We're not going to let the Chinese, or the Russians, rip us anywhere of our secrets; our plans, or other things that are going to put our service members at risk..."

- John Sherman, DoD CIO
June 8th, 2022

"We still don't have CMMC 2.0 out of the building yet because we're working to get right it's going to go to the Small Business Administration and we're hoping to get it done in the hopefully very near future... rest assured we want to get this right."

- John Sherman, DoD CIO
May 14th, 2022

May 24th, 2023: CMMC rule submitted to the Office of Information and Regulatory Affairs (OIRA)

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Submitting the CMMC rule to OIRA results in the ability to estimate specific timelines for the rest of the rulemaking process

The text of the CMMC rule submitted to OIRA is the text that DoD would publish if not for the bureaucracy of rulemaking.

- The remaining timeline results from rulemaking bureaucracy rather than fundamental changes to the text of the CMMC rule.

Until OIRA's regulatory review is complete the DoD is unable to comment publicly on CMMC.

- Many companies will take no news as good news when DoD's radio silence is actually a key indicator that CMMC rule publication is only a few weeks away.

We can estimate how long the remaining rulemaking steps will take by analyzing historical averages for previous DoD rules.

- Timelines are much more certain after submission to OIRA compared to the last two years.

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There are 3 major rulemaking milestones after the Small Business Administration (SBA) "pit stop"

First, DoD must submit the CMMC program rule to OMB for regulatory review by OIRA

- DoD: The Department of Defense
- CMMC: Cybersecurity Maturity Model Certification
- OMB: The Office of Management & Budget
- OIRA: The Office of Information & Regulatory Affairs

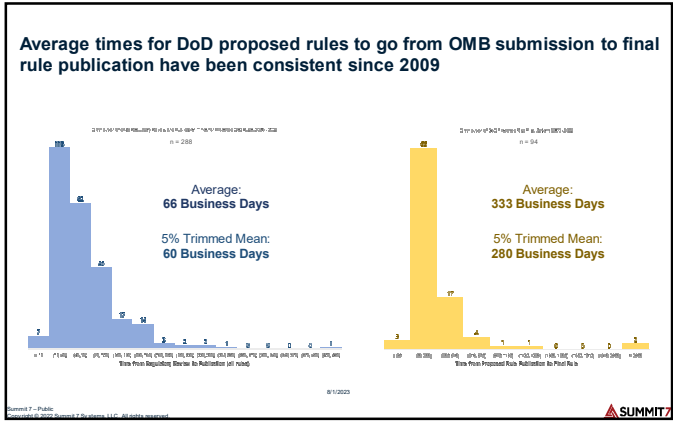
Then, the CMMC program rule is published in the Federal Register

- The Federal Register is the official daily publication for agency rules, proposed rules, and notices of Federal agencies and organizations, as well as for Executive Orders and other presidential documents.

Finally, the published rule becomes effective depending on one of two scenarios

- Published with "Proposed Rule" status
 - Eventually effective as a "Final Rule"
- or
- Published with "Interim Final Rule" status
 - Effective immediately

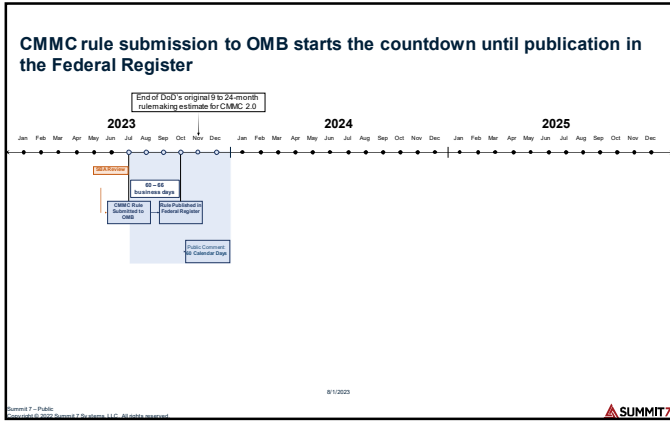
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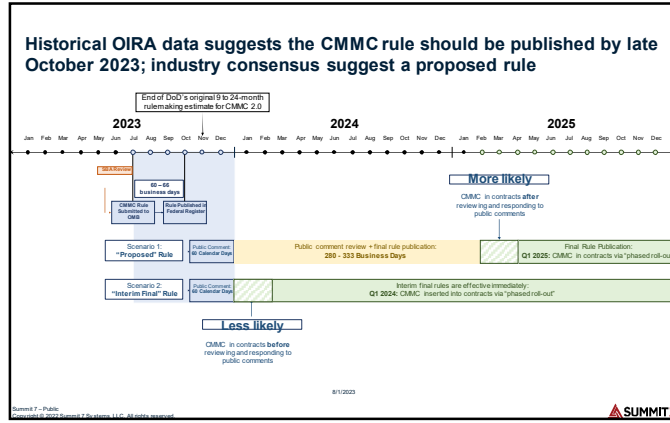
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Visualizing the Rulemaking Timeline

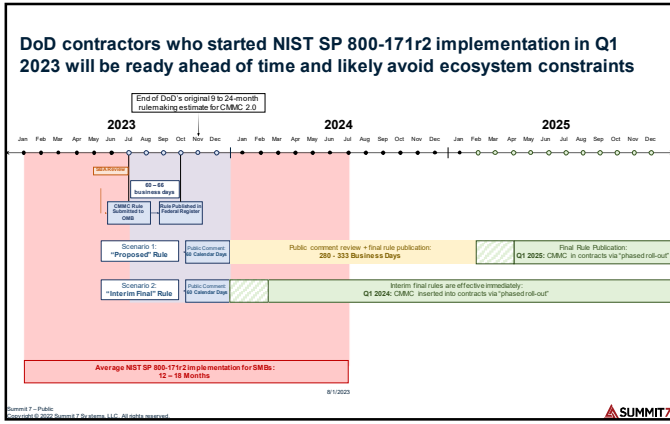
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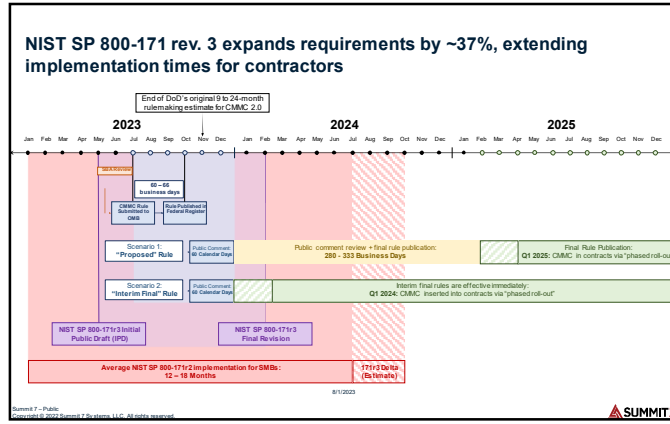
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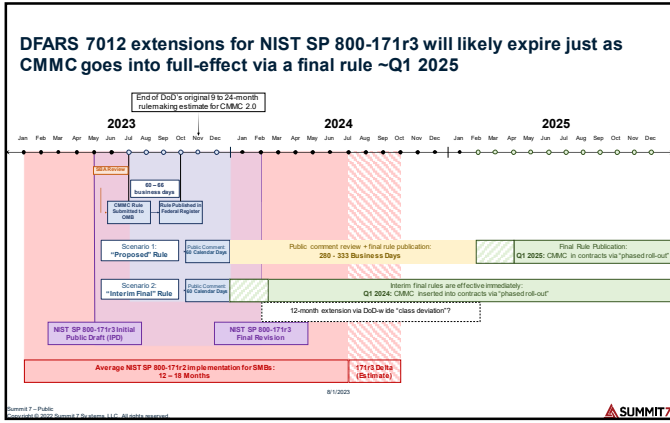
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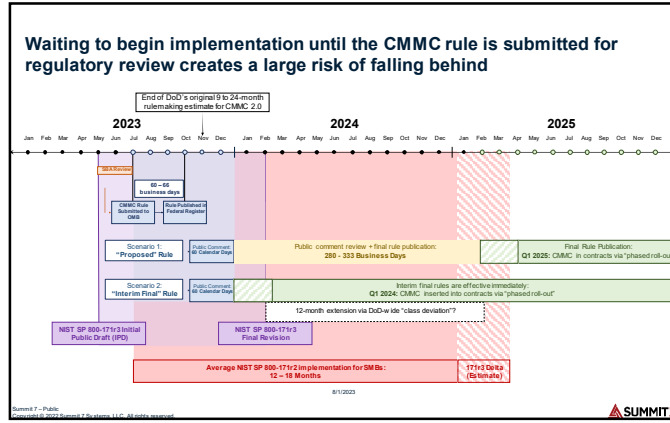
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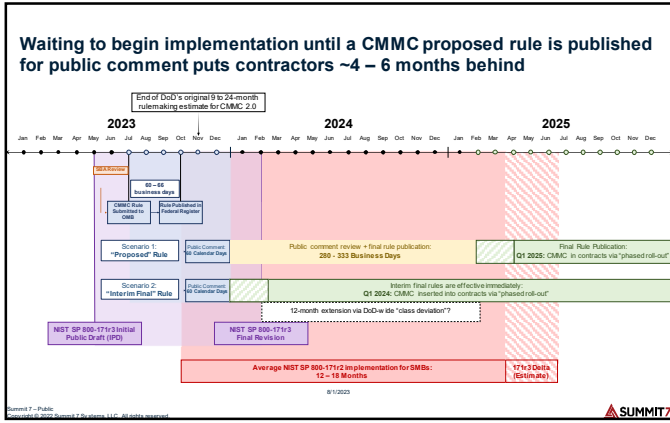
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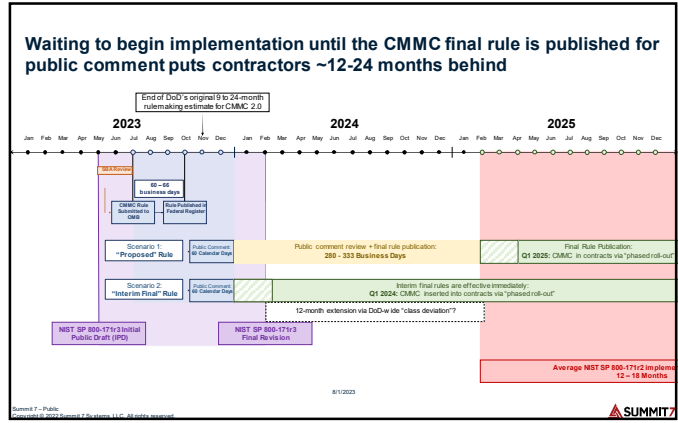
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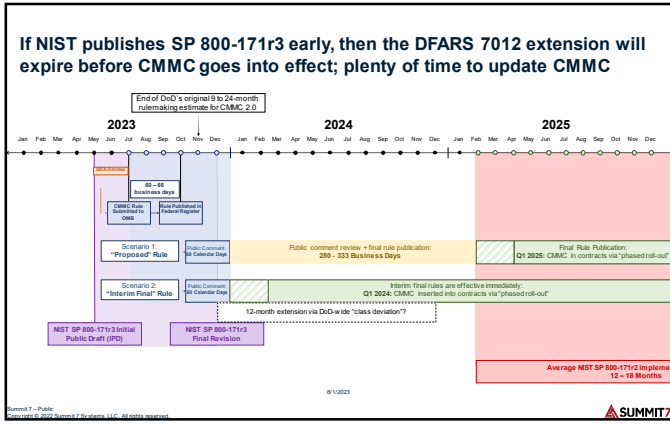
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- Implementation takes longer than rulemaking
- SBA review reinforces rather than undermines CMMC
- "Delay" headlines don't match DoD statements; OMB rule submission
- NIST requirements will increase rather than decrease
- DoD can't speak about the CMMC rule until OIRA review is complete
- As far as DoD is concerned, the text of the CMMC program regulation is finished

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Upcoming Chapter Webinars/Meetings

- August 16: **"The 2023 Paris Air Show – A Tale of a Changing Industry"**, David Conrad, Vice President Business Development, PTI Technologies | National Online Forum webinar
- November 17: Jonna Doolittle Hoppes, Author – "Calculated Risk: The Extraordinary Life of Jimmy Doolittle | Aviation Pioneer and World War II Hero" and "Just Doing My Job: Stories of Service from World War II" | Los Angeles Chapter meeting

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Thank You

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