

State, local officials face ‘blackout’ in ability to track cyber threats

BY Maggie Miller | 08/01/2025 05:58 PM EDT



The Multi-State Information Sharing and Analysis Center, which has around 18,000 members across the United States, is facing a major cut to its federal funding in the proposed fiscal year 2026 budget. | Pablo Martinez Monsivais/AP

State, local, tribal and territorial government organizations in the U.S. rely on a free platform for sharing cyber intelligence, from ransomware threats to nation-state attacks on key systems. But this program could soon go dark as the deadline to renew funding is set to expire in less than two months.

The Multi-State Information Sharing and Analysis Center, which has around 18,000 members across the United States, is facing a major cut to its federal funding in the proposed fiscal year 2026 budget.

Without adequate funding, many of these under-resourced organizations may lose access to insights into the cyber threats facing critical infrastructure on a daily basis — opening the door for more successful attacks from adversaries.

“Governors are going to find that the threat visibility that they've had is gone,” John Gilligan, president and CEO of the Center for Internet Security, which runs the MS-ISAC, said in an interview. “We're going to have to shut these capabilities off, and there's going to be a blackout of threat information and support that you've come to rely on.”

To prepare for a potential loss in funding, the MS-ISAC is contemplating moving to a membership model. But organizations that rely on the free cyber threat intelligence platform may be unable to pay the fee.

The ability for state and local organizations to access the MS-ISAC platform for free has been under threat since March, when the Cybersecurity and Infrastructure Security Agency [announced that it had cut \\$10 million](#) from its budget used to fund MS-ISAC and the Election Infrastructure Information Sharing and Analysis Center. The CIS, which stewarded the funding from CISA for these programs, was forced to halt support for the election-focused sharing organization, but decided to continue funding the MS-ISAC until the end of the fiscal year, in an attempt to give the government time to reinstate funding.

POLITICO PRO

There's more to Pro. Experience the exclusive nonpartisan news, real-time intelligence, in-depth analyses and research tools to quickly help elevate winning policies.

[REQUEST A DEMO](#)

CISA Director of Public Affairs Marci McCarthy said in a statement that “CISA is leaning forward in supporting state and local governments while ensuring good stewardship of taxpayer dollars,” noting that after evaluating the agreement with CIS, “we terminated federal funding earlier this year for several activities that were either duplicative or no longer effectuated agency priorities.”

“Since CISA began funding this agreement a decade ago, the agency has prioritized developing internal capabilities to support our state, local, tribal, and territorial government partners,” McCarthy said. “We now have cybersecurity experts in communities across the country offering a range of cybersecurity services at no cost.”

CIS will stop funding the MS-ISAC on Sept. 30, when the 2025 financial year ends. The CIS Board of Directors approved the extension for the platform, which has cost CIS around \$1

million each month to maintain, to give the federal government time to address what Gilligan says was a mistake made as part of cuts to CISA's budget by DOGE employees.

"I get the value of dramatic gestures," Jane Lute, former deputy secretary of DHS and current CIS board member, said of the decision by CISA to cut funding for the information-sharing platforms. "I understand how hard it is, but recognize a misfire when it's a misfire, and just correct it, because the organization cannot continue to fund this indefinitely, and there will be a blackout."

The MS-ISAC has provided crucial cyber threat intelligence information to its member organizations, including recent vulnerabilities discovered in [Microsoft SharePoint servers](#) that Chinese hackers used to infiltrate multiple federal agency systems.

Gilligan said the MS-ISAC sent out notices to members as soon as it became apparent that the vulnerabilities were being exploited — days before CISA asked CIS to send out a government alert to MS-ISAC members on the breach.

"The agility and the confidence in MS-ISAC, the flash to bang time between an incident happening and the ability to be responsive and engage — the government just can't match that responsiveness," Lute said.

Since March, CIS has been pushing for lawmakers on the House and Senate Appropriations Committees to include funding for both MS-ISAC and the EI-ISAC in the upcoming 2026 appropriations.

The Trump administration's [proposed 2026 funding bill](#) for the Department of Homeland Security did not include any funding for CIS, which received \$27 million under the most recent round of appropriations. According to a spokesperson for the House Appropriations Committee's homeland security subcommittee, the version of the 2026 funding bill [approved by the full committee last month](#) would give the program \$7 million — a roughly 70 percent cut from the last budget.

The Senate Appropriations Committee has not yet released its version of the fiscal year 2026 DHS appropriations bill, and a spokesperson for Homeland Security Subcommittee Chair [Katie Britt](#) (R-Ala.) did not respond to a request for comment on how funding for CIS may change.

Brian de Vallance, a policy and outreach staffer at CIS, said that he had received indications from House and Senate staffers that "they want to do the right thing" on funding the MS-ISAC, but cautioned that "we'll see, it's a tough, tough environment."

"With the lack of funding from the federal government, the reality is that many public entities, especially local governments, won't be able to afford the critical services that MS-

ISAC has provided,” said Meredith Ward, deputy executive director of the National Association of State Chief Information Officers.

“No state, city, town or locality can fight cyber adversaries on their own and we need support and coordination from the federal government,” Ward said.

Kathy Sheehan (D), mayor of Albany, New York, said that her government is already having conversations about where they may have to pull funding from to pay for the MS-ISAC services — something Sheehan said had been key in preventing major attacks on city networks. It’s especially tricky since Albany’s yearly budget ends on Dec. 31, meaning funds cannot be easily moved to pay the fee for a few months.

Jackie Bray, commissioner of New York State’s Division of Homeland Security and Emergency Services, put it more bluntly, saying that the combination of cuts to MS-ISAC and other DHS grants “threatens the safety and security of our communities.”

Should the MS-ISAC move to a fee model and later receive federal funds, it may be years before trust is again built up sufficiently to create the kind of free threat sharing tools that MS-ISAC has offered for the last two decades.

“The federal government has benefited enormously from this engagement at an extremely modest cost,” Lute said. “It’s a shame to throw the baby out with the bath water.”