

# 115TH CONGRESS 2D SESSION

# H. R. 6992

To reauthorize the Chemical Facility Anti-Terrorism Standards Program of the Department of Homeland Security.

# IN THE HOUSE OF REPRESENTATIVES

September 28, 2018

Mr. Katko (for himself, Mr. Moolenaar, and Mr. Cuellar) introduced the following bill; which was referred to the Committee on Homeland Security, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To reauthorize the Chemical Facility Anti-Terrorism Standards Program of the Department of Homeland Security.

- 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; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Protecting and Securing Chemical Facilities from Ter-
- 6 rorist Attacks Act of 2018".
- 7 (b) Table of Contents for
- 8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Expedited approval program.
- Sec. 4. CFATS Recognition Program.
- Sec. 5. Frequency of audits and inspections.
- Sec. 6. Personnel surety program.
- Sec. 7. Security risk assessment approach and corresponding tiering methodology.
- Sec. 8. Annual performance reporting.
- Sec. 9. Specific products and mixtures containing chemicals of interest.
- Sec. 10. CFATS regulations.
- Sec. 11. Explosive materials.
- Sec. 12. Changes to Appendix A to part 27 of title 6, Code of Federal Regulations.
- Sec. 13. Assessment, report, briefing, and updated retrospective estimate on costs.
- Sec. 14. Effective date.
- Sec. 15. Termination.
- Sec. 16. Technical and conforming amendment.

### 1 SEC. 2. DEFINITIONS.

- 2 Section 2101(8) of the Homeland Security Act of
- 3 2002 (6 U.S.C. 621(8)) is amended by striking "section
- 4 2102(c)(4)(B)(i)" and inserting "section 2102(c)(4) by
- 5 the Secretary that identifies specific security measures
- 6 that are sufficient to meet the risk-based performance
- 7 standards for facilities in tiers 3 and 4 that elect to utilize
- 8 the expedited approval program".

### 9 SEC. 3. EXPEDITED APPROVAL PROGRAM.

- 10 Section 2102(c)(4) of the Homeland Security Act of
- 11 2002 (6 U.S.C. 622(c)(4)) is amended—
- 12 (1) in subparagraph (A)(i), by striking "sub-
- paragraph (C)" and inserting "subparagraph
- 14 (C)(i)";
- 15 (2) in subparagraph (B)—

| 1  | (A) in clause (i), by striking "Not later         |
|----|---|
| 2  | than" and all that follows through "the Sec-      |
| 3  | retary shall issue" and inserting "The Sec-       |
| 4  | retary shall maintain"; and                       |
| 5  | (B) by striking clause (iii);                     |
| 6  | (3) in subparagraph (C)—                          |
| 7  | (A) in clause (iii), by redesignating sub-        |
| 8  | clauses (I) through (III) as items (aa) through   |
| 9  | (cc), respectively, and adjusting the margins ac- |
| 10 | cordingly;  |
| 11 | (B) by redesignating clauses (i) through          |
| 12 | (viii) as subclauses (I) through (VIII), respec-  |
| 13 | tively, and adjusting the margins accordingly;    |
| 14 | (C) in the matter preceding subclause (I),        |
| 15 | as so redesignated, by striking "The owner"       |
| 16 | and inserting the following:                      |
| 17 | "(i) IN GENERAL.—The owner"; and                  |
| 18 | (D) by adding at the end the following:           |
| 19 | "(ii) RISK-BASED PERFORMANCE                      |
| 20 | STANDARDS.—In submitting a site security          |
| 21 | plan and certification under subparagraph         |
| 22 | (A)(i), an owner or operator of an expe-          |
| 23 | dited approval facility should consider           |
| 24 | using the guidance for expedited approval         |
| 25 | facilities to determine appropriate meas-         |

| 1  | ures for the site security plan of the expe-         |
|----|--|
| 2  | dited approval facility.";                           |
| 3  | (4) in subparagraph (D)—                             |
| 4  | (A) in clause (i), by striking "subpara-             |
| 5  | graph (C)" and inserting "subparagraph               |
| 6  | (C)(i)"; and   |
| 7  | (B) in clause (iii)—                                 |
| 8  | (i) by striking "30" and inserting                   |
| 9  | "7"; and   |
| 10 | (ii) by striking "subparagraph (C)"                  |
| 11 | and inserting "subparagraph (C)(i)";                 |
| 12 | (5) in subparagraph (F)(i)(I), by striking "sub-     |
| 13 | paragraph (C)" and inserting "subparagraph           |
| 14 | (C)(i)"; and   |
| 15 | (6) by striking subparagraph (I) and inserting       |
| 16 | the following:                                       |
| 17 | "(I) NOTICE BY THE SECRETARY.—The                    |
| 18 | Secretary shall provide notice to each covered       |
| 19 | chemical facility of the expedited approval pro-     |
| 20 | gram under this paragraph.".                         |
| 21 | SEC. 4. CFATS RECOGNITION PROGRAM.                   |
| 22 | Section 2102(c) of the Homeland Security Act of      |
| 23 | 2002 (6 U.S.C. 622(c)) is amended by adding the fol- |
| 24 | lowing at the end:                                   |
| 25 | "(5) CFATS RECOGNITION PROGRAM.—                     |

| 1  | "(A) Definitions.—In this paragraph—        |
|----|---|
| 2  | "(i) the term 'CFATS Recognition            |
| 3  | Program' means the program established      |
| 4  | under subparagraph (B);                     |
| 5  | "(ii) the term 'participating facility'     |
| 6  | means a covered chemical facility that is a |
| 7  | member of a participating industry stew-    |
| 8  | ardship program;                            |
| 9  | "(iii) the term 'participating industry     |
| 10 | stewardship program' means an industry      |
| 11 | stewardship program that—                   |
| 12 | "(I) meets the eligibility require-         |
| 13 | ments under subparagraph (C)(i); and        |
| 14 | "(II) provides regulatory recogni-          |
| 15 | tion to covered chemical facilities that    |
| 16 | meet industry best practices; and           |
| 17 | "(iv) the term 'sponsor organization'       |
| 18 | means the governing body of a partici-      |
| 19 | pating industry stewardship program.        |
| 20 | "(B) Establishment.—                        |
| 21 | "(i) In general.—Not later than             |
| 22 | 270 days after the date of enactment of     |
| 23 | this paragraph, the Secretary shall estab-  |
| 24 | lish a program that shall be known as the   |
| 25 | CFATS Recognition Program—                  |

| 1  | "(I) with the goal of leveraging     |
|----|--------------------------------------|
| 2  | CFATS regulations and industry       |
| 3  | stewardship programs to further en-  |
| 4  | hance security relating to hazardous |
| 5  | chemicals; and                       |
| 6  | "(II) under which the Secretary      |
| 7  | shall—                               |
| 8  | "(aa) establish—                     |
| 9  | "(AA) eligibility criteria           |
| 10 | under subparagraph (C)(i)            |
| 11 | for industry stewardship             |
| 12 | programs seeking to partici-         |
| 13 | pate in the CFATS Recogni-           |
| 14 | tion Program; and                    |
| 15 | "(BB) performance re-                |
| 16 | quirements under subpara-            |
| 17 | graph (C)(ii) for partici-           |
| 18 | pating facilities;                   |
| 19 | "(bb) provide incentives             |
| 20 | under subparagraph (C)(iii) to       |
| 21 | encourage participation in the       |
| 22 | CFATS Recognition Program:           |
| 23 | and                                  |
| 24 | "(cc) issue such guidance as         |
| 25 | the Secretary deems necessary or     |

| 1  | appropriate for the implementa-               |
|----|---|
| 2  | tion of the CFATS Recognition                 |
| 3  | Program.                                      |
| 4  | "(ii) Applicability of other                  |
| 5  | LAWS.—During the period before the Sec-       |
| 6  | retary has met the deadline under clause      |
| 7  | (i), in developing and issuing, or amending,  |
| 8  | the guidance relating to carrying out the     |
| 9  | CFATS Recognition Program and col-            |
| 10 | lecting information from industry steward-    |
| 11 | ship programs, sponsor organizations, and     |
| 12 | participating facilities, the Secretary shall |
| 13 | not be subject to—                            |
| 14 | "(I) section 553 of title 5, United           |
| 15 | States Code;                                  |
| 16 | "(II) subchapter I of chapter 35              |
| 17 | of title 44, United States Code; or           |
| 18 | "(III) section 2107(b) of this                |
| 19 | Act.  |
| 20 | "(C) ELIGIBILITY CRITERIA; FACILITY           |
| 21 | PERFORMANCE REQUIREMENTS; INCENTIVES.—        |
| 22 | "(i) Eligibility criteria for in-             |
| 23 | DUSTRY STEWARDSHIP PROGRAMS.—Not              |
| 24 | later than 270 days after the date of en-     |
| 25 | actment of this paragraph, the Secretary      |

| 1  | shall establish minimum eligibility criteria |
|----|--|
| 2  | for industry stewardship programs desiring   |
| 3  | to be considered by the Secretary for par-   |
| 4  | ticipation in the CFATS Recognition Pro-     |
| 5  | gram that shall include—                     |
| 6  | "(I) a requirement that any in-              |
| 7  | dustry stewardship program desiring          |
| 8  | to participate in the CFATS Recogni-         |
| 9  | tion Program be governed by an in-           |
| 10 | dustry association or technical organi-      |
| 11 | zation that is an entity described in        |
| 12 | paragraph (3) or (6) of section 501(c)       |
| 13 | of the Internal Revenue Code of 1986;        |
| 14 | "(II) a documented top manage-               |
| 15 | ment commitment to chemical facility         |
| 16 | security;                                    |
| 17 | "(III) criteria relating to—                 |
| 18 | "(aa) program auditing re-                   |
| 19 | quirements and frequency;                    |
| 20 | "(bb) security vulnerability                 |
| 21 | assessment requirements and fre-             |
| 22 | quency; and                                  |
| 23 | "(cc) security measures that                 |
| 24 | align with the risk-based per-               |
| 25 | formance standards established               |

| 1  | under subsection $(a)(2)(C)$ , in-         |
|----|--|
| 2  | cluding—                                   |
| 3  | "(AA) detection meas-                      |
| 4  | ures;                                      |
| 5  | "(BB) delay measures;                      |
| 6  | "(CC) cybersecurity                        |
| 7  | measures;                                  |
| 8  | "(DD) response meas-                       |
| 9  | ures; and                                  |
| 10 | "(EE) security manage-                     |
| 11 | ment; and                                  |
| 12 | "(dd) reporting required to                |
| 13 | be done by any industry steward-           |
| 14 | ship program desiring to partici-          |
| 15 | pate in the CFATS Recognition              |
| 16 | Program.                                   |
| 17 | "(ii) Performance requirements             |
| 18 | FOR PARTICIPATING FACILITIES.—The          |
| 19 | Secretary shall require that each partici- |
| 20 | pating facility—                           |
| 21 | "(I) submit an acknowledgment              |
| 22 | by the sponsor organization of the         |
| 23 | participating industry steward pro-        |
| 24 | gram, of which the participating facil-    |

| 1  | ity is a member, that the participating   |
|----|---|
| 2  | facility is—                              |
| 3  | "(aa) a member in good                    |
| 4  | standing of the participating in-         |
| 5  | dustry stewardship program; and           |
| 6  | "(bb) in full compliance with             |
| 7  | the requirements of the partici-          |
| 8  | pating industry stewardship pro-          |
| 9  | gram; and                                 |
| 10 | "(II) promptly notify the Sec-            |
| 11 | retary if the participating facility      |
| 12 | ceases to be—                             |
| 13 | "(aa) a member in good                    |
| 14 | standing of the participating in-         |
| 15 | dustry stewardship program; or            |
| 16 | "(bb) in full compliance with             |
| 17 | the requirements of the partici-          |
| 18 | pating industry stewardship pro-          |
| 19 | gram.                                     |
| 20 | "(iii) Program incentives.—Not            |
| 21 | later than 270 days after the date of en- |
| 22 | actment of this paragraph, the Secretary  |
| 23 | shall—                                    |

| 1  | "(I) establish incentives for par-  |
|----|-------------------------------------|
| 2  | ticipation in the CFATS Recognition |
| 3  | Program, which shall include—       |
| 4  | "(aa) a reduction in the fre-       |
| 5  | quency of compliance inspections,   |
| 6  | except—                             |
| 7  | "(AA) in the case of                |
| 8  | any inspection relating to          |
| 9  | any planned measure in the          |
| 10 | site security plan of a par-        |
| 11 | ticipating facility that has        |
| 12 | not been fully implemented;         |
| 13 | or                                  |
| 14 | "(BB) in a case in                  |
| 15 | which a participating facility      |
| 16 | is not in full compliance           |
| 17 | with the requirements under         |
| 18 | the Chemical Facility Anti-         |
| 19 | Terrorism Standards Pro-            |
| 20 | $\operatorname{gram};$              |
| 21 | "(bb) streamlined vulner-           |
| 22 | ability assessment and site secu-   |
| 23 | rity plan processes; and            |

| 1  | "(cc) any other regulatory                          |
|----|---|
| 2  | relief as determined appropriate                    |
| 3  | by the Secretary; and                               |
| 4  | "(II) provide written guidance on                   |
| 5  | any incentive established under sub-                |
| 6  | clause (I).   |
| 7  | "(D) EVALUATION.—Not later than 1 year              |
| 8  | after the date on which the CFATS Recognition       |
| 9  | Program is established under subparagraph           |
| 10 | (B)(i), the Secretary shall provide a briefing to   |
| 11 | the Committee on Homeland Security and Gov-         |
| 12 | ernmental Affairs of the Senate and the Com-        |
| 13 | mittees on Homeland Security and Energy and         |
| 14 | Commerce of the House of Representatives on         |
| 15 | the progress in carrying out the CFATS Rec-         |
| 16 | ognition Program.".                                 |
| 17 | SEC. 5. FREQUENCY OF AUDITS AND INSPECTIONS.        |
| 18 | Section 2102(d)(1) of the Homeland Security Act of  |
| 19 | 2002 (6 U.S.C. 622(d)(1)) is amended—               |
| 20 | (1) in subparagraph (B), by striking "The Sec-      |
| 21 | retary" and inserting "Subject to subparagraph (G), |
| 22 | the Secretary'; and                                 |
| 23 | (2) by adding at the end the following:             |
| 24 | "(G) Frequency of audits and inspec-                |
| 25 | TIONS —   |

| 1  | "(i) In general.—Except as pro-                |
|----|--|
| 2  | vided in clauses (ii) and (iii), the Secretary |
| 3  | may not conduct any audit or inspection        |
| 4  | under this paragraph of a covered chemical     |
| 5  | facility more frequently than once every 2     |
| 6  | years.   |
| 7  | "(ii) CFATS RECOGNITION PRO-                   |
| 8  | GRAM.—Except as provided in clause (iii),      |
| 9  | in the case of a covered chemical facility     |
| 10 | that participates in the CFATS Recogni-        |
| 11 | tion Program under subsection (c)(5) and       |
| 12 | meets compliance, audit, and inspection re-    |
| 13 | quirements under that program, the Sec-        |
| 14 | retary may not conduct any audit or in-        |
| 15 | spection under this paragraph of that cov-     |
| 16 | ered chemical facility more frequently than    |
| 17 | once every 3 years.                            |
| 18 | "(iii) Increased frequency of au-              |
| 19 | DITS AND INSPECTIONS.—The Secretary            |
| 20 | may conduct audits and inspections more        |
| 21 | frequently than provided in clauses (i) and    |
| 22 | (ii) when—                                     |
| 23 | "(I) the covered chemical facility             |
| 24 | has identified planned enhancements            |

| 1  | that have not yet been validated by an                |
|----|---|
| 2  | audit or inspection;                                  |
| 3  | "(II) a deficiency or infraction at                   |
| 4  | the covered chemical facility has been                |
| 5  | identified that may result in an en-                  |
| 6  | forcement action against the covered                  |
| 7  | chemical facility;                                    |
| 8  | "(III) an elevated or specific                        |
| 9  | threat has been identified;                           |
| 10 | "(IV) a security incident or sus-                     |
| 11 | picious activity has occurred at the                  |
| 12 | covered chemical facility; or                         |
| 13 | "(V) the Secretary determines                         |
| 14 | that an inspection or audit is war-                   |
| 15 | ranted by exigent circumstances.".                    |
| 16 | SEC. 6. PERSONNEL SURETY PROGRAM.                     |
| 17 | Section 2102(d)(2)(A) of the Homeland Security Act    |
| 18 | of 2002 (6 U.S.C. 622(d)(2)(A)) is amended—           |
| 19 | (1) in the matter preceding clause (i), by insert-    |
| 20 | ing "is mandatory for each owner or operator of a     |
| 21 | covered chemical facility assigned to tier 1 or 2 and |
| 22 | optional for each owner or operator of a covered      |
| 23 | chemical facility assigned to tier 3 or tier 4 that"  |
| 24 | after "carry out a Personnel Surety Program that";    |
| 25 | and   |

| 1  | (2) in clause (ii), by inserting "who will have      |
|----|--|
| 2  | access to any chemical of interest designated under  |
| 3  | Appendix A to part 27 of title 6, Code of Federal    |
| 4  | Regulations, or any successor thereto," after "about |
| 5  | an individual".                                      |
| 6  | SEC. 7. SECURITY RISK ASSESSMENT APPROACH AND COR-   |
| 7  | RESPONDING TIERING METHODOLOGY.                      |
| 8  | Section 2102(e) of the Homeland Security Act of      |
| 9  | 2002 (6 U.S.C. 622(e)) is amended—                   |
| 10 | (1) in paragraph (2)(A), by striking "develop"       |
| 11 | and inserting "maintain"; and                        |
| 12 | (2) in paragraph (3)—                                |
| 13 | (A) in subparagraph (B)—                             |
| 14 | (i) by striking the period at the end                |
| 15 | and inserting ", including—"; and                    |
| 16 | (ii) by adding at the end the fol-                   |
| 17 | lowing:  |
| 18 | "(i) each input and assumption under                 |
| 19 | the tiering methodology;                             |
| 20 | "(ii) the rationale for each input; and              |
| 21 | "(iii) the output of the tiering meth-               |
| 22 | odology."; and                                       |
| 23 | (B) by adding at the end the following:              |
| 24 | "(C) Reports.—Not later than 30 days                 |
| 25 | after the Secretary makes a determination that       |

| 1  | tiering for a covered chemical facility is       |
|----|--|
| 2  | changed, or that a covered chemical facility is  |
| 3  | no longer subject to the requirements under      |
| 4  | this title, the Secretary shall submit to the    |
| 5  | owner or operator of the covered chemical facil- |
| 6  | ity a written report that contains—              |
| 7  | "(i) the information described in sub-           |
| 8  | paragraphs (A) and (B); and                      |
| 9  | "(ii) a controlled unclassified state-           |
| 10 | ment—  |
| 11 | "(I) of the criteria under para-                 |
| 12 | graph (2)(B) and how the security                |
| 13 | risk of terrorism associated with the            |
| 14 | covered chemical facility was evalu-             |
| 15 | ated under those criteria; and                   |
| 16 | "(II) that includes any chemical-                |
| 17 | terrorism vulnerability information (as          |
| 18 | defined in section 27.105 of title 6,            |
| 19 | Code of Federal Regulations, or any              |
| 20 | successor thereto) relating to the de-           |
| 21 | termination.                                     |
| 22 | "(D) Public disclosure.—Reports sub-             |
| 23 | mitted to the owner or operator of the covered   |
| 24 | chemical facility under subparagraph (C) shall   |

| 1  | be protected from public disclosure under sec-     |
|----|--|
| 2  | tion 2103.".                                       |
| 3  | SEC. 8. ANNUAL PERFORMANCE REPORTING.              |
| 4  | Section 2102(e)(4) of the Homeland Security Act of |
| 5  | 2002 (6 U.S.C. 622(e)(4)) is amended—              |
| 6  | (1) in the paragraph heading, by striking          |
| 7  | "Semiannual" and inserting "Annual";               |
| 8  | (2) in the matter preceding subparagraph (A)—      |
| 9  | (A) by striking "6 months after the date"          |
| 10 | and inserting "1 year after the date";             |
| 11 | (B) by striking "2014" and inserting               |
| 12 | "2018"; and  |
| 13 | (C) by striking "once every 6 months" and          |
| 14 | inserting "once each year";                        |
| 15 | (3) by striking subparagraph (C);                  |
| 16 | (4) by redesignating subparagraph (D) as sub-      |
| 17 | paragraph (C);                                     |
| 18 | (5) by inserting after subparagraph (C), as so     |
| 19 | redesignated, the following:                       |
| 20 | "(D) the effectiveness of the Chemical Fa-         |
| 21 | cility Anti-Terrorism Standards Program at—        |
| 22 | "(i) managing security risks; and                  |
| 23 | "(ii) developing and using appropriate             |
| 24 | metrics and analysis capabilities to meas-         |
| 25 | ure risk reduction, including—                     |

| 1  | "(I) vulnerability and con-                            |
|----|--|
| 2  | sequence mitigation indicators; and                    |
| 3  | "(II) outcome metrics that meas-                       |
| 4  | ure cumulative risk reduction over                     |
| 5  | time; and";  |
| 6  | (6) by striking subparagraph (E); and                  |
| 7  | (7) by redesignating subparagraph (F) as sub-          |
| 8  | paragraph (E).   |
| 9  | SEC. 9. SPECIFIC PRODUCTS AND MIXTURES CONTAINING      |
| 10 | CHEMICALS OF INTEREST.                                 |
| 11 | Section 2102(e) of the Homeland Security Act of        |
| 12 | 2002 (6 U.S.C. 622(e)) is amended by adding at the end |
| 13 | the following:   |
| 14 | "(5) Specific products and mixtures con-               |
| 15 | TAINING CHEMICALS OF INTEREST.—                        |
| 16 | "(A) Definitions.—In this paragraph—                   |
| 17 | "(i) the term 'chemical of interest'                   |
| 18 | means a chemical designated as a chemical              |
| 19 | of interest under Appendix A to part 27 of             |
| 20 | title 6, Code of Federal Regulations, or               |
| 21 | any successor thereto; and                             |
| 22 | "(ii) the term 'covered product or                     |
| 23 | mixture' means a specific product or mix-              |
| 24 | ture that contains a chemical of interest at           |
| 25 | or above the minimum concentration listed              |

under Appendix A to part 27 of title 6,
 Code of Federal Regulations, or any successor thereto.

"(B) IN GENERAL.—The Secretary may exclude a covered product or mixture from the designation as a chemical of interest for the purposes of the definition of the term 'chemical facility of interest' if, in the sole and unreviewable discretion of the Secretary, the Secretary determines that the covered product or mixture does not present the same hazards for which the chemical of interest contained in the covered product or mixture was designated as a chemical of interest.

# "(C) Regulations.—

"(i) Promulgation.—Not later than 1 year after the date of enactment of this paragraph, the Secretary shall promulgate regulations to prescribe a process under which an interested party may petition the Secretary for exclusion of a covered product or mixture under subparagraph (B).

"(ii) FEDERAL INFORMATION POL-ICY.—In collecting information from petitioners pursuant to this subparagraph, the

- 1 Secretary shall not be subject to sub-
- 2 chapter I of chapter 35 of title 44, United
- 3 States Code.".

### 4 SEC. 10. CFATS REGULATIONS.

- 5 Section 2107(b) of the Homeland Security Act of
- 6 2002 (6 U.S.C. 627(b)) is amended—
- 7 (1) in paragraph (1), by inserting "(Public Law
- 8 113–254; 128 Stat. 2919)" after "2014"; and
- 9 (2) in paragraph (2), by striking "2014" and
- inserting "2018".

## 11 SEC. 11. EXPLOSIVE MATERIALS.

- 12 (a) IN GENERAL.—Title XXI of the Homeland Secu-
- 13 rity Act of 2002 (6 U.S.C. 621 et seq.) is amended by
- 14 striking section 2109 (6 U.S.C. 629) and inserting the fol-
- 15 lowing:

### 16 "SEC. 2109. EXPLOSIVE MATERIALS.

- 17 "The Secretary may not designate any explosive ma-
- 18 terial subject to regulation by the Department of Justice
- 19 under chapter 40 of title 18, United States Code, or by
- 20 the Bureau of Alcohol, Tobacco, Firearms, and Explosives
- 21 under part 555 of title 27, Code of Federal Regulations,
- 22 as a chemical of interest under Appendix A to part 27
- 23 of title 6, Code of Federal Regulations, or any successor
- 24 thereto.".

| 1                               | (b) Technical and Conforming Amendment.—  |
|---------------------------------|---|
| 2                               | The table of contents in section 1(b) of the Homeland Se-   |
| 3                               | curity Act of 2002 (Public Law 107–196; 116 Stat. 2135)   |
| 4                               | is amended by striking the item relating to section 2109  |
| 5                               | and inserting the following:  |
|                                 | "Sec. 2109. Explosive materials.".  |
| 6                               | SEC. 12. CHANGES TO APPENDIX A TO PART 27 OF TITLE 6,   |
| 7                               | CODE OF FEDERAL REGULATIONS.  |
| 8                               | (a) In General.—Title XXI of the Homeland Secu-   |
| 9                               | rity Act of 2002 (6 U.S.C. 621 et seq.), as amended by  |
| 10                              | section 12 of this Act, is amended by adding at the end   |
| 11                              | the following:  |
| 12                              | "SEC. 2110. CHANGES TO APPENDIX A TO PART 27 OF TITLE   |
| 13                              | 6, CODE OF FEDERAL REGULATIONS.   |
| 14                              | "(a) Definition.—In this section, the term 'Appen-  |
| 15                              | dix A' means Appendix A to part 27 of title 6, Code of  |
| 16                              | Federal Regulations, or any successor thereto.  |
| 17                              | "(b) Notice of Proposed Rulemaking.—The   |
| 18                              | Secretary shall publish a notice of proposed rulemaking   |
| 19                              |   |
|                                 | in the Federal Register relating to any proposed change   |
| 20                              | to Appendix A if the Secretary determines that—   |
| <ul><li>20</li><li>21</li></ul> |   |
|                                 | to Appendix A if the Secretary determines that—   |
| 21                              | to Appendix A if the Secretary determines that—  "(1) a chemical should be designated as a  |
| 21<br>22                        | to Appendix A if the Secretary determines that—  "(1) a chemical should be designated as a chemical of interest under Appendix A; |

| 1  | "(3) a chemical amount, concentration, or   |
|----|---|
| 2  | threshold quantity described in Appendix A should                                       |
| 3  | be modified.".  |
| 4  | (b) Technical and Conforming Amendment.—  |
| 5  | The table of contents in section 1(b) of the Homeland Se-                               |
| 6  | eurity Act of 2002 (Public Law 107–196; 116 Stat. 2135)                                 |
| 7  | is amended by inserting after the item relating to section                              |
| 8  | 2109 the following:   |
|    | "Sec. 2110. Changes to Appendix A to part 27 of title 6, Code of Federal Regulations.". |
| 9  | SEC. 13. ASSESSMENT, REPORT, BRIEFING, AND UPDATED                                      |
| 10 | RETROSPECTIVE ESTIMATE ON COSTS.  |
| 11 | (a) Definitions.—In this section—   |
| 12 | (1) the term "applicable committee" means—  |
| 13 | (A) the Committee on Homeland Security  |
| 14 | and Governmental Affairs of the Senate;   |
| 15 | (B) the Committee on Homeland Security  |
| 16 | of the House of Representatives; and  |
| 17 | (C) the Committee on Energy and Com-  |
| 18 | merce of the House of Representatives;  |
| 19 | (2) the terms "CFATS regulation" and "cov-  |
| 20 | ered chemical facility" have the meanings given   |
| 21 | those terms in section 2101 of the Homeland Secu-                                       |
| 22 | rity Act of 2002 (6 U.S.C. 621);  |
| 23 | (3) the term "Chemical Facility Anti-Terrorism  |
| 24 | Standards Program" means—   |

| 1  | (A) the Chemical Facility Anti-Terrorism             |
|----|--|
| 2  | Standards Program initially authorized under         |
| 3  | section 550 of the Department of Homeland Se-        |
| 4  | curity Appropriations Act, 2007 (Public Law          |
| 5  | 109–295; 120 Stat. 1355); and                        |
| 6  | (B) the Chemical Facility Anti-Terrorism             |
| 7  | Standards Program subsequently authorized            |
| 8  | under section 2102(a) of the Homeland Secu-          |
| 9  | rity Act of 2002 (6 U.S.C. 622(a));                  |
| 10 | (4) the term "Department" means the Depart-          |
| 11 | ment of Homeland Security;                           |
| 12 | (5) the term "inspector" means an individual         |
| 13 | used by the Department as an inspector for pur-      |
| 14 | poses of ensuring compliance with title XXI of the   |
| 15 | Homeland Security Act of 2002 (6 U.S.C. 621 et       |
| 16 | seq.); and   |
| 17 | (6) the term "Secretary" means the Secretary         |
| 18 | of Homeland Security.                                |
| 19 | (b) Third-Party Assessment.—                         |
| 20 | (1) IN GENERAL.—Not later than 90 days after         |
| 21 | the date of enactment of this Act, using amounts ap- |
| 22 | propriated to the Department before the date of en-  |
| 23 | actment of this Act, the Secretary shall commission  |
| 24 | a third-party study, which shall be completed not    |
| 25 | later than 1 year after the date on which the third- |

| 1  | party study is commissioned, to assess the effective- |
|----|---|
| 2  | ness of the Chemical Facility Anti-Terrorism Stand-   |
| 3  | ards Program in—                                      |
| 4  | (A) managing security risks;                          |
| 5  | (B) developing and using appropriate                  |
| 6  | metrics and analysis capabilities to measure          |
| 7  | risk reduction, including—                            |
| 8  | (i) vulnerability and consequence miti-               |
| 9  | gation indicators; and                                |
| 10 | (ii) outcome metrics that measure cu-                 |
| 11 | mulative risk reduction over time; and                |
| 12 | (C) engaging with and making necessary                |
| 13 | information available to first responders and         |
| 14 | emergency planners and, if necessary, improv-         |
| 15 | ing the degree of situational awareness of first      |
| 16 | responders and emergency planners that is             |
| 17 | needed to prepare for and respond to security         |
| 18 | incidents at high-risk chemical facilities.           |
| 19 | (2) Briefing and submission of study.—                |
| 20 | Not later than 90 days after the date on which the    |
| 21 | third-party study described in paragraph (1) is com-  |
| 22 | pleted, the Secretary shall—                          |
| 23 | (A) brief each applicable committee on the            |
| 24 | results of the third-party study; and                 |

| 1  | (B) submit a copy of the completed third-                 |
|----|---|
| 2  | party study to each applicable committee.                 |
| 3  | (c) GAO REPORT.—Not later than 2 years after the          |
| 4  | date of enactment of this Act, the Comptroller General    |
| 5  | of the United States shall submit to each applicable com- |
| 6  | mittee a report on inspector training that contains rec-  |
| 7  | ommendations for improving inspector training, including  |
| 8  | recommendations relating to—                              |
| 9  | (1) how the Department selects inspectors;                |
| 10 | (2) initial training required for inspectors be-          |
| 11 | fore the inspectors are selected by the Department        |
| 12 | to be used to conduct inspections;                        |
| 13 | (3) qualification standards required to be met            |
| 14 | by inspectors before they are selected by the Depart-     |
| 15 | ment to be used to conduct inspections;                   |
| 16 | (4) on-the-job training required for inspectors           |
| 17 | and how that training is documented;                      |
| 18 | (5) final qualification and approval standards            |
| 19 | required to be met by inspectors before the inspec-       |
| 20 | tors are initially used by the Department to conduct      |
| 21 | inspections;  |
| 22 | (6) continuing qualification standards required           |
| 23 | to be met by inspectors while the inspectors are used     |
| 24 | by the Department to conduct inspections:                 |

| 1  | (7) continuous training required for inspectors             |
|----|---|
| 2  | while the inspectors are used by the Department to          |
| 3  | conduct inspections; and                                    |
| 4  | (8) improving cybersecurity training.                       |
| 5  | (d) Annual Briefing.—Not later than 1 year after            |
| 6  | the date of enactment of this Act, and each year thereafter |
| 7  | for 5 years, the Secretary shall brief each applicable com- |
| 8  | mittee on the activities carried out under this section and |
| 9  | under title XXI of the Homeland Security Act of 2002        |
| 10 | (6 U.S.C. 621 et seq.) that shall include—                  |
| 11 | (1) detailed information relating to—                       |
| 12 | (A) as of the date on which the briefing is                 |
| 13 | made—   |
| 14 | (i) threats to covered chemical facili-                     |
| 15 | ties; and   |
| 16 | (ii) how chemicals of interest are                          |
| 17 | being utilized by bad actors in the threat                  |
| 18 | environment—  |
| 19 | (I) in the United States; and                               |
| 20 | (II) globally;  |
| 21 | (B) how CFATS regulations play a role in                    |
| 22 | making the United States safer; and                         |
| 23 | (C) how the Chemical Facility Anti-Ter-                     |
| 24 | rorism Standards Program is effectively ad-                 |
| 25 | dressing the threat landscape: and                          |

- 1 (2) data, rationale, and metrics on how the
- 2 Chemical Facility Anti-Terrorism Standards Pro-
- 3 gram effectively reduces risks.
- 4 (e) UPDATED RETROSPECTIVE ESTIMATE ON
- 5 Costs.—Not later than 1 year after the date of enactment
- 6 of this Act, the Secretary shall complete a retrospective
- 7 estimate of the costs, including costs to the Government,
- 8 regulated entities, and the public, of carrying out the
- 9 Chemical Facility Anti-Terrorism Standards Program
- 10 during the period beginning on the first day of fiscal year
- 11 2006 and ending on the last day of fiscal year 2018.
- 12 (f) Repeal.—Section 3 of the Protecting and Secur-
- 13 ing Chemical Facilities from Terrorist Attacks Act of
- 14 2014 (Public Law 113–254; 128 Stat. 2917) is repealed.
- 15 SEC. 14. EFFECTIVE DATE.
- 16 This Act, and the amendments made by this Act,
- 17 shall take effect on the date that is 30 days after the date
- 18 of enactment of this Act.
- 19 SEC. 15. TERMINATION.
- The authority provided under title XXI of the Home-
- 21 land Security Act of 2002 (6 U.S.C. 621 et seq.), as
- 22 amended by this Act, shall terminate on the date that is
- 23 5 years after the date of enactment of this Act.

# 1 SEC. 16. TECHNICAL AND CONFORMING AMENDMENT.

- The table of contents in section 1(b) of the Homeland
- 3 Security Act of 2002 (Public Law 107–196; 116 Stat.
- 4 2135) is amended, in the item relating to section 2103,
- 5 by striking the em dash at the end.

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