

**HOMELAND SECURITY ACT OF 2002  
(Updated with amendments made through P.L. 110-417 (October 14, 2008))**



110TH CONGRESS }  
*2nd Session*

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**COMPILATION**  
OF THE  
**HOMELAND SECURITY**  
**ACT OF**  
**2002**

(UPDATED WITH AMENDMENTS MADE THROUGH  
P.L. 110-417 (OCTOBER 14, 2008))

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PREPARED FOR THE USE OF THE  
**COMMITTEE ON HOMELAND SECURITY**  
OF THE  
HOUSE OF REPRESENTATIVES  
SECOND SESSION

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## P R E F A C E

This book is designed as a ready reference of the Homeland Security Act of 2002 (Public Law 107-296), as amended through Public Law 110-417. The information contained herein is current as of December 2008. This document was prepared by the Office of the Legislative Counsel. The Committee is appreciative of their hard work and dedication. The Committee would like to acknowledge the work of the Staff of the Office of the Legislative Counsel including: Craig Sterkx, Pam Griffiths, and Tom Meryweather.



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## HOMELAND SECURITY ACT OF 2002

[As Amended Through P.L. 110–417, Enacted October 14, 2008]

AN ACT To establish the Department of Homeland Security, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **[6 U.S.C. 101] SHORT TITLE.**—This Act may be cited as the “Homeland Security Act of 2002”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Construction; severability.
- Sec. 4. Effective date.

### TITLE I—DEPARTMENT OF HOMELAND SECURITY

- Sec. 101. Executive department; mission.
- Sec. 102. Secretary; functions.
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### TITLE II—INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

#### Subtitle A—Information and Analysis and Infrastructure Protection; Access to Information

- Sec. 201. Information and Analysis and Infrastructure Protection.
- Sec. 202. Access to information.
- Sec. 203. Homeland Security Advisory System.
- Sec. 204. Homeland security information sharing.
- Sec. 205. Comprehensive information technology network architecture.
- Sec. 206. Coordination with information sharing environment.
- Sec. 207. Intelligence components.
- Sec. 208. Training for employees of intelligence components.
- Sec. 209. Intelligence training development for State and local government officials.
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- Sec. 210A. Department of Homeland Security State, Local, and Regional Information Fusion Center Initiative.
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<sup>1</sup>The placement of items relating to sections 523 and 524 in the table of contents in section 1(b) were added at the end of the items in title V in order to reflect the probable intent of Congress. See amendment made by section 901(e) of Public Law 110–53.

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**SEC. 2. [6 U.S.C. 101] DEFINITIONS.**

In this Act, the following definitions apply:

(1) Each of the terms “American homeland” and “homeland” means the United States.

(2) The term “appropriate congressional committee” means any committee of the House of Representatives or the Senate having legislative or oversight jurisdiction under the Rules of the House of Representatives or the Senate, respectively, over the matter concerned.

(3) The term “assets” includes contracts, facilities, property, records, unobligated or unexpended balances of appropriations, and other funds or resources (other than personnel).

(4) The term “critical infrastructure” has the meaning given that term in section 1016(e) of Public Law 107–56 (42 U.S.C. 5195c(e)).

(5) The term “Department” means the Department of Homeland Security.

(6) The term “emergency response providers” includes Federal, State, and local governmental and nongovernmental emergency public safety, fire, law enforcement, emergency response, emergency medical (including hospital emergency facilities), and related personnel, agencies, and authorities.

(7) The term “executive agency” means an executive agency and a military department, as defined, respectively, in sections 105 and 102 of title 5, United States Code.

(8) The term “functions” includes authorities, powers, rights, privileges, immunities, programs, projects, activities, duties, and responsibilities.

(9) The term “intelligence component of the Department” means any element or entity of the Department that collects, gathers, processes, analyzes, produces, or disseminates intelligence information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, or national intelligence, as defined under section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5)), except—

(A) the United States Secret Service; and

(B) the Coast Guard, when operating under the direct authority of the Secretary of Defense or Secretary of the



Navy pursuant to section 3 of title 14, United States Code, except that nothing in this paragraph shall affect or diminish the authority and responsibilities of the Commandant of the Coast Guard to command or control the Coast Guard as an armed force or the authority of the Director of National Intelligence with respect to the Coast Guard as an element of the intelligence community (as defined under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(10) The term “key resources” means publicly or privately controlled resources essential to the minimal operations of the economy and government.

(11) The term “local government” means—

(A) a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (regardless of whether the council of governments is incorporated as a nonprofit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government;

(B) an Indian tribe or authorized tribal organization, or in Alaska a Native village or Alaska Regional Native Corporation; and

(C) a rural community, unincorporated town or village, or other public entity.

(12) The term “major disaster” has the meaning given in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).

(13) The term “personnel” means officers and employees.

(14) The term “Secretary” means the Secretary of Homeland Security.

(15) The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any possession of the United States.

(16) The term “terrorism” means any activity that—

(A) involves an act that—

(i) is dangerous to human life or potentially destructive of critical infrastructure or key resources; and

(ii) is a violation of the criminal laws of the United States or of any State or other subdivision of the United States; and

(B) appears to be intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by mass destruction, assassination, or kidnapping.

(17)(A) The term “United States”, when used in a geographic sense, means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of

the Northern Mariana Islands, any possession of the United States, and any waters within the jurisdiction of the United States.

(B) Nothing in this paragraph or any other provision of this Act shall be construed to modify the definition of “United States” for the purposes of the Immigration and Nationality Act or any other immigration or nationality law.

(18) The term “voluntary preparedness standards” means a common set of criteria for preparedness, disaster management, emergency management, and business continuity programs, such as the American National Standards Institute’s National Fire Protection Association Standard on Disaster/Emergency Management and Business Continuity Programs (ANSI/NFPA 1600).

**SEC. 3. [6 U.S.C. 102] CONSTRUCTION; SEVERABILITY.**

Any provision of this Act held to be invalid or unenforceable by its terms, or as applied to any person or circumstance, shall be construed so as to give it the maximum effect permitted by law, unless such holding shall be one of utter invalidity or unenforceability, in which event such provision shall be deemed severable from this Act and shall not affect the remainder thereof, or the application of such provision to other persons not similarly situated or to other, dissimilar circumstances.

**SEC. 4. [6 U.S.C. 101 note] EFFECTIVE DATE.**

This Act shall take effect 60 days after the date of enactment.

## **TITLE I—DEPARTMENT OF HOMELAND SECURITY**

**SEC. 101. [6 U.S.C. 111] EXECUTIVE DEPARTMENT; MISSION.**

(a) ESTABLISHMENT.—There is established a Department of Homeland Security, as an executive department of the United States within the meaning of title 5, United States Code.

(b) MISSION.—

(1) IN GENERAL.—The primary mission of the Department is to—

(A) prevent terrorist attacks within the United States;

(B) reduce the vulnerability of the United States to terrorism;

(C) minimize the damage, and assist in the recovery, from terrorist attacks that do occur within the United States;

(D) carry out all functions of entities transferred to the Department, including by acting as a focal point regarding natural and manmade crises and emergency planning;

(E) ensure that the functions of the agencies and subdivisions within the Department that are not related directly to securing the homeland are not diminished or neglected except by a specific explicit Act of Congress;

(F) ensure that the overall economic security of the United States is not diminished by efforts, activities, and programs aimed at securing the homeland;

(G) ensure that the civil rights and civil liberties of persons are not diminished by efforts, activities, and programs aimed at securing the homeland; and

(H) monitor connections between illegal drug trafficking and terrorism, coordinate efforts to sever such connections, and otherwise contribute to efforts to interdict illegal drug trafficking.

(2) RESPONSIBILITY FOR INVESTIGATING AND PROSECUTING TERRORISM.—Except as specifically provided by law with respect to entities transferred to the Department under this Act, primary responsibility for investigating and prosecuting acts of terrorism shall be vested not in the Department, but rather in Federal, State, and local law enforcement agencies with jurisdiction over the acts in question.

**SEC. 102. [6 U.S.C. 112] SECRETARY; FUNCTIONS.**

(a) SECRETARY.—

(1) IN GENERAL.—There is a Secretary of Homeland Security, appointed by the President, by and with the advice and consent of the Senate.

(2) HEAD OF DEPARTMENT.—The Secretary is the head of the Department and shall have direction, authority, and control over it.

(3) FUNCTIONS VESTED IN SECRETARY.—All functions of all officers, employees, and organizational units of the Department are vested in the Secretary.

(b) FUNCTIONS.—The Secretary—

(1) except as otherwise provided by this Act, may delegate any of the Secretary's functions to any officer, employee, or organizational unit of the Department;

(2) shall have the authority to make contracts, grants, and cooperative agreements, and to enter into agreements with other executive agencies, as may be necessary and proper to carry out the Secretary's responsibilities under this Act or otherwise provided by law; and

(3) shall take reasonable steps to ensure that information systems and databases of the Department are compatible with each other and with appropriate databases of other Departments.

(c) COORDINATION WITH NON-FEDERAL ENTITIES.—With respect to homeland security, the Secretary shall coordinate through the Office of State and Local Coordination (established under section 801) (including the provision of training and equipment) with State and local government personnel, agencies, and authorities, with the private sector, and with other entities, including by—

(1) coordinating with State and local government personnel, agencies, and authorities, and with the private sector, to ensure adequate planning, equipment, training, and exercise activities;

(2) coordinating and, as appropriate, consolidating, the Federal Government's communications and systems of communications relating to homeland security with State and local government personnel, agencies, and authorities, the private sector, other entities, and the public; and

(3) distributing or, as appropriate, coordinating the distribution of, warnings and information to State and local government personnel, agencies, and authorities and to the public.

(d) MEETINGS OF NATIONAL SECURITY COUNCIL.—The Secretary may, subject to the direction of the President, attend and participate in meetings of the National Security Council.

(e) ISSUANCE OF REGULATIONS.—The issuance of regulations by the Secretary shall be governed by the provisions of chapter 5 of title 5, United States Code, except as specifically provided in this Act, in laws granting regulatory authorities that are transferred by this Act, and in laws enacted after the date of enactment of this Act.

(f) SPECIAL ASSISTANT TO THE SECRETARY.—The Secretary shall appoint a Special Assistant to the Secretary who shall be responsible for—

(1) creating and fostering strategic communications with the private sector to enhance the primary mission of the Department to protect the American homeland;

(2) advising the Secretary on the impact of the Department's policies, regulations, processes, and actions on the private sector;

(3) interfacing with other relevant Federal agencies with homeland security missions to assess the impact of these agencies' actions on the private sector;

(4) creating and managing private sector advisory councils composed of representatives of industries and associations designated by the Secretary to—

(A) advise the Secretary on private sector products, applications, and solutions as they relate to homeland security challenges;

(B) advise the Secretary on homeland security policies, regulations, processes, and actions that affect the participating industries and associations; and

(C) advise the Secretary on private sector preparedness issues, including effective methods for—

(i) promoting voluntary preparedness standards to the private sector; and

(ii) assisting the private sector in adopting voluntary preparedness standards;

(5) working with Federal laboratories, federally funded research and development centers, other federally funded organizations, academia, and the private sector to develop innovative approaches to address homeland security challenges to produce and deploy the best available technologies for homeland security missions;

(6) promoting existing public-private partnerships and developing new public-private partnerships to provide for collaboration and mutual support to address homeland security challenges;

(7) assisting in the development and promotion of private sector best practices to secure critical infrastructure;

(8) providing information to the private sector regarding voluntary preparedness standards and the business justifica-

tion for preparedness and promoting to the private sector the adoption of voluntary preparedness standards;

(9) coordinating industry efforts, with respect to functions of the Department of Homeland Security, to identify private sector resources and capabilities that could be effective in supplementing Federal, State, and local government agency efforts to prevent or respond to a terrorist attack;

(10) coordinating with the Directorate of Border and Transportation Security and the Assistant Secretary for Trade Development of the Department of Commerce on issues related to the travel and tourism industries; and

(11) consulting with the Office of State and Local Government Coordination and Preparedness on all matters of concern to the private sector, including the tourism industry.

(g) **STANDARDS POLICY.**—All standards activities of the Department shall be conducted in accordance with section 12(d) of the National Technology Transfer Advancement Act of 1995 (15 U.S.C. 272 note) and Office of Management and Budget Circular A–119.

**SEC. 103. [6 U.S.C. 113] OTHER OFFICERS.**

(a) **DEPUTY SECRETARY; UNDER SECRETARIES.**—There are the following officers, appointed by the President, by and with the advice and consent of the Senate:

(1) A Deputy Secretary of Homeland Security, who shall be the Secretary's first assistant for purposes of subchapter III of chapter 33 of title 5, United States Code.

(2) An Under Secretary for Science and Technology.

(3) An Under Secretary for Border and Transportation Security.

(4) An Administrator of the Federal Emergency Management Agency.

(5) A Director of the Bureau of Citizenship and Immigration Services.

(6) An Under Secretary for Management.

(7) A Director of the Office of Counternarcotics Enforcement.

(8) An Under Secretary responsible for overseeing critical infrastructure protection, cybersecurity, and other related programs of the Department.

(9) Not more than 12 Assistant Secretaries.

(10) A General Counsel, who shall be the chief legal officer of the Department.

(b) **INSPECTOR GENERAL.**—There shall be in the Department an Office of Inspector General and an Inspector General at the head of such office, as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

(c) **COMMANDANT OF THE COAST GUARD.**—To assist the Secretary in the performance of the Secretary's functions, there is a Commandant of the Coast Guard, who shall be appointed as provided in section 44 of title 14, United States Code, and who shall report directly to the Secretary. In addition to such duties as may be provided in this Act and as assigned to the Commandant by the Secretary, the duties of the Commandant shall include those required by section 2 of title 14, United States Code.

(d) OTHER OFFICERS.—To assist the Secretary in the performance of the Secretary's functions, there are the following officers, appointed by the President:

- (1) A Director of the Secret Service.
- (2) A Chief Information Officer.
- (3) An Officer for Civil Rights and Civil Liberties.
- (4) A Director for Domestic Nuclear Detection.

(f) PERFORMANCE OF SPECIFIC FUNCTIONS.—Subject to the provisions of this Act, every officer of the Department shall perform the functions specified by law for the official's office or prescribed by the Secretary.

(e) CHIEF FINANCIAL OFFICER.—There shall be in the Department a Chief Financial Officer, as provided in chapter 9 of title 31, United States Code.

## **TITLE II—INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION**

### **Subtitle A—Information and Analysis and Infrastructure Protection; Access to Information**

#### **SEC. 201. [6 U.S.C. 121] INFORMATION AND ANALYSIS AND INFRASTRUCTURE PROTECTION.**

(a) INTELLIGENCE AND ANALYSIS AND INFRASTRUCTURE PROTECTION.—There shall be in the Department an Office of Intelligence and Analysis and an Office of Infrastructure Protection.

(b) UNDER SECRETARY FOR INTELLIGENCE AND ANALYSIS AND ASSISTANT SECRETARY FOR INFRASTRUCTURE PROTECTION.—

(1) OFFICE OF INTELLIGENCE AND ANALYSIS.—The Office of Intelligence and Analysis shall be headed by an Under Secretary for Intelligence and Analysis, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) CHIEF INTELLIGENCE OFFICER.—The Under Secretary for Intelligence and Analysis shall serve as the Chief Intelligence Officer of the Department.

(3) OFFICE OF INFRASTRUCTURE PROTECTION.—The Office of Infrastructure Protection shall be headed by an Assistant Secretary for Infrastructure Protection, who shall be appointed by the President.

(c) DISCHARGE OF RESPONSIBILITIES.—The Secretary shall ensure that the responsibilities of the Department relating to information analysis and infrastructure protection, including those described in subsection (d), are carried out through the Under Secretary for Intelligence and Analysis or the Assistant Secretary for Infrastructure Protection, as appropriate.

(d) RESPONSIBILITIES OF SECRETARY RELATING TO INTELLIGENCE AND ANALYSIS AND INFRASTRUCTURE PROTECTION.—The responsibilities of the Secretary relating to intelligence and analysis and infrastructure protection shall be as follows:

(1) To access, receive, and analyze law enforcement information, intelligence information, and other information from agencies of the Federal Government, State and local government agencies (including law enforcement agencies), and private sector entities, and to integrate such information, in support of the mission responsibilities of the Department and the functions of the National Counterterrorism Center established under section 119 of the National Security Act of 1947 (50 U.S.C. 404o), in order to—

(A) identify and assess the nature and scope of terrorist threats to the homeland;

(B) detect and identify threats of terrorism against the United States; and

(C) understand such threats in light of actual and potential vulnerabilities of the homeland.

(2) To carry out comprehensive assessments of the vulnerabilities of the key resources and critical infrastructure of the United States, including the performance of risk assessments to determine the risks posed by particular types of terrorist attacks within the United States (including an assessment of the probability of success of such attacks and the feasibility and potential efficacy of various countermeasures to such attacks).

(3) To integrate relevant information, analyses, and vulnerability assessments (whether such information, analyses, or assessments are provided or produced by the Department or others) in order to identify priorities for protective and support measures by the Department, other agencies of the Federal Government, State and local government agencies and authorities, the private sector, and other entities.

(4) To ensure, pursuant to section 202, the timely and efficient access by the Department to all information necessary to discharge the responsibilities under this section, including obtaining such information from other agencies of the Federal Government.

(5) To develop a comprehensive national plan for securing the key resources and critical infrastructure of the United States, including power production, generation, and distribution systems, information technology and telecommunications systems (including satellites), electronic financial and property record storage and transmission systems, emergency preparedness communications systems, and the physical and technological assets that support such systems.

(6) To recommend measures necessary to protect the key resources and critical infrastructure of the United States in coordination with other agencies of the Federal Government and in cooperation with State and local government agencies and authorities, the private sector, and other entities.

(7) To review, analyze, and make recommendations for improvements to the policies and procedures governing the sharing of information within the scope of the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), including homeland security information, terrorism informa-

tion, and weapons of mass destruction information, and any policies, guidelines, procedures, instructions, or standards established under that section.

(8) To disseminate, as appropriate, information analyzed by the Department within the Department, to other agencies of the Federal Government with responsibilities relating to homeland security, and to agencies of State and local governments and private sector entities with such responsibilities in order to assist in the deterrence, prevention, preemption of, or response to, terrorist attacks against the United States.

(9) To consult with the Director of National Intelligence and other appropriate intelligence, law enforcement, or other elements of the Federal Government to establish collection priorities and strategies for information, including law enforcement-related information, relating to threats of terrorism against the United States through such means as the representation of the Department in discussions regarding requirements and priorities in the collection of such information.

(10) To consult with State and local governments and private sector entities to ensure appropriate exchanges of information, including law enforcement-related information, relating to threats of terrorism against the United States.

(11) To ensure that—

(A) any material received pursuant to this Act is protected from unauthorized disclosure and handled and used only for the performance of official duties; and

(B) any intelligence information under this Act is shared, retained, and disseminated consistent with the authority of the Director of National Intelligence to protect intelligence sources and methods under the National Security Act of 1947 (50 U.S.C. 401 et seq.) and related procedures and, as appropriate, similar authorities of the Attorney General concerning sensitive law enforcement information.

(12) To request additional information from other agencies of the Federal Government, State and local government agencies, and the private sector relating to threats of terrorism in the United States, or relating to other areas of responsibility assigned by the Secretary, including the entry into cooperative agreements through the Secretary to obtain such information.

(13) To establish and utilize, in conjunction with the chief information officer of the Department, a secure communications and information technology infrastructure, including data-mining and other advanced analytical tools, in order to access, receive, and analyze data and information in furtherance of the responsibilities under this section, and to disseminate information acquired and analyzed by the Department, as appropriate.

(14) To ensure, in conjunction with the chief information officer of the Department, that any information databases and analytical tools developed or utilized by the Department—

(A) are compatible with one another and with relevant information databases of other agencies of the Federal Government; and



- (B) treat information in such databases in a manner that complies with applicable Federal law on privacy.
- (15) To coordinate training and other support to the elements and personnel of the Department, other agencies of the Federal Government, and State and local governments that provide information to the Department, or are consumers of information provided by the Department, in order to facilitate the identification and sharing of information revealed in their ordinary duties and the optimal utilization of information received from the Department.
- (16) To coordinate with elements of the intelligence community and with Federal, State, and local law enforcement agencies, and the private sector, as appropriate.
- (17) To provide intelligence and information analysis and support to other elements of the Department.
- (18) To coordinate and enhance integration among the intelligence components of the Department, including through strategic oversight of the intelligence activities of such components.
- (19) To establish the intelligence collection, processing, analysis, and dissemination priorities, policies, processes, standards, guidelines, and procedures for the intelligence components of the Department, consistent with any directions from the President and, as applicable, the Director of National Intelligence.
- (20) To establish a structure and process to support the missions and goals of the intelligence components of the Department.
- (21) To ensure that, whenever possible, the Department—
- (A) produces and disseminates unclassified reports and analytic products based on open-source information; and
- (B) produces and disseminates such reports and analytic products contemporaneously with reports or analytic products concerning the same or similar information that the Department produced and disseminated in a classified format.
- (22) To establish within the Office of Intelligence and Analysis an internal continuity of operations plan.
- (23) Based on intelligence priorities set by the President, and guidance from the Secretary and, as appropriate, the Director of National Intelligence—
- (A) to provide to the heads of each intelligence component of the Department guidance for developing the budget pertaining to the activities of such component; and
- (B) to present to the Secretary a recommendation for a consolidated budget for the intelligence components of the Department, together with any comments from the heads of such components.
- (24) To perform such other duties relating to such responsibilities as the Secretary may provide.
- (25) To prepare and submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security in the House of Representa-

tives, and to other appropriate congressional committees having jurisdiction over the critical infrastructure or key resources, for each sector identified in the National Infrastructure Protection Plan, a report on the comprehensive assessments carried out by the Secretary of the critical infrastructure and key resources of the United States, evaluating threat, vulnerability, and consequence, as required under this subsection. Each such report—

(A) shall contain, if applicable, actions or countermeasures recommended or taken by the Secretary or the head of another Federal agency to address issues identified in the assessments;

(B) shall be required for fiscal year 2007 and each subsequent fiscal year and shall be submitted not later than 35 days after the last day of the fiscal year covered by the report; and

(C) may be classified.

(e) STAFF.—

(1) IN GENERAL.—The Secretary shall provide the Office of Intelligence and Analysis and the Office of Infrastructure Protection with a staff of analysts having appropriate expertise and experience to assist such offices in discharging responsibilities under this section.

(2) PRIVATE SECTOR ANALYSTS.—Analysts under this subsection may include analysts from the private sector.

(3) SECURITY CLEARANCES.—Analysts under this subsection shall possess security clearances appropriate for their work under this section.

(f) DETAIL OF PERSONNEL.—

(1) IN GENERAL.—In order to assist the Office of Intelligence and Analysis and the Office of Infrastructure Protection in discharging responsibilities under this section, personnel of the agencies referred to in paragraph (2) may be detailed to the Department for the performance of analytic functions and related duties.

(2) COVERED AGENCIES.—The agencies referred to in this paragraph are as follows:

(A) The Department of State.

(B) The Central Intelligence Agency.

(C) The Federal Bureau of Investigation.

(D) The National Security Agency.

(E) The National Imagery and Mapping Agency<sup>1</sup>.

(F) The Defense Intelligence Agency.

(G) Any other agency of the Federal Government that the President considers appropriate.

(3) COOPERATIVE AGREEMENTS.—The Secretary and the head of the agency concerned may enter into cooperative agreements for the purpose of detailing personnel under this subsection.

<sup>1</sup>The reference to “National Imagery and Mapping Agency” in subsection (f)(2)(E) probably should be to “National Geospatial-Intelligence Agency”. Section 931(b)(5) of Public Law 110–417 amends section 201(e)(2) by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”. The amendment was not executed.

(4) BASIS.—The detail of personnel under this subsection may be on a reimbursable or non-reimbursable basis.

(g) FUNCTIONS TRANSFERRED.—In accordance with title XV, there shall be transferred to the Secretary, for assignment to the Office of Intelligence and Analysis and the Office of Infrastructure Protection under this section, the functions, personnel, assets, and liabilities of the following:

(1) The National Infrastructure Protection Center of the Federal Bureau of Investigation (other than the Computer Investigations and Operations Section), including the functions of the Attorney General relating thereto.

(2) The National Communications System of the Department of Defense, including the functions of the Secretary of Defense relating thereto.

(3) The Critical Infrastructure Assurance Office of the Department of Commerce, including the functions of the Secretary of Commerce relating thereto.

(4) The National Infrastructure Simulation and Analysis Center of the Department of Energy and the energy security and assurance program and activities of the Department, including the functions of the Secretary of Energy relating thereto.

(5) The Federal Computer Incident Response Center of the General Services Administration, including the functions of the Administrator of General Services relating thereto.

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**SEC. 202. [6 U.S.C. 122] ACCESS TO INFORMATION.**

(a) IN GENERAL.—

(1) THREAT AND VULNERABILITY INFORMATION.—Except as otherwise directed by the President, the Secretary shall have such access as the Secretary considers necessary to all information, including reports, assessments, analyses, and unevaluated intelligence relating to threats of terrorism against the United States and to other areas of responsibility assigned by the Secretary, and to all information concerning infrastructure or other vulnerabilities of the United States to terrorism, whether or not such information has been analyzed, that may be collected, possessed, or prepared by any agency of the Federal Government.

(2) OTHER INFORMATION.—The Secretary shall also have access to other information relating to matters under the responsibility of the Secretary that may be collected, possessed, or prepared by an agency of the Federal Government as the President may further provide.

(b) MANNER OF ACCESS.—Except as otherwise directed by the President, with respect to information to which the Secretary has access pursuant to this section—

(1) the Secretary may obtain such material upon request, and may enter into cooperative arrangements with other executive agencies to provide such material or provide Department officials with access to it on a regular or routine basis, including requests or arrangements involving broad categories of material, access to electronic databases, or both; and

(2) regardless of whether the Secretary has made any request or entered into any cooperative arrangement pursuant to paragraph (1), all agencies of the Federal Government shall promptly provide to the Secretary—

(A) all reports (including information reports containing intelligence which has not been fully evaluated), assessments, and analytical information relating to threats of terrorism against the United States and to other areas of responsibility assigned by the Secretary;

(B) all information concerning the vulnerability of the infrastructure of the United States, or other vulnerabilities of the United States, to terrorism, whether or not such information has been analyzed;

(C) all other information relating to significant and credible threats of terrorism against the United States, whether or not such information has been analyzed; and

(D) such other information or material as the President may direct.

(c) TREATMENT UNDER CERTAIN LAWS.—The Secretary shall be deemed to be a Federal law enforcement, intelligence, protective, national defense, immigration, or national security official, and shall be provided with all information from law enforcement agencies that is required to be given to the Director of Central Intelligence, under any provision of the following:

(1) The USA PATRIOT Act of 2001 (Public Law 107–56).

(2) Section 2517(6) of title 18, United States Code.

(3) Rule 6(e)(3)(C) of the Federal Rules of Criminal Procedure.

(d) ACCESS TO INTELLIGENCE AND OTHER INFORMATION.—

(1) ACCESS BY ELEMENTS OF FEDERAL GOVERNMENT.—Nothing in this title shall preclude any element of the intelligence community (as that term is defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)), or any other element of the Federal Government with responsibility for analyzing terrorist threat information, from receiving any intelligence or other information relating to terrorism.

(2) SHARING OF INFORMATION.—The Secretary, in consultation with the Director of Central Intelligence, shall work to ensure that intelligence or other information relating to terrorism to which the Department has access is appropriately shared with the elements of the Federal Government referred to in paragraph (1), as well as with State and local governments, as appropriate.

**SEC. 203. [6 U.S.C. 124] HOMELAND SECURITY ADVISORY SYSTEM.**

(a) REQUIREMENT.—The Secretary shall administer the Homeland Security Advisory System in accordance with this section to provide advisories or warnings regarding the threat or risk that acts of terrorism will be committed on the homeland to Federal, State, local, and tribal government authorities and to the people of the United States, as appropriate. The Secretary shall exercise primary responsibility for providing such advisories or warnings.

(b) REQUIRED ELEMENTS.—In administering the Homeland Security Advisory System, the Secretary shall—

(1) establish criteria for the issuance and revocation of such advisories or warnings;

(2) develop a methodology, relying on the criteria established under paragraph (1), for the issuance and revocation of such advisories or warnings;

(3) provide, in each such advisory or warning, specific information and advice regarding appropriate protective measures and countermeasures that may be taken in response to the threat or risk, at the maximum level of detail practicable to enable individuals, government entities, emergency response providers, and the private sector to act appropriately;

(4) whenever possible, limit the scope of each such advisory or warning to a specific region, locality, or economic sector believed to be under threat or at risk; and

(5) not, in issuing any advisory or warning, use color designations as the exclusive means of specifying homeland security threat conditions that are the subject of the advisory or warning.

**SEC. 204. [6 U.S.C. 124a] HOMELAND SECURITY INFORMATION SHARING.**

(a) **INFORMATION SHARING.**—Consistent with section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), the Secretary, acting through the Under Secretary for Intelligence and Analysis, shall integrate the information and standardize the format of the products of the intelligence components of the Department containing homeland security information, terrorism information, weapons of mass destruction information, or national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5))) except for any internal security protocols or personnel information of such intelligence components, or other administrative processes that are administered by any chief security officer of the Department.

(b) **INFORMATION SHARING AND KNOWLEDGE MANAGEMENT OFFICERS.**—For each intelligence component of the Department, the Secretary shall designate an information sharing and knowledge management officer who shall report to the Under Secretary for Intelligence and Analysis regarding coordinating the different systems used in the Department to gather and disseminate homeland security information or national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5))).

(c) **STATE, LOCAL, AND PRIVATE-SECTOR SOURCES OF INFORMATION.**—

(1) **ESTABLISHMENT OF BUSINESS PROCESSES.**—The Secretary, acting through the Under Secretary for Intelligence and Analysis or the Assistant Secretary for Infrastructure Protection, as appropriate, shall—

(A) establish Department-wide procedures for the review and analysis of information provided by State, local, and tribal governments and the private sector;

(B) as appropriate, integrate such information into the information gathered by the Department and other departments and agencies of the Federal Government; and

(C) make available such information, as appropriate, within the Department and to other departments and agencies of the Federal Government.

(2) FEEDBACK.—The Secretary shall develop mechanisms to provide feedback regarding the analysis and utility of information provided by any entity of State, local, or tribal government or the private sector that provides such information to the Department.

(d) TRAINING AND EVALUATION OF EMPLOYEES.—

(1) TRAINING.—The Secretary, acting through the Under Secretary for Intelligence and Analysis or the Assistant Secretary for Infrastructure Protection, as appropriate, shall provide to employees of the Department opportunities for training and education to develop an understanding of—

(A) the definitions of homeland security information and national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5))); and

(B) how information available to such employees as part of their duties—

(i) might qualify as homeland security information or national intelligence; and

(ii) might be relevant to the Office of Intelligence and Analysis and the intelligence components of the Department.

(2) EVALUATIONS.—The Under Secretary for Intelligence and Analysis shall—

(A) on an ongoing basis, evaluate how employees of the Office of Intelligence and Analysis and the intelligence components of the Department are utilizing homeland security information or national intelligence, sharing information within the Department, as described in this title, and participating in the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485); and

(B) provide to the appropriate component heads regular reports regarding the evaluations under subparagraph (A).

**SEC. 205. [6 U.S.C. 124b] COMPREHENSIVE INFORMATION TECHNOLOGY NETWORK ARCHITECTURE.**

(a) ESTABLISHMENT.—The Secretary, acting through the Under Secretary for Intelligence and Analysis, shall establish, consistent with the policies and procedures developed under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), and consistent with the enterprise architecture of the Department, a comprehensive information technology network architecture for the Office of Intelligence and Analysis that connects the various databases and related information technology assets of the Office of Intelligence and Analysis and the intelligence components of the Department in order to promote internal information sharing among the intelligence and other personnel of the Department.

(b) COMPREHENSIVE INFORMATION TECHNOLOGY NETWORK ARCHITECTURE DEFINED.—The term “comprehensive information technology network architecture” means an integrated framework for

evolving or maintaining existing information technology and acquiring new information technology to achieve the strategic management and information resources management goals of the Office of Intelligence and Analysis.

**SEC. 206. [6 U.S.C. 124c] COORDINATION WITH INFORMATION SHARING ENVIRONMENT.**

(a) GUIDANCE.—All activities to comply with sections 203, 204, and 205 shall be—

(1) consistent with any policies, guidelines, procedures, instructions, or standards established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485);

(2) implemented in coordination with, as appropriate, the program manager for the information sharing environment established under that section;

(3) consistent with any applicable guidance issued by the Director of National Intelligence; and

(4) consistent with any applicable guidance issued by the Secretary relating to the protection of law enforcement information or proprietary information.

(b) CONSULTATION.—In carrying out the duties and responsibilities under this subtitle, the Under Secretary for Intelligence and Analysis shall take into account the views of the heads of the intelligence components of the Department.

**SEC. 207. [6 U.S.C. 124d] INTELLIGENCE COMPONENTS.**

Subject to the direction and control of the Secretary, and consistent with any applicable guidance issued by the Director of National Intelligence, the responsibilities of the head of each intelligence component of the Department are as follows:

(1) To ensure that the collection, processing, analysis, and dissemination of information within the scope of the information sharing environment, including homeland security information, terrorism information, weapons of mass destruction information, and national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5))), are carried out effectively and efficiently in support of the intelligence mission of the Department, as led by the Under Secretary for Intelligence and Analysis.

(2) To otherwise support and implement the intelligence mission of the Department, as led by the Under Secretary for Intelligence and Analysis.

(3) To incorporate the input of the Under Secretary for Intelligence and Analysis with respect to performance appraisals, bonus or award recommendations, pay adjustments, and other forms of commendation.

(4) To coordinate with the Under Secretary for Intelligence and Analysis in developing policies and requirements for the recruitment and selection of intelligence officials of the intelligence component.

(5) To advise and coordinate with the Under Secretary for Intelligence and Analysis on any plan to reorganize or restructure the intelligence component that would, if implemented, result in realignments of intelligence functions.

(6) To ensure that employees of the intelligence component have knowledge of, and comply with, the programs and policies established by the Under Secretary for Intelligence and Analysis and other appropriate officials of the Department and that such employees comply with all applicable laws and regulations.

(7) To perform such other activities relating to such responsibilities as the Secretary may provide.

**SEC. 208. [6 U.S.C. 124e] TRAINING FOR EMPLOYEES OF INTELLIGENCE COMPONENTS.**

The Secretary shall provide training and guidance for employees, officials, and senior executives of the intelligence components of the Department to develop knowledge of laws, regulations, operations, policies, procedures, and programs that are related to the functions of the Department relating to the collection, processing, analysis, and dissemination of information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, or national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5))).

**SEC. 209. [6 U.S.C. 124f] INTELLIGENCE TRAINING DEVELOPMENT FOR STATE AND LOCAL GOVERNMENT OFFICIALS.**

(a) CURRICULUM.—The Secretary, acting through the Under Secretary for Intelligence and Analysis, shall—

(1) develop a curriculum for training State, local, and tribal government officials, including law enforcement officers, intelligence analysts, and other emergency response providers, in the intelligence cycle and Federal laws, practices, and regulations regarding the development, handling, and review of intelligence and other information; and

(2) ensure that the curriculum includes executive level training for senior level State, local, and tribal law enforcement officers, intelligence analysts, and other emergency response providers.

(b) TRAINING.—To the extent possible, the Federal Law Enforcement Training Center and other existing Federal entities with the capacity and expertise to train State, local, and tribal government officials based on the curriculum developed under subsection (a) shall be used to carry out the training programs created under this section. If such entities do not have the capacity, resources, or capabilities to conduct such training, the Secretary may approve another entity to conduct such training.

(c) CONSULTATION.—In carrying out the duties described in subsection (a), the Under Secretary for Intelligence and Analysis shall consult with the Director of the Federal Law Enforcement Training Center, the Attorney General, the Director of National Intelligence, the Administrator of the Federal Emergency Management Agency, and other appropriate parties, such as private industry, institutions of higher education, nonprofit institutions, and other intelligence agencies of the Federal Government.

**SEC. 210. [6 U.S.C. 124g] INFORMATION SHARING INCENTIVES.**

(a) AWARDS.—In making cash awards under chapter 45 of title 5, United States Code, the President or the head of an agency, in



consultation with the program manager designated under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), may consider the success of an employee in appropriately sharing information within the scope of the information sharing environment established under that section, including homeland security information, terrorism information, and weapons of mass destruction information, or national intelligence (as defined in section 3(5) of the National Security Act of 1947 (50 U.S.C. 401a(5)), in a manner consistent with any policies, guidelines, procedures, instructions, or standards established by the President or, as appropriate, the program manager of that environment for the implementation and management of that environment.

(b) OTHER INCENTIVES.—The head of each department or agency described in section 1016(i) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485(i)), in consultation with the program manager designated under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), shall adopt best practices regarding effective ways to educate and motivate officers and employees of the Federal Government to participate fully in the information sharing environment, including—

- (1) promotions and other nonmonetary awards; and
- (2) publicizing information sharing accomplishments by individual employees and, where appropriate, the tangible end benefits that resulted.

**SEC. 210A. [6 U.S.C. 124h] DEPARTMENT OF HOMELAND SECURITY STATE, LOCAL, AND REGIONAL FUSION CENTER INITIATIVE.**

(a) ESTABLISHMENT.—The Secretary, in consultation with the program manager of the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), the Attorney General, the Privacy Officer of the Department, the Officer for Civil Rights and Civil Liberties of the Department, and the Privacy and Civil Liberties Oversight Board established under section 1061 of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note), shall establish a Department of Homeland Security State, Local, and Regional Fusion Center Initiative to establish partnerships with State, local, and regional fusion centers.

(b) DEPARTMENT SUPPORT AND COORDINATION.—Through the Department of Homeland Security State, Local, and Regional Fusion Center Initiative, and in coordination with the principal officials of participating State, local, or regional fusion centers and the officers designated as the Homeland Security Advisors of the States, the Secretary shall—

- (1) provide operational and intelligence advice and assistance to State, local, and regional fusion centers;
- (2) support efforts to include State, local, and regional fusion centers into efforts to establish an information sharing environment;
- (3) conduct tabletop and live training exercises to regularly assess the capability of individual and regional networks of State, local, and regional fusion centers to integrate the efforts of such networks with the efforts of the Department;

(4) coordinate with other relevant Federal entities engaged in homeland security-related activities;

(5) provide analytic and reporting advice and assistance to State, local, and regional fusion centers;

(6) review information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, that is gathered by State, local, and regional fusion centers, and to incorporate such information, as appropriate, into the Department's own such information;

(7) provide management assistance to State, local, and regional fusion centers;

(8) serve as a point of contact to ensure the dissemination of information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information;

(9) facilitate close communication and coordination between State, local, and regional fusion centers and the Department;

(10) provide State, local, and regional fusion centers with expertise on Department resources and operations;

(11) provide training to State, local, and regional fusion centers and encourage such fusion centers to participate in terrorism threat-related exercises conducted by the Department; and

(12) carry out such other duties as the Secretary determines are appropriate.

(c) PERSONNEL ASSIGNMENT.—

(1) IN GENERAL.—The Under Secretary for Intelligence and Analysis shall, to the maximum extent practicable, assign officers and intelligence analysts from components of the Department to participating State, local, and regional fusion centers.

(2) PERSONNEL SOURCES.—Officers and intelligence analysts assigned to participating fusion centers under this subsection may be assigned from the following Department components, in coordination with the respective component head and in consultation with the principal officials of participating fusion centers:

(A) Office of Intelligence and Analysis.

(B) Office of Infrastructure Protection.

(C) Transportation Security Administration.

(D) United States Customs and Border Protection.

(E) United States Immigration and Customs Enforcement.

(F) United States Coast Guard.

(G) Other components of the Department, as determined by the Secretary.

(3) QUALIFYING CRITERIA.—

(A) IN GENERAL.—The Secretary shall develop qualifying criteria for a fusion center to participate in the assigning of Department officers or intelligence analysts under this section.

(B) CRITERIA.—Any criteria developed under subparagraph (A) may include—

(i) whether the fusion center, through its mission and governance structure, focuses on a broad counterterrorism approach, and whether that broad approach is pervasive through all levels of the organization;

(ii) whether the fusion center has sufficient numbers of adequately trained personnel to support a broad counterterrorism mission;

(iii) whether the fusion center has—

(I) access to relevant law enforcement, emergency response, private sector, open source, and national security data; and

(II) the ability to share and analytically utilize that data for lawful purposes;

(iv) whether the fusion center is adequately funded by the State, local, or regional government to support its counterterrorism mission; and

(v) the relevancy of the mission of the fusion center to the particular source component of Department officers or intelligence analysts.

(4) PREREQUISITE.—

(A) INTELLIGENCE ANALYSIS, PRIVACY, AND CIVIL LIBERTIES TRAINING.—Before being assigned to a fusion center under this section, an officer or intelligence analyst shall undergo—

(i) appropriate intelligence analysis or information sharing training using an intelligence-led policing curriculum that is consistent with—

(I) standard training and education programs offered to Department law enforcement and intelligence personnel; and

(II) the Criminal Intelligence Systems Operating Policies under part 23 of title 28, Code of Federal Regulations (or any corresponding similar rule or regulation);

(ii) appropriate privacy and civil liberties training that is developed, supported, or sponsored by the Privacy Officer appointed under section 222 and the Officer for Civil Rights and Civil Liberties of the Department, in consultation with the Privacy and Civil Liberties Oversight Board established under section 1061 of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note); and

(iii) such other training prescribed by the Under Secretary for Intelligence and Analysis.

(B) PRIOR WORK EXPERIENCE IN AREA.—In determining the eligibility of an officer or intelligence analyst to be assigned to a fusion center under this section, the Under Secretary for Intelligence and Analysis shall consider the familiarity of the officer or intelligence analyst with the State, locality, or region, as determined by such factors as whether the officer or intelligence analyst—

(i) has been previously assigned in the geographic area; or

(ii) has previously worked with intelligence officials or law enforcement or other emergency response providers from that State, locality, or region.

(5) EXPEDITED SECURITY CLEARANCE PROCESSING.—The Under Secretary for Intelligence and Analysis—

(A) shall ensure that each officer or intelligence analyst assigned to a fusion center under this section has the appropriate security clearance to contribute effectively to the mission of the fusion center; and

(B) may request that security clearance processing be expedited for each such officer or intelligence analyst and may use available funds for such purpose.

(6) FURTHER QUALIFICATIONS.—Each officer or intelligence analyst assigned to a fusion center under this section shall satisfy any other qualifications the Under Secretary for Intelligence and Analysis may prescribe.

(d) RESPONSIBILITIES.—An officer or intelligence analyst assigned to a fusion center under this section shall—

(1) assist law enforcement agencies and other emergency response providers of State, local, and tribal governments and fusion center personnel in using information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, to develop a comprehensive and accurate threat picture;

(2) review homeland security-relevant information from law enforcement agencies and other emergency response providers of State, local, and tribal government;

(3) create intelligence and other information products derived from such information and other homeland security-relevant information provided by the Department; and

(4) assist in the dissemination of such products, as coordinated by the Under Secretary for Intelligence and Analysis, to law enforcement agencies and other emergency response providers of State, local, and tribal government, other fusion centers, and appropriate Federal agencies.

(e) BORDER INTELLIGENCE PRIORITY.—

(1) IN GENERAL.—The Secretary shall make it a priority to assign officers and intelligence analysts under this section from United States Customs and Border Protection, United States Immigration and Customs Enforcement, and the Coast Guard to participating State, local, and regional fusion centers located in jurisdictions along land or maritime borders of the United States in order to enhance the integrity of and security at such borders by helping Federal, State, local, and tribal law enforcement authorities to identify, investigate, and otherwise interdict persons, weapons, and related contraband that pose a threat to homeland security.

(2) BORDER INTELLIGENCE PRODUCTS.—When performing the responsibilities described in subsection (d), officers and intelligence analysts assigned to participating State, local, and regional fusion centers under this section shall have, as a primary responsibility, the creation of border intelligence products that—

(A) assist State, local, and tribal law enforcement agencies in deploying their resources most efficiently to help detect and interdict terrorists, weapons of mass destruction, and related contraband at land or maritime borders of the United States;

(B) promote more consistent and timely sharing of border security-relevant information among jurisdictions along land or maritime borders of the United States; and

(C) enhance the Department's situational awareness of the threat of acts of terrorism at or involving the land or maritime borders of the United States.

(f) DATABASE ACCESS.—In order to fulfill the objectives described under subsection (d), each officer or intelligence analyst assigned to a fusion center under this section shall have appropriate access to all relevant Federal databases and information systems, consistent with any policies, guidelines, procedures, instructions, or standards established by the President or, as appropriate, the program manager of the information sharing environment for the implementation and management of that environment.

(g) CONSUMER FEEDBACK.—

(1) IN GENERAL.—The Secretary shall create a voluntary mechanism for any State, local, or tribal law enforcement officer or other emergency response provider who is a consumer of the intelligence or other information products referred to in subsection (d) to provide feedback to the Department on the quality and utility of such intelligence products.

(2) REPORT.—Not later than one year after the date of the enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report that includes a description of the consumer feedback obtained under paragraph (1) and, if applicable, how the Department has adjusted its production of intelligence products in response to that consumer feedback.

(h) RULE OF CONSTRUCTION.—

(1) IN GENERAL.—The authorities granted under this section shall supplement the authorities granted under section 201(d) and nothing in this section shall be construed to abrogate the authorities granted under section 201(d).

(2) PARTICIPATION.—Nothing in this section shall be construed to require a State, local, or regional government or entity to accept the assignment of officers or intelligence analysts of the Department into the fusion center of that State, locality, or region.

(i) GUIDELINES.—The Secretary, in consultation with the Attorney General, shall establish guidelines for fusion centers created and operated by State and local governments, to include standards that any such fusion center shall—

(1) collaboratively develop a mission statement, identify expectations and goals, measure performance, and determine effectiveness for that fusion center;

(2) create a representative governance structure that includes law enforcement officers and other emergency response providers and, as appropriate, the private sector;

(3) create a collaborative environment for the sharing of intelligence and information among Federal, State, local, and tribal government agencies (including law enforcement officers and other emergency response providers), the private sector, and the public, consistent with any policies, guidelines, procedures, instructions, or standards established by the President or, as appropriate, the program manager of the information sharing environment;

(4) leverage the databases, systems, and networks available from public and private sector entities, in accordance with all applicable laws, to maximize information sharing;

(5) develop, publish, and adhere to a privacy and civil liberties policy consistent with Federal, State, and local law;

(6) provide, in coordination with the Privacy Officer of the Department and the Officer for Civil Rights and Civil Liberties of the Department, appropriate privacy and civil liberties training for all State, local, tribal, and private sector representatives at the fusion center;

(7) ensure appropriate security measures are in place for the facility, data, and personnel;

(8) select and train personnel based on the needs, mission, goals, and functions of that fusion center;

(9) offer a variety of intelligence and information services and products to recipients of fusion center intelligence and information; and

(10) incorporate law enforcement officers, other emergency response providers, and, as appropriate, the private sector, into all relevant phases of the intelligence and fusion process, consistent with the mission statement developed under paragraph (1), either through full time representatives or liaison relationships with the fusion center to enable the receipt and sharing of information and intelligence.

(j) DEFINITIONS.—In this section—

(1) the term “fusion center” means a collaborative effort of 2 or more Federal, State, local, or tribal government agencies that combines resources, expertise, or information with the goal of maximizing the ability of such agencies to detect, prevent, investigate, apprehend, and respond to criminal or terrorist activity;

(2) the term “information sharing environment” means the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485);

(3) the term “intelligence analyst” means an individual who regularly advises, administers, supervises, or performs work in the collection, gathering, analysis, evaluation, reporting, production, or dissemination of information on political, economic, social, cultural, physical, geographical, scientific, or military conditions, trends, or forces in foreign or domestic areas that directly or indirectly affect national security;

(4) the term “intelligence-led policing” means the collection and analysis of information to produce an intelligence end product designed to inform law enforcement decision making at the tactical and strategic levels; and

(5) the term “terrorism information” has the meaning given that term in section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485).

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$10,000,000 for each of fiscal years 2008 through 2012, to carry out this section, except for subsection (i), including for hiring officers and intelligence analysts to replace officers and intelligence analysts who are assigned to fusion centers under this section.

**SEC. 210B. [6 U.S.C. 124i] HOMELAND SECURITY INFORMATION SHARING FELLOWS PROGRAM.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary, acting through the Under Secretary for Intelligence and Analysis, and in consultation with the Chief Human Capital Officer, shall establish a fellowship program in accordance with this section for the purpose of—

(A) detailing State, local, and tribal law enforcement officers and intelligence analysts to the Department in accordance with subchapter VI of chapter 33 of title 5, United States Code, to participate in the work of the Office of Intelligence and Analysis in order to become familiar with—

(i) the relevant missions and capabilities of the Department and other Federal agencies; and

(ii) the role, programs, products, and personnel of the Office of Intelligence and Analysis; and

(B) promoting information sharing between the Department and State, local, and tribal law enforcement officers and intelligence analysts by assigning such officers and analysts to—

(i) serve as a point of contact in the Department to assist in the representation of State, local, and tribal information requirements;

(ii) identify information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, that is of interest to State, local, and tribal law enforcement officers, intelligence analysts, and other emergency response providers;

(iii) assist Department analysts in preparing and disseminating products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, that are tailored to State, local, and tribal law enforcement officers and intelligence analysts and designed to prepare for and thwart acts of terrorism; and

(iv) assist Department analysts in preparing products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, that are tailored to State, local, and tribal emergency response providers and assist in the dissemination of such products through appropriate Department channels.

(2) PROGRAM NAME.—The program under this section shall be known as the “Homeland Security Information Sharing Fellows Program”.

(b) ELIGIBILITY.—

(1) IN GENERAL.—In order to be eligible for selection as an Information Sharing Fellow under the program under this section, an individual shall—

- (A) have homeland security-related responsibilities;
- (B) be eligible for an appropriate security clearance;
- (C) possess a valid need for access to classified information, as determined by the Under Secretary for Intelligence and Analysis;
- (D) be an employee of an eligible entity; and
- (E) have undergone appropriate privacy and civil liberties training that is developed, supported, or sponsored by the Privacy Officer and the Officer for Civil Rights and Civil Liberties, in consultation with the Privacy and Civil Liberties Oversight Board established under section 1061 of the Intelligence Reform and Terrorism Prevention Act of 2004 (5 U.S.C. 601 note).

(2) ELIGIBLE ENTITIES.—In this subsection, the term “eligible entity” means—

- (A) a State, local, or regional fusion center;
- (B) a State or local law enforcement or other government entity that serves a major metropolitan area, suburban area, or rural area, as determined by the Secretary;
- (C) a State or local law enforcement or other government entity with port, border, or agricultural responsibilities, as determined by the Secretary;
- (D) a tribal law enforcement or other authority; or
- (E) such other entity as the Secretary determines is appropriate.

(c) OPTIONAL PARTICIPATION.—No State, local, or tribal law enforcement or other government entity shall be required to participate in the Homeland Security Information Sharing Fellows Program.

(d) PROCEDURES FOR NOMINATION AND SELECTION.—

(1) IN GENERAL.—The Under Secretary for Intelligence and Analysis shall establish procedures to provide for the nomination and selection of individuals to participate in the Homeland Security Information Sharing Fellows Program.

(2) LIMITATIONS.—The Under Secretary for Intelligence and Analysis shall—

- (A) select law enforcement officers and intelligence analysts representing a broad cross-section of State, local, and tribal agencies; and



(B) ensure that the number of Information Sharing Fellows selected does not impede the activities of the Office of Intelligence and Analysis.

**SEC. 210C. [6 U.S.C. 124j] RURAL POLICING INSTITUTE.**

(a) **IN GENERAL.**—The Secretary shall establish a Rural Policing Institute, which shall be administered by the Federal Law Enforcement Training Center, to target training to law enforcement agencies and other emergency response providers located in rural areas. The Secretary, through the Rural Policing Institute, shall—

(1) evaluate the needs of law enforcement agencies and other emergency response providers in rural areas;

(2) develop expert training programs designed to address the needs of law enforcement agencies and other emergency response providers in rural areas as identified in the evaluation conducted under paragraph (1), including training programs about intelligence-led policing and protections for privacy, civil rights, and civil liberties;

(3) provide the training programs developed under paragraph (2) to law enforcement agencies and other emergency response providers in rural areas; and

(4) conduct outreach efforts to ensure that local and tribal governments in rural areas are aware of the training programs developed under paragraph (2) so they can avail themselves of such programs.

(b) **CURRICULA.**—The training at the Rural Policing Institute established under subsection (a) shall—

(1) be configured in a manner so as not to duplicate or displace any law enforcement or emergency response program of the Federal Law Enforcement Training Center or a local or tribal government entity in existence on the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007; and

(2) to the maximum extent practicable, be delivered in a cost-effective manner at facilities of the Department, on closed military installations with adequate training facilities, or at facilities operated by the participants.

(c) **DEFINITION.**—In this section, the term “rural” means an area that is not located in a metropolitan statistical area, as defined by the Office of Management and Budget.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section (including for contracts, staff, and equipment)—

(1) \$10,000,000 for fiscal year 2008; and

(2) \$5,000,000 for each of fiscal years 2009 through 2013.

**SEC. 210D. [6 U.S.C. 124k] INTERAGENCY THREAT ASSESSMENT AND COORDINATION GROUP.**

(a) **IN GENERAL.**—To improve the sharing of information within the scope of the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485) with State, local, tribal, and private sector officials, the Director of National Intelligence, through the program manager for the information sharing environment, in coordination with the Secretary, shall coordinate and oversee the

creation of an Interagency Threat Assessment and Coordination Group (referred to in this section as the "ITACG").

(b) COMPOSITION OF ITACG.—The ITACG shall consist of—

(1) an ITACG Advisory Council to set policy and develop processes for the integration, analysis, and dissemination of federally-coordinated information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information; and

(2) an ITACG Detail comprised of State, local, and tribal homeland security and law enforcement officers and intelligence analysts detailed to work in the National Counterterrorism Center with Federal intelligence analysts for the purpose of integrating, analyzing, and assisting in the dissemination of federally-coordinated information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, through appropriate channels identified by the ITACG Advisory Council.

(c) RESPONSIBILITIES OF PROGRAM MANAGER.—The program manager, in consultation with the Information Sharing Council, shall—

(1) monitor and assess the efficacy of the ITACG; and

(2) not later than 180 days after the date of the enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, and at least annually thereafter, submit to the Secretary, the Attorney General, the Director of National Intelligence, the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report on the progress of the ITACG.

(d) RESPONSIBILITIES OF SECRETARY.—The Secretary, or the Secretary's designee, in coordination with the Director of the National Counterterrorism Center and the ITACG Advisory Council, shall—

(1) create policies and standards for the creation of information products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, that are suitable for dissemination to State, local, and tribal governments and the private sector;

(2) evaluate and develop processes for the timely dissemination of federally-coordinated information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, to State, local, and tribal governments and the private sector;

(3) establish criteria and a methodology for indicating to State, local, and tribal governments and the private sector the reliability of information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, disseminated to them;

(4) educate the intelligence community about the requirements of the State, local, and tribal homeland security, law enforcement, and other emergency response providers regarding information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information;

(5) establish and maintain the ITACG Detail, which shall assign an appropriate number of State, local, and tribal homeland security and law enforcement officers and intelligence analysts to work in the National Counterterrorism Center who shall—

(A) educate and advise National Counterterrorism Center intelligence analysts about the requirements of the State, local, and tribal homeland security and law enforcement officers, and other emergency response providers regarding information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information;

(B) assist National Counterterrorism Center intelligence analysts in integrating, analyzing, and otherwise preparing versions of products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information that are unclassified or classified at the lowest possible level and suitable for dissemination to State, local, and tribal homeland security and law enforcement agencies in order to help deter and prevent terrorist attacks;

(C) implement, in coordination with National Counterterrorism Center intelligence analysts, the policies, processes, procedures, standards, and guidelines developed by the ITACG Advisory Council;

(D) assist in the dissemination of products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, to State, local, and tribal jurisdictions only through appropriate channels identified by the ITACG Advisory Council; and

(E) report directly to the senior intelligence official from the Department under paragraph (6);

(6) detail a senior intelligence official from the Department of Homeland Security to the National Counterterrorism Center, who shall—

(A) manage the day-to-day operations of the ITACG Detail;

(B) report directly to the Director of the National Counterterrorism Center or the Director's designee; and

(C) in coordination with the Director of the Federal Bureau of Investigation, and subject to the approval of the Director of the National Counterterrorism Center, select a deputy from the pool of available detailees from the Fed-

eral Bureau of Investigation in the National Counterterrorism Center; and

(7) establish, within the ITACG Advisory Council, a mechanism to select law enforcement officers and intelligence analysts for placement in the National Counterterrorism Center consistent with paragraph (5), using criteria developed by the ITACG Advisory Council that shall encourage participation from a broadly representative group of State, local, and tribal homeland security and law enforcement agencies.

(e) MEMBERSHIP.—The Secretary, or the Secretary's designee, shall serve as the chair of the ITACG Advisory Council, which shall include—

(1) representatives of—

- (A) the Department;
- (B) the Federal Bureau of Investigation;
- (C) the National Counterterrorism Center;
- (D) the Department of Defense;
- (E) the Department of Energy;
- (F) the Department of State; and
- (G) other Federal entities as appropriate;

(2) the program manager of the information sharing environment, designated under section 1016(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485(f)), or the program manager's designee; and

(3) executive level law enforcement and intelligence officials from State, local, and tribal governments.

(f) CRITERIA.—The Secretary, in consultation with the Director of National Intelligence, the Attorney General, and the program manager of the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485), shall—

(1) establish procedures for selecting members of the ITACG Advisory Council and for the proper handling and safeguarding of products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, by those members; and

(2) ensure that at least 50 percent of the members of the ITACG Advisory Council are from State, local, and tribal governments.

(g) OPERATIONS.—

(1) IN GENERAL.—Beginning not later than 90 days after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the ITACG Advisory Council shall meet regularly, but not less than quarterly, at the facilities of the National Counterterrorism Center of the Office of the Director of National Intelligence.

(2) MANAGEMENT.—Pursuant to section 119(f)(E) of the National Security Act of 1947 (50 U.S.C. 404o(f)(E)), the Director of the National Counterterrorism Center, acting through the senior intelligence official from the Department of Homeland Security detailed pursuant to subsection (d)(6), shall ensure that—

(A) the products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, prepared by the National Counterterrorism Center and the ITACG Detail for distribution to State, local, and tribal homeland security and law enforcement agencies reflect the requirements of such agencies and are produced consistently with the policies, processes, procedures, standards, and guidelines established by the ITACG Advisory Council;

(B) in consultation with the ITACG Advisory Council and consistent with sections 102A(f)(1)(B)(iii) and 119(f)(E) of the National Security Act of 1947 (50 U.S.C. 402 et seq.), all products described in subparagraph (A) are disseminated through existing channels of the Department and the Department of Justice and other appropriate channels to State, local, and tribal government officials and other entities;

(C) all detailees under subsection (d)(5) have appropriate access to all relevant information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information, available at the National Counterterrorism Center in order to accomplish the objectives under that paragraph;

(D) all detailees under subsection (d)(5) have the appropriate security clearances and are trained in the procedures for handling, processing, storing, and disseminating classified products derived from information within the scope of the information sharing environment, including homeland security information, terrorism information, and weapons of mass destruction information; and

(E) all detailees under subsection (d)(5) complete appropriate privacy and civil liberties training.

(h) **INAPPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.**—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the ITACG or any subsidiary groups thereof.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012 to carry out this section, including to obtain security clearances for the State, local, and tribal participants in the ITACG.

**SEC. 210E. [6 U.S.C. 124I] NATIONAL ASSET DATABASE.**

(a) **ESTABLISHMENT.**—

(1) **NATIONAL ASSET DATABASE.**—The Secretary shall establish and maintain a national database of each system or asset that—

(A) the Secretary, in consultation with appropriate homeland security officials of the States, determines to be vital and the loss, interruption, incapacity, or destruction of which would have a negative or debilitating effect on the economic security, public health, or safety of the United States, any State, or any local government; or

(B) the Secretary determines is appropriate for inclusion in the database.

(2) **PRIORITIZED CRITICAL INFRASTRUCTURE LIST.**—In accordance with Homeland Security Presidential Directive–7, as in effect on January 1, 2007, the Secretary shall establish and maintain a single classified prioritized list of systems and assets included in the database under paragraph (1) that the Secretary determines would, if destroyed or disrupted, cause national or regional catastrophic effects.

(b) **USE OF DATABASE.**—The Secretary shall use the database established under subsection (a)(1) in the development and implementation of Department plans and programs as appropriate.

(c) **MAINTENANCE OF DATABASE.**—

(1) **IN GENERAL.**—The Secretary shall maintain and annually update the database established under subsection (a)(1) and the list established under subsection (a)(2), including—

(A) establishing data collection guidelines and providing such guidelines to the appropriate homeland security official of each State;

(B) regularly reviewing the guidelines established under subparagraph (A), including by consulting with the appropriate homeland security officials of States, to solicit feedback about the guidelines, as appropriate;

(C) after providing the homeland security official of a State with the guidelines under subparagraph (A), allowing the official a reasonable amount of time to submit to the Secretary any data submissions recommended by the official for inclusion in the database established under subsection (a)(1);

(D) examining the contents and identifying any submissions made by such an official that are described incorrectly or that do not meet the guidelines established under subparagraph (A); and

(E) providing to the appropriate homeland security official of each relevant State a list of submissions identified under subparagraph (D) for review and possible correction before the Secretary finalizes the decision of which submissions will be included in the database established under subsection (a)(1).

(2) **ORGANIZATION OF INFORMATION IN DATABASE.**—The Secretary shall organize the contents of the database established under subsection (a)(1) and the list established under subsection (a)(2) as the Secretary determines is appropriate. Any organizational structure of such contents shall include the categorization of the contents—

(A) according to the sectors listed in National Infrastructure Protection Plan developed pursuant to Homeland Security Presidential Directive–7; and

(B) by the State and county of their location.

(3) **PRIVATE SECTOR INTEGRATION.**—The Secretary shall identify and evaluate methods, including the Department's Protected Critical Infrastructure Information Program, to acquire relevant private sector information for the purpose of using that information to generate any database or list, includ-

ing the database established under subsection (a)(1) and the list established under subsection (a)(2).

(4) RETENTION OF CLASSIFICATION.—The classification of information required to be provided to Congress, the Department, or any other department or agency under this section by a sector-specific agency, including the assignment of a level of classification of such information, shall be binding on Congress, the Department, and that other Federal agency.

(d) REPORTS.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report on the database established under subsection (a)(1) and the list established under subsection (a)(2).

(2) CONTENTS OF REPORT.—Each such report shall include the following:

(A) The name, location, and sector classification of each of the systems and assets on the list established under subsection (a)(2).

(B) The name, location, and sector classification of each of the systems and assets on such list that are determined by the Secretary to be most at risk to terrorism.

(C) Any significant challenges in compiling the list of the systems and assets included on such list or in the database established under subsection (a)(1).

(D) Any significant changes from the preceding report in the systems and assets included on such list or in such database.

(E) If appropriate, the extent to which such database and such list have been used, individually or jointly, for allocating funds by the Federal Government to prevent, reduce, mitigate, or respond to acts of terrorism.

(F) The amount of coordination between the Department and the private sector, through any entity of the Department that meets with representatives of private sector industries for purposes of such coordination, for the purpose of ensuring the accuracy of such database and such list.

(G) Any other information the Secretary deems relevant.

(3) CLASSIFIED INFORMATION.—The report shall be submitted in unclassified form but may contain a classified annex.

(e) INSPECTOR GENERAL STUDY.—By not later than two years after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Inspector General of the Department shall conduct a study of the implementation of this section.

(f) NATIONAL INFRASTRUCTURE PROTECTION CONSORTIUM.—The Secretary may establish a consortium to be known as the “National Infrastructure Protection Consortium”. The Consortium may advise the Secretary on the best way to identify, generate, organize, and

maintain any database or list of systems and assets established by the Secretary, including the database established under subsection (a)(1) and the list established under subsection (a)(2). If the Secretary establishes the National Infrastructure Protection Consortium, the Consortium may—

(1) be composed of national laboratories, Federal agencies, State and local homeland security organizations, academic institutions, or national Centers of Excellence that have demonstrated experience working with and identifying critical infrastructure and key resources; and

(2) provide input to the Secretary on any request pertaining to the contents of such database or such list.

## **Subtitle B—Critical Infrastructure Information**

### **SEC. 211. [6 U.S.C. 101 note] SHORT TITLE.**

This subtitle may be cited as the “Critical Infrastructure Information Act of 2002”.

### **SEC. 212. [6 U.S.C. 131] DEFINITIONS.**

In this subtitle:

(1) AGENCY.—The term “agency” has the meaning given it in section 551 of title 5, United States Code.

(2) COVERED FEDERAL AGENCY.—The term “covered Federal agency” means the Department of Homeland Security.

(3) CRITICAL INFRASTRUCTURE INFORMATION.—The term “critical infrastructure information” means information not customarily in the public domain and related to the security of critical infrastructure or protected systems—

(A) actual, potential, or threatened interference with, attack on, compromise of, or incapacitation of critical infrastructure or protected systems by either physical or computer-based attack or other similar conduct (including the misuse of or unauthorized access to all types of communications and data transmission systems) that violates Federal, State, or local law, harms interstate commerce of the United States, or threatens public health or safety;

(B) the ability of any critical infrastructure or protected system to resist such interference, compromise, or incapacitation, including any planned or past assessment, projection, or estimate of the vulnerability of critical infrastructure or a protected system, including security testing, risk evaluation thereto, risk management planning, or risk audit; or

(C) any planned or past operational problem or solution regarding critical infrastructure or protected systems, including repair, recovery, reconstruction, insurance, or continuity, to the extent it is related to such interference, compromise, or incapacitation.

(4) CRITICAL INFRASTRUCTURE PROTECTION PROGRAM.—The term “critical infrastructure protection program” means any component or bureau of a covered Federal agency that has



been designated by the President or any agency head to receive critical infrastructure information.

(5) INFORMATION SHARING AND ANALYSIS ORGANIZATION.—The term “Information Sharing and Analysis Organization” means any formal or informal entity or collaboration created or employed by public or private sector organizations, for purposes of—

(A) gathering and analyzing critical infrastructure information in order to better understand security problems and interdependencies related to critical infrastructure and protected systems, so as to ensure the availability, integrity, and reliability thereof;

(B) communicating or disclosing critical infrastructure information to help prevent, detect, mitigate, or recover from the effects of a interference, compromise, or a incapacitation problem related to critical infrastructure or protected systems; and

(C) voluntarily disseminating critical infrastructure information to its members, State, local, and Federal Governments, or any other entities that may be of assistance in carrying out the purposes specified in subparagraphs (A) and (B).

(6) PROTECTED SYSTEM.—The term “protected system”—

(A) means any service, physical or computer-based system, process, or procedure that directly or indirectly affects the viability of a facility of critical infrastructure; and

(B) includes any physical or computer-based system, including a computer, computer system, computer or communications network, or any component hardware or element thereof, software program, processing instructions, or information or data in transmission or storage therein, irrespective of the medium of transmission or storage.

(7) VOLUNTARY.—

(A) IN GENERAL.—The term “voluntary”, in the case of any submittal of critical infrastructure information to a covered Federal agency, means the submittal thereof in the absence of such agency’s exercise of legal authority to compel access to or submission of such information and may be accomplished by a single entity or an Information Sharing and Analysis Organization on behalf of itself or its members.

(B) EXCLUSIONS.—The term “voluntary”—

(i) in the case of any action brought under the securities laws as is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))—

(I) does not include information or statements contained in any documents or materials filed with the Securities and Exchange Commission, or with Federal banking regulators, pursuant to section 12(i) of the Securities Exchange Act of 1934 (15 U.S.C. 781(I)); and

(II) with respect to the submittal of critical infrastructure information, does not include any disclosure or writing that when made accompanied

the solicitation of an offer or a sale of securities;  
and  
(ii) does not include information or statements submitted or relied upon as a basis for making licensing or permitting determinations, or during regulatory proceedings.

**SEC. 213. [6 U.S.C. 132] DESIGNATION OF CRITICAL INFRASTRUCTURE PROTECTION PROGRAM.**

A critical infrastructure protection program may be designated as such by one of the following:

- (1) The President.
- (2) The Secretary of Homeland Security.

**SEC. 214. [6 U.S.C. 123] PROTECTION OF VOLUNTARILY SHARED CRITICAL INFRASTRUCTURE INFORMATION.**

(a) PROTECTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, critical infrastructure information (including the identity of the submitting person or entity) that is voluntarily submitted to a covered Federal agency for use by that agency regarding the security of critical infrastructure and protected systems, analysis, warning, interdependency study, recovery, reconstitution, or other informational purpose, when accompanied by an express statement specified in paragraph (2)—

(A) shall be exempt from disclosure under section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act);

(B) shall not be subject to any agency rules or judicial doctrine regarding *ex parte* communications with a decision making official;

(C) shall not, without the written consent of the person or entity submitting such information, be used directly by such agency, any other Federal, State, or local authority, or any third party, in any civil action arising under Federal or State law if such information is submitted in good faith;

(D) shall not, without the written consent of the person or entity submitting such information, be used or disclosed by any officer or employee of the United States for purposes other than the purposes of this subtitle, except—

(i) in furtherance of an investigation or the prosecution of a criminal act; or

(ii) when disclosure of the information would be—  
(I) to either House of Congress, or to the extent of matter within its jurisdiction, any committee or subcommittee thereof, any joint committee thereof or subcommittee of any such joint committee; or

(II) to the Comptroller General, or any authorized representative of the Comptroller General, in the course of the performance of the duties of the General Accounting Office.

(E) shall not, if provided to a State or local government or government agency—

(i) be made available pursuant to any State or local law requiring disclosure of information or records;

(ii) otherwise be disclosed or distributed to any party by said State or local government or government agency without the written consent of the person or entity submitting such information; or

(iii) be used other than for the purpose of protecting critical infrastructure or protected systems, or in furtherance of an investigation or the prosecution of a criminal act; and

(F) does not constitute a waiver of any applicable privilege or protection provided under law, such as trade secret protection.

(2) EXPRESS STATEMENT.—For purposes of paragraph (1), the term “express statement”, with respect to information or records, means—

(A) in the case of written information or records, a written marking on the information or records substantially similar to the following: “This information is voluntarily submitted to the Federal Government in expectation of protection from disclosure as provided by the provisions of the Critical Infrastructure Information Act of 2002.”; or

(B) in the case of oral information, a similar written statement submitted within a reasonable period following the oral communication.

(b) LIMITATION.—No communication of critical infrastructure information to a covered Federal agency made pursuant to this subtitle shall be considered to be an action subject to the requirements of the Federal Advisory Committee Act (5 U.S.C. App. 2).

(c) INDEPENDENTLY OBTAINED INFORMATION.—Nothing in this section shall be construed to limit or otherwise affect the ability of a State, local, or Federal Government entity, agency, or authority, or any third party, under applicable law, to obtain critical infrastructure information in a manner not covered by subsection (a), including any information lawfully and properly disclosed generally or broadly to the public and to use such information in any manner permitted by law.

(d) TREATMENT OF VOLUNTARY SUBMITTAL OF INFORMATION.—The voluntary submittal to the Government of information or records that are protected from disclosure by this subtitle shall not be construed to constitute compliance with any requirement to submit such information to a Federal agency under any other provision of law.

(e) PROCEDURES.—

(1) IN GENERAL.—The Secretary of the Department of Homeland Security shall, in consultation with appropriate representatives of the National Security Council and the Office of Science and Technology Policy, establish uniform procedures for the receipt, care, and storage by Federal agencies of critical infrastructure information that is voluntarily submitted to the Government. The procedures shall be established not later than 90 days after the date of the enactment of this subtitle.

(2) ELEMENTS.—The procedures established under paragraph (1) shall include mechanisms regarding—

(A) the acknowledgement of receipt by Federal agencies of critical infrastructure information that is voluntarily submitted to the Government;

(B) the maintenance of the identification of such information as voluntarily submitted to the Government for purposes of and subject to the provisions of this subtitle;

(C) the care and storage of such information; and

(D) the protection and maintenance of the confidentiality of such information so as to permit the sharing of such information within the Federal Government and with State and local governments, and the issuance of notices and warnings related to the protection of critical infrastructure and protected systems, in such manner as to protect from public disclosure the identity of the submitting person or entity, or information that is proprietary, business sensitive, relates specifically to the submitting person or entity, and is otherwise not appropriately in the public domain.

(f) PENALTIES.—Whoever, being an officer or employee of the United States or of any department or agency thereof, knowingly publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law, any critical infrastructure information protected from disclosure by this subtitle coming to him in the course of this employment or official duties or by reason of any examination or investigation made by, or return, report, or record made to or filed with, such department or agency or officer or employee thereof, shall be fined under title 18 of the United States Code, imprisoned not more than 1 year, or both, and shall be removed from office or employment.

(g) AUTHORITY TO ISSUE WARNINGS.—The Federal Government may provide advisories, alerts, and warnings to relevant companies, targeted sectors, other governmental entities, or the general public regarding potential threats to critical infrastructure as appropriate. In issuing a warning, the Federal Government shall take appropriate actions to protect from disclosure—

(1) the source of any voluntarily submitted critical infrastructure information that forms the basis for the warning; or

(2) information that is proprietary, business sensitive, relates specifically to the submitting person or entity, or is otherwise not appropriately in the public domain.

(h) AUTHORITY TO DELEGATE.—The President may delegate authority to a critical infrastructure protection program, designated under section 213, to enter into a voluntary agreement to promote critical infrastructure security, including with any Information Sharing and Analysis Organization, or a plan of action as otherwise defined in section 708 of the Defense Production Act of 1950 (50 U.S.C. App. 2158).

**SEC. 215. [6 U.S.C. 134] NO PRIVATE RIGHT OF ACTION.**

Nothing in this subtitle may be construed to create a private right of action for enforcement of any provision of this Act.

## Subtitle C—Information Security

### SEC. 221. [6 U.S.C. 141] PROCEDURES FOR SHARING INFORMATION.

The Secretary shall establish procedures on the use of information shared under this title that—

- (1) limit the redissemination of such information to ensure that it is not used for an unauthorized purpose;
- (2) ensure the security and confidentiality of such information;
- (3) protect the constitutional and statutory rights of any individuals who are subjects of such information; and
- (4) provide data integrity through the timely removal and destruction of obsolete or erroneous names and information.

### SEC. 222. [6 U.S.C. 142] PRIVACY OFFICER.

(a) APPOINTMENT AND RESPONSIBILITIES.—The Secretary shall appoint a senior official in the Department, who shall report directly to the Secretary, to assume primary responsibility for privacy policy, including—

- (1) assuring that the use of technologies sustain, and do not erode, privacy protections relating to the use, collection, and disclosure of personal information;
- (2) assuring that personal information contained in Privacy Act systems of records is handled in full compliance with fair information practices as set out in the Privacy Act of 1974;
- (3) evaluating legislative and regulatory proposals involving collection, use, and disclosure of personal information by the Federal Government;
- (4) conducting a privacy impact assessment of proposed rules of the Department or that of the Department on the privacy of personal information, including the type of personal information collected and the number of people affected;
- (5) coordinating with the Officer for Civil Rights and Civil Liberties to ensure that—
  - (A) programs, policies, and procedures involving civil rights, civil liberties, and privacy considerations are addressed in an integrated and comprehensive manner; and
  - (B) Congress receives appropriate reports on such programs, policies, and procedures; and
- (6) preparing a report to Congress on an annual basis on activities of the Department that affect privacy, including complaints of privacy violations, implementation of the Privacy Act of 1974, internal controls, and other matters.

(b) AUTHORITY TO INVESTIGATE.—

(1) IN GENERAL.—The senior official appointed under subsection (a) may—

- (A) have access to all records, reports, audits, reviews, documents, papers, recommendations, and other materials available to the Department that relate to programs and operations with respect to the responsibilities of the senior official under this section;
- (B) make such investigations and reports relating to the administration of the programs and operations of the

Department as are, in the senior official's judgment, necessary or desirable;

(C) subject to the approval of the Secretary, require by subpoena the production, by any person other than a Federal agency, of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary to performance of the responsibilities of the senior official under this section; and

(D) administer to or take from any person an oath, affirmation, or affidavit, whenever necessary to performance of the responsibilities of the senior official under this section.

(2) ENFORCEMENT OF SUBPOENAS.—Any subpoena issued under paragraph (1)(C) shall, in the case of contumacy or refusal to obey, be enforceable by order of any appropriate United States district court.

(3) EFFECT OF OATHS.—Any oath, affirmation, or affidavit administered or taken under paragraph (1)(D) by or before an employee of the Privacy Office designated for that purpose by the senior official appointed under subsection (a) shall have the same force and effect as if administered or taken by or before an officer having a seal of office.

(c) SUPERVISION AND COORDINATION.—

(1) IN GENERAL.—The senior official appointed under subsection (a) shall—

(A) report to, and be under the general supervision of, the Secretary; and

(B) coordinate activities with the Inspector General of the Department in order to avoid duplication of effort.

(2) COORDINATION WITH THE INSPECTOR GENERAL.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the senior official appointed under subsection (a) may investigate any matter relating to possible violations or abuse concerning the administration of any program or operation of the Department relevant to the purposes under this section.

(B) COORDINATION.—

(i) REFERRAL.—Before initiating any investigation described under subparagraph (A), the senior official shall refer the matter and all related complaints, allegations, and information to the Inspector General of the Department.

(ii) DETERMINATIONS AND NOTIFICATIONS BY THE INSPECTOR GENERAL.—

(I) IN GENERAL.—Not later than 30 days after the receipt of a matter referred under clause (i), the Inspector General shall—

(aa) make a determination regarding whether the Inspector General intends to initiate an audit or investigation of the matter referred under clause (i); and

(bb) notify the senior official of that determination.

(II) INVESTIGATION NOT INITIATED.—If the Inspector General notifies the senior official under subclause (I)(bb) that the Inspector General intended to initiate an audit or investigation, but does not initiate that audit or investigation within 90 days after providing that notification, the Inspector General shall further notify the senior official that an audit or investigation was not initiated. The further notification under this subclause shall be made not later than 3 days after the end of that 90-day period.

(iii) INVESTIGATION BY SENIOR OFFICIAL.—The senior official may investigate a matter referred under clause (i) if—

(I) the Inspector General notifies the senior official under clause (ii)(I)(bb) that the Inspector General does not intend to initiate an audit or investigation relating to that matter; or

(II) the Inspector General provides a further notification under clause (ii)(II) relating to that matter.

(iv) PRIVACY TRAINING.—Any employee of the Office of Inspector General who audits or investigates any matter referred under clause (i) shall be required to receive adequate training on privacy laws, rules, and regulations, to be provided by an entity approved by the Inspector General in consultation with the senior official appointed under subsection (a).

(d) NOTIFICATION TO CONGRESS ON REMOVAL.—If the Secretary removes the senior official appointed under subsection (a) or transfers that senior official to another position or location within the Department, the Secretary shall—

(1) promptly submit a written notification of the removal or transfer to Houses of Congress; and

(2) include in any such notification the reasons for the removal or transfer.

(e) REPORTS BY SENIOR OFFICIAL TO CONGRESS.—The senior official appointed under subsection (a) shall—

(1) submit reports directly to the Congress regarding performance of the responsibilities of the senior official under this section, without any prior comment or amendment by the Secretary, Deputy Secretary, or any other officer or employee of the Department or the Office of Management and Budget; and

(2) inform the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives not later than—

(A) 30 days after the Secretary disapproves the senior official's request for a subpoena under subsection (b)(1)(C) or the Secretary substantively modifies the requested subpoena; or

(B) 45 days after the senior official's request for a subpoena under subsection (b)(1)(C), if that subpoena has not either been approved or disapproved by the Secretary.

**SEC. 223. [6 U.S.C. 143] ENHANCEMENT OF NON-FEDERAL CYBERSECURITY.**

In carrying out the responsibilities under section 201, the Under Secretary for Intelligence and Analysis, in cooperation with the Assistant Secretary for Infrastructure Protection shall—

(1) as appropriate, provide to State and local government entities, and upon request to private entities that own or operate critical information systems—

(A) analysis and warnings related to threats to, and vulnerabilities of, critical information systems; and

(B) in coordination with the Under Secretary for Emergency Preparedness and Response, crisis management support in response to threats to, or attacks on, critical information systems; and

(2) as appropriate, provide technical assistance, upon request, to the private sector and other government entities, in coordination with the Under Secretary for Emergency Preparedness and Response, with respect to emergency recovery plans to respond to major failures of critical information systems.

**SEC. 224. [6 U.S.C. 144] NET GUARD.**

The Assistant Secretary for Infrastructure Protection may establish a national technology guard, to be known as “NET Guard”, comprised of local teams of volunteers with expertise in relevant areas of science and technology, to assist local communities to respond and recover from attacks on information systems and communications networks.

**SEC. 225. [6 U.S.C. 145] CYBER SECURITY ENHANCEMENT ACT OF 2002.**

(a) **SHORT TITLE.**—This section may be cited as the “Cyber Security Enhancement Act of 2002”.

(b) **AMENDMENT OF SENTENCING GUIDELINES RELATING TO CERTAIN COMPUTER CRIMES.**—

(1) **DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.**—Pursuant to its authority under section 994(p) of title 28, United States Code, and in accordance with this subsection, the United States Sentencing Commission shall review and, if appropriate, amend its guidelines and its policy statements applicable to persons convicted of an offense under section 1030 of title 18, United States Code.

(2) **REQUIREMENTS.**—In carrying out this subsection, the Sentencing Commission shall—

(A) ensure that the sentencing guidelines and policy statements reflect the serious nature of the offenses described in paragraph (1), the growing incidence of such offenses, and the need for an effective deterrent and appropriate punishment to prevent such offenses;

(B) consider the following factors and the extent to which the guidelines may or may not account for them—

(i) the potential and actual loss resulting from the offense;

(ii) the level of sophistication and planning involved in the offense;



(iii) whether the offense was committed for purposes of commercial advantage or private financial benefit;

(iv) whether the defendant acted with malicious intent to cause harm in committing the offense;

(v) the extent to which the offense violated the privacy rights of individuals harmed;

(vi) whether the offense involved a computer used by the government in furtherance of national defense, national security, or the administration of justice;

(vii) whether the violation was intended to or had the effect of significantly interfering with or disrupting a critical infrastructure; and

(viii) whether the violation was intended to or had the effect of creating a threat to public health or safety, or injury to any person;

(C) assure reasonable consistency with other relevant directives and with other sentencing guidelines;

(D) account for any additional aggravating or mitigating circumstances that might justify exceptions to the generally applicable sentencing ranges;

(E) make any necessary conforming changes to the sentencing guidelines; and

(F) assure that the guidelines adequately meet the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code.

(c) STUDY AND REPORT ON COMPUTER CRIMES.—Not later than May 1, 2003, the United States Sentencing Commission shall submit a brief report to Congress that explains any actions taken by the Sentencing Commission in response to this section and includes any recommendations the Commission may have regarding statutory penalties for offenses under section 1030 of title 18, United States Code.

(d) EMERGENCY DISCLOSURE EXCEPTION.—

(1) \* \* \*

\* \* \* \* \*

(2) REPORTING OF DISCLOSURES.—A government entity that receives a disclosure under section 2702(b) of title 18, United States Code, shall file, not later than 90 days after such disclosure, a report to the Attorney General stating the paragraph of that section under which the disclosure was made, the date of the disclosure, the entity to which the disclosure was made, the number of customers or subscribers to whom the information disclosed pertained, and the number of communications, if any, that were disclosed. The Attorney General shall publish all such reports into a single report to be submitted to Congress 1 year after the date of enactment of this Act.

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## Subtitle D—Office of Science and Technology

### SEC. 231. [6 U.S.C. 161] ESTABLISHMENT OF OFFICE; DIRECTOR.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is hereby established within the Department of Justice an Office of Science and Technology (hereinafter in this title referred to as the “Office”).

(2) AUTHORITY.—The Office shall be under the general authority of the Assistant Attorney General, Office of Justice Programs, and shall be established within the National Institute of Justice.

(b) DIRECTOR.—The Office shall be headed by a Director, who shall be an individual appointed based on approval by the Office of Personnel Management of the executive qualifications of the individual.

### SEC. 232. [6 U.S.C. 162] MISSION OF OFFICE; DUTIES.

(a) MISSION.—The mission of the Office shall be—

(1) to serve as the national focal point for work on law enforcement technology; and

(2) to carry out programs that, through the provision of equipment, training, and technical assistance, improve the safety and effectiveness of law enforcement technology and improve access to such technology by Federal, State, and local law enforcement agencies.

(b) DUTIES.—In carrying out its mission, the Office shall have the following duties:

(1) To provide recommendations and advice to the Attorney General.

(2) To establish and maintain advisory groups (which shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.)) to assess the law enforcement technology needs of Federal, State, and local law enforcement agencies.

(3) To establish and maintain performance standards in accordance with the National Technology Transfer and Advancement Act of 1995 (Public Law 104–113) for, and test and evaluate law enforcement technologies that may be used by, Federal, State, and local law enforcement agencies.

(4) To establish and maintain a program to certify, validate, and mark or otherwise recognize law enforcement technology products that conform to standards established and maintained by the Office in accordance with the National Technology Transfer and Advancement Act of 1995 (Public Law 104–113). The program may, at the discretion of the Office, allow for supplier’s declaration of conformity with such standards.

(5) To work with other entities within the Department of Justice, other Federal agencies, and the executive office of the President to establish a coordinated Federal approach on issues related to law enforcement technology.

(6) To carry out research, development, testing, evaluation, and cost-benefit analyses in fields that would improve the safety, effectiveness, and efficiency of law enforcement technologies used by Federal, State, and local law enforcement agencies, including, but not limited to—

(A) weapons capable of preventing use by unauthorized persons, including personalized guns;

(B) protective apparel;

(C) bullet-resistant and explosion-resistant glass;

(D) monitoring systems and alarm systems capable of providing precise location information;

(E) wire and wireless interoperable communication technologies;

(F) tools and techniques that facilitate investigative and forensic work, including computer forensics;

(G) equipment for particular use in counterterrorism, including devices and technologies to disable terrorist devices;

(H) guides to assist State and local law enforcement agencies;

(I) DNA identification technologies; and

(J) tools and techniques that facilitate investigations of computer crime.

(7) To administer a program of research, development, testing, and demonstration to improve the interoperability of voice and data public safety communications.

(8) To serve on the Technical Support Working Group of the Department of Defense, and on other relevant interagency panels, as requested.

(9) To develop, and disseminate to State and local law enforcement agencies, technical assistance and training materials for law enforcement personnel, including prosecutors.

(10) To operate the regional National Law Enforcement and Corrections Technology Centers and, to the extent necessary, establish additional centers through a competitive process.

(11) To administer a program of acquisition, research, development, and dissemination of advanced investigative analysis and forensic tools to assist State and local law enforcement agencies in combating cybercrime.

(12) To support research fellowships in support of its mission.

(13) To serve as a clearinghouse for information on law enforcement technologies.

(14) To represent the United States and State and local law enforcement agencies, as requested, in international activities concerning law enforcement technology.

(15) To enter into contracts and cooperative agreements and provide grants, which may require in-kind or cash matches from the recipient, as necessary to carry out its mission.

(16) To carry out other duties assigned by the Attorney General to accomplish the mission of the Office.

(c) **COMPETITION REQUIRED.**—Except as otherwise expressly provided by law, all research and development carried out by or through the Office shall be carried out on a competitive basis.

(d) **INFORMATION FROM FEDERAL AGENCIES.**—Federal agencies shall, upon request from the Office and in accordance with Federal law, provide the Office with any data, reports, or other information requested, unless compliance with such request is otherwise prohibited by law.

(e) **PUBLICATIONS.**—Decisions concerning publications issued by the Office shall rest solely with the Director of the Office.

(f) **TRANSFER OF FUNDS.**—The Office may transfer funds to other Federal agencies or provide funding to non-Federal entities through grants, cooperative agreements, or contracts to carry out its duties under this section: *Provided*, That any such transfer or provision of funding shall be carried out in accordance with section 605 of Public Law 107–77.

(g) **ANNUAL REPORT.**—The Director of the Office shall include with the budget justification materials submitted to Congress in support of the Department of Justice budget for each fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) a report on the activities of the Office. Each such report shall include the following:

(1) For the period of 5 fiscal years beginning with the fiscal year for which the budget is submitted—

(A) the Director’s assessment of the needs of Federal, State, and local law enforcement agencies for assistance with respect to law enforcement technology and other matters consistent with the mission of the Office; and

(B) a strategic plan for meeting such needs of such law enforcement agencies.

(2) For the fiscal year preceding the fiscal year for which such budget is submitted, a description of the activities carried out by the Office and an evaluation of the extent to which those activities successfully meet the needs assessed under paragraph (1)(A) in previous reports.

**SEC. 233. [6 U.S.C. 163] DEFINITION OF LAW ENFORCEMENT TECHNOLOGY.**

For the purposes of this title, the term “law enforcement technology” includes investigative and forensic technologies, corrections technologies, and technologies that support the judicial process.

**SEC. 234. [6 U.S.C. 164] ABOLISHMENT OF OFFICE OF SCIENCE AND TECHNOLOGY OF NATIONAL INSTITUTE OF JUSTICE; TRANSFER OF FUNCTIONS.**

(a) **AUTHORITY TO TRANSFER FUNCTIONS.**—The Attorney General may transfer to the Office any other program or activity of the Department of Justice that the Attorney General, in consultation with the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives, determines to be consistent with the mission of the Office.

(b) **TRANSFER OF PERSONNEL AND ASSETS.**—With respect to any function, power, or duty, or any program or activity, that is established in the Office, those employees and assets of the element of the Department of Justice from which the transfer is made that the Attorney General determines are needed to perform that function,

power, or duty, or for that program or activity, as the case may be, shall be transferred to the Office: *Provided*, That any such transfer shall be carried out in accordance with section 605 of Public Law 107-77.

(c) REPORT ON IMPLEMENTATION.—Not later than 1 year after the date of the enactment of this Act, the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the implementation of this title. The report shall—

(1) provide an accounting of the amounts and sources of funding available to the Office to carry out its mission under existing authorizations and appropriations, and set forth the future funding needs of the Office; and

(2) include such other information and recommendations as the Attorney General considers appropriate.

**SEC. 235. [6 U.S.C. 165] NATIONAL LAW ENFORCEMENT AND CORRECTIONS TECHNOLOGY CENTERS.**

(a) IN GENERAL.—The Director of the Office shall operate and support National Law Enforcement and Corrections Technology Centers (hereinafter in this section referred to as “Centers”) and, to the extent necessary, establish new centers through a merit-based, competitive process.

(b) PURPOSE OF CENTERS.—The purpose of the Centers shall be to—

(1) support research and development of law enforcement technology;

(2) support the transfer and implementation of technology;

(3) assist in the development and dissemination of guidelines and technological standards; and

(4) provide technology assistance, information, and support for law enforcement, corrections, and criminal justice purposes.

(c) ANNUAL MEETING.—Each year, the Director shall convene a meeting of the Centers in order to foster collaboration and communication between Center participants.

(d) REPORT.—Not later than 12 months after the date of the enactment of this Act, the Director shall transmit to the Congress a report assessing the effectiveness of the existing system of Centers and identify the number of Centers necessary to meet the technology needs of Federal, State, and local law enforcement in the United States.

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## **TITLE III—SCIENCE AND TECHNOLOGY IN SUPPORT OF HOMELAND SECURITY**

**SEC. 301. [6 U.S.C. 181] UNDER SECRETARY FOR SCIENCE AND TECHNOLOGY.**

There shall be in the Department a Directorate of Science and Technology headed by an Under Secretary for Science and Technology.

**SEC. 302. [6 U.S.C. 182] RESPONSIBILITIES AND AUTHORITIES OF THE UNDER SECRETARY FOR SCIENCE AND TECHNOLOGY.**

The Secretary, acting through the Under Secretary for Science and Technology, shall have the responsibility for—

(1) advising the Secretary regarding research and development efforts and priorities in support of the Department's missions;

(2) developing, in consultation with other appropriate executive agencies, a national policy and strategic plan for, identifying priorities, goals, objectives and policies for, and coordinating the Federal Government's civilian efforts to identify and develop countermeasures to chemical, biological,<sup>1</sup> and other emerging terrorist threats, including the development of comprehensive, research-based definable goals for such efforts and development of annual measurable objectives and specific targets to accomplish and evaluate the goals for such efforts;

(3) supporting the Under Secretary for Intelligence and Analysis and the Assistant Secretary for Infrastructure Protection, by assessing and testing homeland security vulnerabilities and possible threats;

(4) conducting basic and applied research, development, demonstration, testing, and evaluation activities that are relevant to any or all elements of the Department, through both intramural and extramural programs, except that such responsibility does not extend to human health-related research and development activities;

(5) establishing priorities for, directing, funding, and conducting national research, development, test and evaluation, and procurement of technology and systems for—

(A) preventing the importation of chemical, biological,<sup>1</sup> and related weapons and material; and

(B) detecting, preventing, protecting against, and responding to terrorist attacks;

(6) establishing a system for transferring homeland security developments or technologies to Federal, State, local government, and private sector entities;

(7) entering into work agreements, joint sponsorships, contracts, or any other agreements with the Department of Energy regarding the use of the national laboratories or sites and support of the science and technology base at those facilities;

(8) collaborating with the Secretary of Agriculture and the Attorney General as provided in section 212 of the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. 8401), as amended by section 1709(b);

(9) collaborating with the Secretary of Health and Human Services and the Attorney General in determining any new biological agents and toxins that shall be listed as "select agents" in Appendix A of part 72 of title 42, Code of Federal Regulations, pursuant to section 351A of the Public Health Service Act (42 U.S.C. 262a);

(10) supporting United States leadership in science and technology;

<sup>1</sup> Two commas so in law. See section 501(b)(2)(A) of Public Law 109-347 (120 Stat. 1935).

<sup>1</sup> Two commas so in law. See section 501(b)(2)(B) of Public Law 109-347 (120 Stat. 1935).

(11) establishing and administering the primary research and development activities of the Department, including the long-term research and development needs and capabilities for all elements of the Department;

(12) coordinating and integrating all research, development, demonstration, testing, and evaluation activities of the Department;

(13) coordinating with other appropriate executive agencies in developing and carrying out the science and technology agenda of the Department to reduce duplication and identify unmet needs; and

(14) developing and overseeing the administration of guidelines for merit review of research and development projects throughout the Department, and for the dissemination of research conducted or sponsored by the Department.

**SEC. 303. [6 U.S.C. 183] FUNCTIONS TRANSFERRED.**

In accordance with title XV, there shall be transferred to the Secretary the functions, personnel, assets, and liabilities of the following entities:

(1) The following programs and activities of the Department of Energy, including the functions of the Secretary of Energy relating thereto (but not including programs and activities relating to the strategic nuclear defense posture of the United States):

(A) The chemical and biological national security and supporting programs and activities of the nonproliferation and verification research and development program.

(B) The nuclear smuggling programs and activities within the proliferation detection program of the nonproliferation and verification research and development program. The programs and activities described in this subparagraph may be designated by the President either for transfer to the Department or for joint operation by the Secretary and the Secretary of Energy.

(C) The nuclear assessment program and activities of the assessment, detection, and cooperation program of the international materials protection and cooperation program.

(D) Such life sciences activities of the biological and environmental research program related to microbial pathogens as may be designated by the President for transfer to the Department.

(E) The Environmental Measurements Laboratory.

(F) The advanced scientific computing research program and activities at Lawrence Livermore National Laboratory.

(2) The National Bio-Weapons Defense Analysis Center of the Department of Defense, including the functions of the Secretary of Defense related thereto.

**SEC. 304. [6 U.S.C. 184] CONDUCT OF CERTAIN PUBLIC HEALTH-RELATED ACTIVITIES.**

(a) **IN GENERAL.**—With respect to civilian human health-related research and development activities relating to counter-

measures for chemical, biological, radiological, and nuclear and other emerging terrorist threats carried out by the Department of Health and Human Services (including the Public Health Service), the Secretary of Health and Human Services shall set priorities, goals, objectives, and policies and develop a coordinated strategy for such activities in collaboration with the Secretary of Homeland Security to ensure consistency with the national policy and strategic plan developed pursuant to section 302(2).

(b) EVALUATION OF PROGRESS.—In carrying out subsection (a), the Secretary of Health and Human Services shall collaborate with the Secretary in developing specific benchmarks and outcome measurements for evaluating progress toward achieving the priorities and goals described in such subsection.

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**SEC. 305. [6 U.S.C. 185] FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.**

The Secretary, acting through the Under Secretary for Science and Technology, shall have the authority to establish or contract with 1 or more federally funded research and development centers to provide independent analysis of homeland security issues, or to carry out other responsibilities under this Act, including coordinating and integrating both the extramural and intramural programs described in section 308.

**SEC. 306. [6 U.S.C. 186] MISCELLANEOUS PROVISIONS.**

(a) CLASSIFICATION.—To the greatest extent practicable, research conducted or supported by the Department shall be unclassified.

(b) CONSTRUCTION.—Nothing in this title shall be construed to preclude any Under Secretary of the Department from carrying out research, development, demonstration, or deployment activities, as long as such activities are coordinated through the Under Secretary for Science and Technology.

(c) REGULATIONS.—The Secretary, acting through the Under Secretary for Science and Technology, may issue necessary regulations with respect to research, development, demonstration, testing, and evaluation activities of the Department, including the conducting, funding, and reviewing of such activities.

(d) NOTIFICATION OF PRESIDENTIAL LIFE SCIENCES DESIGNATIONS.—Not later than 60 days before effecting any transfer of Department of Energy life sciences activities pursuant to section 303(1)(D) of this Act, the President shall notify the appropriate congressional committees of the proposed transfer and shall include the reasons for the transfer and a description of the effect of the transfer on the activities of the Department of Energy.

**SEC. 307. [6 U.S.C. 187] HOMELAND SECURITY ADVANCED RESEARCH PROJECTS AGENCY.**

(a) DEFINITIONS.—In this section:

(1) FUND.—The term “Fund” means the Acceleration Fund for Research and Development of Homeland Security Technologies established in subsection (c).

(2) HOMELAND SECURITY RESEARCH.—The term “homeland security research” means research relevant to the detection of,



prevention of, protection against, response to, attribution of, and recovery from homeland security threats, particularly acts of terrorism.

(3) HSARPA.—The term “HSARPA” means the Homeland Security Advanced Research Projects Agency established in subsection (b).

(4) UNDER SECRETARY.—The term “Under Secretary” means the Under Secretary for Science and Technology.

(b) HOMELAND SECURITY ADVANCED RESEARCH PROJECTS AGENCY.—

(1) ESTABLISHMENT.—There is established the Homeland Security Advanced Research Projects Agency.

(2) DIRECTOR.—HSARPA shall be headed by a Director, who shall be appointed by the Secretary. The Director shall report to the Under Secretary.

(3) RESPONSIBILITIES.—The Director shall administer the Fund to award competitive, merit-reviewed grants, cooperative agreements or contracts to public or private entities, including businesses, federally funded research and development centers, and universities. The Director shall administer the Fund to—

(A) support basic and applied homeland security research to promote revolutionary changes in technologies that would promote homeland security;

(B) advance the development, testing and evaluation, and deployment of critical homeland security technologies; and

(C) accelerate the prototyping and deployment of technologies that would address homeland security vulnerabilities.

(4) TARGETED COMPETITIONS.—The Director may solicit proposals to address specific vulnerabilities identified by the Director.

(5) COORDINATION.—The Director shall ensure that the activities of HSARPA are coordinated with those of other relevant research agencies, and may run projects jointly with other agencies.

(6) PERSONNEL.—In hiring personnel for HSARPA, the Secretary shall have the hiring and management authorities described in section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (5 U.S.C. 3104 note; Public Law 105–261). The term of appointments for employees under subsection (c)(1) of that section may not exceed 5 years before the granting of any extension under subsection (c)(2) of that section.

(7) DEMONSTRATIONS.—The Director, periodically, shall hold homeland security technology demonstrations to improve contact among technology developers, vendors and acquisition personnel.

(c) FUND.—

(1) ESTABLISHMENT.—There is established the Acceleration Fund for Research and Development of Homeland Security Technologies, which shall be administered by the Director of HSARPA.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$500,000,000 to the Fund for fiscal year 2003 and such sums as may be necessary thereafter.

(3) **COAST GUARD.**—Of the funds authorized to be appropriated under paragraph (2), not less than 10 percent of such funds for each fiscal year through fiscal year 2005 shall be authorized only for the Under Secretary, through joint agreement with the Commandant of the Coast Guard, to carry out research and development of improved ports, waterways and coastal security surveillance and perimeter protection capabilities for the purpose of minimizing the possibility that Coast Guard cutters, aircraft, helicopters, and personnel will be diverted from non-homeland security missions to the ports, waterways and coastal security mission.

**SEC. 308. [6 U.S.C. 188] CONDUCT OF RESEARCH, DEVELOPMENT, DEMONSTRATION, TESTING AND EVALUATION.**

(a) **IN GENERAL.**—The Secretary, acting through the Under Secretary for Science and Technology, shall carry out the responsibilities under section 302(4) through both extramural and intramural programs.

(b) **EXTRAMURAL PROGRAMS.**—

(1) **IN GENERAL.**—The Secretary, acting through the Under Secretary for Science and Technology, shall operate extramural research, development, demonstration, testing, and evaluation programs so as to—

(A) ensure that colleges, universities, private research institutes, and companies (and consortia thereof) from as many areas of the United States as practicable participate;

(B) ensure that the research funded is of high quality, as determined through merit review processes developed under section 302(14); and

(C) distribute funds through grants, cooperative agreements, and contracts.

(2) **UNIVERSITY-BASED CENTERS FOR HOMELAND SECURITY.**—

(A) **DESIGNATION.**—The Secretary, acting through the Under Secretary for Science and Technology, shall designate a university-based center or several university-based centers for homeland security. The purpose of the center or these centers shall be to establish a coordinated, university-based system to enhance the Nation's homeland security.

(B) **CRITERIA FOR DESIGNATION.**—Criteria for the designation of colleges or universities as a center for homeland security, shall include, but are not limited to, demonstrated expertise in—

(i) The training of first responders.

(ii) Responding to incidents involving weapons of mass destruction and biological warfare.

(iii) Emergency and diagnostic medical services.

(iv) Chemical, biological, radiological, and nuclear countermeasures or detection.

(v) Animal and plant health and diagnostics.

(vi) Food safety.

- (vii) Water and wastewater operations.
- (viii) Port and waterway security.
- (ix) Multi-modal transportation.
- (x) Information security and information engineering.
- (xi) Engineering.
- (xii) Educational outreach and technical assistance.
- (xiii) Border transportation and security.
- (xiv) The public policy implications and public dissemination of homeland security related research and development.

(C) DISCRETION OF SECRETARY.—To the extent that exercising such discretion is in the interest of homeland security, and with respect to the designation of any given university-based center for homeland security, the Secretary may except certain criteria as specified in section 308(b)(2)(B) and consider additional criteria beyond those specified in section 308(b)(2)(B). Upon designation of a university-based center for homeland security, the Secretary shall that day publish in the Federal Register the criteria that were excepted or added in the selection process and the justification for the set of criteria that were used for that designation.

(D) REPORT TO CONGRESS.—The Secretary shall report annually, from the date of enactment, to Congress concerning the implementation of this section. That report shall indicate which center or centers have been designated and how the designation or designations enhance homeland security, as well as report any decisions to revoke or modify such designations.

(E) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this paragraph.

(c) INTRAMURAL PROGRAMS.—

(1) CONSULTATION.—In carrying out the duties under section 302, the Secretary, acting through the Under Secretary for Science and Technology, may draw upon the expertise of any laboratory of the Federal Government, whether operated by a contractor or the Government.

(2) LABORATORIES.—The Secretary, acting through the Under Secretary for Science and Technology, may establish a headquarters laboratory for the Department at any laboratory or site and may establish additional laboratory units at other laboratories or sites.

(3) CRITERIA FOR HEADQUARTERS LABORATORY.—If the Secretary chooses to establish a headquarters laboratory pursuant to paragraph (2), then the Secretary shall do the following:

(A) Establish criteria for the selection of the headquarters laboratory in consultation with the National Academy of Sciences, appropriate Federal agencies, and other experts.

(B) Publish the criteria in the Federal Register.

(C) Evaluate all appropriate laboratories or sites against the criteria.

(D) Select a laboratory or site on the basis of the criteria.

(E) Report to the appropriate congressional committees on which laboratory was selected, how the selected laboratory meets the published criteria, and what duties the headquarters laboratory shall perform.

(4) LIMITATION ON OPERATION OF LABORATORIES.—No laboratory shall begin operating as the headquarters laboratory of the Department until at least 30 days after the transmittal of the report required by paragraph (3)(E).

**SEC. 309. [6 U.S.C. 189] UTILIZATION OF DEPARTMENT OF ENERGY NATIONAL LABORATORIES AND SITES IN SUPPORT OF HOMELAND SECURITY ACTIVITIES.**

(a) AUTHORITY TO UTILIZE NATIONAL LABORATORIES AND SITES.—

(1) IN GENERAL.—In carrying out the missions of the Department, the Secretary may utilize the Department of Energy national laboratories and sites through any 1 or more of the following methods, as the Secretary considers appropriate:

(A) A joint sponsorship arrangement referred to in subsection (b).

(B) A direct contract between the Department and the applicable Department of Energy laboratory or site, subject to subsection (c).

(C) Any “work for others” basis made available by that laboratory or site.

(D) Any other method provided by law.

(2) ACCEPTANCE AND PERFORMANCE BY LABS AND SITES.—Notwithstanding any other law governing the administration, mission, use, or operations of any of the Department of Energy national laboratories and sites, such laboratories and sites are authorized to accept and perform work for the Secretary, consistent with resources provided, and perform such work on an equal basis to other missions at the laboratory and not on a noninterference basis with other missions of such laboratory or site.

(b) JOINT SPONSORSHIP ARRANGEMENTS.—

(1) LABORATORIES.—The Department may be a joint sponsor, under a multiple agency sponsorship arrangement with the Department of Energy, of 1 or more Department of Energy national laboratories in the performance of work.

(2) SITES.—The Department may be a joint sponsor of a Department of Energy site in the performance of work as if such site were a federally funded research and development center and the work were performed under a multiple agency sponsorship arrangement with the Department.

(3) PRIMARY SPONSOR.—The Department of Energy shall be the primary sponsor under a multiple agency sponsorship arrangement referred to in paragraph (1) or (2).

(4) LEAD AGENT.—The Secretary of Energy shall act as the lead agent in coordinating the formation and performance of a joint sponsorship arrangement under this subsection between

the Department and a Department of Energy national laboratory or site.

(5) FEDERAL ACQUISITION REGULATION.—Any work performed by a Department of Energy national laboratory or site under a joint sponsorship arrangement under this subsection shall comply with the policy on the use of federally funded research and development centers under the Federal Acquisition Regulations.

(6) FUNDING.—The Department shall provide funds for work at the Department of Energy national laboratories or sites, as the case may be, under a joint sponsorship arrangement under this subsection under the same terms and conditions as apply to the primary sponsor of such national laboratory under section 303(b)(1)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(b)(1)(C)) or of such site to the extent such section applies to such site as a federally funded research and development center by reason of this subsection.

(c) SEPARATE CONTRACTING.—To the extent that programs or activities transferred by this Act from the Department of Energy to the Department of Homeland Security are being carried out through direct contracts with the operator of a national laboratory or site of the Department of Energy, the Secretary of Homeland Security and the Secretary of Energy shall ensure that direct contracts for such programs and activities between the Department of Homeland Security and such operator are separate from the direct contracts of the Department of Energy with such operator.

(d) AUTHORITY WITH RESPECT TO COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS AND LICENSING AGREEMENTS.—In connection with any utilization of the Department of Energy national laboratories and sites under this section, the Secretary may permit the director of any such national laboratory or site to enter into cooperative research and development agreements or to negotiate licensing agreements with any person, any agency or instrumentality, of the United States, any unit of State or local government, and any other entity under the authority granted by section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a). Technology may be transferred to a non-Federal party to such an agreement consistent with the provisions of sections 11 and 12 of that Act (15 U.S.C. 3710, 3710a).

(e) REIMBURSEMENT OF COSTS.—In the case of an activity carried out by the operator of a Department of Energy national laboratory or site in connection with any utilization of such laboratory or site under this section, the Department of Homeland Security shall reimburse the Department of Energy for costs of such activity through a method under which the Secretary of Energy waives any requirement for the Department of Homeland Security to pay administrative charges or personnel costs of the Department of Energy or its contractors in excess of the amount that the Secretary of Energy pays for an activity carried out by such contractor and paid for by the Department of Energy.

(f) LABORATORY DIRECTED RESEARCH AND DEVELOPMENT BY THE DEPARTMENT OF ENERGY.—No funds authorized to be appropriated or otherwise made available to the Department in any fis-

cal year may be obligated or expended for laboratory directed research and development activities carried out by the Department of Energy unless such activities support the missions of the Department of Homeland Security.

(g) OFFICE FOR NATIONAL LABORATORIES.—There is established within the Directorate of Science and Technology an Office for National Laboratories, which shall be responsible for the coordination and utilization of the Department of Energy national laboratories and sites under this section in a manner to create a networked laboratory system for the purpose of supporting the missions of the Department.

(h) DEPARTMENT OF ENERGY COORDINATION ON HOMELAND SECURITY RELATED RESEARCH.—The Secretary of Energy shall ensure that any research, development, test, and evaluation activities conducted within the Department of Energy that are directly or indirectly related to homeland security are fully coordinated with the Secretary to minimize duplication of effort and maximize the effective application of Federal budget resources.

**SEC. 310. [6 U.S.C. 190] TRANSFER OF PLUM ISLAND ANIMAL DISEASE CENTER, DEPARTMENT OF AGRICULTURE.**

(a) IN GENERAL.—In accordance with title XV, the Secretary of Agriculture shall transfer to the Secretary of Homeland Security the Plum Island Animal Disease Center of the Department of Agriculture, including the assets and liabilities of the Center.

(b) CONTINUED DEPARTMENT OF AGRICULTURE ACCESS.—On completion of the transfer of the Plum Island Animal Disease Center under subsection (a), the Secretary of Homeland Security and the Secretary of Agriculture shall enter into an agreement to ensure that the Department of Agriculture is able to carry out research, diagnostic, and other activities of the Department of Agriculture at the Center.

(c) DIRECTION OF ACTIVITIES.—The Secretary of Agriculture shall continue to direct the research, diagnostic, and other activities of the Department of Agriculture at the Center described in subsection (b).

(d) NOTIFICATION.—

(1) IN GENERAL.—At least 180 days before any change in the biosafety level at the Plum Island Animal Disease Center, the President shall notify Congress of the change and describe the reasons for the change.

(2) LIMITATION.—No change described in paragraph (1) may be made earlier than 180 days after the completion of the transition period (as defined in section 1501).

**SEC. 311. [6 U.S.C. 191] HOMELAND SECURITY SCIENCE AND TECHNOLOGY ADVISORY COMMITTEE.**

(a) ESTABLISHMENT.—There is established within the Department a Homeland Security Science and Technology Advisory Committee (in this section referred to as the “Advisory Committee”). The Advisory Committee shall make recommendations with respect to the activities of the Under Secretary for Science and Technology, including identifying research areas of potential importance to the security of the Nation.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Advisory Committee shall consist of 20 members appointed by the Under Secretary for Science and Technology, which shall include emergency first-responders or representatives of organizations or associations of emergency first-responders. The Advisory Committee shall also include representatives of citizen groups, including economically disadvantaged communities. The individuals appointed as members of the Advisory Committee—

(A) shall be eminent in fields such as emergency response, research, engineering, new product development, business, and management consulting;

(B) shall be selected solely on the basis of established records of distinguished service;

(C) shall not be employees of the Federal Government; and

(D) shall be so selected as to provide representation of a cross-section of the research, development, demonstration, and deployment activities supported by the Under Secretary for Science and Technology.

(2) NATIONAL RESEARCH COUNCIL.—The Under Secretary for Science and Technology may enter into an arrangement for the National Research Council to select members of the Advisory Committee, but only if the panel used by the National Research Council reflects the representation described in paragraph (1).

(c) TERMS OF OFFICE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the term of office of each member of the Advisory Committee shall be 3 years.

(2) ORIGINAL APPOINTMENTS.—The original members of the Advisory Committee shall be appointed to three classes. One class of six shall have a term of 1 year, one class of seven a term of 2 years, and one class of seven a term of 3 years.

(3) VACANCIES.—A member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

(d) ELIGIBILITY.—A person who has completed two consecutive full terms of service on the Advisory Committee shall thereafter be ineligible for appointment during the 1-year period following the expiration of the second such term.

(e) MEETINGS.—The Advisory Committee shall meet at least quarterly at the call of the Chair or whenever one-third of the members so request in writing. Each member shall be given appropriate notice of the call of each meeting, whenever possible not less than 15 days before the meeting.

(f) QUORUM.—A majority of the members of the Advisory Committee not having a conflict of interest in the matter being considered by the Advisory Committee shall constitute a quorum.

(g) CONFLICT OF INTEREST RULES.—The Advisory Committee shall establish rules for determining when 1 of its members has a conflict of interest in a matter being considered by the Advisory Committee.

(h) REPORTS.—

(1) ANNUAL REPORT.—The Advisory Committee shall render an annual report to the Under Secretary for Science and Technology for transmittal to Congress on or before January 31 of each year. Such report shall describe the activities and recommendations of the Advisory Committee during the previous year.

(2) ADDITIONAL REPORTS.—The Advisory Committee may render to the Under Secretary for transmittal to Congress such additional reports on specific policy matters as it considers appropriate.

(i) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

(j) TERMINATION.—The Department of Homeland Security Science and Technology Advisory Committee shall terminate on December 31, 2008.

**SEC. 312. [6 U.S.C. 192] HOMELAND SECURITY INSTITUTE.**

(a) ESTABLISHMENT.—The Secretary shall establish a federally funded research and development center to be known as the “Homeland Security Institute” (in this section referred to as the “Institute”).

(b) ADMINISTRATION.—The Institute shall be administered as a separate entity by the Secretary.

(c) DUTIES.—The duties of the Institute shall be determined by the Secretary, and may include the following:

(1) Systems analysis, risk analysis, and simulation and modeling to determine the vulnerabilities of the Nation’s critical infrastructures and the effectiveness of the systems deployed to reduce those vulnerabilities.

(2) Economic and policy analysis to assess the distributed costs and benefits of alternative approaches to enhancing security.

(3) Evaluation of the effectiveness of measures deployed to enhance the security of institutions, facilities, and infrastructure that may be terrorist targets.

(4) Identification of instances when common standards and protocols could improve the interoperability and effective utilization of tools developed for field operators and first responders.

(5) Assistance for Federal agencies and departments in establishing testbeds to evaluate the effectiveness of technologies under development and to assess the appropriateness of such technologies for deployment.

(6) Design of metrics and use of those metrics to evaluate the effectiveness of homeland security programs throughout the Federal Government, including all national laboratories.

(7) Design of and support for the conduct of homeland security-related exercises and simulations.

(8) Creation of strategic technology development plans to reduce vulnerabilities in the Nation’s critical infrastructure and key resources.

(d) CONSULTATION ON INSTITUTE ACTIVITIES.—In carrying out the duties described in subsection (c), the Institute shall consult



widely with representatives from private industry, institutions of higher education, nonprofit institutions, other Government agencies, and federally funded research and development centers.

(e) USE OF CENTERS.—The Institute shall utilize the capabilities of the National Infrastructure Simulation and Analysis Center.

(f) ANNUAL REPORTS.—The Institute shall transmit to the Secretary and Congress an annual report on the activities of the Institute under this section.

(g) TERMINATION.—The Homeland Security Institute shall terminate 5 years after its establishment.

**SEC. 313. [6 U.S.C. 193] TECHNOLOGY CLEARINGHOUSE TO ENCOURAGE AND SUPPORT INNOVATIVE SOLUTIONS TO ENHANCE HOMELAND SECURITY.**

(a) ESTABLISHMENT OF PROGRAM.—The Secretary, acting through the Under Secretary for Science and Technology, shall establish and promote a program to encourage technological innovation in facilitating the mission of the Department (as described in section 101).

(b) ELEMENTS OF PROGRAM.—The program described in subsection (a) shall include the following components:

(1) The establishment of a centralized Federal clearinghouse for information relating to technologies that would further the mission of the Department for dissemination, as appropriate, to Federal, State, and local government and private sector entities for additional review, purchase, or use.

(2) The issuance of announcements seeking unique and innovative technologies to advance the mission of the Department.

(3) The establishment of a technical assistance team to assist in screening, as appropriate, proposals submitted to the Secretary (except as provided in subsection (c)(2)) to assess the feasibility, scientific and technical merits, and estimated cost of such proposals, as appropriate.

(4) The provision of guidance, recommendations, and technical assistance, as appropriate, to assist Federal, State, and local government and private sector efforts to evaluate and implement the use of technologies described in paragraph (1) or (2).

(5) The provision of information for persons seeking guidance on how to pursue proposals to develop or deploy technologies that would enhance homeland security, including information relating to Federal funding, regulation, or acquisition.

(c) MISCELLANEOUS PROVISIONS.—

(1) IN GENERAL.—Nothing in this section shall be construed as authorizing the Secretary or the technical assistance team established under subsection (b)(3) to set standards for technology to be used by the Department, any other executive agency, any State or local government entity, or any private sector entity.

(2) CERTAIN PROPOSALS.—The technical assistance team established under subsection (b)(3) shall not consider or evaluate proposals submitted in response to a solicitation for offers

for a pending procurement or for a specific agency requirement.

(3) COORDINATION.—In carrying out this section, the Secretary shall coordinate with the Technical Support Working Group (organized under the April 1982 National Security Decision Directive Numbered 30).

**SEC. 314. OFFICE FOR INTEROPERABILITY AND COMPATIBILITY.**

(a) CLARIFICATION OF RESPONSIBILITIES.—The Director of the Office for Interoperability and Compatibility shall—

(1) assist the Secretary in developing and implementing the science and technology aspects of the program described in subparagraphs (D), (E), (F), and (G) of section 7303(a)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(a)(1));

(2) in coordination with the Federal Communications Commission, the National Institute of Standards and Technology, and other Federal departments and agencies with responsibility for standards, support the creation of national voluntary consensus standards for interoperable emergency communications;

(3) establish a comprehensive research, development, testing, and evaluation program for improving interoperable emergency communications;

(4) establish, in coordination with the Director for Emergency Communications, requirements for interoperable emergency communications capabilities, which shall be nonproprietary where standards for such capabilities exist, for all public safety radio and data communications systems and equipment purchased using homeland security assistance administered by the Department, excluding any alert and warning device, technology, or system;

(5) carry out the Department's responsibilities and authorities relating to research, development, testing, evaluation, or standards-related elements of the SAFECOM Program;

(6) evaluate and assess new technology in real-world environments to achieve interoperable emergency communications capabilities;

(7) encourage more efficient use of existing resources, including equipment, to achieve interoperable emergency communications capabilities;

(8) test public safety communications systems that are less prone to failure, support new nonvoice services, use spectrum more efficiently, and cost less than existing systems;

(9) coordinate with the private sector to develop solutions to improve emergency communications capabilities and achieve interoperable emergency communications capabilities; and

(10) conduct pilot projects, in coordination with the Director for Emergency Communications, to test and demonstrate technologies, including data and video, that enhance—

(A) the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(B) interoperable emergency communications capabilities.

(b) **COORDINATION.**—The Director of the Office for Interoperability and Compatibility shall coordinate with the Director for Emergency Communications with respect to the SAFECOM program.

(c) **SUFFICIENCY OF RESOURCES.**—The Secretary shall provide the Office for Interoperability and Compatibility the resources and staff necessary to carry out the responsibilities under this section.

**SEC. 315. EMERGENCY COMMUNICATIONS INTEROPERABILITY RESEARCH AND DEVELOPMENT.**

(a) **IN GENERAL.**—The Under Secretary for Science and Technology, acting through the Director of the Office for Interoperability and Compatibility, shall establish a comprehensive research and development program to support and promote—

(1) the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(2) interoperable emergency communications capabilities among emergency response providers and relevant government officials, including by—

(A) supporting research on a competitive basis, including through the Directorate of Science and Technology and Homeland Security Advanced Research Projects Agency; and

(B) considering the establishment of a Center of Excellence under the Department of Homeland Security Centers of Excellence Program focused on improving emergency response providers' communication capabilities.

(b) **PURPOSES.**—The purposes of the program established under subsection (a) include—

(1) supporting research, development, testing, and evaluation on emergency communication capabilities;

(2) understanding the strengths and weaknesses of the public safety communications systems in use;

(3) examining how current and emerging technology can make emergency response providers more effective, and how Federal, State, local, and tribal government agencies can use this technology in a coherent and cost-effective manner;

(4) investigating technologies that could lead to long-term advancements in emergency communications capabilities and supporting research on advanced technologies and potential systemic changes to dramatically improve emergency communications; and

(5) evaluating and validating advanced technology concepts, and facilitating the development and deployment of interoperable emergency communication capabilities.

(c) **DEFINITIONS.**—For purposes of this section, the term “interoperable”, with respect to emergency communications, has the meaning given the term in section 1808.

**SEC. 316. [6 U.S.C. 195b] NATIONAL BIOSURVEILLANCE INTEGRATION CENTER.**

(a) **ESTABLISHMENT.**—The Secretary shall establish, operate, and maintain a National Biosurveillance Integration Center (referred to in this section as the “NBIC”), which shall be headed by a Directing Officer, under an office or directorate of the Department that is in existence as of the date of the enactment of this section.

(b) **PRIMARY MISSION.**—The primary mission of the NBIC is to—

(1) enhance the capability of the Federal Government to—

(A) rapidly identify, characterize, localize, and track a biological event of national concern by integrating and analyzing data relating to human health, animal, plant, food, and environmental monitoring systems (both national and international); and

(B) disseminate alerts and other information to Member Agencies and, in coordination with (and where possible through) Member Agencies, to agencies of State, local, and tribal governments, as appropriate, to enhance the ability of such agencies to respond to a biological event of national concern; and

(2) oversee development and operation of the National Biosurveillance Integration System.

(c) **REQUIREMENTS.**—The NBIC shall detect, as early as possible, a biological event of national concern that presents a risk to the United States or the infrastructure or key assets of the United States, including by—

(1) consolidating data from all relevant surveillance systems maintained by Member Agencies to detect biological events of national concern across human, animal, and plant species;

(2) seeking private sources of surveillance, both foreign and domestic, when such sources would enhance coverage of critical surveillance gaps;

(3) using an information technology system that uses the best available statistical and other analytical tools to identify and characterize biological events of national concern in as close to real-time as is practicable;

(4) providing the infrastructure for such integration, including information technology systems and space, and support for personnel from Member Agencies with sufficient expertise to enable analysis and interpretation of data;

(5) working with Member Agencies to create information technology systems that use the minimum amount of patient data necessary and consider patient confidentiality and privacy issues at all stages of development and apprise the Privacy Officer of such efforts; and

(6) alerting Member Agencies and, in coordination with (and where possible through) Member Agencies, public health agencies of State, local, and tribal governments regarding any incident that could develop into a biological event of national concern.

(d) RESPONSIBILITIES OF THE DIRECTING OFFICER OF THE NBIC.—

(1) IN GENERAL.—The Directing Officer of the NBIC shall—

(A) on an ongoing basis, monitor the availability and appropriateness of surveillance systems used by the NBIC and those systems that could enhance biological situational awareness or the overall performance of the NBIC;

(B) on an ongoing basis, review and seek to improve the statistical and other analytical methods used by the NBIC;

(C) receive and consider other relevant homeland security information, as appropriate; and

(D) provide technical assistance, as appropriate, to all Federal, regional, State, local, and tribal government entities and private sector entities that contribute data relevant to the operation of the NBIC.

(2) ASSESSMENTS.—The Directing Officer of the NBIC shall—

(A) on an ongoing basis, evaluate available data for evidence of a biological event of national concern; and

(B) integrate homeland security information with NBIC data to provide overall situational awareness and determine whether a biological event of national concern has occurred.

(3) INFORMATION SHARING.—

(A) IN GENERAL.—The Directing Officer of the NBIC shall—

(i) establish a method of real-time communication with the National Operations Center;

(ii) in the event that a biological event of national concern is detected, notify the Secretary and disseminate results of NBIC assessments relating to that biological event of national concern to appropriate Federal response entities and, in coordination with relevant Member Agencies, regional, State, local, and tribal governmental response entities in a timely manner;

(iii) provide any report on NBIC assessments to Member Agencies and, in coordination with relevant Member Agencies, any affected regional, State, local, or tribal government, and any private sector entity considered appropriate that may enhance the mission of such Member Agencies, governments, or entities or the ability of the Nation to respond to biological events of national concern; and

(iv) share NBIC incident or situational awareness reports, and other relevant information, consistent with the information sharing environment established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485) and any policies, guidelines, procedures, instructions, or standards established under that section.

- (B) CONSULTATION.—The Directing Officer of the NBIC shall implement the activities described in subparagraph (A) consistent with the policies, guidelines, procedures, instructions, or standards established under section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 485) and in consultation with the Director of National Intelligence, the Under Secretary for Intelligence and Analysis, and other offices or agencies of the Federal Government, as appropriate.
- (e) RESPONSIBILITIES OF THE NBIC MEMBER AGENCIES.—
- (1) IN GENERAL.—Each Member Agency shall—
- (A) use its best efforts to integrate biosurveillance information into the NBIC, with the goal of promoting information sharing between Federal, State, local, and tribal governments to detect biological events of national concern;
- (B) provide timely information to assist the NBIC in maintaining biological situational awareness for accurate detection and response purposes;
- (C) enable the NBIC to receive and use biosurveillance information from member agencies to carry out its requirements under subsection (c);
- (D) connect the biosurveillance data systems of that Member Agency to the NBIC data system under mutually agreed protocols that are consistent with subsection (c)(5);
- (E) participate in the formation of strategy and policy for the operation of the NBIC and its information sharing;
- (F) provide personnel to the NBIC under an interagency personnel agreement and consider the qualifications of such personnel necessary to provide human, animal, and environmental data analysis and interpretation support to the NBIC; and
- (G) retain responsibility for the surveillance and intelligence systems of that department or agency, if applicable.
- (f) ADMINISTRATIVE AUTHORITIES.—
- (1) HIRING OF EXPERTS.—The Directing Officer of the NBIC shall hire individuals with the necessary expertise to develop and operate the NBIC.
- (2) DETAIL OF PERSONNEL.—Upon the request of the Directing Officer of the NBIC, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Department to assist the NBIC in carrying out this section.
- (g) NBIC INTERAGENCY WORKING GROUP.—The Directing Officer of the NBIC shall—
- (1) establish an interagency working group to facilitate interagency cooperation and to advise the Directing Officer of the NBIC regarding recommendations to enhance the biosurveillance capabilities of the Department; and
- (2) invite Member Agencies to serve on that working group.
- (h) RELATIONSHIP TO OTHER DEPARTMENTS AND AGENCIES.—The authority of the Directing Officer of the NBIC under this sec-

tion shall not affect any authority or responsibility of any other department or agency of the Federal Government with respect to bio-surveillance activities under any program administered by that department or agency.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as are necessary to carry out this section.

(j) **DEFINITIONS.**—In this section:

(1) The terms “biological agent” and “toxin” have the meanings given those terms in section 178 of title 18, United States Code.

(2) The term “biological event of national concern” means—

(A) an act of terrorism involving a biological agent or toxin; or

(B) a naturally occurring outbreak of an infectious disease that may result in a national epidemic.

(3) The term “homeland security information” has the meaning given that term in section 892.

(4) The term “Member Agency” means any Federal department or agency that, at the discretion of the head of that department or agency, has entered a memorandum of understanding regarding participation in the NBIC.

(5) The term “Privacy Officer” means the Privacy Officer appointed under section 222.

**SEC. 317. [6 U.S.C. 195c] PROMOTING ANTITERRORISM THROUGH INTERNATIONAL COOPERATION PROGRAM.**

(a) **DEFINITIONS.**—In this section:

(1) **DIRECTOR.**—The term “Director” means the Director selected under subsection (b)(2).

(2) **INTERNATIONAL COOPERATIVE ACTIVITY.**—The term “international cooperative activity” includes—

(A) coordinated research projects, joint research projects, or joint ventures;

(B) joint studies or technical demonstrations;

(C) coordinated field exercises, scientific seminars, conferences, symposia, and workshops;

(D) training of scientists and engineers;

(E) visits and exchanges of scientists, engineers, or other appropriate personnel;

(F) exchanges or sharing of scientific and technological information; and

(G) joint use of laboratory facilities and equipment.

(b) **SCIENCE AND TECHNOLOGY HOMELAND SECURITY INTERNATIONAL COOPERATIVE PROGRAMS OFFICE.**—

(1) **ESTABLISHMENT.**—The Under Secretary shall establish the Science and Technology Homeland Security International Cooperative Programs Office.

(2) **DIRECTOR.**—The Office shall be headed by a Director, who—

(A) shall be selected, in consultation with the Assistant Secretary for International Affairs, by and shall report to the Under Secretary; and

(B) may be an officer of the Department serving in another position.

(3) RESPONSIBILITIES.—

(A) DEVELOPMENT OF MECHANISMS.—The Director shall be responsible for developing, in coordination with the Department of State and, as appropriate, the Department of Defense, the Department of Energy, and other Federal agencies, understandings and agreements to allow and to support international cooperative activity in support of homeland security.

(B) PRIORITIES.—The Director shall be responsible for developing, in coordination with the Office of International Affairs and other Federal agencies, strategic priorities for international cooperative activity for the Department in support of homeland security.

(C) ACTIVITIES.—The Director shall facilitate the planning, development, and implementation of international cooperative activity to address the strategic priorities developed under subparagraph (B) through mechanisms the Under Secretary considers appropriate, including grants, cooperative agreements, or contracts to or with foreign public or private entities, governmental organizations, businesses (including small businesses and socially and economically disadvantaged small businesses (as those terms are defined in sections 3 and 8 of the Small Business Act (15 U.S.C. 632 and 637), respectively)), federally funded research and development centers, and universities.

(D) IDENTIFICATION OF PARTNERS.—The Director shall facilitate the matching of United States entities engaged in homeland security research with non-United States entities engaged in homeland security research so that they may partner in homeland security research activities.

(4) COORDINATION.—The Director shall ensure that the activities under this subsection are coordinated with the Office of International Affairs and the Department of State and, as appropriate, the Department of Defense, the Department of Energy, and other relevant Federal agencies or interagency bodies. The Director may enter into joint activities with other Federal agencies.

(c) MATCHING FUNDING.—

(1) IN GENERAL.—

(A) EQUITABILITY.—The Director shall ensure that funding and resources expended in international cooperative activity will be equitably matched by the foreign partner government or other entity through direct funding, funding of complementary activities, or the provision of staff, facilities, material, or equipment.

(B) GRANT MATCHING AND REPAYMENT.—

(i) IN GENERAL.—The Secretary may require a recipient of a grant under this section—

(I) to make a matching contribution of not more than 50 percent of the total cost of the proposed project for which the grant is awarded; and



(II) to repay to the Secretary the amount of the grant (or a portion thereof), interest on such amount at an appropriate rate, and such charges for administration of the grant as the Secretary determines appropriate.

(ii) MAXIMUM AMOUNT.—The Secretary may not require that repayment under clause (i)(II) be more than 150 percent of the amount of the grant, adjusted for inflation on the basis of the Consumer Price Index.

(2) FOREIGN PARTNERS.—Partners may include Israel, the United Kingdom, Canada, Australia, Singapore, and other allies in the global war on terrorism as determined to be appropriate by the Secretary of Homeland Security and the Secretary of State.

(3) LOANS OF EQUIPMENT.—The Director may make or accept loans of equipment for research and development and comparative testing purposes.

(d) FOREIGN REIMBURSEMENTS.—If the Science and Technology Homeland Security International Cooperative Programs Office participates in an international cooperative activity with a foreign partner on a cost-sharing basis, any reimbursements or contributions received from that foreign partner to meet its share of the project may be credited to appropriate current appropriations accounts of the Directorate of Science and Technology.

(e) REPORT TO CONGRESS ON INTERNATIONAL COOPERATIVE ACTIVITIES.—Not later than one year after the date of enactment of this section, and every 5 years thereafter, the Under Secretary, acting through the Director, shall submit to Congress a report containing—

(1) a brief description of each grant, cooperative agreement, or contract made or entered into under subsection (b)(3)(C), including the participants, goals, and amount and sources of funding; and

(2) a list of international cooperative activities underway, including the participants, goals, expected duration, and amount and sources of funding, including resources provided to support the activities in lieu of direct funding.

(f) ANIMAL AND ZOOLOGICAL DISEASES.—As part of the international cooperative activities authorized in this section, the Under Secretary, in coordination with the Chief Medical Officer, the Department of State, and appropriate officials of the Department of Agriculture, the Department of Defense, and the Department of Health and Human Services, may enter into cooperative activities with foreign countries, including African nations, to strengthen American preparedness against foreign animal and zoonotic diseases overseas that could harm the Nation's agricultural and public health sectors if they were to reach the United States.

(g) CONSTRUCTION; AUTHORITIES OF THE SECRETARY OF STATE.—Nothing in this section shall be construed to alter or affect the following provisions of law:

(1) Title V of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2656a et seq.).

(2) Section 112b(c) of title 1, United States Code.

(3) Section 1(e)(2) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a(e)(2)).

(4) Sections 2 and 27 of the Arms Export Control Act (22 U.S.C. 2752 and 22 U.S.C. 2767).

(5) Section 622(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2382(c)).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary.

## **TITLE IV—DIRECTORATE OF BORDER AND TRANSPORTATION SECURITY**

### **Subtitle A—Under Secretary for Border and Transportation Security**

#### **SEC. 401. [6 U.S.C. 201] UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY.**

There shall be in the Department a Directorate of Border and Transportation Security headed by an Under Secretary for Border and Transportation Security.

#### **SEC. 402. [6 U.S.C. 202] RESPONSIBILITIES.**

The Secretary, acting through the Under Secretary for Border and Transportation Security, shall be responsible for the following:

(1) Preventing the entry of terrorists and the instruments of terrorism into the United States.

(2) Securing the borders, territorial waters, ports, terminals, waterways, and air, land, and sea transportation systems of the United States, including managing and coordinating those functions transferred to the Department at ports of entry.

(3) Carrying out the immigration enforcement functions vested by statute in, or performed by, the Commissioner of Immigration and Naturalization (or any officer, employee, or component of the Immigration and Naturalization Service) immediately before the date on which the transfer of functions specified under section 441 takes effect.

(4) Establishing and administering rules, in accordance with section 428, governing the granting of visas or other forms of permission, including parole, to enter the United States to individuals who are not a citizen or an alien lawfully admitted for permanent residence in the United States.

(5) Establishing national immigration enforcement policies and priorities.

(6) Except as provided in subtitle C, administering the customs laws of the United States.

(7) Conducting the inspection and related administrative functions of the Department of Agriculture transferred to the Secretary of Homeland Security under section 421.

(8) In carrying out the foregoing responsibilities, ensuring the speedy, orderly, and efficient flow of lawful traffic and commerce.

**SEC. 403. [6 U.S.C. 203] FUNCTIONS TRANSFERRED.**

In accordance with title XV (relating to transition provisions), there shall be transferred to the Secretary the functions, personnel, assets, and liabilities of—

(1) the United States Customs Service of the Department of the Treasury, including the functions of the Secretary of the Treasury relating thereto;

(2) the Transportation Security Administration of the Department of Transportation, including the functions of the Secretary of Transportation, and of the Under Secretary of Transportation for Security, relating thereto;

(3) the Federal Protective Service of the General Services Administration, including the functions of the Administrator of General Services relating thereto;

(4) the Federal Law Enforcement Training Center of the Department of the Treasury; and

(5) the Office for Domestic Preparedness of the Office of Justice Programs, including the functions of the Attorney General relating thereto.

**Subtitle B—United States Customs Service****SEC. 411. [6 U.S.C. 211] ESTABLISHMENT; COMMISSIONER OF CUSTOMS.**

(a) ESTABLISHMENT.—There is established in the Department the United States Customs Service, under the authority of the Under Secretary for Border and Transportation Security, which shall be vested with those functions including, but not limited to those set forth in section 415(7), and the personnel, assets, and liabilities attributable to those functions.

(b) COMMISSIONER OF CUSTOMS.—

(1) IN GENERAL.—There shall be at the head of the Customs Service a Commissioner of Customs, who shall be appointed by the President, by and with the advice and consent of the Senate.

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(3) CONTINUATION IN OFFICE.—The individual serving as the Commissioner of Customs on the day before the effective date of this Act may serve as the Commissioner of Customs on and after such effective date until a Commissioner of Customs is appointed under paragraph (1).

**SEC. 412. [6 U.S.C. 212] RETENTION OF CUSTOMS REVENUE FUNCTIONS BY SECRETARY OF THE TREASURY.**

(a) RETENTION OF CUSTOMS REVENUE FUNCTIONS BY SECRETARY OF THE TREASURY.—

(1) RETENTION OF AUTHORITY.—Notwithstanding section 403(a)(1), authority related to Customs revenue functions that was vested in the Secretary of the Treasury by law before the effective date of this Act under those provisions of law set forth in paragraph (2) shall not be transferred to the Secretary by reason of this Act, and on and after the effective date of this Act, the Secretary of the Treasury may delegate any such authority to the Secretary at the discretion of the Secretary of the

Treasury. The Secretary of the Treasury shall consult with the Secretary regarding the exercise of any such authority not delegated to the Secretary.

(2) STATUTES.—The provisions of law referred to in paragraph (1) are the following: the Tariff Act of 1930; section 249 of the Revised Statutes of the United States (19 U.S.C. 3); section 2 of the Act of March 4, 1923 (19 U.S.C. 6); section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c); section 251 of the Revised Statutes of the United States (19 U.S.C. 66); section 1 of the Act of June 26, 1930 (19 U.S.C. 68); the Foreign Trade Zones Act (19 U.S.C. 81a et seq.); section 1 of the Act of March 2, 1911 (19 U.S.C. 198); the Trade Act of 1974; the Trade Agreements Act of 1979; the North American Free Trade Area Implementation Act; the Uruguay Round Agreements Act; the Caribbean Basin Economic Recovery Act; the Andean Trade Preference Act; the African Growth and Opportunity Act; and any other provision of law vesting customs revenue functions in the Secretary of the Treasury.

(b) MAINTENANCE OF CUSTOMS REVENUE FUNCTIONS.—

(1) MAINTENANCE OF FUNCTIONS.—Notwithstanding any other provision of this Act, the Secretary may not consolidate, discontinue, or diminish those functions described in paragraph (2) performed by the United States Customs Service (as established under section 411) on or after the effective date of this Act, reduce the staffing level, or reduce the resources attributable to such functions, and the Secretary shall ensure that an appropriate management structure is implemented to carry out such functions.

(2) FUNCTIONS.—The functions referred to in paragraph (1) are those functions performed by the following personnel, and associated support staff, of the United States Customs Service on the day before the effective date of this Act: Import Specialists, Entry Specialists, Drawback Specialists, National Import Specialist, Fines and Penalties Specialists, attorneys of the Office of Regulations and Rulings, Customs Auditors, International Trade Specialists, Financial Systems Specialists.

(c) NEW PERSONNEL.—The Secretary of the Treasury is authorized to appoint up to 20 new personnel to work with personnel of the Department in performing customs revenue functions.

**SEC. 413. [6 U.S.C. 213] PRESERVATION OF CUSTOMS FUNDS.**

Notwithstanding any other provision of this Act, no funds available to the United States Customs Service or collected under paragraphs (1) through (8) of section 13031(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 may be transferred for use by any other agency or office in the Department.

**SEC. 414. [6 U.S.C. 214] SEPARATE BUDGET REQUEST FOR CUSTOMS.**

The President shall include in each budget transmitted to Congress under section 1105 of title 31, United States Code, a separate budget request for the United States Customs Service.

**SEC. 415. [6 U.S.C. 215] DEFINITION.**

In this subtitle, the term “customs revenue function” means the following:

(1) Assessing and collecting customs duties (including anti-dumping and countervailing duties and duties imposed under safeguard provisions), excise taxes, fees, and penalties due on imported merchandise, including classifying and valuing merchandise for purposes of such assessment.

(2) Processing and denial of entry of persons, baggage, cargo, and mail, with respect to the assessment and collection of import duties.

(3) Detecting and apprehending persons engaged in fraudulent practices designed to circumvent the customs laws of the United States.

(4) Enforcing section 337 of the Tariff Act of 1930 and provisions relating to import quotas and the marking of imported merchandise, and providing Customs Recordations for copyrights, patents, and trademarks.

(5) Collecting accurate import data for compilation of international trade statistics.

(6) Enforcing reciprocal trade agreements.

(7) Functions performed by the following personnel, and associated support staff, of the United States Customs Service on the day before the effective date of this Act: Import Specialists, Entry Specialists, Drawback Specialists, National Import Specialist, Fines and Penalties Specialists, attorneys of the Office of Regulations and Rulings, Customs Auditors, International Trade Specialists, Financial Systems Specialists.

(8) Functions performed by the following offices, with respect to any function described in any of paragraphs (1) through (7), and associated support staff, of the United States Customs Service on the day before the effective date of this Act: the Office of Information and Technology, the Office of Laboratory Services, the Office of the Chief Counsel, the Office of Congressional Affairs, the Office of International Affairs, and the Office of Training and Development.

**SEC. 416. [6 U.S.C. 216] GAO REPORT TO CONGRESS.**

Not later than 3 months after the effective date of this Act, the Comptroller General of the United States shall submit to Congress a report that sets forth all trade functions performed by the executive branch, specifying each agency that performs each such function.

**SEC. 417. [6 U.S.C. 217] ALLOCATION OF RESOURCES BY THE SECRETARY.**

(a) **IN GENERAL.**—The Secretary shall ensure that adequate staffing is provided to assure that levels of customs revenue services provided on the day before the effective date of this Act shall continue to be provided.

(b) **NOTIFICATION OF CONGRESS.**—The Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate at least 90 days prior to taking any action which would—

(1) result in any significant reduction in customs revenue services, including hours of operation, provided at any office within the Department or any port of entry;

(2) eliminate or relocate any office of the Department which provides customs revenue services; or

(3) eliminate any port of entry.

(c) DEFINITION.—In this section, the term “customs revenue services” means those customs revenue functions described in paragraphs (1) through (6) and paragraph (8) of section 415.

**SEC. 418. [6 U.S.C. 218] REPORTS TO CONGRESS.**

(a) CONTINUING REPORTS.—The United States Customs Service shall, on and after the effective date of this Act, continue to submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate any report required, on the day before such the effective date of this Act, to be so submitted under any provision of law.

(b) REPORT ON CONFORMING AMENDMENTS.—Not later than 60 days after the date of enactment of this Act, the Secretary of the Treasury shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives of proposed conforming amendments to the statutes set forth under section 412(a)(2) in order to determine the appropriate allocation of legal authorities described under this subsection. The Secretary of the Treasury shall also identify those authorities vested in the Secretary of the Treasury that are exercised by the Commissioner of Customs on or before the effective date of this section.

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## Subtitle C—Miscellaneous Provisions

**SEC. 421. [6 U.S.C. 231] TRANSFER OF CERTAIN AGRICULTURAL INSPECTION FUNCTIONS OF THE DEPARTMENT OF AGRICULTURE.**

(a) TRANSFER OF AGRICULTURAL IMPORT AND ENTRY INSPECTION FUNCTIONS.—There shall be transferred to the Secretary the functions of the Secretary of Agriculture relating to agricultural import and entry inspection activities under the laws specified in subsection (b).

(b) COVERED ANIMAL AND PLANT PROTECTION LAWS.—The laws referred to in subsection (a) are the following:

(1) The Act commonly known as the Virus-Serum-Toxin Act (the eighth paragraph under the heading “Bureau of Animal Industry” in the Act of March 4, 1913; 21 U.S.C. 151 et seq.).

(2) Section 1 of the Act of August 31, 1922 (commonly known as the Honeybee Act; 7 U.S.C. 281).

(3) Title III of the Federal Seed Act (7 U.S.C. 1581 et seq.).

(4) The Plant Protection Act (7 U.S.C. 7701 et seq.).

(5) The Animal Health Protection Act (subtitle E of title X of Public Law 107–171; 7 U.S.C. 8301 et seq.).

(6) The Lacey Act Amendments of 1981 (16 U.S.C. 3371 et seq.).

(7) Section 11 of the Endangered Species Act of 1973 (16 U.S.C. 1540).

(c) EXCLUSION OF QUARANTINE ACTIVITIES.—For purposes of this section, the term “functions” does not include any quarantine activities carried out under the laws specified in subsection (b).

(d) EFFECT OF TRANSFER.—

(1) COMPLIANCE WITH DEPARTMENT OF AGRICULTURE REGULATIONS.—The authority transferred pursuant to subsection (a) shall be exercised by the Secretary in accordance with the regulations, policies, and procedures issued by the Secretary of Agriculture regarding the administration of the laws specified in subsection (b).

(2) RULEMAKING COORDINATION.—The Secretary of Agriculture shall coordinate with the Secretary whenever the Secretary of Agriculture prescribes regulations, policies, or procedures for administering the functions transferred under subsection (a) under a law specified in subsection (b).

(3) EFFECTIVE ADMINISTRATION.—The Secretary, in consultation with the Secretary of Agriculture, may issue such directives and guidelines as are necessary to ensure the effective use of personnel of the Department of Homeland Security to carry out the functions transferred pursuant to subsection (a).

(e) TRANSFER AGREEMENT.—

(1) AGREEMENT REQUIRED; REVISION.—Before the end of the transition period, as defined in section 1501, the Secretary of Agriculture and the Secretary shall enter into an agreement to effectuate the transfer of functions required by subsection (a). The Secretary of Agriculture and the Secretary may jointly revise the agreement as necessary thereafter.

(2) REQUIRED TERMS.—The agreement required by this subsection shall specifically address the following:

(A) The supervision by the Secretary of Agriculture of the training of employees of the Secretary to carry out the functions transferred pursuant to subsection (a).

(B) The transfer of funds to the Secretary under subsection (f).

(3) COOPERATION AND RECIPROCITY.—The Secretary of Agriculture and the Secretary may include as part of the agreement the following:

(A) Authority for the Secretary to perform functions delegated to the Animal and Plant Health Inspection Service of the Department of Agriculture regarding the protection of domestic livestock and plants, but not transferred to the Secretary pursuant to subsection (a).

(B) Authority for the Secretary of Agriculture to use employees of the Department of Homeland Security to carry out authorities delegated to the Animal and Plant Health Inspection Service regarding the protection of domestic livestock and plants.

(f) PERIODIC TRANSFER OF FUNDS TO DEPARTMENT OF HOMELAND SECURITY.—

(1) TRANSFER OF FUNDS.—Out of funds collected by fees authorized under sections 2508 and 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136, 136a), the Secretary of Agriculture shall transfer, from time to time in accordance with the agreement under subsection (e), to

the Secretary funds for activities carried out by the Secretary for which such fees were collected.

(2) LIMITATION.—The proportion of fees collected pursuant to such sections that are transferred to the Secretary under this subsection may not exceed the proportion of the costs incurred by the Secretary to all costs incurred to carry out activities funded by such fees.

(g) TRANSFER OF DEPARTMENT OF AGRICULTURE EMPLOYEES.—Not later than the completion of the transition period defined under section 1501, the Secretary of Agriculture shall transfer to the Secretary not more than 3,200 full-time equivalent positions of the Department of Agriculture.

\* \* \* \* \*

**SEC. 422. [6 U.S.C. 232] FUNCTIONS OF ADMINISTRATOR OF GENERAL SERVICES.**

(a) OPERATION, MAINTENANCE, AND PROTECTION OF FEDERAL BUILDINGS AND GROUNDS.—Nothing in this Act may be construed to affect the functions or authorities of the Administrator of General Services with respect to the operation, maintenance, and protection of buildings and grounds owned or occupied by the Federal Government and under the jurisdiction, custody, or control of the Administrator. Except for the law enforcement and related security functions transferred under section 403(3), the Administrator shall retain all powers, functions, and authorities vested in the Administrator under chapter 10 of title 40, United States Code, and other provisions of law that are necessary for the operation, maintenance, and protection of such buildings and grounds.

(b) COLLECTION OF RENTS AND FEES; FEDERAL BUILDINGS FUND.—

(1) STATUTORY CONSTRUCTION.—Nothing in this Act may be construed—

(A) to direct the transfer of, or affect, the authority of the Administrator of General Services to collect rents and fees, including fees collected for protective services; or

(B) to authorize the Secretary or any other official in the Department to obligate amounts in the Federal Buildings Fund established by section 490(f) of title 40, United States Code.

(2) USE OF TRANSFERRED AMOUNTS.—Any amounts transferred by the Administrator of General Services to the Secretary out of rents and fees collected by the Administrator shall be used by the Secretary solely for the protection of buildings or grounds owned or occupied by the Federal Government.

**SEC. 423. [6 U.S.C. 233] FUNCTIONS OF TRANSPORTATION SECURITY ADMINISTRATION.**

(a) CONSULTATION WITH FEDERAL AVIATION ADMINISTRATION.—The Secretary and other officials in the Department shall consult with the Administrator of the Federal Aviation Administration before taking any action that might affect aviation safety, air carrier operations, aircraft airworthiness, or the use of airspace. The Secretary shall establish a liaison office within the Department for the purpose of consulting with the Administrator of the Federal Aviation Administration.



(b) **REPORT TO CONGRESS.**—Not later than 60 days after the date of enactment of this Act, the Secretary of Transportation shall transmit to Congress a report containing a plan for complying with the requirements of section 44901(d) of title 49, United States Code, as amended by section 425 of this Act.

(c) **LIMITATIONS ON STATUTORY CONSTRUCTION.**—

(1) **GRANT OF AUTHORITY.**—Nothing in this Act may be construed to vest in the Secretary or any other official in the Department any authority over transportation security that is not vested in the Under Secretary of Transportation for Security, or in the Secretary of Transportation under chapter 449 of title 49, United States Code, on the day before the date of enactment of this Act.

(2) **OBLIGATION OF AIP FUNDS.**—Nothing in this Act may be construed to authorize the Secretary or any other official in the Department to obligate amounts made available under section 48103 of title 49, United States Code.

**SEC. 424. [6 U.S.C. 234] PRESERVATION OF TRANSPORTATION SECURITY ADMINISTRATION AS A DISTINCT ENTITY.**

(a) **IN GENERAL.**—Notwithstanding any other provision of this Act, and subject to subsection (b), the Transportation Security Administration shall be maintained as a distinct entity within the Department under the Under Secretary for Border Transportation and Security.

(b) **SUNSET.**—Subsection (a) shall cease to apply 2 years after the date of enactment of this Act.

\* \* \* \* \*

**SEC. 427. [6 U.S.C. 235] COORDINATION OF INFORMATION AND INFORMATION TECHNOLOGY.**

(a) **DEFINITION OF AFFECTED AGENCY.**—In this section, the term “affected agency” means—

- (1) the Department;
- (2) the Department of Agriculture;
- (3) the Department of Health and Human Services; and
- (4) any other department or agency determined to be appropriate by the Secretary.

(b) **COORDINATION.**—The Secretary, in coordination with the Secretary of Agriculture, the Secretary of Health and Human Services, and the head of each other department or agency determined to be appropriate by the Secretary, shall ensure that appropriate information (as determined by the Secretary) concerning inspections of articles that are imported or entered into the United States, and are inspected or regulated by 1 or more affected agencies, is timely and efficiently exchanged between the affected agencies.

(c) **REPORT AND PLAN.**—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the head of each other department or agency determined to be appropriate by the Secretary, shall submit to Congress—

- (1) a report on the progress made in implementing this section; and

(2) a plan to complete implementation of this section.

**SEC. 428. [6 U.S.C. 236] VISA ISSUANCE.**

(a) **DEFINITION.**—In this subsection, the term “consular office” has the meaning given that term under section 101(a)(9) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(9)).

(b) **IN GENERAL.**—Notwithstanding section 104(a) of the Immigration and Nationality Act (8 U.S.C. 1104(a)) or any other provision of law, and except as provided in subsection (c) of this section, the Secretary—

(1) shall be vested exclusively with all authorities to issue regulations with respect to, administer, and enforce the provisions of such Act, and of all other immigration and nationality laws, relating to the functions of consular officers of the United States in connection with the granting or refusal of visas, and shall have the authority to refuse visas in accordance with law and to develop programs of homeland security training for consular officers (in addition to consular training provided by the Secretary of State), which authorities shall be exercised through the Secretary of State, except that the Secretary shall not have authority to alter or reverse the decision of a consular officer to refuse a visa to an alien; and

(2) shall have authority to confer or impose upon any officer or employee of the United States, with the consent of the head of the executive agency under whose jurisdiction such officer or employee is serving, any of the functions specified in paragraph (1).

(c) **AUTHORITY OF THE SECRETARY OF STATE.**—

(1) **IN GENERAL.**—Notwithstanding subsection (b), the Secretary of State may direct a consular officer to refuse a visa to an alien if the Secretary of State deems such refusal necessary or advisable in the foreign policy or security interests of the United States.

(2) **CONSTRUCTION REGARDING AUTHORITY.**—Nothing in this section, consistent with the Secretary of Homeland Security’s authority to refuse visas in accordance with law, shall be construed as affecting the authorities of the Secretary of State under the following provisions of law:

(A) Section 101(a)(15)(A) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(A)).

(B) Section 204(d)(2) of the Immigration and Nationality Act (8 U.S.C. 1154) (as it will take effect upon the entry into force of the Convention on Protection of Children and Cooperation in Respect to Inter-Country adoption).

(C) Section 212(a)(3)(B)(i)(IV)(bb) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)(i)(IV)(bb)).

(D) Section 212(a)(3)(B)(i)(VI) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)(i)(VI)).

(E) Section 212(a)(3)(B)(vi)(II) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)(vi)(II)).

(F) Section 212(a)(3)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(C)).

(G) Section 212(a)(10)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(C)).

(H) Section 212(f) of the Immigration and Nationality Act (8 U.S.C. 1182(f)).

(I) Section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

(J) Section 237(a)(4)(C) of the Immigration and Nationality Act (8 U.S.C. 1227(a)(4)(C)).

(K) Section 401 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6034; Public Law 104–114).

(L) Section 613 of the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1999 (as contained in section 101(b) of division A of Public Law 105–277) (Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999); 112 Stat. 2681; H.R. 4328 (originally H.R. 4276) as amended by section 617 of Public Law 106–553.

(M) Section 103(f) of the Chemical Weapon Convention Implementation Act of 1998 (112 Stat. 2681–865).

(N) Section 801 of H.R. 3427, the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001, as enacted by reference in Public Law 106–113.

(O) Section 568 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115).

(P) Section 51 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2723).

(d) CONSULAR OFFICERS AND CHIEFS OF MISSIONS.—

(1) IN GENERAL.—Nothing in this section may be construed to alter or affect—

(A) the employment status of consular officers as employees of the Department of State; or

(B) the authority of a chief of mission under section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927).

(2) CONSTRUCTION REGARDING DELEGATION OF AUTHORITY.—Nothing in this section shall be construed to affect any delegation of authority to the Secretary of State by the President pursuant to any proclamation issued under section 212(f) of the Immigration and Nationality Act (8 U.S.C. 1182(f)), consistent with the Secretary of Homeland Security's authority to refuse visas in accordance with law.

(e) ASSIGNMENT OF HOMELAND SECURITY EMPLOYEES TO DIPLOMATIC AND CONSULAR POSTS.—

(1) IN GENERAL.—The Secretary is authorized to assign employees of the Department to each diplomatic and consular post at which visas are issued, unless the Secretary determines that such an assignment at a particular post would not promote homeland security.

(2) FUNCTIONS.—Employees assigned under paragraph (1) shall perform the following functions:

(A) Provide expert advice and training to consular officers regarding specific security threats relating to the ad-

judication of individual visa applications or classes of applications.

(B) Review any such applications, either on the initiative of the employee of the Department or upon request by a consular officer or other person charged with adjudicating such applications.

(C) Conduct investigations with respect to consular matters under the jurisdiction of the Secretary.

(3) EVALUATION OF CONSULAR OFFICERS.—The Secretary of State shall evaluate, in consultation with the Secretary, as deemed appropriate by the Secretary, the performance of consular officers with respect to the processing and adjudication of applications for visas in accordance with performance standards developed by the Secretary for these procedures.

(4) REPORT.—The Secretary shall, on an annual basis, submit a report to Congress that describes the basis for each determination under paragraph (1) that the assignment of an employee of the Department at a particular diplomatic post would not promote homeland security.

(5) PERMANENT ASSIGNMENT; PARTICIPATION IN TERRORIST LOOKOUT COMMITTEE.—When appropriate, employees of the Department assigned to perform functions described in paragraph (2) may be assigned permanently to overseas diplomatic or consular posts with country-specific or regional responsibility. If the Secretary so directs, any such employee, when present at an overseas post, shall participate in the terrorist lookout committee established under section 304 of the Enhanced Border Security and Visa Entry Reform Act of 2002 (8 U.S.C. 1733).

(6) TRAINING AND HIRING.—

(A) IN GENERAL.—The Secretary shall ensure, to the extent possible, that any employees of the Department assigned to perform functions under paragraph (2) and, as appropriate, consular officers, shall be provided the necessary training to enable them to carry out such functions, including training in foreign languages, interview techniques, and fraud detection techniques, in conditions in the particular country where each employee is assigned, and in other appropriate areas of study.

(B) USE OF CENTER.—The Secretary is authorized to use the National Foreign Affairs Training Center, on a reimbursable basis, to obtain the training described in subparagraph (A).

(7) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary and the Secretary of State shall submit to Congress—

(A) a report on the implementation of this subsection; and

(B) any legislative proposals necessary to further the objectives of this subsection.

(8) EFFECTIVE DATE.—This subsection shall take effect on the earlier of—

(A) the date on which the President publishes notice in the Federal Register that the President has submitted

a report to Congress setting forth a memorandum of understanding between the Secretary and the Secretary of State governing the implementation of this section; or

(B) the date occurring 1 year after the date of enactment of this Act.

(f) **NO CREATION OF PRIVATE RIGHT OF ACTION.**—Nothing in this section shall be construed to create or authorize a private right of action to challenge a decision of a consular officer or other United States official or employee to grant or deny a visa.

(g) **STUDY REGARDING USE OF FOREIGN NATIONALS.**—

(1) **IN GENERAL.**—The Secretary of Homeland Security shall conduct a study of the role of foreign nationals in the granting or refusal of visas and other documents authorizing entry of aliens into the United States. The study shall address the following:

(A) The proper role, if any, of foreign nationals in the process of rendering decisions on such grants and refusals.

(B) Any security concerns involving the employment of foreign nationals.

(C) Whether there are cost-effective alternatives to the use of foreign nationals.

(2) **REPORT.**—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report containing the findings of the study conducted under paragraph (1) to the Committee on the Judiciary, the Committee on International Relations, and the Committee on Government Reform of the House of Representatives, and the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Government Affairs of the Senate.

(h) **REPORT.**—Not later than 120 days after the date of the enactment of this Act, the Director of the Office of Science and Technology Policy shall submit to Congress a report on how the provisions of this section will affect procedures for the issuance of student visas.

(i) **VISA ISSUANCE PROGRAM FOR SAUDI ARABIA.**—Notwithstanding any other provision of law, after the date of the enactment of this Act all third party screening programs in Saudi Arabia shall be terminated. On-site personnel of the Department of Homeland Security shall review all visa applications prior to adjudication.

**SEC. 429. [6 U.S.C. 237] INFORMATION ON VISA DENIALS REQUIRED TO BE ENTERED INTO ELECTRONIC DATA SYSTEM.**

(a) **IN GENERAL.**—Whenever a consular officer of the United States denies a visa to an applicant, the consular officer shall enter the fact and the basis of the denial and the name of the applicant into the interoperable electronic data system implemented under section 202(a) of the Enhanced Border Security and Visa Entry Reform Act of 2002 (8 U.S.C. 1722(a)).

(b) **PROHIBITION.**—In the case of any alien with respect to whom a visa has been denied under subsection (a)—

(1) no subsequent visa may be issued to the alien unless the consular officer considering the alien's visa application has reviewed the information concerning the alien placed in the interoperable electronic data system, has indicated on the

alien's application that the information has been reviewed, and has stated for the record why the visa is being issued or a waiver of visa ineligibility recommended in spite of that information; and

(2) the alien may not be admitted to the United States without a visa issued in accordance with the procedures described in paragraph (1).

**SEC. 430. [6 U.S.C. 238] OFFICE FOR DOMESTIC PREPAREDNESS.**

(a) **IN GENERAL.**—The Office for Domestic Preparedness shall be within the Directorate of Border and Transportation Security.

(b) **DIRECTOR.**—There shall be a Director of the Office for Domestic Preparedness, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director of the Office for Domestic Preparedness shall report directly to the Under Secretary for Border and Transportation Security.

(c) **RESPONSIBILITIES.**—The Office for Domestic Preparedness shall have the primary responsibility within the executive branch of Government for the preparedness of the United States for acts of terrorism, including—

(1) coordinating preparedness efforts at the Federal level, and working with all State, local, tribal, parish, and private sector emergency response providers on all matters pertaining to combating terrorism, including training, exercises, and equipment support;

(2) coordinating or, as appropriate, consolidating communications and systems of communications relating to homeland security at all levels of government;

(3) directing and supervising terrorism preparedness grant programs of the Federal Government (other than those programs administered by the Department of Health and Human Services) for all emergency response providers;

(4) incorporating the Strategy priorities into planning guidance on an agency level for the preparedness efforts of the Office for Domestic Preparedness;

(5) providing agency-specific training for agents and analysts within the Department, other agencies, and State and local agencies and international entities;

(6) as the lead executive branch agency for preparedness of the United States for acts of terrorism, cooperating closely with the Federal Emergency Management Agency, which shall have the primary responsibility within the executive branch to prepare for and mitigate the effects of nonterrorist-related disasters in the United States;

(7) assisting and supporting the Secretary, in coordination with other Directorates and entities outside the Department, in conducting appropriate risk analysis and risk management activities of State, local, and tribal governments consistent with the mission and functions of the Directorate;

(8) those elements of the Office of National Preparedness of the Federal Emergency Management Agency which relate to terrorism, which shall be consolidated within the Department in the Office for Domestic Preparedness established under this section; and

(9) helping to ensure the acquisition of interoperable communication technology by State and local governments and emergency response providers.

(d) FISCAL YEARS 2003 and 2004.—During fiscal year 2003 and fiscal year 2004, the Director of the Office for Domestic Preparedness established under this section shall manage and carry out those functions of the Office for Domestic Preparedness of the Department of Justice (transferred under this section) before September 11, 2001, under the same terms, conditions, policies, and authorities, and with the required level of personnel, assets, and budget before September 11, 2001.

**SEC. 431. [6 U.S.C. 239] OFFICE OF CARGO SECURITY POLICY.**

(a) ESTABLISHMENT.—There is established within the Department an Office of Cargo Security Policy (referred to in this section as the “Office”).

(b) PURPOSE.—The Office shall—

(1) coordinate all Department policies relating to cargo security; and

(2) consult with stakeholders and coordinate with other Federal agencies in the establishment of standards and regulations and to promote best practices.

(c) DIRECTOR.—

(1) APPOINTMENT.—The Office shall be headed by a Director, who shall—

(A) be appointed by the Secretary; and

(B) report to the Assistant Secretary for Policy.

(2) RESPONSIBILITIES.—The Director shall—

(A) advise the Assistant Secretary for Policy in the development of Department-wide policies regarding cargo security;

(B) coordinate all policies relating to cargo security among the agencies and offices within the Department relating to cargo security; and

(C) coordinate the cargo security policies of the Department with the policies of other executive agencies.

## **Subtitle D—Immigration Enforcement Functions**

**SEC. 441. [6 U.S.C. 251] TRANSFER OF FUNCTIONS TO UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY.**

In accordance with title XV (relating to transition provisions), there shall be transferred from the Commissioner of Immigration and Naturalization to the Under Secretary for Border and Transportation Security all functions performed under the following programs, and all personnel, assets, and liabilities pertaining to such programs, immediately before such transfer occurs:

(1) The Border Patrol program.

(2) The detention and removal program.

(3) The intelligence program.

(4) The investigations program.

(5) The inspections program.

**SEC. 442. [6 U.S.C. 252] ESTABLISHMENT OF BUREAU OF BORDER SECURITY.****(a) ESTABLISHMENT OF BUREAU.—**

(1) **IN GENERAL.**—There shall be in the Department of Homeland Security a bureau to be known as the “Bureau of Border Security”.

(2) **ASSISTANT SECRETARY.**—The head of the Bureau of Border Security shall be the Assistant Secretary of the Bureau of Border Security, who—

(A) shall report directly to the Under Secretary for Border and Transportation Security; and

(B) shall have a minimum of 5 years professional experience in law enforcement, and a minimum of 5 years of management experience.

(3) **FUNCTIONS.**—The Assistant Secretary of the Bureau of Border Security—

(A) shall establish the policies for performing such functions as are—

(i) transferred to the Under Secretary for Border and Transportation Security by section 441 and delegated to the Assistant Secretary by the Under Secretary for Border and Transportation Security; or

(ii) otherwise vested in the Assistant Secretary by law;

(B) shall oversee the administration of such policies; and

(C) shall advise the Under Secretary for Border and Transportation Security with respect to any policy or operation of the Bureau of Border Security that may affect the Bureau of Citizenship and Immigration Services established under subtitle E, including potentially conflicting policies or operations.

(4) **PROGRAM TO COLLECT INFORMATION RELATING TO FOREIGN STUDENTS.**—The Assistant Secretary of the Bureau of Border Security shall be responsible for administering the program to collect information relating to nonimmigrant foreign students and other exchange program participants described in section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372), including the Student and Exchange Visitor Information System established under that section, and shall use such information to carry out the enforcement functions of the Bureau.

(5) **MANAGERIAL ROTATION PROGRAM.—**

(A) **IN GENERAL.**—Not later than 1 year after the date on which the transfer of functions specified under section 441 takes effect, the Assistant Secretary of the Bureau of Border Security shall design and implement a managerial rotation program under which employees of such bureau holding positions involving supervisory or managerial responsibility and classified, in accordance with chapter 51 of title 5, United States Code, as a GS-14 or above, shall—

(i) gain some experience in all the major functions performed by such bureau; and

(ii) work in at least one local office of such bureau.



- (B) REPORT.—Not later than 2 years after the date on which the transfer of functions specified under section 441 takes effect, the Secretary shall submit a report to the Congress on the implementation of such program.
- (b) CHIEF OF POLICY AND STRATEGY.—
- (1) IN GENERAL.—There shall be a position of Chief of Policy and Strategy for the Bureau of Border Security.
- (2) FUNCTIONS.—In consultation with Bureau of Border Security personnel in local offices, the Chief of Policy and Strategy shall be responsible for—
- (A) making policy recommendations and performing policy research and analysis on immigration enforcement issues; and
- (B) coordinating immigration policy issues with the Chief of Policy and Strategy for the Bureau of Citizenship and Immigration Services (established under subtitle E), as appropriate.
- (c) LEGAL ADVISOR.—There shall be a principal legal advisor to the Assistant Secretary of the Bureau of Border Security. The legal advisor shall provide specialized legal advice to the Assistant Secretary of the Bureau of Border Security and shall represent the bureau in all exclusion, deportation, and removal proceedings before the Executive Office for Immigration Review.

**SEC. 443. [6 U.S.C. 253] PROFESSIONAL RESPONSIBILITY AND QUALITY REVIEW.**

The Under Secretary for Border and Transportation Security shall be responsible for—

- (1) conducting investigations of noncriminal allegations of misconduct, corruption, and fraud involving any employee of the Bureau of Border Security that are not subject to investigation by the Inspector General for the Department;
- (2) inspecting the operations of the Bureau of Border Security and providing assessments of the quality of the operations of such bureau as a whole and each of its components; and
- (3) providing an analysis of the management of the Bureau of Border Security.

**SEC. 444. [6 U.S.C. 254] EMPLOYEE DISCIPLINE.**

The Under Secretary for Border and Transportation Security may, notwithstanding any other provision of law, impose disciplinary action, including termination of employment, pursuant to policies and procedures applicable to employees of the Federal Bureau of Investigation, on any employee of the Bureau of Border Security who willfully deceives the Congress or agency leadership on any matter.

**SEC. 445. [6 U.S.C. 255] REPORT ON IMPROVING ENFORCEMENT FUNCTIONS.**

(a) IN GENERAL.—The Secretary, not later than 1 year after being sworn into office, shall submit to the Committees on Appropriations and the Judiciary of the House of Representatives and of the Senate a report with a plan detailing how the Bureau of Border Security, after the transfer of functions specified under section 441 takes effect, will enforce comprehensively, effectively, and fairly all

the enforcement provisions of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) relating to such functions.

(b) CONSULTATION.—In carrying out subsection (a), the Secretary of Homeland Security shall consult with the Attorney General, the Secretary of State, the Director of the Federal Bureau of Investigation, the Secretary of the Treasury, the Secretary of Labor, the Commissioner of Social Security, the Director of the Executive Office for Immigration Review, and the heads of State and local law enforcement agencies to determine how to most effectively conduct enforcement operations.

**SEC. 446. [6 U.S.C. 256] SENSE OF CONGRESS REGARDING CONSTRUCTION OF FENCING NEAR SAN DIEGO, CALIFORNIA.**

It is the sense of the Congress that completing the 14-mile border fence project required to be carried out under section 102(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note) should be a priority for the Secretary.

## **Subtitle E—Citizenship and Immigration Services**

**SEC. 451. [6 U.S.C. 271] ESTABLISHMENT OF BUREAU OF CITIZENSHIP AND IMMIGRATION SERVICES.**

(a) ESTABLISHMENT OF BUREAU.—

(1) IN GENERAL.—There shall be in the Department a bureau to be known as the “Bureau of Citizenship and Immigration Services”.

(2) DIRECTOR.—The head of the Bureau of Citizenship and Immigration Services shall be the Director of the Bureau of Citizenship and Immigration Services, who—

(A) shall report directly to the Deputy Secretary;

(B) shall have a minimum of 5 years of management experience; and

(C) shall be paid at the same level as the Assistant Secretary of the Bureau of Border Security.

(3) FUNCTIONS.—The Director of the Bureau of Citizenship and Immigration Services—

(A) shall establish the policies for performing such functions as are transferred to the Director by this section or this Act or otherwise vested in the Director by law;

(B) shall oversee the administration of such policies;

(C) shall advise the Deputy Secretary with respect to any policy or operation of the Bureau of Citizenship and Immigration Services that may affect the Bureau of Border Security of the Department, including potentially conflicting policies or operations;

(D) shall establish national immigration services policies and priorities;

(E) shall meet regularly with the Ombudsman described in section 452 to correct serious service problems identified by the Ombudsman; and

(F) shall establish procedures requiring a formal response to any recommendations submitted in the Ombuds-

man's annual report to Congress within 3 months after its submission to Congress.

(4) **MANAGERIAL ROTATION PROGRAM.**—

(A) **IN GENERAL.**—Not later than 1 year after the effective date specified in section 455, the Director of the Bureau of Citizenship and Immigration Services shall design and implement a managerial rotation program under which employees of such bureau holding positions involving supervisory or managerial responsibility and classified, in accordance with chapter 51 of title 5, United States Code, as a GS-14 or above, shall—

(i) gain some experience in all the major functions performed by such bureau; and

(ii) work in at least one field office and one service center of such bureau.

(B) **REPORT.**—Not later than 2 years after the effective date specified in section 455, the Secretary shall submit a report to Congress on the implementation of such program.

(5) **PILOT INITIATIVES FOR BACKLOG ELIMINATION.**—The Director of the Bureau of Citizenship and Immigration Services is authorized to implement innovative pilot initiatives to eliminate any remaining backlog in the processing of immigration benefit applications, and to prevent any backlog in the processing of such applications from recurring, in accordance with section 204(a) of the Immigration Services and Infrastructure Improvements Act of 2000 (8 U.S.C. 1573(a)). Such initiatives may include measures such as increasing personnel, transferring personnel to focus on areas with the largest potential for backlog, and streamlining paperwork.

(b) **TRANSFER OF FUNCTIONS FROM COMMISSIONER.**—In accordance with title XV (relating to transition provisions), there are transferred from the Commissioner of Immigration and Naturalization to the Director of the Bureau of Citizenship and Immigration Services the following functions, and all personnel, infrastructure, and funding provided to the Commissioner in support of such functions immediately before the effective date specified in section 455:

(1) Adjudications of immigrant visa petitions.

(2) Adjudications of naturalization petitions.

(3) Adjudications of asylum and refugee applications.

(4) Adjudications performed at service centers.

(5) All other adjudications performed by the Immigration and Naturalization Service immediately before the effective date specified in section 455.

(c) **CHIEF OF POLICY AND STRATEGY.**—

(1) **IN GENERAL.**—There shall be a position of Chief of Policy and Strategy for the Bureau of Citizenship and Immigration Services.

(2) **FUNCTIONS.**—In consultation with Bureau of Citizenship and Immigration Services personnel in field offices, the Chief of Policy and Strategy shall be responsible for—

(A) making policy recommendations and performing policy research and analysis on immigration services issues; and

- (B) coordinating immigration policy issues with the Chief of Policy and Strategy for the Bureau of Border Security of the Department.
- (d) LEGAL ADVISOR.—
- (1) IN GENERAL.—There shall be a principal legal advisor to the Director of the Bureau of Citizenship and Immigration Services.
- (2) FUNCTIONS.—The legal advisor shall be responsible for—
- (A) providing specialized legal advice, opinions, determinations, regulations, and any other assistance to the Director of the Bureau of Citizenship and Immigration Services with respect to legal matters affecting the Bureau of Citizenship and Immigration Services; and
- (B) representing the Bureau of Citizenship and Immigration Services in visa petition appeal proceedings before the Executive Office for Immigration Review.
- (e) BUDGET OFFICER.—
- (1) IN GENERAL.—There shall be a Budget Officer for the Bureau of Citizenship and Immigration Services.
- (2) FUNCTIONS.—
- (A) IN GENERAL.—The Budget Officer shall be responsible for—
- (i) formulating and executing the budget of the Bureau of Citizenship and Immigration Services;
- (ii) financial management of the Bureau of Citizenship and Immigration Services; and
- (iii) collecting all payments, fines, and other debts for the Bureau of Citizenship and Immigration Services.
- (f) CHIEF OF OFFICE OF CITIZENSHIP.—
- (1) IN GENERAL.—There shall be a position of Chief of the Office of Citizenship for the Bureau of Citizenship and Immigration Services.
- (2) FUNCTIONS.—The Chief of the Office of Citizenship for the Bureau of Citizenship and Immigration Services shall be responsible for promoting instruction and training on citizenship responsibilities for aliens interested in becoming naturalized citizens of the United States, including the development of educational materials.
- (g)<sup>1</sup> OFFICE OF THE FBI LIAISON.—
- (1) IN GENERAL.—There shall be an Office of the FBI Liaison in the Department of Homeland Security.
- (2) FUNCTIONS.—The Office of the FBI Liaison shall monitor the progress of the functions of the Federal Bureau of Investigation in the naturalization process to assist in the expe-

<sup>1</sup> Subsection (g) of section 451 was added by section 2(a) of Public Law 110-382. Section 4 of such Public Law provides:

#### SEC. 4. SUNSET PROVISION.

This Act and the amendments made by this Act are repealed on the date that is 5 years after the date of the enactment of this Act. [enactment date is October 9, 2008]

ditious completion of all such functions pertaining to naturalization applications filed by, or on behalf of—

(A) current or former members of the Armed Forces under section 328 or 329 of the Immigration and Nationality Act (8 U.S.C. 1439 and 1440);

(B) current spouses of United States citizens who are currently serving on active duty in the Armed Forces, who qualify for naturalization under section 319(b) of the Immigration and Nationality Act (8 U.S.C. 1430(b)), and surviving spouses and children who qualify for naturalization under section 319(d) of such Act; or

(C) a deceased individual who is eligible for posthumous citizenship under section 329A of the Immigration and Nationality Act (8 U.S.C. 1440–1).

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

**SEC. 452. [6 U.S.C. 272] CITIZENSHIP AND IMMIGRATION SERVICES OMBUDSMAN.**

(a) IN GENERAL.—Within the Department, there shall be a position of Citizenship and Immigration Services Ombudsman (in this section referred to as the “Ombudsman”). The Ombudsman shall report directly to the Deputy Secretary. The Ombudsman shall have a background in customer service as well as immigration law.

(b) FUNCTIONS.—It shall be the function of the Ombudsman—

(1) to assist individuals and employers in resolving problems with the Bureau of Citizenship and Immigration Services;

(2) to identify areas in which individuals and employers have problems in dealing with the Bureau of Citizenship and Immigration Services; and

(3) to the extent possible, to propose changes in the administrative practices of the Bureau of Citizenship and Immigration Services to mitigate problems identified under paragraph (2).

(c) ANNUAL REPORTS.—

(1) OBJECTIVES.—Not later than June 30 of each calendar year, the Ombudsman shall report to the Committee on the Judiciary of the House of Representatives and the Senate on the objectives of the Office of the Ombudsman for the fiscal year beginning in such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and—

(A) shall identify the recommendations the Office of the Ombudsman has made on improving services and responsiveness of the Bureau of Citizenship and Immigration Services;

(B) shall contain a summary of the most pervasive and serious problems encountered by individuals and employers, including a description of the nature of such problems;

(C) shall contain an inventory of the items described in subparagraphs (A) and (B) for which action has been taken and the result of such action;

(D) shall contain an inventory of the items described in subparagraphs (A) and (B) for which action remains to

be completed and the period during which each item has remained on such inventory;

(E) shall contain an inventory of the items described in subparagraphs (A) and (B) for which no action has been taken, the period during which each item has remained on such inventory, the reasons for the inaction, and shall identify any official of the Bureau of Citizenship and Immigration Services who is responsible for such inaction;

(F) shall contain recommendations for such administrative action as may be appropriate to resolve problems encountered by individuals and employers, including problems created by excessive backlogs in the adjudication and processing of immigration benefit petitions and applications; and

(G) shall include such other information as the Ombudsman may deem advisable.

(2) REPORT TO BE SUBMITTED DIRECTLY.—Each report required under this subsection shall be provided directly to the committees described in paragraph (1) without any prior comment or amendment from the Secretary, Deputy Secretary, Director of the Bureau of Citizenship and Immigration Services, or any other officer or employee of the Department or the Office of Management and Budget.

(d) OTHER RESPONSIBILITIES.—The Ombudsman—

(1) shall monitor the coverage and geographic allocation of local offices of the Ombudsman;

(2) shall develop guidance to be distributed to all officers and employees of the Bureau of Citizenship and Immigration Services outlining the criteria for referral of inquiries to local offices of the Ombudsman;

(3) shall ensure that the local telephone number for each local office of the Ombudsman is published and available to individuals and employers served by the office; and

(4) shall meet regularly with the Director of the Bureau of Citizenship and Immigration Services to identify serious service problems and to present recommendations for such administrative action as may be appropriate to resolve problems encountered by individuals and employers.

(e) PERSONNEL ACTIONS.—

(1) IN GENERAL.—The Ombudsman shall have the responsibility and authority—

(A) to appoint local ombudsmen and make available at least 1 such ombudsman for each State; and

(B) to evaluate and take personnel actions (including dismissal) with respect to any employee of any local office of the Ombudsman.

(2) CONSULTATION.—The Ombudsman may consult with the appropriate supervisory personnel of the Bureau of Citizenship and Immigration Services in carrying out the Ombudsman's responsibilities under this subsection.

(f) RESPONSIBILITIES OF BUREAU OF CITIZENSHIP AND IMMIGRATION SERVICES.—The Director of the Bureau of Citizenship and Immigration Services shall establish procedures requiring a formal re-

sponse to all recommendations submitted to such director by the Ombudsman within 3 months after submission to such director.

(g) OPERATION OF LOCAL OFFICES.—

(1) IN GENERAL.—Each local ombudsman—

(A) shall report to the Ombudsman or the delegate thereof;

(B) may consult with the appropriate supervisory personnel of the Bureau of Citizenship and Immigration Services regarding the daily operation of the local office of such ombudsman;

(C) shall, at the initial meeting with any individual or employer seeking the assistance of such local office, notify such individual or employer that the local offices of the Ombudsman operate independently of any other component of the Department and report directly to Congress through the Ombudsman; and

(D) at the local ombudsman's discretion, may determine not to disclose to the Bureau of Citizenship and Immigration Services contact with, or information provided by, such individual or employer.

(2) MAINTENANCE OF INDEPENDENT COMMUNICATIONS.—

Each local office of the Ombudsman shall maintain a phone, facsimile, and other means of electronic communication access, and a post office address, that is separate from those maintained by the Bureau of Citizenship and Immigration Services, or any component of the Bureau of Citizenship and Immigration Services.

**SEC. 453. [6 U.S.C. 273] PROFESSIONAL RESPONSIBILITY AND QUALITY REVIEW.**

(a) IN GENERAL.—The Director of the Bureau of Citizenship and Immigration Services shall be responsible for—

(1) conducting investigations of noncriminal allegations of misconduct, corruption, and fraud involving any employee of the Bureau of Citizenship and Immigration Services that are not subject to investigation by the Inspector General for the Department;

(2) inspecting the operations of the Bureau of Citizenship and Immigration Services and providing assessments of the quality of the operations of such bureau as a whole and each of its components; and

(3) providing an analysis of the management of the Bureau of Citizenship and Immigration Services.

(b) SPECIAL CONSIDERATIONS.—In providing assessments in accordance with subsection (a)(2) with respect to a decision of the Bureau of Citizenship and Immigration Services, or any of its components, consideration shall be given to—

(1) the accuracy of the findings of fact and conclusions of law used in rendering the decision;

(2) any fraud or misrepresentation associated with the decision; and

(3) the efficiency with which the decision was rendered.

**SEC. 454. [6 U.S.C. 274] EMPLOYEE DISCIPLINE.**

The Director of the Bureau of Citizenship and Immigration Services may, notwithstanding any other provision of law, impose disciplinary action, including termination of employment, pursuant to policies and procedures applicable to employees of the Federal Bureau of Investigation, on any employee of the Bureau of Citizenship and Immigration Services who willfully deceives Congress or agency leadership on any matter.

**SEC. 455. [6 U.S.C. 271 note] EFFECTIVE DATE.**

Notwithstanding section 4, sections 451 through 456, and the amendments made by such sections, shall take effect on the date on which the transfer of functions specified under section 441 takes effect.

**SEC. 456. [6 U.S.C. 275] TRANSITION.**

(a) REFERENCES.—With respect to any function transferred by this subtitle to, and exercised on or after the effective date specified in section 455 by, the Director of the Bureau of Citizenship and Immigration Services, any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to a component of government from which such function is transferred—

(1) to the head of such component is deemed to refer to the Director of the Bureau of Citizenship and Immigration Services; or

(2) to such component is deemed to refer to the Bureau of Citizenship and Immigration Services.

(b) OTHER TRANSITION ISSUES.—

(1) EXERCISE OF AUTHORITIES.—Except as otherwise provided by law, a Federal official to whom a function is transferred by this subtitle may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date specified in section 455.

(2) TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.—The personnel of the Department of Justice employed in connection with the functions transferred by this subtitle (and functions that the Secretary determines are properly related to the functions of the Bureau of Citizenship and Immigration Services), and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available to, the Immigration and Naturalization Service in connection with the functions transferred by this subtitle, subject to section 202 of the Budget and Accounting Procedures Act of 1950, shall be transferred to the Director of the Bureau of Citizenship and Immigration Services for allocation to the appropriate component of the Department. Unexpended funds transferred pursuant to this paragraph shall be used only for the purposes for which the funds were originally authorized and appropriated. The Secretary shall have the right to adjust or realign transfers of



funds and personnel effected pursuant to this subtitle for a period of 2 years after the effective date specified in section 455.

\* \* \* \* \*

**SEC. 459. [6 U.S.C. 276] REPORT ON IMPROVING IMMIGRATION SERVICES.**

(a) **IN GENERAL.**—The Secretary, not later than 1 year after the effective date of this Act, shall submit to the Committees on the Judiciary and Appropriations of the House of Representatives and of the Senate a report with a plan detailing how the Bureau of Citizenship and Immigration Services, after the transfer of functions specified in this subtitle takes effect, will complete efficiently, fairly, and within a reasonable time, the adjudications described in paragraphs (1) through (5) of section 451(b).

(b) **CONTENTS.**—For each type of adjudication to be undertaken by the Director of the Bureau of Citizenship and Immigration Services, the report shall include the following:

(1) Any potential savings of resources that may be implemented without affecting the quality of the adjudication.

(2) The goal for processing time with respect to the application.

(3) Any statutory modifications with respect to the adjudication that the Secretary considers advisable.

(c) **CONSULTATION.**—In carrying out subsection (a), the Secretary shall consult with the Secretary of State, the Secretary of Labor, the Assistant Secretary of the Bureau of Border Security of the Department, and the Director of the Executive Office for Immigration Review to determine how to streamline and improve the process for applying for and making adjudications described in section 451(b) and related processes.

**SEC. 460. [6 U.S.C. 277] REPORT ON RESPONDING TO FLUCTUATING NEEDS.**

Not later than 30 days after the date of the enactment of this Act, the Attorney General shall submit to Congress a report on changes in law, including changes in authorizations of appropriations and in appropriations, that are needed to permit the Immigration and Naturalization Service, and, after the transfer of functions specified in this subtitle takes effect, the Bureau of Citizenship and Immigration Services of the Department, to ensure a prompt and timely response to emergent, unforeseen, or impending changes in the number of applications for immigration benefits, and otherwise to ensure the accommodation of changing immigration service needs.

**SEC. 461. [6 U.S.C. 278] APPLICATION OF INTERNET-BASED TECHNOLOGIES.**

(a) **ESTABLISHMENT OF TRACKING SYSTEM.**—The Secretary, not later than 1 year after the effective date of this Act, in consultation with the Technology Advisory Committee established under subsection (c), shall establish an Internet-based system, that will permit a person, employer, immigrant, or nonimmigrant who has filings with the Secretary for any benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), access to online information about the processing status of the filing involved.

(b) FEASIBILITY STUDY FOR ONLINE FILING AND IMPROVED PROCESSING.—

(1) ONLINE FILING.—The Secretary, in consultation with the Technology Advisory Committee established under subsection (c), shall conduct a feasibility study on the online filing of the filings described in subsection (a). The study shall include a review of computerization and technology of the Immigration and Naturalization Service relating to the immigration services and processing of filings related to immigrant services. The study shall also include an estimate of the timeframe and cost and shall consider other factors in implementing such a filing system, including the feasibility of fee payment online.

(2) REPORT.—A report on the study under this subsection shall be submitted to the Committees on the Judiciary of the House of Representatives and the Senate not later than 1 year after the effective date of this Act.

(c) TECHNOLOGY ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—The Secretary shall establish, not later than 60 days after the effective date of this Act, an advisory committee (in this section referred to as the “Technology Advisory Committee”) to assist the Secretary in—

(A) establishing the tracking system under subsection (a); and

(B) conducting the study under subsection (b).

The Technology Advisory Committee shall be established after consultation with the Committees on the Judiciary of the House of Representatives and the Senate.

(2) COMPOSITION.—The Technology Advisory Committee shall be composed of representatives from high technology companies capable of establishing and implementing the system in an expeditious manner, and representatives of persons who may use the tracking system described in subsection (a) and the online filing system described in subsection (b)(1).

**SEC. 462. [6 U.S.C. 279] CHILDREN’S AFFAIRS.**

(a) TRANSFER OF FUNCTIONS.—There are transferred to the Director of the Office of Refugee Resettlement of the Department of Health and Human Services functions under the immigration laws of the United States with respect to the care of unaccompanied alien children that were vested by statute in, or performed by, the Commissioner of Immigration and Naturalization (or any officer, employee, or component of the Immigration and Naturalization Service) immediately before the effective date specified in subsection (d).

(b) FUNCTIONS.—

(1) IN GENERAL.—Pursuant to the transfer made by subsection (a), the Director of the Office of Refugee Resettlement shall be responsible for—

(A) coordinating and implementing the care and placement of unaccompanied alien children who are in Federal custody by reason of their immigration status, including developing a plan to be submitted to Congress on how to ensure that qualified and independent legal counsel is timely appointed to represent the interests of each such

child, consistent with the law regarding appointment of counsel that is in effect on the date of the enactment of this Act;

(B) ensuring that the interests of the child are considered in decisions and actions relating to the care and custody of an unaccompanied alien child;

(C) making placement determinations for all unaccompanied alien children who are in Federal custody by reason of their immigration status;

(D) implementing the placement determinations;

(E) implementing policies with respect to the care and placement of unaccompanied alien children;

(F) identifying a sufficient number of qualified individuals, entities, and facilities to house unaccompanied alien children;

(G) overseeing the infrastructure and personnel of facilities in which unaccompanied alien children reside;

(H) reuniting unaccompanied alien children with a parent abroad in appropriate cases;

(I) compiling, updating, and publishing at least annually a state-by-state list of professionals or other entities qualified to provide guardian and attorney representation services for unaccompanied alien children;

(J) maintaining statistical information and other data on unaccompanied alien children for whose care and placement the Director is responsible, which shall include—

(i) biographical information, such as a child's name, gender, date of birth, country of birth, and country of habitual residence;

(ii) the date on which the child came into Federal custody by reason of his or her immigration status;

(iii) information relating to the child's placement, removal, or release from each facility in which the child has resided;

(iv) in any case in which the child is placed in detention or released, an explanation relating to the detention or release; and

(v) the disposition of any actions in which the child is the subject;

(K) collecting and compiling statistical information from the Department of Justice, the Department of Homeland Security, and the Department of State on each department's actions relating to unaccompanied alien children; and

(L) conducting investigations and inspections of facilities and other entities in which unaccompanied alien children reside.

(2) COORDINATION WITH OTHER ENTITIES; NO RELEASE ON OWN RECOGNIZANCE.—In making determinations described in paragraph (1)(C), the Director of the Office of Refugee Resettlement—

(A) shall consult with appropriate juvenile justice professionals, the Director of the Bureau of Citizenship and Immigration Services, and the Assistant Secretary of the

Bureau of Border Security to ensure that such determinations ensure that unaccompanied alien children described in such subparagraph—

(i) are likely to appear for all hearings or proceedings in which they are involved;

(ii) are protected from smugglers, traffickers, or others who might seek to victimize or otherwise engage them in criminal, harmful, or exploitive activity; and

(iii) are placed in a setting in which they are not likely to pose a danger to themselves or others; and

(B) shall not release such children upon their own recognizance.

(3) DUTIES WITH RESPECT TO FOSTER CARE.—In carrying out the duties described in paragraph (1)(G), the Director of the Office of Refugee Resettlement is encouraged to use the refugee children foster care system established pursuant to section 412(d) of the Immigration and Nationality Act (8 U.S.C. 1522(d)) for the placement of unaccompanied alien children.

(c) RULE OF CONSTRUCTION.—Nothing in this section may be construed to transfer the responsibility for adjudicating benefit determinations under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) from the authority of any official of the Department of Justice, the Department of Homeland Security, or the Department of State.

(d) EFFECTIVE DATE.—Notwithstanding section 4, this section shall take effect on the date on which the transfer of functions specified under section 441 takes effect.

(e) REFERENCES.—With respect to any function transferred by this section, any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to a component of government from which such function is transferred—

(1) to the head of such component is deemed to refer to the Director of the Office of Refugee Resettlement; or

(2) to such component is deemed to refer to the Office of Refugee Resettlement of the Department of Health and Human Services.

(f) OTHER TRANSITION ISSUES.—

(1) EXERCISE OF AUTHORITIES.—Except as otherwise provided by law, a Federal official to whom a function is transferred by this section may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date specified in subsection (d).

(2) SAVINGS PROVISIONS.—Subsections (a), (b), and (c) of section 1512 shall apply to a transfer of functions under this section in the same manner as such provisions apply to a transfer of functions under this Act to the Department of Homeland Security.

(3) TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.—The personnel of the Department of Justice em-

ployed in connection with the functions transferred by this section, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available to, the Immigration and Naturalization Service in connection with the functions transferred by this section, subject to section 202 of the Budget and Accounting Procedures Act of 1950, shall be transferred to the Director of the Office of Refugee Resettlement for allocation to the appropriate component of the Department of Health and Human Services. Unexpended funds transferred pursuant to this paragraph shall be used only for the purposes for which the funds were originally authorized and appropriated.

(g) DEFINITIONS.—As used in this section—

(1) the term “placement” means the placement of an unaccompanied alien child in either a detention facility or an alternative to such a facility; and

(2) the term “unaccompanied alien child” means a child who—

(A) has no lawful immigration status in the United States;

(B) has not attained 18 years of age; and

(C) with respect to whom—

(i) there is no parent or legal guardian in the United States; or

(ii) no parent or legal guardian in the United States is available to provide care and physical custody.

## Subtitle F—General Immigration Provisions

### SEC. 471. [6 U.S.C. 291] ABOLISHMENT OF INS.

(a) IN GENERAL.—Upon completion of all transfers from the Immigration and Naturalization Service as provided for by this Act, the Immigration and Naturalization Service of the Department of Justice is abolished.

(b) PROHIBITION.—The authority provided by section 1502 may be used to reorganize functions or organizational units within the Bureau of Border Security or the Bureau of Citizenship and Immigration Services, but may not be used to recombine the two bureaus into a single agency or otherwise to combine, join, or consolidate functions or organizational units of the two bureaus with each other.

### SEC. 472. [6 U.S.C. 292] VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) DEFINITIONS.—For purposes of this section—

(1) the term “employee” means an employee (as defined by section 2105 of title 5, United States Code) who—

(A) has completed at least 3 years of current continuous service with 1 or more covered entities; and

(B) is serving under an appointment without time limitation,

but does not include any person under subparagraphs (A)–(G) of section 663(a)(2) of Public Law 104–208 (5 U.S.C. 5597 note);

(2) the term “covered entity” means—

(A) the Immigration and Naturalization Service;

(B) the Bureau of Border Security of the Department of Homeland Security; and

(C) the Bureau of Citizenship and Immigration Services of the Department of Homeland Security; and

(3) the term “transfer date” means the date on which the transfer of functions specified under section 441 takes effect.

(b) STRATEGIC RESTRUCTURING PLAN.—Before the Attorney General or the Secretary obligates any resources for voluntary separation incentive payments under this section, such official shall submit to the appropriate committees of Congress a strategic restructuring plan, which shall include—

(1) an organizational chart depicting the covered entities after their restructuring pursuant to this Act;

(2) a summary description of how the authority under this section will be used to help carry out that restructuring; and

(3) the information specified in section 663(b)(2) of Public Law 104–208 (5 U.S.C. 5597 note).

As used in the preceding sentence, the “appropriate committees of Congress” are the Committees on Appropriations, Government Reform, and the Judiciary of the House of Representatives, and the Committees on Appropriations, Governmental Affairs, and the Judiciary of the Senate.

(c) AUTHORITY.—The Attorney General and the Secretary may, to the extent necessary to help carry out their respective strategic restructuring plan described in subsection (b), make voluntary separation incentive payments to employees. Any such payment—

(1) shall be paid to the employee, in a lump sum, after the employee has separated from service;

(2) shall be paid from appropriations or funds available for the payment of basic pay of the employee;

(3) shall be equal to the lesser of—

(A) the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(B) an amount not to exceed \$25,000, as determined by the Attorney General or the Secretary;

(4) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before the end of—

(A) the 3-month period beginning on the date on which such payment is offered or made available to such employee; or

(B) the 3-year period beginning on the date of the enactment of this Act, whichever occurs first;

(5) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(6) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any payments which it is otherwise required to make, the Department of Justice and the Department of Homeland Security shall, for each fiscal year with respect to which it makes any voluntary separation incentive payments under this section, remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund the amount required under paragraph (2).

(2) AMOUNT REQUIRED.—The amount required under this paragraph shall, for any fiscal year, be the amount under subparagraph (A) or (B), whichever is greater.

(A) FIRST METHOD.—The amount under this subparagraph shall, for any fiscal year, be equal to the minimum amount necessary to offset the additional costs to the retirement systems under title 5, United States Code (payable out of the Civil Service Retirement and Disability Fund) resulting from the voluntary separation of the employees described in paragraph (3), as determined under regulations of the Office of Personnel Management.

(B) SECOND METHOD.—The amount under this subparagraph shall, for any fiscal year, be equal to 45 percent of the sum total of the final basic pay of the employees described in paragraph (3).

(3) COMPUTATIONS TO BE BASED ON SEPARATIONS OCCURRING IN THE FISCAL YEAR INVOLVED.—The employees described in this paragraph are those employees who receive a voluntary separation incentive payment under this section based on their separating from service during the fiscal year with respect to which the payment under this subsection relates.

(4) FINAL BASIC PAY DEFINED.—In this subsection, the term “final basic pay” means, with respect to an employee, the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee’s final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who receives a voluntary separation incentive payment under this section and who, within 5 years after the date of the separation on which the payment is based, accepts any compensated employment with the Government or works for any agency of the Government through a personal services contract, shall be required to pay, prior to the individual’s first day of employment, the entire amount of the incentive payment. Such payment shall be made to the covered entity from which the individual separated or, if made on or after the transfer date, to the Deputy Secretary or the Under Secretary for Border and Transportation Security (for transfer to the appropriate component of the Department of Homeland Security, if necessary).

(f) EFFECT ON EMPLOYMENT LEVELS.—

(1) INTENDED EFFECT.—Voluntary separations under this section are not intended to necessarily reduce the total number of full-time equivalent positions in any covered entity.

(2) USE OF VOLUNTARY SEPARATIONS.—A covered entity may redeploy or use the full-time equivalent positions vacated by voluntary separations under this section to make other positions available to more critical locations or more critical occupations.

**SEC. 473. [6 U.S.C. 293] AUTHORITY TO CONDUCT A DEMONSTRATION PROJECT RELATING TO DISCIPLINARY ACTION.**

(a) IN GENERAL.—The Attorney General and the Secretary may each, during a period ending not later than 5 years after the date of the enactment of this Act, conduct a demonstration project for the purpose of determining whether one or more changes in the policies or procedures relating to methods for disciplining employees would result in improved personnel management.

(b) SCOPE.—A demonstration project under this section—

(1) may not cover any employees apart from those employed in or under a covered entity; and

(2) shall not be limited by any provision of chapter 43, 75, or 77 of title 5, United States Code.

(c) PROCEDURES.—Under the demonstration project—

(1) the use of alternative means of dispute resolution (as defined in section 571 of title 5, United States Code) shall be encouraged, whenever appropriate; and

(2) each covered entity under the jurisdiction of the official conducting the project shall be required to provide for the expeditious, fair, and independent review of any action to which section 4303 or subchapter II of chapter 75 of such title 5 would otherwise apply (except an action described in section 7512(5) of such title 5).

(d) ACTIONS INVOLVING DISCRIMINATION.—Notwithstanding any other provision of this section, if, in the case of any matter described in section 7702(a)(1)(B) of title 5, United States Code, there is no judicially reviewable action under the demonstration project within 120 days after the filing of an appeal or other formal request for review (referred to in subsection (c)(2)), an employee shall be entitled to file a civil action to the same extent and in the same manner as provided in section 7702(e)(1) of such title 5 (in the matter following subparagraph (C) thereof).

(e) CERTAIN EMPLOYEES.—Employees shall not be included within any project under this section if such employees are—

(1) neither managers nor supervisors; and

(2) within a unit with respect to which a labor organization is accorded exclusive recognition under chapter 71 of title 5, United States Code.

Notwithstanding the preceding sentence, an aggrieved employee within a unit (referred to in paragraph (2)) may elect to participate in a complaint procedure developed under the demonstration project in lieu of any negotiated grievance procedure and any statutory procedure (as such term is used in section 7121 of such title 5).



(f) **REPORTS.**—The General Accounting Office shall prepare and submit to the Committees on Government Reform and the Judiciary of the House of Representatives and the Committees on Governmental Affairs and the Judiciary of the Senate periodic reports on any demonstration project conducted under this section, such reports to be submitted after the second and fourth years of its operation. Upon request, the Attorney General or the Secretary shall furnish such information as the General Accounting Office may require to carry out this subsection.

(g) **DEFINITION.**—In this section, the term “covered entity” has the meaning given such term in section 472(a)(2).

**SEC. 474. [6 U.S.C. 294] SENSE OF CONGRESS.**

It is the sense of Congress that—

(1) the missions of the Bureau of Border Security and the Bureau of Citizenship and Immigration Services are equally important and, accordingly, they each should be adequately funded; and

(2) the functions transferred under this subtitle should not, after such transfers take effect, operate at levels below those in effect prior to the enactment of this Act.

**SEC. 475. [6 U.S.C. 295] DIRECTOR OF SHARED SERVICES.**

(a) **IN GENERAL.**—Within the Office of Deputy Secretary, there shall be a Director of Shared Services.

(b) **FUNCTIONS.**—The Director of Shared Services shall be responsible for the coordination of resources for the Bureau of Border Security and the Bureau of Citizenship and Immigration Services, including—

(1) information resources management, including computer databases and information technology;

(2) records and file management; and

(3) forms management.

**SEC. 476. [6 U.S.C. 296] SEPARATION OF FUNDING.**

(a) **IN GENERAL.**—There shall be established separate accounts in the Treasury of the United States for appropriated funds and other deposits available for the Bureau of Citizenship and Immigration Services and the Bureau of Border Security.

(b) **SEPARATE BUDGETS.**—To ensure that the Bureau of Citizenship and Immigration Services and the Bureau of Border Security are funded to the extent necessary to fully carry out their respective functions, the Director of the Office of Management and Budget shall separate the budget requests for each such entity.

(c) **FEEES.**—Fees imposed for a particular service, application, or benefit shall be deposited into the account established under subsection (a) that is for the bureau with jurisdiction over the function to which the fee relates.

(d) **FEEES NOT TRANSFERABLE.**—No fee may be transferred between the Bureau of Citizenship and Immigration Services and the Bureau of Border Security for purposes not authorized by section 286 of the Immigration and Nationality Act (8 U.S.C. 1356).

**SEC. 477. [6 U.S.C. 297] REPORTS AND IMPLEMENTATION PLANS.**

(a) **DIVISION OF FUNDS.**—The Secretary, not later than 120 days after the effective date of this Act, shall submit to the Com-

mittees on Appropriations and the Judiciary of the House of Representatives and of the Senate a report on the proposed division and transfer of funds, including unexpended funds, appropriations, and fees, between the Bureau of Citizenship and Immigration Services and the Bureau of Border Security.

(b) DIVISION OF PERSONNEL.—The Secretary, not later than 120 days after the effective date of this Act, shall submit to the Committees on Appropriations and the Judiciary of the House of Representatives and of the Senate a report on the proposed division of personnel between the Bureau of Citizenship and Immigration Services and the Bureau of Border Security.

(c) IMPLEMENTATION PLAN.—

(1) IN GENERAL.—The Secretary, not later than 120 days after the effective date of this Act, and every 6 months thereafter until the termination of fiscal year 2005, shall submit to the Committees on Appropriations and the Judiciary of the House of Representatives and of the Senate an implementation plan to carry out this Act.

(2) CONTENTS.—The implementation plan should include details concerning the separation of the Bureau of Citizenship and Immigration Services and the Bureau of Border Security, including the following:

(A) Organizational structure, including the field structure.

(B) Chain of command.

(C) Procedures for interaction among such bureaus.

(D) Fraud detection and investigation.

(E) The processing and handling of removal proceedings, including expedited removal and applications for relief from removal.

(F) Recommendations for conforming amendments to the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(G) Establishment of a transition team.

(H) Methods to phase in the costs of separating the administrative support systems of the Immigration and Naturalization Service in order to provide for separate administrative support systems for the Bureau of Citizenship and Immigration Services and the Bureau of Border Security.

(d) COMPTROLLER GENERAL STUDIES AND REPORTS.—

(1) STATUS REPORTS ON TRANSITION.—Not later than 18 months after the date on which the transfer of functions specified under section 441 takes effect, and every 6 months thereafter, until full implementation of this subtitle has been completed, the Comptroller General of the United States shall submit to the Committees on Appropriations and on the Judiciary of the House of Representatives and the Senate a report containing the following:

(A) A determination of whether the transfers of functions made by subtitles D and E have been completed, and if a transfer of functions has not taken place, identifying the reasons why the transfer has not taken place.

(B) If the transfers of functions made by subtitles D and E have been completed, an identification of any issues that have arisen due to the completed transfers.

(C) An identification of any issues that may arise due to any future transfer of functions.

(2) REPORT ON MANAGEMENT.—Not later than 4 years after the date on which the transfer of functions specified under section 441 takes effect, the Comptroller General of the United States shall submit to the Committees on Appropriations and on the Judiciary of the House of Representatives and the Senate a report, following a study, containing the following:

(A) Determinations of whether the transfer of functions from the Immigration and Naturalization Service to the Bureau of Citizenship and Immigration Services and the Bureau of Border Security have improved, with respect to each function transferred, the following:

(i) Operations.

(ii) Management, including accountability and communication.

(iii) Financial administration.

(iv) Recordkeeping, including information management and technology.

(B) A statement of the reasons for the determinations under subparagraph (A).

(C) Any recommendations for further improvements to the Bureau of Citizenship and Immigration Services and the Bureau of Border Security.

(3) REPORT ON FEES.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report examining whether the Bureau of Citizenship and Immigration Services is likely to derive sufficient funds from fees to carry out its functions in the absence of appropriated funds.

**SEC. 478. [6 U.S.C. 298] IMMIGRATION FUNCTIONS.**

(a) ANNUAL REPORT.—

(1) IN GENERAL.—One year after the date of the enactment of this Act, and each year thereafter, the Secretary shall submit a report to the President, to the Committees on the Judiciary and Government Reform of the House of Representatives, and to the Committees on the Judiciary and Government Affairs of the Senate, on the impact the transfers made by this subtitle has had on immigration functions.

(2) MATTER INCLUDED.—The report shall address the following with respect to the period covered by the report:

(A) The aggregate number of all immigration applications and petitions received, and processed, by the Department.

(B) Region-by-region statistics on the aggregate number of immigration applications and petitions filed by an alien (or filed on behalf of an alien) and denied, disaggregated by category of denial and application or petition type.

(C) The quantity of backlogged immigration applications and petitions that have been processed, the aggregate number awaiting processing, and a detailed plan for eliminating the backlog.

(D) The average processing period for immigration applications and petitions, disaggregated by application or petition type.

(E) The number and types of immigration-related grievances filed with any official of the Department of Justice, and if those grievances were resolved.

(F) Plans to address grievances and improve immigration services.

(G) Whether immigration-related fees were used consistent with legal requirements regarding such use.

(H) Whether immigration-related questions conveyed by customers to the Department (whether conveyed in person, by telephone, or by means of the Internet) were answered effectively and efficiently.

(b) SENSE OF CONGRESS REGARDING IMMIGRATION SERVICES.—  
It is the sense of Congress that—

(1) the quality and efficiency of immigration services rendered by the Federal Government should be improved after the transfers made by this subtitle take effect; and

(2) the Secretary should undertake efforts to guarantee that concerns regarding the quality and efficiency of immigration services are addressed after such effective date.

## TITLE V—NATIONAL EMERGENCY MANAGEMENT

### SEC. 501. [6 U.S.C. 311] DEFINITIONS.

In this title—

(1) the term “Administrator” means the Administrator of the Agency;

(2) the term “Agency” means the Federal Emergency Management Agency;

(3) the term “catastrophic incident” means any natural disaster, act of terrorism, or other man-made disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the population (including mass evacuations), infrastructure, environment, economy, national morale, or government functions in an area;

(4) the terms “credentialed” and “credentialing” mean having provided, or providing, respectively, documentation that identifies personnel and authenticates and verifies the qualifications of such personnel by ensuring that such personnel possess a minimum common level of training, experience, physical and medical fitness, and capability appropriate for a particular position in accordance with standards created under section 510;

(5) the term “Federal coordinating officer” means a Federal coordinating officer as described in section 302 of the Robert T.

Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5143);

(6) the term “interoperable” has the meaning given the term “interoperable communications” under section 7303(g)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(g)(1));

(7) the term “National Incident Management System” means a system to enable effective, efficient, and collaborative incident management;

(8) the term “National Response Plan” means the National Response Plan or any successor plan prepared under section 502(a)(6);

(9) the term “Regional Administrator” means a Regional Administrator appointed under section 507;

(10) the term “Regional Office” means a Regional Office established under section 507;

(11) the term “resources” means personnel and major items of equipment, supplies, and facilities available or potentially available for responding to a natural disaster, act of terrorism, or other man-made disaster;

(12) the term “surge capacity” means the ability to rapidly and substantially increase the provision of search and rescue capabilities, food, water, medicine, shelter and housing, medical care, evacuation capacity, staffing (including disaster assistance employees), and other resources necessary to save lives and protect property during a catastrophic incident;

(13) the term “tribal government” means the government of any entity described in section 2(11)(B); and

(14) the terms “typed” and “typing” mean having evaluated, or evaluating, respectively, a resource in accordance with standards created under section 510.

**SEC. 502. [6 U.S.C. 312] DEFINITION.**

In this title, the term “Nuclear Incident Response Team” means a resource that includes—

(1) those entities of the Department of Energy that perform nuclear or radiological emergency support functions (including accident response, search response, advisory, and technical operations functions), radiation exposure functions at the medical assistance facility known as the Radiation Emergency Assistance Center/Training Site (REAC/TS), radiological assistance functions, and related functions; and

(2) those entities of the Environmental Protection Agency that perform such support functions (including radiological emergency response functions) and related functions.

**SEC. 503. [6 U.S.C. 313] FEDERAL EMERGENCY MANAGEMENT AGENCY.**

(a) **IN GENERAL.**—There is in the Department the Federal Emergency Management Agency, headed by an Administrator.

(b) **MISSION.**—

(1) **PRIMARY MISSION.**—The primary mission of the Agency is to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management

system of preparedness, protection, response, recovery, and mitigation.

(2) SPECIFIC ACTIVITIES.—In support of the primary mission of the Agency, the Administrator shall—

(A) lead the Nation's efforts to prepare for, protect against, respond to, recover from, and mitigate against the risk of natural disasters, acts of terrorism, and other man-made disasters, including catastrophic incidents;

(B) partner with State, local, and tribal governments and emergency response providers, with other Federal agencies, with the private sector, and with nongovernmental organizations to build a national system of emergency management that can effectively and efficiently utilize the full measure of the Nation's resources to respond to natural disasters, acts of terrorism, and other man-made disasters, including catastrophic incidents;

(C) develop a Federal response capability that, when necessary and appropriate, can act effectively and rapidly to deliver assistance essential to saving lives or protecting or preserving property or public health and safety in a natural disaster, act of terrorism, or other man-made disaster;

(D) integrate the Agency's emergency preparedness, protection, response, recovery, and mitigation responsibilities to confront effectively the challenges of a natural disaster, act of terrorism, or other man-made disaster;

(E) develop and maintain robust Regional Offices that will work with State, local, and tribal governments, emergency response providers, and other appropriate entities to identify and address regional priorities;

(F) under the leadership of the Secretary, coordinate with the Commandant of the Coast Guard, the Director of Customs and Border Protection, the Director of Immigration and Customs Enforcement, the National Operations Center, and other agencies and offices in the Department to take full advantage of the substantial range of resources in the Department;

(G) provide funding, training, exercises, technical assistance, planning, and other assistance to build tribal, local, State, regional, and national capabilities (including communications capabilities), necessary to respond to a natural disaster, act of terrorism, or other man-made disaster; and

(H) develop and coordinate the implementation of a risk-based, all-hazards strategy for preparedness that builds those common capabilities necessary to respond to natural disasters, acts of terrorism, and other man-made disasters while also building the unique capabilities necessary to respond to specific types of incidents that pose the greatest risk to our Nation.

(c) ADMINISTRATOR.—

(1) IN GENERAL.—The Administrator shall be appointed by the President, by and with the advice and consent of the Senate.

(2) **QUALIFICATIONS.**—The Administrator shall be appointed from among individuals who have—

(A) a demonstrated ability in and knowledge of emergency management and homeland security; and

(B) not less than 5 years of executive leadership and management experience in the public or private sector.

(3) **REPORTING.**—The Administrator shall report to the Secretary, without being required to report through any other official of the Department.

(4) **PRINCIPAL ADVISOR ON EMERGENCY MANAGEMENT.**—

(A) **IN GENERAL.**—The Administrator is the principal advisor to the President, the Homeland Security Council, and the Secretary for all matters relating to emergency management in the United States.

(B) **ADVICE AND RECOMMENDATIONS.**—

(i) **IN GENERAL.**—In presenting advice with respect to any matter to the President, the Homeland Security Council, or the Secretary, the Administrator shall, as the Administrator considers appropriate, inform the President, the Homeland Security Council, or the Secretary, as the case may be, of the range of emergency preparedness, protection, response, recovery, and mitigation options with respect to that matter.

(ii) **ADVICE ON REQUEST.**—The Administrator, as the principal advisor on emergency management, shall provide advice to the President, the Homeland Security Council, or the Secretary on a particular matter when the President, the Homeland Security Council, or the Secretary requests such advice.

(iii) **RECOMMENDATIONS TO CONGRESS.**—After informing the Secretary, the Administrator may make such recommendations to Congress relating to emergency management as the Administrator considers appropriate.

(5) **CABINET STATUS.**—

(A) **IN GENERAL.**—The President may designate the Administrator to serve as a member of the Cabinet in the event of natural disasters, acts of terrorism, or other man-made disasters.

(B) **RETENTION OF AUTHORITY.**—Nothing in this paragraph shall be construed as affecting the authority of the Secretary under this Act.

**SEC. 504. [6 U.S.C. 314] AUTHORITY AND RESPONSIBILITIES.**

(a) **IN GENERAL.**—The Administrator shall provide Federal leadership necessary to prepare for, protect against, respond to, recover from, or mitigate against a natural disaster, act of terrorism, or other man-made disaster, including—

(1) helping to ensure the effectiveness of emergency response providers to terrorist attacks, major disasters, and other emergencies;

(2) with respect to the Nuclear Incident Response Team (regardless of whether it is operating as an organizational unit of the Department pursuant to this title)—

- (A) establishing standards and certifying when those standards have been met;
  - (B) conducting joint and other exercises and training and evaluating performance; and
  - (C) providing funds to the Department of Energy and the Environmental Protection Agency, as appropriate, for homeland security planning, exercises and training, and equipment;
- (3) providing the Federal Government's response to terrorist attacks and major disasters, including—
- (A) managing such response;
  - (B) directing the Domestic Emergency Support Team, the National Disaster Medical System,<sup>1</sup> and (when operating as an organizational unit of the Department pursuant to this title) the Nuclear Incident Response Team;
  - (C) overseeing the Metropolitan Medical Response System; and
  - (D) coordinating other Federal response resources, including requiring deployment of the Strategic National Stockpile, in the event of a terrorist attack or major disaster;
- (4) aiding the recovery from terrorist attacks and major disasters;
- (5) building a comprehensive national incident management system with Federal, State, and local government personnel, agencies, and authorities, to respond to such attacks and disasters;
- (6) consolidating existing Federal Government emergency response plans into a single, coordinated national response plan;
- (7) helping ensure the acquisition of operable and interoperable communications capabilities by Federal, State, local, and tribal governments and emergency response providers;
- (8) assisting the President in carrying out the functions under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and carrying out all functions and authorities given to the Administrator under that Act;
- (9) carrying out the mission of the Agency to reduce the loss of life and property and protect the Nation from all hazards by leading and supporting the Nation in a risk-based, comprehensive emergency management system of—
- (A) mitigation, by taking sustained actions to reduce or eliminate long-term risks to people and property from hazards and their effects;
  - (B) preparedness, by planning, training, and building the emergency management profession to prepare effec-

<sup>1</sup>The phrase “, the National Disaster Medical System,” in subsection (a)(3)(B) probably should not appear. Section 301(c)(1) of Public Law 109–417 (120 Stat. 2854) provides for an amendment to the Homeland Security Act of 2002 as follows:

(1) in section 502(3)(B), by striking “, the National Disaster Medical System,”; and

The amendment was not executed because section 502 of the Homeland Security Act of 2002 was redesignated as section 504 by section 611(8) of Public Law 109–295 (120 Stat 1395).



tively for, mitigate against, respond to, and recover from any hazard;

(C) response, by conducting emergency operations to save lives and property through positioning emergency equipment, personnel, and supplies, through evacuating potential victims, through providing food, water, shelter, and medical care to those in need, and through restoring critical public services; and

(D) recovery, by rebuilding communities so individuals, businesses, and governments can function on their own, return to normal life, and protect against future hazards;

(10) increasing efficiencies, by coordinating efforts relating to preparedness, protection, response, recovery, and mitigation;

(11) helping to ensure the effectiveness of emergency response providers in responding to a natural disaster, act of terrorism, or other man-made disaster;

(12) supervising grant programs administered by the Agency;

(13) administering and ensuring the implementation of the National Response Plan, including coordinating and ensuring the readiness of each emergency support function under the National Response Plan;

(14) coordinating with the National Advisory Council established under section 508;

(15) preparing and implementing the plans and programs of the Federal Government for—

(A) continuity of operations;

(B) continuity of government; and

(C) continuity of plans;

(16) minimizing, to the extent practicable, overlapping planning and reporting requirements applicable to State, local, and tribal governments and the private sector;

(17) maintaining and operating within the Agency the National Response Coordination Center or its successor;

(18) developing a national emergency management system that is capable of preparing for, protecting against, responding to, recovering from, and mitigating against catastrophic incidents;

(19) assisting the President in carrying out the functions under the national preparedness goal and the national preparedness system and carrying out all functions and authorities of the Administrator under the national preparedness System;

(20) carrying out all authorities of the Federal Emergency Management Agency and the Directorate of Preparedness of the Department as transferred under section 505; and

(21) otherwise carrying out the mission of the Agency as described in section 503(b).

(b) ALL-HAZARDS APPROACH.—In carrying out the responsibilities under this section, the Administrator shall coordinate the implementation of a risk-based, all-hazards strategy that builds those common capabilities necessary to prepare for, protect against, respond to, recover from, or mitigate against natural disasters, acts

of terrorism, and other man-made disasters, while also building the unique capabilities necessary to prepare for, protect against, respond to, recover from, or mitigate against the risks of specific types of incidents that pose the greatest risk to the Nation.

**SEC. 505. [6 U.S.C. 315] FUNCTIONS TRANSFERRED.**

(a) **IN GENERAL.**—Except as provided in subsection (b), there are transferred to the Agency the following:

(1) All functions of the Federal Emergency Management Agency, including existing responsibilities for emergency alert systems and continuity of operations and continuity of government plans and programs as constituted on June 1, 2006, including all of its personnel, assets, components, authorities, grant programs, and liabilities, and including the functions of the Under Secretary for Federal Emergency Management relating thereto.

(2) The Directorate of Preparedness, as constituted on June 1, 2006, including all of its functions, personnel, assets, components, authorities, grant programs, and liabilities, and including the functions of the Under Secretary for Preparedness relating thereto.

(b) **EXCEPTIONS.**—The following within the Preparedness Directorate shall not be transferred:

- (1) The Office of Infrastructure Protection.
- (2) The National Communications System.
- (3) The National Cybersecurity Division.
- (4) The Office of the Chief Medical Officer.

(5) The functions, personnel, assets, components, authorities, and liabilities of each component described under paragraphs (1) through (4).

**SEC. 506. [6 U.S.C. 316] PRESERVING THE FEDERAL EMERGENCY MANAGEMENT AGENCY.**

(a) **DISTINCT ENTITY.**—The Agency shall be maintained as a distinct entity within the Department.

(b) **REORGANIZATION.**—Section 872 shall not apply to the Agency, including any function or organizational unit of the Agency.

(c) **PROHIBITION ON CHANGES TO MISSIONS.**—

(1) **IN GENERAL.**—The Secretary may not substantially or significantly reduce the authorities, responsibilities, or functions of the Agency or the capability of the Agency to perform those missions, authorities, responsibilities, except as otherwise specifically provided in an Act enacted after the date of enactment of the Post-Katrina Emergency Management Reform Act of 2006.

(2) **CERTAIN TRANSFERS PROHIBITED.**—No asset, function, or mission of the Agency may be diverted to the principal and continuing use of any other organization, unit, or entity of the Department, except for details or assignments that do not reduce the capability of the Agency to perform its missions.

(d) **REPROGRAMMING AND TRANSFER OF FUNDS.**—In reprogramming or transferring funds, the Secretary shall comply with any applicable provisions of any Act making appropriations for the Department for fiscal year 2007, or any succeeding fiscal year, relating to the reprogramming or transfer of funds.

**SEC. 507. [6 U.S.C. 317] REGIONAL OFFICES.**

(a) **IN GENERAL.**—There are in the Agency 10 regional offices, as identified by the Administrator.

(b) **MANAGEMENT OF REGIONAL OFFICES.**—

(1) **REGIONAL ADMINISTRATOR.**—Each Regional Office shall be headed by a Regional Administrator who shall be appointed by the Administrator, after consulting with State, local, and tribal government officials in the region. Each Regional Administrator shall report directly to the Administrator and be in the Senior Executive Service.

(2) **QUALIFICATIONS.**—

(A) **IN GENERAL.**—Each Regional Administrator shall be appointed from among individuals who have a demonstrated ability in and knowledge of emergency management and homeland security.

(B) **CONSIDERATIONS.**—In selecting a Regional Administrator for a Regional Office, the Administrator shall consider the familiarity of an individual with the geographical area and demographic characteristics of the population served by such Regional Office.

(c) **RESPONSIBILITIES.**—

(1) **IN GENERAL.**—The Regional Administrator shall work in partnership with State, local, and tribal governments, emergency managers, emergency response providers, medical providers, the private sector, nongovernmental organizations, multijurisdictional councils of governments, and regional planning commissions and organizations in the geographical area served by the Regional Office to carry out the responsibilities of a Regional Administrator under this section.

(2) **RESPONSIBILITIES.**—The responsibilities of a Regional Administrator include—

(A) ensuring effective, coordinated, and integrated regional preparedness, protection, response, recovery, and mitigation activities and programs for natural disasters, acts of terrorism, and other man-made disasters (including planning, training, exercises, and professional development);

(B) assisting in the development of regional capabilities needed for a national catastrophic response system;

(C) coordinating the establishment of effective regional operable and interoperable emergency communications capabilities;

(D) staffing and overseeing 1 or more strike teams within the region under subsection (f), to serve as the focal point of the Federal Government's initial response efforts for natural disasters, acts of terrorism, and other man-made disasters within that region, and otherwise building Federal response capabilities to respond to natural disasters, acts of terrorism, and other man-made disasters within that region;

(E) designating an individual responsible for the development of strategic and operational regional plans in support of the National Response Plan;

(F) fostering the development of mutual aid and other cooperative agreements;

(G) identifying critical gaps in regional capabilities to respond to populations with special needs;

(H) maintaining and operating a Regional Response Coordination Center or its successor;

(I) coordinating with the private sector to help ensure private sector preparedness for natural disasters, acts of terrorism, and other man-made disasters;

(J) assisting State, local, and tribal governments, where appropriate, to preidentify and evaluate suitable sites where a multijurisdictional incident command system may quickly be established and operated from, if the need for such a system arises; and

(K) performing such other duties relating to such responsibilities as the Administrator may require.

(3) TRAINING AND EXERCISE REQUIREMENTS.—

(A) TRAINING.—The Administrator shall require each Regional Administrator to undergo specific training periodically to complement the qualifications of the Regional Administrator. Such training, as appropriate, shall include training with respect to the National Incident Management System, the National Response Plan, and such other subjects as determined by the Administrator.

(B) EXERCISES.—The Administrator shall require each Regional Administrator to participate as appropriate in regional and national exercises.

(d) AREA OFFICES.—

(1) IN GENERAL.—There is an Area Office for the Pacific and an Area Office for the Caribbean, as components in the appropriate Regional Offices.

(2) ALASKA.—The Administrator shall establish an Area Office in Alaska, as a component in the appropriate Regional Office.

(e) REGIONAL ADVISORY COUNCIL.—

(1) ESTABLISHMENT.—Each Regional Administrator shall establish a Regional Advisory Council.

(2) NOMINATIONS.—A State, local, or tribal government located within the geographic area served by the Regional Office may nominate officials, including Adjutants General and emergency managers, to serve as members of the Regional Advisory Council for that region.

(3) RESPONSIBILITIES.—Each Regional Advisory Council shall—

(A) advise the Regional Administrator on emergency management issues specific to that region;

(B) identify any geographic, demographic, or other characteristics peculiar to any State, local, or tribal government within the region that might make preparedness, protection, response, recovery, or mitigation more complicated or difficult; and

(C) advise the Regional Administrator of any weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation for any State, local, and

tribal government within the region of which the Regional Advisory Council is aware.

(f) REGIONAL OFFICE STRIKE TEAMS.—

(1) IN GENERAL.—In coordination with other relevant Federal agencies, each Regional Administrator shall oversee multi-agency strike teams authorized under section 303 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5144) that shall consist of—

- (A) a designated Federal coordinating officer;
- (B) personnel trained in incident management;
- (C) public affairs, response and recovery, and communications support personnel;
- (D) a defense coordinating officer;
- (E) liaisons to other Federal agencies;
- (F) such other personnel as the Administrator or Regional Administrator determines appropriate; and
- (G) individuals from the agencies with primary responsibility for each of the emergency support functions in the National Response Plan.

(2) OTHER DUTIES.—The duties of an individual assigned to a Regional Office strike team from another relevant agency when such individual is not functioning as a member of the strike team shall be consistent with the emergency preparedness activities of the agency that employs such individual.

(3) LOCATION OF MEMBERS.—The members of each Regional Office strike team, including representatives from agencies other than the Department, shall be based primarily within the region that corresponds to that strike team.

(4) COORDINATION.—Each Regional Office strike team shall coordinate the training and exercises of that strike team with the State, local, and tribal governments and private sector and nongovernmental entities which the strike team shall support when a natural disaster, act of terrorism, or other man-made disaster occurs.

(5) PREPAREDNESS.—Each Regional Office strike team shall be trained as a unit on a regular basis and equipped and staffed to be well prepared to respond to natural disasters, acts of terrorism, and other man-made disasters, including catastrophic incidents.

(6) AUTHORITIES.—If the Administrator determines that statutory authority is inadequate for the preparedness and deployment of individuals in strike teams under this subsection, the Administrator shall report to Congress regarding the additional statutory authorities that the Administrator determines are necessary.

**SEC. 508. [6 U.S.C. 318] NATIONAL ADVISORY COUNCIL.**

(a) ESTABLISHMENT.—Not later than 60 days after the date of enactment of the Post-Katrina Emergency Management Reform Act of 2006, the Secretary shall establish an advisory body under section 871(a) to ensure effective and ongoing coordination of Federal preparedness, protection, response, recovery, and mitigation for natural disasters, acts of terrorism, and other man-made disasters, to be known as the National Advisory Council.

(b) RESPONSIBILITIES.—

(1) IN GENERAL.—The National Advisory Council shall advise the Administrator on all aspects of emergency management. The National Advisory Council shall incorporate State, local, and tribal government and private sector input in the development and revision of the national preparedness goal, the national preparedness system, the National Incident Management System, the National Response Plan, and other related plans and strategies.

(2) CONSULTATION ON GRANTS.—To ensure input from and coordination with State, local, and tribal governments and emergency response providers, the Administrator shall regularly consult and work with the National Advisory Council on the administration and assessment of grant programs administered by the Department, including with respect to the development of program guidance and the development and evaluation of risk-assessment methodologies, as appropriate.

(c) MEMBERSHIP.—

(1) IN GENERAL.—The members of the National Advisory Council shall be appointed by the Administrator, and shall, to the extent practicable, represent a geographic (including urban and rural) and substantive cross section of officials, emergency managers, and emergency response providers from State, local, and tribal governments, the private sector, and nongovernmental organizations, including as appropriate—

(A) members selected from the emergency management field and emergency response providers, including fire service, law enforcement, hazardous materials response, emergency medical services, and emergency management personnel, or organizations representing such individuals;

(B) health scientists, emergency and inpatient medical providers, and public health professionals;

(C) experts from Federal, State, local, and tribal governments, and the private sector, representing standards-setting and accrediting organizations, including representatives from the voluntary consensus codes and standards development community, particularly those with expertise in the emergency preparedness and response field;

(D) State, local, and tribal government officials with expertise in preparedness, protection, response, recovery, and mitigation, including Adjutants General;

(E) elected State, local, and tribal government executives;

(F) experts in public and private sector infrastructure protection, cybersecurity, and communications;

(G) representatives of individuals with disabilities and other populations with special needs; and

(H) such other individuals as the Administrator determines to be appropriate.

(2) COORDINATION WITH THE DEPARTMENTS OF HEALTH AND HUMAN SERVICES AND TRANSPORTATION.—In the selection of members of the National Advisory Council who are health or emergency medical services professionals, the Administrator

shall work with the Secretary of Health and Human Services and the Secretary of Transportation.

(3) EX OFFICIO MEMBERS.—The Administrator shall designate 1 or more officers of the Federal Government to serve as ex officio members of the National Advisory Council.

(4) TERMS OF OFFICE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term of office of each member of the National Advisory Council shall be 3 years.

(B) INITIAL APPOINTMENTS.—Of the members initially appointed to the National Advisory Council—

(i) one-third shall be appointed for a term of 1 year; and

(ii) one-third shall be appointed for a term of 2 years.

(d) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—

(1) IN GENERAL.—Notwithstanding section 871(a) and subject to paragraph (2), the Federal Advisory Committee Act (5 U.S.C. App.), including subsections (a), (b), and (d) of section 10 of such Act, and section 552b(c) of title 5, United States Code, shall apply to the National Advisory Council.

(2) TERMINATION.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the National Advisory Council.

**SEC. 509. [6 U.S.C. 319] NATIONAL INTEGRATION CENTER.**

(a) IN GENERAL.—There is established in the Agency a National Integration Center.

(b) RESPONSIBILITIES.—

(1) IN GENERAL.—The Administrator, through the National Integration Center, and in consultation with other Federal departments and agencies and the National Advisory Council, shall ensure ongoing management and maintenance of the National Incident Management System, the National Response Plan, and any successor to such system or plan.

(2) SPECIFIC RESPONSIBILITIES.—The National Integration Center shall periodically review, and revise as appropriate, the National Incident Management System and the National Response Plan, including—

(A) establishing, in consultation with the Director of the Corporation for National and Community Service, a process to better use volunteers and donations;

(B) improving the use of Federal, State, local, and tribal resources and ensuring the effective use of emergency response providers at emergency scenes; and

(C) revising the Catastrophic Incident Annex, finalizing and releasing the Catastrophic Incident Supplement to the National Response Plan, and ensuring that both effectively address response requirements in the event of a catastrophic incident.

(c) INCIDENT MANAGEMENT.—

(1) IN GENERAL.—

(A) NATIONAL RESPONSE PLAN.—The Secretary, acting through the Administrator, shall ensure that the National

Response Plan provides for a clear chain of command to lead and coordinate the Federal response to any natural disaster, act of terrorism, or other man-made disaster.

(B) ADMINISTRATOR.—The chain of the command specified in the National Response Plan shall—

(i) provide for a role for the Administrator consistent with the role of the Administrator as the principal emergency management advisor to the President, the Homeland Security Council, and the Secretary under section 503(c)(4) and the responsibility of the Administrator under the Post-Katrina Emergency Management Reform Act of 2006, and the amendments made by that Act, relating to natural disasters, acts of terrorism, and other man-made disasters; and

(ii) provide for a role for the Federal Coordinating Officer consistent with the responsibilities under section 302(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5143(b)).

(2) PRINCIPAL FEDERAL OFFICIAL.—The Principal Federal Official (or the successor thereto) shall not—

(A) direct or replace the incident command structure established at the incident; or

(B) have directive authority over the Senior Federal Law Enforcement Official, Federal Coordinating Officer, or other Federal and State officials.

**SEC. 510. [6 U.S.C. 320] CREDENTIALING AND TYPING.**

(a) IN GENERAL.—The Administrator shall enter into a memorandum of understanding with the administrators of the Emergency Management Assistance Compact, State, local, and tribal governments, and organizations that represent emergency response providers, to collaborate on developing standards for deployment capabilities, including for credentialing and typing of incident management personnel, emergency response providers, and other personnel (including temporary personnel) and resources likely needed to respond to natural disasters, acts of terrorism, and other man-made disasters.

(b) DISTRIBUTION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Administrator shall provide the standards developed under subsection (a), including detailed written guidance, to—

(A) each Federal agency that has responsibilities under the National Response Plan to aid that agency with credentialing and typing incident management personnel, emergency response providers, and other personnel (including temporary personnel) and resources likely needed to respond to a natural disaster, act of terrorism, or other man-made disaster; and

(B) State, local, and tribal governments, to aid such governments with credentialing and typing of State, local, and tribal incident management personnel, emergency response providers, and other personnel (including tem-



porary personnel) and resources likely needed to respond to a natural disaster, act of terrorism, or other man-made disaster.

(2) ASSISTANCE.—The Administrator shall provide expertise and technical assistance to aid Federal, State, local, and tribal government agencies with credentialing and typing incident management personnel, emergency response providers, and other personnel (including temporary personnel) and resources likely needed to respond to a natural disaster, act of terrorism, or other man-made disaster.

(c) CREDENTIALING AND TYPING OF PERSONNEL.—Not later than 6 months after receiving the standards provided under subsection (b), each Federal agency with responsibilities under the National Response Plan shall ensure that incident management personnel, emergency response providers, and other personnel (including temporary personnel) and resources likely needed to respond to a natural disaster, act of terrorism, or other manmade disaster are credentialed and typed in accordance with this section.

(d) CONSULTATION ON HEALTH CARE STANDARDS.—In developing standards for credentialing health care professionals under this section, the Administrator shall consult with the Secretary of Health and Human Services.

**SEC. 511. [6 U.S.C. 321] THE NATIONAL INFRASTRUCTURE SIMULATION AND ANALYSIS CENTER.**

(a) DEFINITION.—In this section, the term “National Infrastructure Simulation and Analysis Center” means the National Infrastructure Simulation and Analysis Center established under section 1016(d) of the USA PATRIOT Act (42 U.S.C. 5195c(d)).

(b) AUTHORITY.—

(1) IN GENERAL.—There is in the Department the National Infrastructure Simulation and Analysis Center which shall serve as a source of national expertise to address critical infrastructure protection and continuity through support for activities related to—

(A) counterterrorism, threat assessment, and risk mitigation; and

(B) a natural disaster, act of terrorism, or other man-made disaster.

(2) INFRASTRUCTURE MODELING.—

(A) PARTICULAR SUPPORT.—The support provided under paragraph (1) shall include modeling, simulation, and analysis of the systems and assets comprising critical infrastructure, in order to enhance preparedness, protection, response, recovery, and mitigation activities.

(B) RELATIONSHIP WITH OTHER AGENCIES.—Each Federal agency and department with critical infrastructure responsibilities under Homeland Security Presidential Directive 7, or any successor to such directive, shall establish a formal relationship, including an agreement regarding information sharing, between the elements of such agency or department and the National Infrastructure Simulation and Analysis Center, through the Department.

(C) PURPOSE.—

(i) IN GENERAL.—The purpose of the relationship under subparagraph (B) shall be to permit each Federal agency and department described in subparagraph (B) to take full advantage of the capabilities of the National Infrastructure Simulation and Analysis Center (particularly vulnerability and consequence analysis), consistent with its work load capacity and priorities, for real-time response to reported and projected natural disasters, acts of terrorism, and other man-made disasters.

(ii) RECIPIENT OF CERTAIN SUPPORT.—Modeling, simulation, and analysis provided under this subsection shall be provided to relevant Federal agencies and departments, including Federal agencies and departments with critical infrastructure responsibilities under Homeland Security Presidential Directive 7, or any successor to such directive.

**SEC. 512. [6 U.S.C. 321a] EVACUATION PLANS AND EXERCISES.**

(a) IN GENERAL.—Notwithstanding any other provision of law, and subject to subsection (d), grants made to States or local or tribal governments by the Department through the State Homeland Security Grant Program or the Urban Area Security Initiative may be used to—

(1) establish programs for the development and maintenance of mass evacuation plans under subsection (b) in the event of a natural disaster, act of terrorism, or other man-made disaster;

(2) prepare for the execution of such plans, including the development of evacuation routes and the purchase and stockpiling of necessary supplies and shelters; and

(3) conduct exercises of such plans.

(b) PLAN DEVELOPMENT.—In developing the mass evacuation plans authorized under subsection (a), each State, local, or tribal government shall, to the maximum extent practicable—

(1) establish incident command and decision making processes;

(2) ensure that State, local, and tribal government plans, including evacuation routes, are coordinated and integrated;

(3) identify primary and alternative evacuation routes and methods to increase evacuation capabilities along such routes such as conversion of two-way traffic to one-way evacuation routes;

(4) identify evacuation transportation modes and capabilities, including the use of mass and public transit capabilities, and coordinating and integrating evacuation plans for all populations including for those individuals located in hospitals, nursing homes, and other institutional living facilities;

(5) develop procedures for informing the public of evacuation plans before and during an evacuation, including individuals—

(A) with disabilities or other special needs, including the elderly;

(B) with limited English proficiency; or

- (C) who might otherwise have difficulty in obtaining such information; and  
(6) identify shelter locations and capabilities.

(c) ASSISTANCE.—

(1) IN GENERAL.—The Administrator may establish any guidelines, standards, or requirements determined appropriate to administer this section and to ensure effective mass evacuation planning for State, local, and tribal areas.

(2) REQUESTED ASSISTANCE.—The Administrator shall make assistance available upon request of a State, local, or tribal government to assist hospitals, nursing homes, and other institutions that house individuals with special needs to establish, maintain, and exercise mass evacuation plans that are coordinated and integrated into the plans developed by that State, local, or tribal government under this section.

(d) MULTIPURPOSE FUNDS.—Nothing in this section may be construed to preclude a State, local, or tribal government from using grant funds in a manner that enhances preparedness for a natural or man-made disaster unrelated to an act of terrorism, if such use assists such government in building capabilities for terrorism preparedness.

**SEC. 513. [6 U.S.C. 321b] DISABILITY COORDINATOR.**

(a) IN GENERAL.—After consultation with organizations representing individuals with disabilities, the National Council on Disabilities, and the Interagency Coordinating Council on Preparedness and Individuals with Disabilities, established under Executive Order No. 13347 (6 U.S.C. 312 note), the Administrator shall appoint a Disability Coordinator. The Disability Coordinator shall report directly to the Administrator, in order to ensure that the needs of individuals with disabilities are being properly addressed in emergency preparedness and disaster relief.

(b) RESPONSIBILITIES.—The Disability Coordinator shall be responsible for—

(1) providing guidance and coordination on matters related to individuals with disabilities in emergency planning requirements and relief efforts in the event of a natural disaster, act of terrorism, or other man-made disaster;

(2) interacting with the staff of the Agency, the National Council on Disabilities, the Interagency Coordinating Council on Preparedness and Individuals with Disabilities established under Executive Order No. 13347 (6 U.S.C. 312 note), other agencies of the Federal Government, and State, local, and tribal government authorities regarding the needs of individuals with disabilities in emergency planning requirements and relief efforts in the event of a natural disaster, act of terrorism, or other man-made disaster;

(3) consulting with organizations that represent the interests and rights of individuals with disabilities about the needs of individuals with disabilities in emergency planning requirements and relief efforts in the event of a natural disaster, act of terrorism, or other man-made disaster;

(4) ensuring the coordination and dissemination of best practices and model evacuation plans for individuals with disabilities;

(5) ensuring the development of training materials and a curriculum for training of emergency response providers, State, local, and tribal government officials, and others on the needs of individuals with disabilities;

(6) promoting the accessibility of telephone hotlines and websites regarding emergency preparedness, evacuations, and disaster relief;

(7) working to ensure that video programming distributors, including broadcasters, cable operators, and satellite television services, make emergency information accessible to individuals with hearing and vision disabilities;

(8) ensuring the availability of accessible transportation options for individuals with disabilities in the event of an evacuation;

(9) providing guidance and implementing policies to ensure that the rights and wishes of individuals with disabilities regarding post-evacuation residency and relocation are respected;

(10) ensuring that meeting the needs of individuals with disabilities are included in the components of the national preparedness system established under section 644 of the Post-Katrina Emergency Management Reform Act of 2006; and

(11) any other duties as assigned by the Administrator.

**SEC. 514. [6 U.S.C. 321c] DEPARTMENT AND AGENCY OFFICIALS.**

(a) **DEPUTY ADMINISTRATORS.**—The President may appoint, by and with the advice and consent of the Senate, not more than 4 Deputy Administrators to assist the Administrator in carrying out this title.

(b) **CYBERSECURITY AND COMMUNICATIONS.**—There is in the Department an Assistant Secretary for Cybersecurity and Communications.

(c) **UNITED STATES FIRE ADMINISTRATION.**—The Administrator of the United States Fire Administration shall have a rank equivalent to an assistant secretary of the Department.

**SEC. 515. [6 U.S.C. 321d] NATIONAL OPERATIONS CENTER.**

(a) **DEFINITION.**—In this section, the term “situational awareness” means information gathered from a variety of sources that, when communicated to emergency managers and decision makers, can form the basis for incident management decisionmaking.

(b) **ESTABLISHMENT.**—The National Operations Center is the principal operations center for the Department and shall—

(1) provide situational awareness and a common operating picture for the entire Federal Government, and for State, local, and tribal governments as appropriate, in the event of a natural disaster, act of terrorism, or other man-made disaster; and

(2) ensure that critical terrorism and disaster-related information reaches government decision-makers.

(c) **STATE AND LOCAL FIRE SERVICE REPRESENTATION.**—

(1) **ESTABLISHMENT OF POSITION.**—The Secretary shall, in consultation with the Administrator of the United States Fire Administration, establish a fire service position at the National

Operations Center established under subsection (b) to ensure the effective sharing of information between the Federal Government and State and local fire services.

(2) DESIGNATION OF POSITION.—The Secretary shall designate, on a rotating basis, a State or local fire service official for the position described in paragraph (1).

(3) MANAGEMENT.—The Secretary shall manage the position established pursuant to paragraph (1) in accordance with such rules, regulations, and practices as govern other similar rotating positions at the National Operations Center.

**SEC. 516. [6 U.S.C. 321e] CHIEF MEDICAL OFFICER.**

(a) IN GENERAL.—There is in the Department a Chief Medical Officer, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) QUALIFICATIONS.—The individual appointed as Chief Medical Officer shall possess a demonstrated ability in and knowledge of medicine and public health.

(c) RESPONSIBILITIES.—The Chief Medical Officer shall have the primary responsibility within the Department for medical issues related to natural disasters, acts of terrorism, and other man-made disasters, including—

(1) serving as the principal advisor to the Secretary and the Administrator on medical and public health issues;

(2) coordinating the biodefense activities of the Department;

(3) ensuring internal and external coordination of all medical preparedness and response activities of the Department, including training, exercises, and equipment support;

(4) serving as the Department's primary point of contact with the Department of Agriculture, the Department of Defense, the Department of Health and Human Services, the Department of Transportation, the Department of Veterans Affairs, and other Federal departments or agencies, on medical and public health issues;

(5) serving as the Department's primary point of contact for State, local, and tribal governments, the medical community, and others within and outside the Department, with respect to medical and public health matters;

(6) discharging, in coordination with the Under Secretary for Science and Technology, the responsibilities of the Department related to Project Bioshield; and

(7) performing such other duties relating to such responsibilities as the Secretary may require.

**SEC. 517. [6 U.S.C. 321f] NUCLEAR INCIDENT RESPONSE.**

(a) IN GENERAL.—At the direction of the Secretary (in connection with an actual or threatened terrorist attack, major disaster, or other emergency in the United States), the Nuclear Incident Response Team shall operate as an organizational unit of the Department. While so operating, the Nuclear Incident Response Team shall be subject to the direction, authority, and control of the Secretary.

(b) RULE OF CONSTRUCTION.—Nothing in this title shall be construed to limit the ordinary responsibility of the Secretary of En-

ergy and the Administrator of the Environmental Protection Agency for organizing, training, equipping, and utilizing their respective entities in the Nuclear Incident Response Team, or (subject to the provisions of this title) from exercising direction, authority, and control over them when they are not operating as a unit of the Department.

**SEC. 518. [6 U.S.C. 321g] CONDUCT OF CERTAIN PUBLIC HEALTH-RELATED ACTIVITIES.**

(a) **IN GENERAL.**—With respect to all public health-related activities to improve State, local, and hospital preparedness and response to chemical, biological, radiological, and nuclear and other emerging terrorist threats carried out by the Department of Health and Human Services (including the Public Health Service), the Secretary of Health and Human Services shall set priorities and preparedness goals and further develop a coordinated strategy for such activities in collaboration with the Secretary.

(b) **EVALUATION OF PROGRESS.**—In carrying out subsection (a), the Secretary of Health and Human Services shall collaborate with the Secretary in developing specific benchmarks and outcome measurements for evaluating progress toward achieving the priorities and goals described in such subsection.

**SEC. 519. [6 U.S.C. 321h] USE OF NATIONAL PRIVATE SECTOR NETWORKS IN EMERGENCY RESPONSE.**

To the maximum extent practicable, the Secretary shall use national private sector networks and infrastructure for emergency response to chemical, biological, radiological, nuclear, or explosive disasters, and other major disasters.

**SEC. 520. [6 U.S.C. 321i] USE OF COMMERCIALY AVAILABLE TECHNOLOGY, GOODS, AND SERVICES.**

It is the sense of Congress that—

(1) the Secretary should, to the maximum extent possible, use off-the-shelf commercially developed technologies to ensure that the Department's information technology systems allow the Department to collect, manage, share, analyze, and disseminate information securely over multiple channels of communication; and

(2) in order to further the policy of the United States to avoid competing commercially with the private sector, the Secretary should rely on commercial sources to supply the goods and services needed by the Department.

**SEC. 521. [6 U.S.C. 321j] PROCUREMENT OF SECURITY COUNTERMEASURES FOR STRATEGIC NATIONAL STOCKPILE.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—For the procurement of security countermeasures under section 319F–2(c) of the Public Health Service Act (referred to in this section as the “security countermeasures program”), there is authorized to be appropriated up to \$5,593,000,000 for the fiscal years 2004 through 2013. Of the amounts appropriated under the preceding sentence, not to exceed \$3,418,000,000 may be obligated during the fiscal years 2004 through 2008, of which not to exceed \$890,000,000 may be obligated during fiscal year 2004. None of the funds made available under this subsection shall be used to procure countermeasures to diagnose, mitigate, prevent, or treat harm resulting from any natu-

rally occurring infectious disease or other public health threat that are not security countermeasures under section 319F–2(c)(1)(B).<sup>1</sup>

(b) SPECIAL RESERVE FUND.—For purposes of the security countermeasures program, the term “special reserve fund” means the “Biodefense Countermeasures” appropriations account or any other appropriation made under subsection (a).

(c) AVAILABILITY.—Amounts appropriated under subsection (a) become available for a procurement under the security countermeasures program only upon the approval by the President of such availability for the procurement in accordance with paragraph (6)(B) of such program.

(d) RELATED AUTHORIZATIONS OF APPROPRIATIONS.—

(1) THREAT ASSESSMENT CAPABILITIES.—For the purpose of carrying out the responsibilities of the Secretary for terror threat assessment under the security countermeasures program, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2004 through 2006, for the hiring of professional personnel within the Office of Intelligence and Analysis, who shall be analysts responsible for chemical, biological, radiological, and nuclear threat assessment (including but not limited to analysis of chemical, biological, radiological, and nuclear agents, the means by which such agents could be weaponized or used in a terrorist attack, and the capabilities, plans, and intentions of terrorists and other non-state actors who may have or acquire such agents). All such analysts shall meet the applicable standards and qualifications for the performance of intelligence activities promulgated by the Director of Central Intelligence pursuant to section 104 of the National Security Act of 1947.

(2) INTELLIGENCE SHARING INFRASTRUCTURE.—For the purpose of carrying out the acquisition and deployment of secure facilities (including information technology and physical infrastructure, whether mobile and temporary, or permanent) sufficient to permit the Secretary to receive, not later than 180 days after the date of enactment of the Project BioShield Act of 2004, all classified information and products to which the Under Secretary for Intelligence and Analysis is entitled under subtitle A of title II, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2004 through 2006.

**SEC. 522. [6 U.S.C. 321k] MODEL STANDARDS AND GUIDELINES FOR CRITICAL INFRASTRUCTURE WORKERS.**

(a) IN GENERAL.—Not later than 12 months after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, and in coordination with appropriate national professional organizations, Federal, State, local, and tribal govern-

<sup>1</sup>The last sentence in section 521(a) was added to reflect the probable intent of Congress. Section 403(c) of Public Law 109–417 (120 Stat. 2874) provides as follows:

(c) LIMITATION ON USE OF FUNDS.—Section 510(a) of the Homeland Security Act of 2002 (6 U.S.C. 320(a)) is amended by adding at the end the following: “None of the funds made available under this subsection shall be used to procure countermeasures to diagnose, mitigate, prevent, or treat harm resulting from any naturally occurring infectious disease or other public health threat that are not security countermeasures under section 319F–2(c)(1)(B).”.

Section 510 of the Homeland Security Act of 2002 was redesignated as section 521 by section 611(7) of Public Law 109–295 (120 Stat. 1395).

ment agencies, and private-sector and nongovernmental entities, the Administrator shall establish model standards and guidelines for credentialing critical infrastructure workers that may be used by a State to credential critical infrastructure workers that may respond to a natural disaster, act of terrorism, or other man-made disaster.

(b) **DISTRIBUTION AND ASSISTANCE.**—The Administrator shall provide the standards developed under subsection (a), including detailed written guidance, to State, local, and tribal governments, and provide expertise and technical assistance to aid such governments with credentialing critical infrastructure workers that may respond to a natural disaster, act of terrorism, or other manmade disaster.

**SEC. 523. [6 U.S.C. 3211] GUIDANCE AND RECOMMENDATIONS.**

(a) **IN GENERAL.**—Consistent with their responsibilities and authorities under law, as of the day before the date of the enactment of this section, the Administrator and the Assistant Secretary for Infrastructure Protection, in consultation with the private sector, may develop guidance or recommendations and identify best practices to assist or foster action by the private sector in—

- (1) identifying potential hazards and assessing risks and impacts;
- (2) mitigating the impact of a wide variety of hazards, including weapons of mass destruction;
- (3) managing necessary emergency preparedness and response resources;
- (4) developing mutual aid agreements;
- (5) developing and maintaining emergency preparedness and response plans, and associated operational procedures;
- (6) developing and conducting training and exercises to support and evaluate emergency preparedness and response plans and operational procedures;
- (7) developing and conducting training programs for security guards to implement emergency preparedness and response plans and operations procedures; and
- (8) developing procedures to respond to requests for information from the media or the public.

(b) **ISSUANCE AND PROMOTION.**—Any guidance or recommendations developed or best practices identified under subsection (a) shall be—

- (1) issued through the Administrator; and
- (2) promoted by the Secretary to the private sector.

(c) **SMALL BUSINESS CONCERNS.**—In developing guidance or recommendations or identifying best practices under subsection (a), the Administrator and the Assistant Secretary for Infrastructure Protection shall take into consideration small business concerns (under the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632)), including any need for separate guidance or recommendations or best practices, as necessary and appropriate.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section may be construed to supersede any requirement established under any other provision of law.



**SEC. 524. [6 U.S.C. 321m] VOLUNTARY PRIVATE SECTOR PREPAREDNESS ACCREDITATION AND CERTIFICATION PROGRAM.****(a) ESTABLISHMENT.—**

(1) **IN GENERAL.**—The Secretary, acting through the officer designated under paragraph (2), shall establish and implement the voluntary private sector preparedness accreditation and certification program in accordance with this section.

(2) **DESIGNATION OF OFFICER.**—The Secretary shall designate an officer responsible for the accreditation and certification program under this section. Such officer (hereinafter referred to in this section as the “designated officer”) shall be one of the following:

(A) The Administrator, based on consideration of—

(i) the expertise of the Administrator in emergency management and preparedness in the United States; and

(ii) the responsibilities of the Administrator as the principal advisor to the President for all matters relating to emergency management in the United States.

(B) The Assistant Secretary for Infrastructure Protection, based on consideration of the expertise of the Assistant Secretary in, and responsibilities for—

(i) protection of critical infrastructure;

(ii) risk assessment methodologies; and

(iii) interacting with the private sector on the issues described in clauses (i) and (ii).

(C) The Under Secretary for Science and Technology, based on consideration of the expertise of the Under Secretary in, and responsibilities associated with, standards.

(3) **COORDINATION.**—In carrying out the accreditation and certification program under this section, the designated officer shall coordinate with—

(A) the other officers of the Department referred to in paragraph (2), using the expertise and responsibilities of such officers; and

(B) the Special Assistant to the Secretary for the Private Sector, based on consideration of the expertise of the Special Assistant in, and responsibilities for, interacting with the private sector.

**(b) VOLUNTARY PRIVATE SECTOR PREPAREDNESS STANDARDS; VOLUNTARY ACCREDITATION AND CERTIFICATION PROGRAM FOR THE PRIVATE SECTOR.—**

(1) **ACCREDITATION AND CERTIFICATION PROGRAM.**—Not later than 210 days after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the designated officer shall—

(A) begin supporting the development and updating, as necessary, of voluntary preparedness standards through appropriate organizations that coordinate or facilitate the development and use of voluntary consensus standards and voluntary consensus standards development organizations; and

(B) in consultation with representatives of appropriate organizations that coordinate or facilitate the development

and use of voluntary consensus standards, appropriate voluntary consensus standards development organizations, each private sector advisory council created under section 102(f)(4), appropriate representatives of State and local governments, including emergency management officials, and appropriate private sector advisory groups, such as sector coordinating councils and information sharing and analysis centers—

(i) develop and promote a program to certify the preparedness of private sector entities that voluntarily choose to seek certification under the program; and

(ii) implement the program under this subsection through any entity with which the designated officer enters into an agreement under paragraph (3)(A), which shall accredit third parties to carry out the certification process under this section.

(2) PROGRAM ELEMENTS.—

(A) IN GENERAL.—

(i) PROGRAM.—The program developed and implemented under this subsection shall assess whether a private sector entity complies with voluntary preparedness standards.

(ii) GUIDELINES.—In developing the program under this subsection, the designated officer shall develop guidelines for the accreditation and certification processes established under this subsection.

(B) STANDARDS.—The designated officer, in consultation with representatives of appropriate organizations that coordinate or facilitate the development and use of voluntary consensus standards, representatives of appropriate voluntary consensus standards development organizations, each private sector advisory council created under section 102(f)(4), appropriate representatives of State and local governments, including emergency management officials, and appropriate private sector advisory groups such as sector coordinating councils and information sharing and analysis centers—

(i) shall adopt one or more appropriate voluntary preparedness standards that promote preparedness, which may be tailored to address the unique nature of various sectors within the private sector, as necessary and appropriate, that shall be used in the accreditation and certification program under this subsection; and

(ii) after the adoption of one or more standards under clause (i), may adopt additional voluntary preparedness standards or modify or discontinue the use of voluntary preparedness standards for the accreditation and certification program, as necessary and appropriate to promote preparedness.

(C) SUBMISSION OF RECOMMENDATIONS.—In adopting one or more standards under subparagraph (B), the designated officer may receive recommendations from any entity described in that subparagraph relating to appropriate

voluntary preparedness standards, including appropriate sector specific standards, for adoption in the program.

(D) **SMALL BUSINESS CONCERNS.**—The designated officer and any entity with which the designated officer enters into an agreement under paragraph (3)(A) shall establish separate classifications and methods of certification for small business concerns (under the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632)) for the program under this subsection.

(E) **CONSIDERATIONS.**—In developing and implementing the program under this subsection, the designated officer shall—

(i) consider the unique nature of various sectors within the private sector, including preparedness standards, business continuity standards, or best practices, established—

(I) under any other provision of Federal law;

or

(II) by any sector-specific agency, as defined under Homeland Security Presidential Directive-7; and

(ii) coordinate the program, as appropriate, with—

(I) other Department private sector related programs; and

(II) preparedness and business continuity programs in other Federal agencies.

(3) **ACCREDITATION AND CERTIFICATION PROCESSES.**—

(A) **AGREEMENT.**—

(i) **IN GENERAL.**—Not later than 210 days after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the designated officer shall enter into one or more agreements with a highly qualified nongovernmental entity with experience or expertise in coordinating and facilitating the development and use of voluntary consensus standards and in managing or implementing accreditation and certification programs for voluntary consensus standards, or a similarly qualified private sector entity, to carry out accreditations and oversee the certification process under this subsection. An entity entering into an agreement with the designated officer under this clause (hereinafter referred to in this section as a “selected entity”) shall not perform certifications under this subsection.

(ii) **CONTENTS.**—A selected entity shall manage the accreditation process and oversee the certification process in accordance with the program established under this subsection and accredit qualified third parties to carry out the certification program established under this subsection.

(B) **PROCEDURES AND REQUIREMENTS FOR ACCREDITATION AND CERTIFICATION.**—

(i) **IN GENERAL.**—Any selected entity shall collaborate to develop procedures and requirements for the

accreditation and certification processes under this subsection, in accordance with the program established under this subsection and guidelines developed under paragraph (2)(A)(ii).

(ii) CONTENTS AND USE.—The procedures and requirements developed under clause (i) shall—

(I) ensure reasonable uniformity in any accreditation and certification processes if there is more than one selected entity; and

(II) be used by any selected entity in conducting accreditations and overseeing the certification process under this subsection.

(iii) DISAGREEMENT.—Any disagreement among selected entities in developing procedures under clause (i) shall be resolved by the designated officer.

(C) DESIGNATION.—A selected entity may accredit any qualified third party to carry out the certification process under this subsection.

(D) DISADVANTAGED BUSINESS INVOLVEMENT.—In accrediting qualified third parties to carry out the certification process under this subsection, a selected entity shall ensure, to the extent practicable, that the third parties include qualified small, minority, women-owned, or disadvantaged business concerns when appropriate. The term “disadvantaged business concern” means a small business that is owned and controlled by socially and economically disadvantaged individuals, as defined in section 124 of title 13, United States Code of Federal Regulations.

(E) TREATMENT OF OTHER CERTIFICATIONS.—At the request of any entity seeking certification, any selected entity may consider, as appropriate, other relevant certifications acquired by the entity seeking certification. If the selected entity determines that such other certifications are sufficient to meet the certification requirement or aspects of the certification requirement under this section, the selected entity may give credit to the entity seeking certification, as appropriate, to avoid unnecessarily duplicative certification requirements.

(F) THIRD PARTIES.—To be accredited under subparagraph (C), a third party shall—

(i) demonstrate that the third party has the ability to certify private sector entities in accordance with the procedures and requirements developed under subparagraph (B);

(ii) agree to perform certifications in accordance with such procedures and requirements;

(iii) agree not to have any beneficial interest in or any direct or indirect control over—

(I) a private sector entity for which that third party conducts a certification under this subsection; or

(II) any organization that provides preparedness consulting services to private sector entities;

(iv) agree not to have any other conflict of interest with respect to any private sector entity for which that third party conducts a certification under this subsection;

(v) maintain liability insurance coverage at policy limits in accordance with the requirements developed under subparagraph (B); and

(vi) enter into an agreement with the selected entity accrediting that third party to protect any proprietary information of a private sector entity obtained under this subsection.

(G) MONITORING.—

(i) IN GENERAL.—The designated officer and any selected entity shall regularly monitor and inspect the operations of any third party conducting certifications under this subsection to ensure that the third party is complying with the procedures and requirements established under subparagraph (B) and all other applicable requirements.

(ii) REVOCATION.—If the designated officer or any selected entity determines that a third party is not meeting the procedures or requirements established under subparagraph (B), the selected entity shall—

(I) revoke the accreditation of that third party to conduct certifications under this subsection; and

(II) review any certification conducted by that third party, as necessary and appropriate.

(4) ANNUAL REVIEW.—

(A) IN GENERAL.—The designated officer, in consultation with representatives of appropriate organizations that coordinate or facilitate the development and use of voluntary consensus standards, appropriate voluntary consensus standards development organizations, appropriate representatives of State and local governments, including emergency management officials, and each private sector advisory council created under section 102(f)(4), shall annually review the voluntary accreditation and certification program established under this subsection to ensure the effectiveness of such program (including the operations and management of such program by any selected entity and the selected entity's inclusion of qualified disadvantaged business concerns under paragraph (3)(D)) and make improvements and adjustments to the program as necessary and appropriate.

(B) REVIEW OF STANDARDS.—Each review under subparagraph (A) shall include an assessment of the voluntary preparedness standard or standards used in the program under this subsection.

(5) VOLUNTARY PARTICIPATION.—Certification under this subsection shall be voluntary for any private sector entity.

(6) PUBLIC LISTING.—The designated officer shall maintain and make public a listing of any private sector entity certified as being in compliance with the program established under

this subsection, if that private sector entity consents to such listing.

(c) RULE OF CONSTRUCTION.—Nothing in this section may be construed as—

(1) a requirement to replace any preparedness, emergency response, or business continuity standards, requirements, or best practices established—

(A) under any other provision of federal law; or

(B) by any sector-specific agency, as those agencies are defined under Homeland Security Presidential Directive–7;

or

(2) exempting any private sector entity seeking certification or meeting certification requirements under subsection (b) from compliance with all applicable statutes, regulations, directives, policies, and industry codes of practice.

## **TITLE VI—TREATMENT OF CHARITABLE TRUSTS FOR MEMBERS OF THE ARMED FORCES OF THE UNITED STATES AND OTHER GOVERNMENTAL ORGANIZATIONS**

### **SEC. 601. [6 U.S.C. 331] TREATMENT OF CHARITABLE TRUSTS FOR MEMBERS OF THE ARMED FORCES OF THE UNITED STATES AND OTHER GOVERNMENTAL ORGANIZATIONS.**

(a) FINDINGS.—Congress finds the following:

(1) Members of the Armed Forces of the United States defend the freedom and security of our Nation.

(2) Members of the Armed Forces of the United States have lost their lives while battling the evils of terrorism around the world.

(3) Personnel of the Central Intelligence Agency (CIA) charged with the responsibility of covert observation of terrorists around the world are often put in harm's way during their service to the United States.

(4) Personnel of the Central Intelligence Agency have also lost their lives while battling the evils of terrorism around the world.

(5) Employees of the Federal Bureau of Investigation (FBI) and other Federal agencies charged with domestic protection of the United States put their lives at risk on a daily basis for the freedom and security of our Nation.

(6) United States military personnel, CIA personnel, FBI personnel, and other Federal agents in the service of the United States are patriots of the highest order.

(7) CIA officer Johnny Micheal Spann became the first American to give his life for his country in the War on Terrorism declared by President George W. Bush following the terrorist attacks of September 11, 2001.

(8) Johnny Micheal Spann left behind a wife and children who are very proud of the heroic actions of their patriot father.

(9) Surviving dependents of members of the Armed Forces of the United States who lose their lives as a result of terrorist attacks or military operations abroad receive a \$6,000 death benefit, plus a small monthly benefit.

(10) The current system of compensating spouses and children of American patriots is inequitable and needs improvement.

(b) DESIGNATION OF JOHNNY MICHEAL SPANN PATRIOT TRUSTS.—Any charitable corporation, fund, foundation, or trust (or separate fund or account thereof) which otherwise meets all applicable requirements under law with respect to charitable entities and meets the requirements described in subsection (c) shall be eligible to characterize itself as a “Johnny Micheal Spann Patriot Trust”.

(c) REQUIREMENTS FOR THE DESIGNATION OF JOHNNY MICHEAL SPANN PATRIOT TRUSTS.—The requirements described in this subsection are as follows:

(1) Not taking into account funds or donations reasonably necessary to establish a trust, at least 85 percent of all funds or donations (including any earnings on the investment of such funds or donations) received or collected by any Johnny Micheal Spann Patriot Trust must be distributed to (or, if placed in a private foundation, held in trust for) surviving spouses, children, or dependent parents, grandparents, or siblings of 1 or more of the following:

(A) members of the Armed Forces of the United States;

(B) personnel, including contractors, of elements of the intelligence community, as defined in section 3(4) of the National Security Act of 1947;

(C) employees of the Federal Bureau of Investigation; and

(D) officers, employees, or contract employees of the United States Government,

whose deaths occur in the line of duty and arise out of terrorist attacks, military operations, intelligence operations, or law enforcement operations or accidents connected with activities occurring after September 11, 2001, and related to domestic or foreign efforts to curb international terrorism, including the Authorization for Use of Military Force (Public Law 107-40; 115 Stat. 224).

(2) Other than funds or donations reasonably necessary to establish a trust, not more than 15 percent of all funds or donations (or 15 percent of annual earnings on funds invested in a private foundation) may be used for administrative purposes.

(3) No part of the net earnings of any Johnny Micheal Spann Patriot Trust may inure to the benefit of any individual based solely on the position of such individual as a shareholder, an officer or employee of such Trust.

(4) None of the activities of any Johnny Micheal Spann Patriot Trust shall be conducted in a manner inconsistent with any law that prohibits attempting to influence legislation.

(5) No Johnny Micheal Spann Patriot Trust may participate in or intervene in any political campaign on behalf of (or

in opposition to) any candidate for public office, including by publication or distribution of statements.

(6) Each Johnny Micheal Spann Patriot Trust shall comply with the instructions and directions of the Director of Central Intelligence, the Attorney General, or the Secretary of Defense relating to the protection of intelligence sources and methods, sensitive law enforcement information, or other sensitive national security information, including methods for confidentially disbursing funds.

(7) Each Johnny Micheal Spann Patriot Trust that receives annual contributions totaling more than \$1,000,000 must be audited annually by an independent certified public accounting firm. Such audits shall be filed with the Internal Revenue Service, and shall be open to public inspection, except that the conduct, filing, and availability of the audit shall be consistent with the protection of intelligence sources and methods, of sensitive law enforcement information, and of other sensitive national security information.

(8) Each Johnny Micheal Spann Patriot Trust shall make distributions to beneficiaries described in paragraph (1) at least once every calendar year, beginning not later than 12 months after the formation of such Trust, and all funds and donations received and earnings not placed in a private foundation dedicated to such beneficiaries must be distributed within 36 months after the end of the fiscal year in which such funds, donations, and earnings are received.

(9)(A) When determining the amount of a distribution to any beneficiary described in paragraph (1), a Johnny Micheal Spann Patriot Trust should take into account the amount of any collateral source compensation that the beneficiary has received or is entitled to receive as a result of the death of an individual described in paragraph (1).

(B) Collateral source compensation includes all compensation from collateral sources, including life insurance, pension funds, death benefit programs, and payments by Federal, State, or local governments related to the death of an individual described in paragraph (1).

(d) TREATMENT OF JOHNNY MICHEAL SPANN PATRIOT TRUSTS.—Each Johnny Micheal Spann Patriot Trust shall refrain from conducting the activities described in clauses (i) and (ii) of section 301(20)(A) of the Federal Election Campaign Act of 1971 so that a general solicitation of funds by an individual described in paragraph (1) of section 323(e) of such Act will be permissible if such solicitation meets the requirements of paragraph (4)(A) of such section.

(e) NOTIFICATION OF TRUST BENEFICIARIES.—Notwithstanding any other provision of law, and in a manner consistent with the protection of intelligence sources and methods and sensitive law enforcement information, and other sensitive national security information, the Secretary of Defense, the Director of the Federal Bureau of Investigation, or the Director of Central Intelligence, or their designees, as applicable, may forward information received from an executor, administrator, or other legal representative of the estate of a decedent described in subparagraph (A), (B), (C), or



(D) of subsection (c)(1), to a Johnny Micheal Spann Patriot Trust on how to contact individuals eligible for a distribution under subsection (c)(1) for the purpose of providing assistance from such Trust: *Provided*, That, neither forwarding nor failing to forward any information under this subsection shall create any cause of action against any Federal department, agency, officer, agent, or employee.

(f) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in coordination with the Attorney General, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence, shall prescribe regulations to carry out this section.

## TITLE VII—MANAGEMENT

### SEC. 701. [6 U.S.C. 341] UNDER SECRETARY FOR MANAGEMENT.

(a) IN GENERAL.—The Under Secretary for Management shall serve as the Chief Management Officer and principal advisor to the Secretary on matters related to the management of the Department, including management integration and transformation in support of homeland security operations and programs. The Secretary, acting through the Under Secretary for Management, shall be responsible for the management and administration of the Department, including the following:

(1) The budget, appropriations, expenditures of funds, accounting, and finance.

(2) Procurement.

(3) Human resources and personnel.

(4) Information technology and communications systems.

(5) Facilities, property, equipment, and other material resources.

(6) Security for personnel, information technology and communications systems, facilities, property, equipment, and other material resources.

(7) Strategic management planning and annual performance planning and identification and tracking of performance measures relating to the responsibilities of the Department.

(8) Grants and other assistance management programs.

(9) The management integration and transformation process, as well as the transition process, to ensure an efficient and orderly consolidation of functions and personnel in the Department and transition, including—

(A) the development of a management integration strategy for the Department, and

(B) before December 1 of any year in which a Presidential election is held, the development of a transition and succession plan, to be made available to the incoming Secretary and Under Secretary for Management, to guide the transition of management functions to a new Administration.

(10) The conduct of internal audits and management analyses of the programs and activities of the Department.

(11) Any other management duties that the Secretary may designate.

(b) IMMIGRATION.—

(1) IN GENERAL.—In addition to the responsibilities described in subsection (a), the Under Secretary for Management shall be responsible for the following:

(A) Maintenance of all immigration statistical information of the Bureau of Border Security and the Bureau of Citizenship and Immigration Services. Such statistical information shall include information and statistics of the type contained in the publication entitled “Statistical Yearbook of the Immigration and Naturalization Service” prepared by the Immigration and Naturalization Service (as in effect immediately before the date on which the transfer of functions specified under section 441 takes effect), including region-by-region statistics on the aggregate number of applications and petitions filed by an alien (or filed on behalf of an alien) and denied by such bureau, and the reasons for such denials, disaggregated by category of denial and application or petition type.

(B) Establishment of standards of reliability and validity for immigration statistics collected by such bureaus.

(2) TRANSFER OF FUNCTIONS.—In accordance with title XV, there shall be transferred to the Under Secretary for Management all functions performed immediately before such transfer occurs by the Statistics Branch of the Office of Policy and Planning of the Immigration and Naturalization Service with respect to the following programs:

- (A) The Border Patrol program.
- (B) The detention and removal program.
- (C) The intelligence program.
- (D) The investigations program.
- (E) The inspections program.
- (F) Adjudication of immigrant visa petitions.
- (G) Adjudication of naturalization petitions.
- (H) Adjudication of asylum and refugee applications.
- (I) Adjudications performed at service centers.
- (J) All other adjudications performed by the Immigration and Naturalization Service.

(c) APPOINTMENT AND EVALUATION.—The Under Secretary for Management shall—

(1) be appointed by the President, by and with the advice and consent of the Senate, from among persons who have—

- (A) extensive executive level leadership and management experience in the public or private sector;
- (B) strong leadership skills;
- (C) a demonstrated ability to manage large and complex organizations; and
- (D) a proven record in achieving positive operational results;

(2) enter into an annual performance agreement with the Secretary that shall set forth measurable individual and organizational goals; and

(3) be subject to an annual performance evaluation by the Secretary, who shall determine as part of each such evaluation whether the Under Secretary for Management has made satisfactory progress toward achieving the goals set out in the performance agreement required under paragraph (2).

**SEC. 702. [6 U.S.C. 342] CHIEF FINANCIAL OFFICER.**

(a) In General.—The Chief Financial Officer shall perform functions as specified in chapter 9 of title 31, United States Code, and, with respect to all such functions and other responsibilities that may be assigned to the Chief Financial Officer from time to time, shall also report to the Under Secretary for Management.

(b) PROGRAM ANALYSIS AND EVALUATION FUNCTION.—

(1) ESTABLISHMENT OF OFFICE OF PROGRAM ANALYSIS AND EVALUATION.—Not later than 90 days after the date of enactment of this subsection, the Secretary shall establish an Office of Program Analysis and Evaluation within the Department (in this section referred to as the “Office”).

(2) RESPONSIBILITIES.—The Office shall perform the following functions:

(A) Analyze and evaluate plans, programs, and budgets of the Department in relation to United States homeland security objectives, projected threats, vulnerability assessments, estimated costs, resource constraints, and the most recent homeland security strategy developed pursuant to section 874(b)(2).

(B) Develop and perform analyses and evaluations of alternative plans, programs, personnel levels, and budget submissions for the Department in relation to United States homeland security objectives, projected threats, vulnerability assessments, estimated costs, resource constraints, and the most recent homeland security strategy developed pursuant to section 874(b)(2).

(C) Establish policies for, and oversee the integration of, the planning, programming, and budgeting system of the Department.

(D) Review and ensure that the Department meets performance-based budget requirements established by the Office of Management and Budget.

(E) Provide guidance for, and oversee the development of, the Future Years Homeland Security Program of the Department, as specified under section 874.

(F) Ensure that the costs of Department programs, including classified programs, are presented accurately and completely.

(G) Oversee the preparation of the annual performance plan for the Department and the program and performance section of the annual report on program performance for the Department, consistent with sections 1115 and 1116, respectively, of title 31, United States Code.

(H) Provide leadership in developing and promoting improved analytical tools and methods for analyzing homeland security planning and the allocation of resources.

(I) Any other responsibilities delegated by the Secretary consistent with an effective program analysis and evaluation function.

(3) **DIRECTOR OF PROGRAM ANALYSIS AND EVALUATION.**—There shall be a Director of Program Analysis and Evaluation, who—

(A) shall be a principal staff assistant to the Chief Financial Officer of the Department for program analysis and evaluation; and

(B) shall report to an official no lower than the Chief Financial Officer.

(4) **REORGANIZATION.**—

(A) **IN GENERAL.**—The Secretary may allocate or reallocate the functions of the Office, or discontinue the Office, in accordance with section 872(a).

(B) **EXEMPTION FROM LIMITATIONS.**—Section 872(b) shall not apply to any action by the Secretary under this paragraph.

(c) **NOTIFICATION REGARDING TRANSFER OR REPROGRAMMING OF FUNDS.**—In any case in which appropriations available to the Department or any officer of the Department are transferred or reprogrammed and notice of such transfer or reprogramming is submitted to the Congress (including any officer, office, or Committee of the Congress), the Chief Financial Officer of the Department shall simultaneously submit such notice to the Select Committee on Homeland Security (or any successor to the jurisdiction of that committee) and the Committee on Government Reform of the House of Representatives, and to the Committee on Governmental Affairs of the Senate.

**SEC. 703. [6 U.S.C. 343] CHIEF INFORMATION OFFICER.**

(a) **IN GENERAL.**—The Chief Information Officer shall report to the Secretary, or to another official of the Department, as the Secretary may direct.

(b) **GEOSPATIAL INFORMATION FUNCTIONS.**—

(1) **DEFINITIONS.**—As used in this subsection:

(A) **GEOSPATIAL INFORMATION.**—The term “geospatial information” means graphical or digital data depicting natural or manmade physical features, phenomena, or boundaries of the earth and any information related thereto, including surveys, maps, charts, remote sensing data, and images.

(B) **GEOSPATIAL TECHNOLOGY.**—The term “geospatial technology” means any technology utilized by analysts, specialists, surveyors, photogrammetrists, hydrographers, geodesists, cartographers, architects, or engineers for the collection, storage, retrieval, or dissemination of geospatial information, including—

- (i) global satellite surveillance systems;
- (ii) global position systems;
- (iii) geographic information systems;
- (iv) mapping equipment;
- (v) geocoding technology; and
- (vi) remote sensing devices.

(2) OFFICE OF GEOSPATIAL MANAGEMENT.—

(A) ESTABLISHMENT.—The Office of Geospatial Management is established within the Office of the Chief Information Officer.

(B) GEOSPATIAL INFORMATION OFFICER.—

(i) APPOINTMENT.—The Office of Geospatial Management shall be administered by the Geospatial Information Officer, who shall be appointed by the Secretary and serve under the direction of the Chief Information Officer.

(ii) FUNCTIONS.—The Geospatial Information Officer shall assist the Chief Information Officer in carrying out all functions under this section and in coordinating the geospatial information needs of the Department.

(C) COORDINATION OF GEOSPATIAL INFORMATION.—The Chief Information Officer shall establish and carry out a program to provide for the efficient use of geospatial information, which shall include—

(i) providing such geospatial information as may be necessary to implement the critical infrastructure protection programs;

(ii) providing leadership and coordination in meeting the geospatial information requirements of those responsible for planning, prevention, mitigation, assessment and response to emergencies, critical infrastructure protection, and other functions of the Department; and

(iii) coordinating with users of geospatial information within the Department to assure interoperability and prevent unnecessary duplication.

(D) RESPONSIBILITIES.—In carrying out this subsection, the responsibilities of the Chief Information Officer shall include—

(i) coordinating the geospatial information needs and activities of the Department;

(ii) implementing standards, as adopted by the Director of the Office of Management and Budget under the processes established under section 216 of the E-Government Act of 2002 (44 U.S.C. 3501 note), to facilitate the interoperability of geospatial information pertaining to homeland security among all users of such information within—

(I) the Department;

(II) State and local government; and

(III) the private sector;

(iii) coordinating with the Federal Geographic Data Committee and carrying out the responsibilities of the Department pursuant to Office of Management and Budget Circular A-16 and Executive Order 12906; and

(iv) making recommendations to the Secretary and the Executive Director of the Office for State and

Local Government Coordination and Preparedness on awarding grants to—

- (I) fund the creation of geospatial data; and
- (II) execute information sharing agreements regarding geospatial data with State, local, and tribal governments.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection for each fiscal year.

**SEC. 704. [6 U.S.C. 344] CHIEF HUMAN CAPITAL OFFICER.**

The Chief Human Capital Officer shall report to the Secretary, or to another official of the Department, as the Secretary may direct and shall ensure that all employees of the Department are informed of their rights and remedies under chapters 12 and 23 of title 5, United States Code, by—

- (1) participating in the 2302(c) Certification Program of the Office of Special Counsel;
- (2) achieving certification from the Office of Special Counsel of the Department's compliance with section 2302(c) of title 5, United States Code; and
- (3) informing Congress of such certification not later than 24 months after the date of enactment of this Act.

**SEC. 705. [6 U.S.C. 345] ESTABLISHMENT OF OFFICER FOR CIVIL RIGHTS AND CIVIL LIBERTIES.**

(a) IN GENERAL.—The Officer for Civil Rights and Civil Liberties, who shall report directly to the Secretary, shall—

- (1) review and assess information concerning abuses of civil rights, civil liberties, and profiling on the basis of race, ethnicity, or religion, by employees and officials of the Department;
- (2) make public through the Internet, radio, television, or newspaper advertisements information on the responsibilities and functions of, and how to contact, the Officer;
- (3) assist the Secretary, directorates, and offices of the Department to develop, implement, and periodically review Department policies and procedures to ensure that the protection of civil rights and civil liberties is appropriately incorporated into Department programs and activities;
- (4) oversee compliance with constitutional, statutory, regulatory, policy, and other requirements relating to the civil rights and civil liberties of individuals affected by the programs and activities of the Department;
- (5) coordinate with the Privacy Officer to ensure that—
  - (A) programs, policies, and procedures involving civil rights, civil liberties, and privacy considerations are addressed in an integrated and comprehensive manner; and
  - (B) Congress receives appropriate reports regarding such programs, policies, and procedures; and
- (6) investigate complaints and information indicating possible abuses of civil rights or civil liberties, unless the Inspector General of the Department determines that any such complaint or information should be investigated by the Inspector General.

(b) REPORT.—The Secretary shall submit to the President of the Senate, the Speaker of the House of Representatives, and the appropriate committees and subcommittees of Congress on an annual basis a report on the implementation of this section, including the use of funds appropriated to carry out this section, and detailing any allegations of abuses described under subsection (a)(1) and any actions taken by the Department in response to such allegations.

**SEC. 706. [6 U.S.C. 346] CONSOLIDATION AND CO-LOCATION OF OFFICES.**

Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and submit to Congress a plan for consolidating and co-locating—

(1) any regional offices or field offices of agencies that are transferred to the Department under this Act, if such officers are located in the same municipality; and

(2) portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

**SEC. 707. [6 U.S.C. 347] QUADRENNIAL HOMELAND SECURITY REVIEW.**

(a) REQUIREMENT.—

(1) QUADRENNIAL REVIEWS REQUIRED.—In fiscal year 2009, and every 4 years thereafter, the Secretary shall conduct a review of the homeland security of the Nation (in this section referred to as a “quadrennial homeland security review”).

(2) SCOPE OF REVIEWS.—Each quadrennial homeland security review shall be a comprehensive examination of the homeland security strategy of the Nation, including recommendations regarding the long-term strategy and priorities of the Nation for homeland security and guidance on the programs, assets, capabilities, budget, policies, and authorities of the Department.

(3) CONSULTATION.—The Secretary shall conduct each quadrennial homeland security review under this subsection in consultation with—

(A) the heads of other Federal agencies, including the Attorney General, the Secretary of State, the Secretary of Defense, the Secretary of Health and Human Services, the Secretary of the Treasury, the Secretary of Agriculture, and the Director of National Intelligence;

(B) key officials of the Department; and

(C) other relevant governmental and nongovernmental entities, including State, local, and tribal government officials, members of Congress, private sector representatives, academics, and other policy experts.

(4) RELATIONSHIP WITH FUTURE YEARS HOMELAND SECURITY PROGRAM.—The Secretary shall ensure that each review conducted under this section is coordinated with the Future Years Homeland Security Program required under section 874.

(b) CONTENTS OF REVIEW.—In each quadrennial homeland security review, the Secretary shall—

(1) delineate and update, as appropriate, the national homeland security strategy, consistent with appropriate na-

tional and Department strategies, strategic plans, and Homeland Security Presidential Directives, including the National Strategy for Homeland Security, the National Response Plan, and the Department Security Strategic Plan;

(2) outline and prioritize the full range of the critical homeland security mission areas of the Nation;

(3) describe the interagency cooperation, preparedness of Federal response assets, infrastructure, budget plan, and other elements of the homeland security program and policies of the Nation associated with the national homeland security strategy, required to execute successfully the full range of missions called for in the national homeland security strategy described in paragraph (1) and the homeland security mission areas outlined under paragraph (2);

(4) identify the budget plan required to provide sufficient resources to successfully execute the full range of missions called for in the national homeland security strategy described in paragraph (1) and the homeland security mission areas outlined under paragraph (2);

(5) include an assessment of the organizational alignment of the Department with the national homeland security strategy referred to in paragraph (1) and the homeland security mission areas outlined under paragraph (2); and

(6) review and assess the effectiveness of the mechanisms of the Department for executing the process of turning the requirements developed in the quadrennial homeland security review into an acquisition strategy and expenditure plan within the Department.

(c) REPORTING.—

(1) IN GENERAL.—Not later than December 31 of the year in which a quadrennial homeland security review is conducted, the Secretary shall submit to Congress a report regarding that quadrennial homeland security review.

(2) CONTENTS OF REPORT.—Each report submitted under paragraph (1) shall include—

(A) the results of the quadrennial homeland security review;

(B) a description of the threats to the assumed or defined national homeland security interests of the Nation that were examined for the purposes of that review;

(C) the national homeland security strategy, including a prioritized list of the critical homeland security missions of the Nation;

(D) a description of the interagency cooperation, preparedness of Federal response assets, infrastructure, budget plan, and other elements of the homeland security program and policies of the Nation associated with the national homeland security strategy, required to execute successfully the full range of missions called for in the applicable national homeland security strategy referred to in subsection (b)(1) and the homeland security mission areas outlined under subsection (b)(2);

(E) an assessment of the organizational alignment of the Department with the applicable national homeland se-



curity strategy referred to in subsection (b)(1) and the homeland security mission areas outlined under subsection (b)(2), including the Department's organizational structure, management systems, budget and accounting systems, human resources systems, procurement systems, and physical and technical infrastructure;

(F) a discussion of the status of cooperation among Federal agencies in the effort to promote national homeland security;

(G) a discussion of the status of cooperation between the Federal Government and State, local, and tribal governments in preventing terrorist attacks and preparing for emergency response to threats to national homeland security;

(H) an explanation of any underlying assumptions used in conducting the review; and

(I) any other matter the Secretary considers appropriate.

(3) PUBLIC AVAILABILITY.—The Secretary shall, consistent with the protection of national security and other sensitive matters, make each report submitted under paragraph (1) publicly available on the Internet website of the Department.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

## **TITLE VIII—COORDINATION WITH NON-FEDERAL ENTITIES; INSPECTOR GENERAL; UNITED STATES SECRET SERVICE; COAST GUARD; GENERAL PROVISIONS**

### **Subtitle A—Coordination with Non-Federal Entities**

#### **SEC. 801. [6 U.S.C. 361] OFFICE FOR STATE AND LOCAL GOVERNMENT COORDINATION.**

(a) ESTABLISHMENT.—There is established within the Office of the Secretary the Office for State and Local Government Coordination, to oversee and coordinate departmental programs for and relationships with State and local governments.

(b) RESPONSIBILITIES.—The Office established under subsection (a) shall—

(1) coordinate the activities of the Department relating to State and local government;

(2) assess, and advocate for, the resources needed by State and local government to implement the national strategy for combating terrorism;

(3) provide State and local government with regular information, research, and technical support to assist local efforts at securing the homeland; and

(4) develop a process for receiving meaningful input from State and local government to assist the development of the national strategy for combating terrorism and other homeland security activities.

## Subtitle B—Inspector General

### [SEC. 811. Repealed]

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### SEC. 812. LAW ENFORCEMENT POWERS OF INSPECTOR GENERAL AGENTS.

(a) \* \* \*

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(b) [5 U.S.C. app. 6 note] PROMULGATION OF INITIAL GUIDELINES.—

(1) DEFINITION.—In this subsection, the term “memoranda of understanding” means the agreements between the Department of Justice and the Inspector General offices described under section 6(e)(3) of the Inspector General Act of 1978 (5 U.S.C. App.) (as added by subsection (a) of this section) that—

(A) are in effect on the date of enactment of this Act;

and

(B) authorize such offices to exercise authority that is the same or similar to the authority under section 6(e)(1) of such Act.

(2) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General shall promulgate guidelines under section 6(e)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) (as added by subsection (a) of this section) applicable to the Inspector General offices described under section 6(e)(3) of that Act.

(3) MINIMUM REQUIREMENTS.—The guidelines promulgated under this subsection shall include, at a minimum, the operational and training requirements in the memoranda of understanding.

(4) NO LAPSE OF AUTHORITY.—The memoranda of understanding in effect on the date of enactment of this Act shall remain in effect until the guidelines promulgated under this subsection take effect.

(c) [5 U.S.C. app. 6 note] EFFECTIVE DATES.—

(1) IN GENERAL.—Subsection (a) shall take effect 180 days after the date of enactment of this Act.

(2) INITIAL GUIDELINES.—Subsection (b) shall take effect on the date of enactment of this Act.

## Subtitle C—United States Secret Service

### SEC. 821. [6 U.S.C. 381] FUNCTIONS TRANSFERRED.

In accordance with title XV, there shall be transferred to the Secretary the functions, personnel, assets, and obligations of the United States Secret Service, which shall be maintained as a dis-

tinct entity within the Department, including the functions of the Secretary of the Treasury relating thereto.

## Subtitle D—Acquisitions

### SEC. 831. [6 U.S.C. 391] RESEARCH AND DEVELOPMENT PROJECTS.

(a) **AUTHORITY.**—Until September 30, 2009 and subject to subsection (d), the Secretary may carry out a pilot program under which the Secretary may exercise the following authorities:

(1) **IN GENERAL.**—When the Secretary carries out basic, applied, and advanced research and development projects, including the expenditure of funds for such projects, the Secretary may exercise the same authority (subject to the same limitations and conditions) with respect to such research and projects as the Secretary of Defense may exercise under section 2371 of title 10, United States Code (except for subsections (b) and (f)), after making a determination that the use of a contract, grant, or cooperative agreement for such project is not feasible or appropriate. The annual report required under subsection (b) of this section, as applied to the Secretary by this paragraph, shall be submitted to the President of the Senate and the Speaker of the House of Representatives.

(2) **PROTOTYPE PROJECTS.**—The Secretary may, under the authority of paragraph (1), carry out prototype projects in accordance with the requirements and conditions provided for carrying out prototype projects under section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). In applying the authorities of that section 845, subsection (c) of that section shall apply with respect to prototype projects under this paragraph, and the Secretary shall perform the functions of the Secretary of Defense under subsection (d) thereof.

(b) **REPORT.**—Not later than 2 years after the effective date of this Act, and annually thereafter, the Comptroller General shall report to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate on—

(1) whether use of the authorities described in subsection (a) attracts nontraditional Government contractors and results in the acquisition of needed technologies; and

(2) if such authorities were to be made permanent, whether additional safeguards are needed with respect to the use of such authorities.

(c) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.**—The Secretary may—

(1) procure the temporary or intermittent services of experts or consultants (or organizations thereof) in accordance with section 3109(b) of title 5, United States Code; and

(2) whenever necessary due to an urgent homeland security need, procure temporary (not to exceed 1 year) or intermittent personal services, including the services of experts or consultants (or organizations thereof), without regard to the pay limitations of such section 3109.

(d) ADDITIONAL REQUIREMENTS.—

(1) IN GENERAL.—The authority of the Secretary under this section shall terminate September 30, 2009, unless before that date the Secretary—

(A) issues policy guidance detailing the appropriate use of that authority; and

(B) provides training to each employee that is authorized to exercise that authority.

(2) REPORT.—The Secretary shall provide an annual report to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Homeland Security of the House of Representatives detailing the projects for which the authority granted by subsection (a) was used, the rationale for its use, the funds spent using that authority, the outcome of each project for which that authority was used, and the results of any audits of such projects.

(e) DEFINITION OF NONTRADITIONAL GOVERNMENT CONTRACTOR.—In this section, the term “nontraditional Government contractor” has the same meaning as the term “nontraditional defense contractor” as defined in section 845(e) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note).

**SEC. 832. [6 U.S.C. 392] PERSONAL SERVICES.**

The Secretary—

(1) may procure the temporary or intermittent services of experts or consultants (or organizations thereof) in accordance with section 3109 of title 5, United States Code; and

(2) may, whenever necessary due to an urgent homeland security need, procure temporary (not to exceed 1 year) or intermittent personal services, including the services of experts or consultants (or organizations thereof), without regard to the pay limitations of such section 3109.

**SEC. 833. [6 U.S.C. 393] SPECIAL STREAMLINED ACQUISITION AUTHORITY.**

(a) AUTHORITY.—

(1) IN GENERAL.—The Secretary may use the authorities set forth in this section with respect to any procurement made during the period beginning on the effective date of this Act and ending September 30, 2007, if the Secretary determines in writing that the mission of the Department (as described in section 101) would be seriously impaired without the use of such authorities.

(2) DELEGATION.—The authority to make the determination described in paragraph (1) may not be delegated by the Secretary to an officer of the Department who is not appointed by the President with the advice and consent of the Senate.

(3) NOTIFICATION.—Not later than the date that is 7 days after the date of any determination under paragraph (1), the Secretary shall submit to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate—

(A) notification of such determination; and  
 (B) the justification for such determination.  
 (b) INCREASED MICRO-PURCHASE THRESHOLD FOR CERTAIN  
 PROCUREMENTS.—

(1) IN GENERAL.—The Secretary may designate certain employees of the Department to make procurements described in subsection (a) for which in the administration of section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) the amount specified in subsections (c), (d), and (f) of such section 32 shall be deemed to be \$7,500.

(2) NUMBER OF EMPLOYEES.—The number of employees designated under paragraph (1) shall be—

(A) fewer than the number of employees of the Department who are authorized to make purchases without obtaining competitive quotations, pursuant to section 32(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 428(c));

(B) sufficient to ensure the geographic dispersal of the availability of the use of the procurement authority under such paragraph at locations reasonably considered to be potential terrorist targets; and

(C) sufficiently limited to allow for the careful monitoring of employees designated under such paragraph.

(3) REVIEW.—Procurements made under the authority of this subsection shall be subject to review by a designated supervisor on not less than a monthly basis. The supervisor responsible for the review shall be responsible for no more than 7 employees making procurements under this subsection.

(c) SIMPLIFIED ACQUISITION PROCEDURES.—

(1) IN GENERAL.—With respect to a procurement described in subsection (a), the Secretary may deem the simplified acquisition threshold referred to in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to be—

(A) in the case of a contract to be awarded and performed, or purchase to be made, within the United States, \$200,000; and

(B) in the case of a contract to be awarded and performed, or purchase to be made, outside of the United States, \$300,000.

\* \* \* \* \*

(d) APPLICATION OF CERTAIN COMMERCIAL ITEMS AUTHORITIES.—

(1) IN GENERAL.—With respect to a procurement described in subsection (a), the Secretary may deem any item or service to be a commercial item for the purpose of Federal procurement laws.

(2) LIMITATION.—The \$5,000,000 limitation provided in section 31(a)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 427(a)(2)) and section 303(g)(1)(B) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)(1)(B)) shall be deemed to be \$7,500,000 for purposes of property or services under the authority of this subsection.

(3) CERTAIN AUTHORITY.—Authority under a provision of law referred to in paragraph (2) that expires under section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 2304 note) shall, notwithstanding such section, continue to apply for a procurement described in subsection (a).

(e) REPORT.—Not later than 180 days after the end of fiscal year 2005, the Comptroller General shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives a report on the use of the authorities provided in this section. The report shall contain the following:

(1) An assessment of the extent to which property and services acquired using authorities provided under this section contributed to the capacity of the Federal workforce to facilitate the mission of the Department as described in section 101.

(2) An assessment of the extent to which prices for property and services acquired using authorities provided under this section reflected the best value.

(3) The number of employees designated by each executive agency under subsection (b)(1).

(4) An assessment of the extent to which the Department has implemented subsections (b)(2) and (b)(3) to monitor the use of procurement authority by employees designated under subsection (b)(1).

(5) Any recommendations of the Comptroller General for improving the effectiveness of the implementation of the provisions of this section.

**SEC. 834. [6 U.S.C. 394] UNSOLICITED PROPOSALS.**

(a) REGULATIONS REQUIRED.—Within 1 year of the date of enactment of this Act, the Federal Acquisition Regulation shall be revised to include regulations with regard to unsolicited proposals.

(b) CONTENT OF REGULATIONS.—The regulations prescribed under subsection (a) shall require that before initiating a comprehensive evaluation, an agency contact point shall consider, among other factors, that the proposal—

(1) is not submitted in response to a previously published agency requirement; and

(2) contains technical and cost information for evaluation and overall scientific, technical or socioeconomic merit, or cost-related or price-related factors.

**SEC. 835. [6 U.S.C. 395] PROHIBITION ON CONTRACTS WITH CORPORATE EXPATRIATES.**

(a) IN GENERAL.—The Secretary may not enter into any contract with a foreign incorporated entity which is treated as an inverted domestic corporation under subsection (b), or any subsidiary of such an entity.

(b) INVERTED DOMESTIC CORPORATION.—For purposes of this section, a foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

(1) the entity completes before, on, or after the date of enactment of this Act, the direct or indirect acquisition of sub-

stantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership;

(2) after the acquisition at least 80 percent of the stock (by vote or value) of the entity is held—

(A) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or

(B) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; and

(3) the expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

(c) DEFINITIONS AND SPECIAL RULES.—

(1) RULES FOR APPLICATION OF SUBSECTION (b).—In applying subsection (b) for purposes of subsection (a), the following rules shall apply:

(A) CERTAIN STOCK DISREGARDED.—There shall not be taken into account in determining ownership for purposes of subsection (b)(2)—

(i) stock held by members of the expanded affiliated group which includes the foreign incorporated entity; or

(ii) stock of such entity which is sold in a public offering related to the acquisition described in subsection (b)(1).

(B) PLAN DEEMED IN CERTAIN CASES.—If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (b)(2) are met, such actions shall be treated as pursuant to a plan.

(C) CERTAIN TRANSFERS DISREGARDED.—The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

(D) SPECIAL RULE FOR RELATED PARTNERSHIPS.—For purposes of applying subsection (b) to the acquisition of a domestic partnership, except as provided in regulations, all domestic partnerships which are under common control (within the meaning of section 482 of the Internal Revenue Code of 1986) shall be treated as I partnership.

(E) TREATMENT OF CERTAIN RIGHTS.—The Secretary shall prescribe such regulations as may be necessary to—

(i) treat warrants, options, contracts to acquire stock, convertible debt instruments, and other similar interests as stock; and

(ii) treat stock as not stock.

(2) EXPANDED AFFILIATED GROUP.—The term “expanded affiliated group” means an affiliated group as defined in section 1504(a) of the Internal Revenue Code of 1986 (without regard to section 1504(b) of such Code), except that section 1504 of such Code shall be applied by substituting “more than 50 percent” for “at least 80 percent” each place it appears.

(3) FOREIGN INCORPORATED ENTITY.—The term “foreign incorporated entity” means any entity which is, or but for subsection (b) would be, treated as a foreign corporation for purposes of the Internal Revenue Code of 1986.

(4) OTHER DEFINITIONS.—The terms “person”, “domestic”, and “foreign” have the meanings given such terms by paragraphs (1), (4), and (5) of section 7701(a) of the Internal Revenue Code of 1986, respectively.

(d) WAIVERS.—The Secretary shall waive subsection (a) with respect to any specific contract if the Secretary determines that the waiver is required in the interest of national security.

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## Subtitle E—Human Resources Management

### SEC. 841. [6 U.S.C. 411] ESTABLISHMENT OF HUMAN RESOURCES MANAGEMENT SYSTEM.

(a) AUTHORITY.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) it is extremely important that employees of the Department be allowed to participate in a meaningful way in the creation of any human resources management system affecting them;

(B) such employees have the most direct knowledge of the demands of their jobs and have a direct interest in ensuring that their human resources management system is conducive to achieving optimal operational efficiencies;

(C) the 21st century human resources management system envisioned for the Department should be one that benefits from the input of its employees; and

(D) this collaborative effort will help secure our homeland.

\* \* \* \* \*

(b) EFFECT ON PERSONNEL.—

(1) NONSEPARATION OR NONREDUCTION IN GRADE OR COMPENSATION OF FULL-TIME PERSONNEL AND PART-TIME PERSONNEL HOLDING PERMANENT POSITIONS.—Except as otherwise provided in this Act, the transfer under this Act of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer to the Department.



(2) POSITIONS COMPENSATED IN ACCORDANCE WITH EXECUTIVE SCHEDULE.—Any person who, on the day preceding such person's date of transfer pursuant to this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Department to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such position, for the duration of the service of such person in such new position.

(3) COORDINATION RULE.—Any exercise of authority under chapter 97 of title 5, United States Code (as amended by subsection (a)), including under any system established under such chapter, shall be in conformance with the requirements of this subsection.

**SEC. 842. [6 U.S.C. 412] LABOR-MANAGEMENT RELATIONS.**

(a) LIMITATION ON EXCLUSIONARY AUTHORITY.—

(1) IN GENERAL.—No agency or subdivision of an agency which is transferred to the Department pursuant to this Act shall be excluded from the coverage of chapter 71 of title 5, United States Code, as a result of any order issued under section 7103(b)(1) of such title 5 after June 18, 2002, unless—

(A) the mission and responsibilities of the agency (or subdivision) materially change; and

(B) a majority of the employees within such agency (or subdivision) have as their primary duty intelligence, counterintelligence, or investigative work directly related to terrorism investigation.

(2) EXCLUSIONS ALLOWABLE.—Nothing in paragraph (1) shall affect the effectiveness of any order to the extent that such order excludes any portion of an agency or subdivision of an agency as to which—

(A) recognition as an appropriate unit has never been conferred for purposes of chapter 71 of such title 5; or

(B) any such recognition has been revoked or otherwise terminated as a result of a determination under subsection (b)(1).

(b) PROVISIONS RELATING TO BARGAINING UNITS.—

(1) LIMITATION RELATING TO APPROPRIATE UNITS.—Each unit which is recognized as an appropriate unit for purposes of chapter 71 of title 5, United States Code, as of the day before the effective date of this Act (and any subdivision of any such unit) shall, if such unit (or subdivision) is transferred to the Department pursuant to this Act, continue to be so recognized for such purposes, unless—

(A) the mission and responsibilities of such unit (or subdivision) materially change; and

(B) a majority of the employees within such unit (or subdivision) have as their primary duty intelligence, counterintelligence, or investigative work directly related to terrorism investigation.

(2) LIMITATION RELATING TO POSITIONS OR EMPLOYEES.—No position or employee within a unit (or subdivision of a unit) as to which continued recognition is given in accordance with paragraph (1) shall be excluded from such unit (or subdivision), for purposes of chapter 71 of such title 5, unless the primary job duty of such position or employee—

(A) materially changes; and

(B) consists of intelligence, counterintelligence, or investigative work directly related to terrorism investigation. In the case of any positions within a unit (or subdivision) which are first established on or after the effective date of this Act and any employees first appointed on or after such date, the preceding sentence shall be applied disregarding subparagraph (A).

(c) WAIVER.—If the President determines that the application of subsections (a), (b), and (d) would have a substantial adverse impact on the ability of the Department to protect homeland security, the President may waive the application of such subsections 10 days after the President has submitted to Congress a written explanation of the reasons for such determination.

(d) COORDINATION RULE.—No other provision of this Act or of any amendment made by this Act may be construed or applied in a manner so as to limit, supersede, or otherwise affect the provisions of this section, except to the extent that it does so by specific reference to this section.

(e) RULE OF CONSTRUCTION.—Nothing in section 9701(e) of title 5, United States Code, shall be considered to apply with respect to any agency or subdivision of any agency, which is excluded from the coverage of chapter 71 of title 5, United States Code, by virtue of an order issued in accordance with section 7103(b) of such title and the preceding provisions of this section (as applicable), or to any employees of any such agency or subdivision or to any individual or entity representing any such employees or any representatives thereof.

**SEC. 843. [6 U.S.C. 413] USE OF COUNTERNARCOTICS ENFORCEMENT ACTIVITIES IN CERTAIN EMPLOYEE PERFORMANCE APPRAISALS.**

(a) IN GENERAL.—Each subdivision of the Department that is a National Drug Control Program Agency shall include as one of the criteria in its performance appraisal system, for each employee directly or indirectly involved in the enforcement of Federal, State, or local narcotics laws, the performance of that employee with respect to the enforcement of Federal, State, or local narcotics laws, relying to the greatest extent practicable on objective performance measures, including—

(1) the contribution of that employee to seizures of narcotics and arrests of violators of Federal, State, or local narcotics laws; and

(2) the degree to which that employee cooperated with or contributed to the efforts of other employees, either within the Department or other Federal, State, or local agencies, in counternarcotics enforcement.

(b) DEFINITIONS.—For purposes of this section—

(1) the term “National Drug Control Program Agency” means—

(A) a National Drug Control Program Agency, as defined in section 702(7) of the Office of National Drug Control Policy Reauthorization Act of 1998 (as last in effect); and

(B) any subdivision of the Department that has a significant counternarcotics responsibility, as determined by—

(i) the counternarcotics officer, appointed under section 878; or

(ii) if applicable, the counternarcotics officer’s successor in function (as determined by the Secretary); and

(2) the term “performance appraisal system” means a system under which periodic appraisals of job performance of employees are made, whether under chapter 43 of title 5, United States Code, or otherwise.

**SEC. 844. HOMELAND SECURITY ROTATION PROGRAM.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish the Homeland Security Rotation Program (in this section referred to as the “Rotation Program”) for employees of the Department. The Rotation Program shall use applicable best practices, including those from the Chief Human Capital Officers Council.

(2) GOALS.—The Rotation Program established by the Secretary shall—

(A) be established in accordance with the Human Capital Strategic Plan of the Department;

(B) provide middle and senior level employees in the Department the opportunity to broaden their knowledge through exposure to other components of the Department;

(C) expand the knowledge base of the Department by providing for rotational assignments of employees to other components;

(D) build professional relationships and contacts among the employees in the Department;

(E) invigorate the workforce with exciting and professionally rewarding opportunities;

(F) incorporate Department human capital strategic plans and activities, and address critical human capital deficiencies, recruitment and retention efforts, and succession planning within the Federal workforce of the Department; and

(G) complement and incorporate (but not replace) rotational programs within the Department in effect on the date of enactment of this section.

(3) ADMINISTRATION.—

(A) IN GENERAL.—The Chief Human Capital Officer shall administer the Rotation Program.

(B) RESPONSIBILITIES.—The Chief Human Capital Officer shall—

(i) provide oversight of the establishment and implementation of the Rotation Program;

(ii) establish a framework that supports the goals of the Rotation Program and promotes cross-disciplinary rotational opportunities;

(iii) establish eligibility for employees to participate in the Rotation Program and select participants from employees who apply;

(iv) establish incentives for employees to participate in the Rotation Program, including promotions and employment preferences;

(v) ensure that the Rotation Program provides professional education and training;

(vi) ensure that the Rotation Program develops qualified employees and future leaders with broad-based experience throughout the Department;

(vii) provide for greater interaction among employees in components of the Department; and

(viii) coordinate with rotational programs within the Department in effect on the date of enactment of this section.

(4) ALLOWANCES, PRIVILEGES, AND BENEFITS.—All allowances, privileges, rights, seniority, and other benefits of employees participating in the Rotation Program shall be preserved.

(5) REPORTING.—Not later than 180 days after the date of the establishment of the Rotation Program, the Secretary shall submit a report on the status of the Rotation Program, including a description of the Rotation Program, the number of employees participating, and how the Rotation Program is used in succession planning and leadership development to the appropriate committees of Congress.

#### SEC. 845. HOMELAND SECURITY EDUCATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary, acting through the Administrator, shall establish a graduate-level Homeland Security Education Program in the National Capital Region to provide educational opportunities to senior Federal officials and selected State and local officials with homeland security and emergency management responsibilities. The Administrator shall appoint an individual to administer the activities under this section.

(b) LEVERAGING OF EXISTING RESOURCES.—To maximize efficiency and effectiveness in carrying out the Program, the Administrator shall use existing Department-reviewed Master's Degree curricula in homeland security, including curricula pending accreditation, together with associated learning materials, quality assessment tools, digital libraries, exercise systems and other educational facilities, including the National Domestic Preparedness Consortium, the National Fire Academy, and the Emergency Management Institute. The Administrator may develop additional educational programs, as appropriate.

(c) STUDENT ENROLLMENT.—

(1) SOURCES.—The student body of the Program shall include officials from Federal, State, local, and tribal governments, and from other sources designated by the Administrator.

(2) ENROLLMENT PRIORITIES AND SELECTION CRITERIA.—The Administrator shall establish policies governing student enrollment priorities and selection criteria that are consistent with the mission of the Program.

(3) DIVERSITY.—The Administrator shall take reasonable steps to ensure that the student body represents racial, gender, and ethnic diversity.

(d) SERVICE COMMITMENT.—

(1) IN GENERAL.—Before any employee selected for the Program may be assigned to participate in the program, the employee shall agree in writing—

(A) to continue in the service of the agency sponsoring the employee during the 2-year period beginning on the date on which the employee completes the program, unless the employee is involuntarily separated from the service of that agency for reasons other than a reduction in force; and

(B) to pay to the Government the amount of the additional expenses incurred by the Government in connection with the employee's education if the employee is voluntarily separated from the service to the agency before the end of the period described in subparagraph (A).

(2) PAYMENT OF EXPENSES.—

(A) EXEMPTION.—An employee who leaves the service of the sponsoring agency to enter into the service of another agency in any branch of the Government shall not be required to make a payment under paragraph (1)(B), unless the head of the agency that sponsored the education of the employee notifies that employee before the date on which the employee enters the service of the other agency that payment is required under that paragraph.

(B) AMOUNT OF PAYMENT.—If an employee is required to make a payment under paragraph (1)(B), the agency that sponsored the education of the employee shall determine the amount of the payment, except that such amount may not exceed the pro rata share of the expenses incurred for the time remaining in the 2-year period.

(3) RECOVERY OF PAYMENT.—If an employee who is required to make a payment under this subsection does not make the payment, a sum equal to the amount of the expenses incurred by the Government for the education of that employee is recoverable by the Government from the employee or his estate by—

(A) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; or

(B) such other method as is provided by law for the recovery of amounts owing to the Government.

## Subtitle F—Federal Emergency Procurement Flexibility

### SEC. 851. [6 U.S.C. 421] DEFINITION.

In this subtitle, the term “executive agency” has the meaning given that term under section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

### SEC. 852. [6 U.S.C. 422] PROCUREMENTS FOR DEFENSE AGAINST OR RECOVERY FROM TERRORISM OR NUCLEAR, BIOLOGICAL, CHEMICAL, OR RADIOLOGICAL ATTACK.

The authorities provided in this subtitle apply to any procurement of property or services by or for an executive agency that, as determined by the head of the executive agency, are to be used to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack, but only if a solicitation of offers for the procurement is issued during the 1-year period beginning on the date of the enactment of this Act.

### SEC. 853. [6 U.S.C. 423] INCREASED SIMPLIFIED ACQUISITION THRESHOLD FOR PROCUREMENTS IN SUPPORT OF HUMANITARIAN OR PEACEKEEPING OPERATIONS OR CONTINGENCY OPERATIONS.

(a) TEMPORARY THRESHOLD AMOUNTS.—For a procurement referred to in section 852 that is carried out in support of a humanitarian or peacekeeping operation or a contingency operation, the simplified acquisition threshold definitions shall be applied as if the amount determined under the exception provided for such an operation in those definitions were—

(1) in the case of a contract to be awarded and performed, or purchase to be made, inside the United States, \$200,000; or

(2) in the case of a contract to be awarded and performed, or purchase to be made, outside the United States, \$300,000.

(b) SIMPLIFIED ACQUISITION THRESHOLD DEFINITIONS.—In this section, the term “simplified acquisition threshold definitions” means the following:

(1) Section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

(2) Section 309(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(d)).

(3) Section 2302(7) of title 10, United States Code.

(c) SMALL BUSINESS RESERVE.—For a procurement carried out pursuant to subsection (a), section 15(j) of the Small Business Act (15 U.S.C. 644(j)) shall be applied as if the maximum anticipated value identified therein is equal to the amounts referred to in subsection (a).

### SEC. 854. [6 U.S.C. 424] INCREASED MICRO-PURCHASE THRESHOLD FOR CERTAIN PROCUREMENTS.

In the administration of section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) with respect to a procurement referred to in section 852, the amount specified in subsections (c), (d), and (f) of such section 32 shall be deemed to be \$7,500.

### SEC. 855. [6 U.S.C. 425] APPLICATION OF CERTAIN COMMERCIAL ITEMS AUTHORITIES TO CERTAIN PROCUREMENTS.

(a) AUTHORITY.—

(1) IN GENERAL.—The head of an executive agency may apply the provisions of law listed in paragraph (2) to a procurement referred to in section 852 without regard to whether the property or services are commercial items.

(2) COMMERCIAL ITEM LAWS.—The provisions of law referred to in paragraph (1) are as follows:

(A) Sections 31 and 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 427, 430).

(B) Section 2304(g) of title 10, United States Code.

(C) Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)).

(b) INAPPLICABILITY OF LIMITATION ON USE OF SIMPLIFIED ACQUISITION PROCEDURES.—

(1) IN GENERAL.—The \$5,000,000 limitation provided in section 31(a)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 427(a)(2)), section 2304(g)(1)(B) of title 10, United States Code, and section 303(g)(1)(B) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)(1)(B)) shall not apply to purchases of property or services to which any of the provisions of law referred to in subsection (a) are applied under the authority of this section.

(2) OMB GUIDANCE.—The Director of the Office of Management and Budget shall issue guidance and procedures for the use of simplified acquisition procedures for a purchase of property or services in excess of \$5,000,000 under the authority of this section.

(c) CONTINUATION OF AUTHORITY FOR SIMPLIFIED PURCHASE PROCEDURES.—Authority under a provision of law referred to in subsection (a)(2) that expires under section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 2304 note) shall, notwithstanding such section, continue to apply for use by the head of an executive agency as provided in subsections (a) and (b).

**SEC. 856. [6 U.S.C. 426] USE OF STREAMLINED PROCEDURES.**

(a) REQUIRED USE.—The head of an executive agency shall, when appropriate, use streamlined acquisition authorities and procedures authorized by law for a procurement referred to in section 852, including authorities and procedures that are provided under the following provisions of law:

(1) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.—In title III of the Federal Property and Administrative Services Act of 1949:

(A) Paragraphs (1), (2), (6), and (7) of subsection (c) of section 303 (41 U.S.C. 253), relating to use of procedures other than competitive procedures under certain circumstances (subject to subsection (e) of such section).

(B) Section 303J (41 U.S.C. 253j), relating to orders under task and delivery order contracts.

(2) TITLE 10, UNITED STATES CODE.—In chapter 137 of title 10, United States Code:

(A) Paragraphs (1), (2), (6), and (7) of subsection (c) of section 2304, relating to use of procedures other than com-

petitive procedures under certain circumstances (subject to subsection (e) of such section).

(B) Section 2304c, relating to orders under task and delivery order contracts.

(3) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—Paragraphs (1)(B), (1)(D), and (2) of section 18(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)), relating to inapplicability of a requirement for procurement notice.

(b) WAIVER OF CERTAIN SMALL BUSINESS THRESHOLD REQUIREMENTS.—Subclause (II) of section 8(a)(1)(D)(i) of the Small Business Act (15 U.S.C. 637(a)(1)(D)(i)) and clause (ii) of section 31(b)(2)(A) of such Act (15 U.S.C. 657a(b)(2)(A)) shall not apply in the use of streamlined acquisition authorities and procedures referred to in paragraphs (1)(A) and (2)(A) of subsection (a) for a procurement referred to in section 852.

**SEC. 857. [6 U.S.C. 427] REVIEW AND REPORT BY COMPTROLLER GENERAL.**

(a) REQUIREMENTS.—Not later than March 31, 2004, the Comptroller General shall—

(1) complete a review of the extent to which procurements of property and services have been made in accordance with this subtitle; and

(2) submit a report on the results of the review to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

(b) CONTENT OF REPORT.—The report under subsection (a)(2) shall include the following matters:

(1) ASSESSMENT.—The Comptroller General's assessment of—

(A) the extent to which property and services procured in accordance with this title have contributed to the capacity of the workforce of Federal Government employees within each executive agency to carry out the mission of the executive agency; and

(B) the extent to which Federal Government employees have been trained on the use of technology.

(2) RECOMMENDATIONS.—Any recommendations of the Comptroller General resulting from the assessment described in paragraph (1).

(c) CONSULTATION.—In preparing for the review under subsection (a)(1), the Comptroller shall consult with the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives on the specific issues and topics to be reviewed. The extent of coverage needed in areas such as technology integration, employee training, and human capital management, as well as the data requirements of the study, shall be included as part of the consultation.

**SEC. 858. [6 U.S.C. 428] IDENTIFICATION OF NEW ENTRANTS INTO THE FEDERAL MARKETPLACE.**

The head of each executive agency shall conduct market research on an ongoing basis to identify effectively the capabilities, including the capabilities of small businesses and new entrants



into Federal contracting, that are available in the marketplace for meeting the requirements of the executive agency in furtherance of defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack. The head of the executive agency shall, to the maximum extent practicable, take advantage of commercially available market research methods, including use of commercial databases, to carry out the research.

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## **Subtitle G—Support Anti-terrorism by Fostering Effective Technologies Act of 2002**

### **SEC. 861. [6 U.S.C. 101 note] SHORT TITLE.**

This subtitle may be cited as the “Support Anti-terrorism by Fostering Effective Technologies Act of 2002” or the “SAFETY Act”.

### **SEC. 862. [6 U.S.C. 441] ADMINISTRATION.**

(a) **IN GENERAL.**—The Secretary shall be responsible for the administration of this subtitle.

(b) **DESIGNATION OF QUALIFIED ANTI-TERRORISM TECHNOLOGIES.**—The Secretary may designate anti-terrorism technologies that qualify for protection under the system of risk management set forth in this subtitle in accordance with criteria that shall include, but not be limited to, the following:

(1) Prior United States Government use or demonstrated substantial utility and effectiveness.

(2) Availability of the technology for immediate deployment in public and private settings.

(3) Existence of extraordinarily large or extraordinarily unquantifiable potential third party liability risk exposure to the Seller or other provider of such anti-terrorism technology.

(4) Substantial likelihood that such anti-terrorism technology will not be deployed unless protections under the system of risk management provided under this subtitle are extended.

(5) Magnitude of risk exposure to the public if such anti-terrorism technology is not deployed.

(6) Evaluation of all scientific studies that can be feasibly conducted in order to assess the capability of the technology to substantially reduce risks of harm.

(7) Anti-terrorism technology that would be effective in facilitating the defense against acts of terrorism, including technologies that prevent, defeat or respond to such acts.

(c) **REGULATIONS.**—The Secretary may issue such regulations, after notice and comment in accordance with section 553 of title 5, United States Code, as may be necessary to carry out this subtitle.

### **SEC. 863. [6 U.S.C. 442] LITIGATION MANAGEMENT.**

(a) **FEDERAL CAUSE OF ACTION.**—

(1) **IN GENERAL.**—There shall exist a Federal cause of action for claims arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies have been deployed in defense against or response or recovery

from such act and such claims result or may result in loss to the Seller. The substantive law for decision in any such action shall be derived from the law, including choice of law principles, of the State in which such acts of terrorism occurred, unless such law is inconsistent with or preempted by Federal law. Such Federal cause of action shall be brought only for claims for injuries that are proximately caused by sellers that provide qualified anti-terrorism technology to Federal and non-Federal government customers.

(2) JURISDICTION.—Such appropriate district court of the United States shall have original and exclusive jurisdiction over all actions for any claim for loss of property, personal injury, or death arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies have been deployed in defense against or response or recovery from such act and such claims result or may result in loss to the Seller.

(b) SPECIAL RULES.—In an action brought under this section for damages the following provisions apply:

(1) PUNITIVE DAMAGES.—No punitive damages intended to punish or deter, exemplary damages, or other damages not intended to compensate a plaintiff for actual losses may be awarded, nor shall any party be liable for interest prior to the judgment.

(2) NONECONOMIC DAMAGES.—

(A) IN GENERAL.—Noneconomic damages may be awarded against a defendant only in an amount directly proportional to the percentage of responsibility of such defendant for the harm to the plaintiff, and no plaintiff may recover noneconomic damages unless the plaintiff suffered physical harm.

(B) DEFINITION.—For purposes of subparagraph (A), the term “noneconomic damages” means damages for losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium, hedonic damages, injury to reputation, and any other nonpecuniary losses.

(c) COLLATERAL SOURCES.—Any recovery by a plaintiff in an action under this section shall be reduced by the amount of collateral source compensation, if any, that the plaintiff has received or is entitled to receive as a result of such acts of terrorism that result or may result in loss to the Seller.

(d) GOVERNMENT CONTRACTOR DEFENSE.—

(1) IN GENERAL.—Should a product liability or other lawsuit be filed for claims arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies approved by the Secretary, as provided in paragraphs (2) and (3) of this subsection, have been deployed in defense against or response or recovery from such act and such claims result or may result in loss to the Seller, there shall be a rebuttable presumption that the government contractor defense applies in such lawsuit. This presumption shall only be overcome by evidence showing that the Seller acted fraudulently or

with willful misconduct in submitting information to the Secretary during the course of the Secretary's consideration of such technology under this subsection. This presumption of the government contractor defense shall apply regardless of whether the claim against the Seller arises from a sale of the product to Federal Government or non-Federal Government customers.

(2) EXCLUSIVE RESPONSIBILITY.—The Secretary will be exclusively responsible for the review and approval of anti-terrorism technology for purposes of establishing a government contractor defense in any product liability lawsuit for claims arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies approved by the Secretary, as provided in this paragraph and paragraph (3), have been deployed in defense against or response or recovery from such act and such claims result or may result in loss to the Seller. Upon the Seller's submission to the Secretary for approval of anti-terrorism technology, the Secretary will conduct a comprehensive review of the design of such technology and determine whether it will perform as intended, conforms to the Seller's specifications, and is safe for use as intended. The Seller will conduct safety and hazard analyses on such technology and will supply the Secretary with all such information.

(3) CERTIFICATE.—For anti-terrorism technology reviewed and approved by the Secretary, the Secretary will issue a certificate of conformance to the Seller and place the anti-terrorism technology on an Approved Product List for Homeland Security.

(e) EXCLUSION.—Nothing in this section shall in any way limit the ability of any person to seek any form of recovery from any person, government, or other entity that—

(1) attempts to commit, knowingly participates in, aids and abets, or commits any act of terrorism, or any criminal act related to or resulting from such act of terrorism; or

(2) participates in a conspiracy to commit any such act of terrorism or any such criminal act.

**SEC. 864. [6 U.S.C. 443] RISK MANAGEMENT.**

(a) IN GENERAL.—

(1) LIABILITY INSURANCE REQUIRED.—Any person or entity that sells or otherwise provides a qualified anti-terrorism technology to Federal and non-Federal Government customers ("Seller") shall obtain liability insurance of such types and in such amounts as shall be required in accordance with this section and certified by the Secretary to satisfy otherwise compensable third-party claims arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies have been deployed in defense against or response or recovery from such act.

(2) MAXIMUM AMOUNT.—For the total claims related to 1 such act of terrorism, the Seller is not required to obtain liability insurance of more than the maximum amount of liability insurance reasonably available from private sources on the

world market at prices and terms that will not unreasonably distort the sales price of Seller's anti-terrorism technologies.

(3) SCOPE OF COVERAGE.—Liability insurance obtained pursuant to this subsection shall, in addition to the Seller, protect the following, to the extent of their potential liability for involvement in the manufacture, qualification, sale, use, or operation of qualified anti-terrorism technologies deployed in defense against or response or recovery from an act of terrorism:

(A) Contractors, subcontractors, suppliers, vendors and customers of the Seller.

(B) Contractors, subcontractors, suppliers, and vendors of the customer.

(4) THIRD PARTY CLAIMS.—Such liability insurance under this section shall provide coverage against third party claims arising out of, relating to, or resulting from the sale or use of anti-terrorism technologies.

(b) RECIPROCAL WAIVER OF CLAIMS.—The Seller shall enter into a reciprocal waiver of claims with its contractors, subcontractors, suppliers, vendors and customers, and contractors and subcontractors of the customers, involved in the manufacture, sale, use or operation of qualified anti-terrorism technologies, under which each party to the waiver agrees to be responsible for losses, including business interruption losses, that it sustains, or for losses sustained by its own employees resulting from an activity resulting from an act of terrorism when qualified anti-terrorism technologies have been deployed in defense against or response or recovery from such act.

(c) EXTENT OF LIABILITY.—Notwithstanding any other provision of law, liability for all claims against a Seller arising out of, relating to, or resulting from an act of terrorism when qualified anti-terrorism technologies have been deployed in defense against or response or recovery from such act and such claims result or may result in loss to the Seller, whether for compensatory or punitive damages or for contribution or indemnity, shall not be in an amount greater than the limits of liability insurance coverage required to be maintained by the Seller under this section.

**SEC. 865. [6 U.S.C. 444] DEFINITIONS.**

For purposes of this subtitle, the following definitions apply:

(1) QUALIFIED ANTI-TERRORISM TECHNOLOGY.—For purposes of this subtitle, the term “qualified anti-terrorism technology” means any product, equipment, service (including support services), device, or technology (including information technology) designed, developed, modified, or procured for the specific purpose of preventing, detecting, identifying, or deterring acts of terrorism or limiting the harm such acts might otherwise cause, that is designated as such by the Secretary.

(2) ACT OF TERRORISM.—(A) The term “act of terrorism” means any act that the Secretary determines meets the requirements under subparagraph (B), as such requirements are further defined and specified by the Secretary.

(B) REQUIREMENTS.—An act meets the requirements of this subparagraph if the act—

(i) is unlawful;

(ii) causes harm to a person, property, or entity, in the United States, or in the case of a domestic United States air carrier or a United States-flag vessel (or a vessel based principally in the United States on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), in or outside the United States; and

(iii) uses or attempts to use instrumentalities, weapons or other methods designed or intended to cause mass destruction, injury or other loss to citizens or institutions of the United States.

(3) **INSURANCE CARRIER.**—The term “insurance carrier” means any corporation, association, society, order, firm, company, mutual, partnership, individual aggregation of individuals, or any other legal entity that provides commercial property and casualty insurance. Such term includes any affiliates of a commercial insurance carrier.

(4) **LIABILITY INSURANCE.**—

(A) **IN GENERAL.**—The term “liability insurance” means insurance for legal liabilities incurred by the insured resulting from—

(i) loss of or damage to property of others;

(ii) ensuing loss of income or extra expense incurred because of loss of or damage to property of others;

(iii) bodily injury (including) to persons other than the insured or its employees; or

(iv) loss resulting from debt or default of another.

(5) **LOSS.**—The term “loss” means death, bodily injury, or loss of or damage to property, including business interruption loss.

(6) **NON-FEDERAL GOVERNMENT CUSTOMERS.**—The term “non-Federal Government customers” means any customer of a Seller that is not an agency or instrumentality of the United States Government with authority under Public Law 85–804 to provide for indemnification under certain circumstances for third-party claims against its contractors, including but not limited to State and local authorities and commercial entities.

## Subtitle H—Miscellaneous Provisions

### SEC. 871. [6 U.S.C. 451] ADVISORY COMMITTEES.

(a) **IN GENERAL.**—The Secretary may establish, appoint members of, and use the services of, advisory committees, as the Secretary may deem necessary. An advisory committee established under this section may be exempted by the Secretary from Public Law 92–463, but the Secretary shall publish notice in the Federal Register announcing the establishment of such a committee and identifying its purpose and membership. Notwithstanding the preceding sentence, members of an advisory committee that is exempted by the Secretary under the preceding sentence who are special Government employees (as that term is defined in section 202 of title 18, United States Code) shall be eligible for certifications

under subsection (b)(3) of section 208 of title 18, United States Code, for official actions taken as a member of such advisory committee.

(b) **TERMINATION.**—Any advisory committee established by the Secretary shall terminate 2 years after the date of its establishment, unless the Secretary makes a written determination to extend the advisory committee to a specified date, which shall not be more than 2 years after the date on which such determination is made. The Secretary may make any number of subsequent extensions consistent with this subsection.

**SEC. 872. [6 U.S.C. 452] REORGANIZATION.**

(a) **REORGANIZATION.**—The Secretary may allocate or reallocate functions among the officers of the Department, and may establish, consolidate, alter, or discontinue organizational units within the Department, but only—

- (1) pursuant to section 1502(b); or
- (2) after the expiration of 60 days after providing notice of such action to the appropriate congressional committees, which shall include an explanation of the rationale for the action.

(b) **LIMITATIONS.**—

(1) **IN GENERAL.**—Authority under subsection (a)(1) does not extend to the abolition of any agency, entity, organizational unit, program, or function established or required to be maintained by this Act.

(2) **ABOLITIONS.**—Authority under subsection (a)(2) does not extend to the abolition of any agency, entity, organizational unit, program, or function established or required to be maintained by statute.

**SEC. 873. [6 U.S.C. 453] USE OF APPROPRIATED FUNDS.**

(a) **DISPOSAL OF PROPERTY.**—

(1) **STRICT COMPLIANCE.**—If specifically authorized to dispose of real property in this or any other Act, the Secretary shall exercise this authority in strict compliance with section 204 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485).

(2) **DEPOSIT OF PROCEEDS.**—The Secretary shall deposit the proceeds of any exercise of property disposal authority into the miscellaneous receipts of the Treasury in accordance with section 3302(b) of title 31, United States Code.

(b) **GIFTS.**—Except as authorized by section 2601 of title 10, United States Code, and by section 93 of title 14, United States Code, gifts<sup>1</sup> or donations of services or property of or for the Department may not be accepted, used, or disposed of unless specifically permitted in advance in an appropriations Act and only under the conditions and for the purposes specified in such appropriations Act.

(c) **BUDGET REQUEST.**—Under section 1105 of title 31, United States Code, the President shall submit to Congress a detailed

<sup>1</sup>Section 103(3) of Public Law 108–7 (117 Stat. 529) amends subsection (b) by inserting “Except as authorized by section 2601 of title 10, United States Code, and by section 93 of title 14, United States Code,” before the word “Gifts” in the second place it appears and by striking the letter “G” and inserting in lieu thereof “g” in the word “Gifts” in the second place it appears. The word “Gifts” appears once in the text, however, the amendments have been executed to reflect the probable intent of Congress.

budget request for the Department for fiscal year 2004, and for each subsequent fiscal year.

**SEC. 874. [6 U.S.C. 454] FUTURE YEAR HOMELAND SECURITY PROGRAM.**

(a) **IN GENERAL.**—Each budget request submitted to Congress for the Department under section 1105 of title 31, United States Code, shall, at or about the same time, be accompanied by a Future Years Homeland Security Program.

(b) **CONTENTS.**—The Future Years Homeland Security Program under subsection (a) shall—

(1) include the same type of information, organizational structure, and level of detail as the future years defense program submitted to Congress by the Secretary of Defense under section 221 of title 10, United States Code;

(2) set forth the homeland security strategy of the Department, which shall be developed and updated as appropriate annually by the Secretary, that was used to develop program planning guidance for the Future Years Homeland Security Program; and

(3) include an explanation of how the resource allocations included in the Future Years Homeland Security Program correlate to the homeland security strategy set forth under paragraph (2).

(c) **EFFECTIVE DATE.**—This section shall take effect with respect to the preparation and submission of the fiscal year 2005 budget request for the Department and for any subsequent fiscal year, except that the first Future Years Homeland Security Program shall be submitted not later than 90 days after the Department's fiscal year 2005 budget request is submitted to Congress.

**SEC. 875. [6 U.S.C. 455] MISCELLANEOUS AUTHORITIES.**

(a) **SEAL.**—The Department shall have a seal, whose design is subject to the approval of the President.

(b) **PARTICIPATION OF MEMBERS OF THE ARMED FORCES.**—With respect to the Department, the Secretary shall have the same authorities that the Secretary of Transportation has with respect to the Department of Transportation under section 324 of title 49, United States Code.

(c) **REDELEGATION OF FUNCTIONS.**—Unless otherwise provided in the delegation or by law, any function delegated under this Act may be redelegated to any subordinate.

**SEC. 876. [6 U.S.C. 456] MILITARY ACTIVITIES.**

Nothing in this Act shall confer upon the Secretary any authority to engage in warfighting, the military defense of the United States, or other military activities, nor shall anything in this Act limit the existing authority of the Department of Defense or the Armed Forces to engage in warfighting, the military defense of the United States, or other military activities.

**SEC. 877. [6 U.S.C. 457] REGULATORY AUTHORITY AND PREEMPTION.**

(a) **REGULATORY AUTHORITY.**—Except as otherwise provided in sections 306(c), 862(c), and 1706(b), this Act vests no new regulatory authority in the Secretary or any other Federal official, and transfers to the Secretary or another Federal official only such reg-

ulatory authority as exists on the date of enactment of this Act within any agency, program, or function transferred to the Department pursuant to this Act, or that on such date of enactment is exercised by another official of the executive branch with respect to such agency, program, or function. Any such transferred authority may not be exercised by an official from whom it is transferred upon transfer of such agency, program, or function to the Secretary or another Federal official pursuant to this Act. This Act may not be construed as altering or diminishing the regulatory authority of any other executive agency, except to the extent that this Act transfers such authority from the agency.

(b) **PREEMPTION OF STATE OR LOCAL LAW.**—Except as otherwise provided in this Act, this Act preempts no State or local law, except that any authority to preempt State or local law vested in any Federal agency or official transferred to the Department pursuant to this Act shall be transferred to the Department effective on the date of the transfer to the Department of that Federal agency or official.

**SEC. 878. [6 U.S.C. 458] OFFICE OF COUNTERNARCOTICS ENFORCEMENT.**

(a) **OFFICE.**—There is established in the Department an Office of Counternarcotics Enforcement, which shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate.

(b) **ASSIGNMENT OF PERSONNEL.**—

(1) **IN GENERAL.**—The Secretary shall assign permanent staff to the Office, consistent with effective management of Department resources.

(2) **LIAISONS.**—The Secretary shall designate senior employees from each appropriate subdivision of the Department that has significant counternarcotics responsibilities to act as a liaison between that subdivision and the Office of Counternarcotics Enforcement.

(c) **LIMITATION ON CONCURRENT EMPLOYMENT.**—The Director of the Office of Counternarcotics Enforcement shall not be employed by, assigned to, or serve as the head of, any other branch of the Federal Government, any State or local government, or any subdivision of the Department other than the Office of Counternarcotics Enforcement.

(d) **RESPONSIBILITIES.**—The Secretary shall direct the Director of the Office of Counternarcotics Enforcement—

(1) to coordinate policy and operations within the Department, between the Department and other Federal departments and agencies, and between the Department and State and local agencies with respect to stopping the entry of illegal drugs into the United States;

(2) to ensure the adequacy of resources within the Department for stopping the entry of illegal drugs into the United States;

(3) to recommend the appropriate financial and personnel resources necessary to help the Department better fulfill its responsibility to stop the entry of illegal drugs into the United States;



(4) within the Joint Terrorism Task Force construct to track and sever connections between illegal drug trafficking and terrorism; and

(5) to be a representative of the Department on all task forces, committees, or other entities whose purpose is to coordinate the counternarcotics enforcement activities of the Department and other Federal, State or local agencies.

(e) SAVINGS CLAUSE.—Nothing in this section shall be construed to authorize direct control of the operations conducted by the Directorate of Border and Transportation Security, the Coast Guard, or joint terrorism task forces.

(f) REPORTS TO CONGRESS.—

(1) ANNUAL BUDGET REVIEW.—The Director of the Office of Counternarcotics Enforcement shall, not later than 30 days after the submission by the President to Congress of any request for expenditures for the Department, submit to the Committees on Appropriations and the authorizing committees of jurisdiction of the House of Representatives and the Senate a review and evaluation of such request. The review and evaluation shall—

(A) identify any request or subpart of any request that affects or may affect the counternarcotics activities of the Department or any of its subdivisions, or that affects the ability of the Department or any subdivision of the Department to meet its responsibility to stop the entry of illegal drugs into the United States;

(B) describe with particularity how such requested funds would be or could be expended in furtherance of counternarcotics activities; and

(C) compare such requests with requests for expenditures and amounts appropriated by Congress in the previous fiscal year.

(2) EVALUATION OF COUNTERNARCOTICS ACTIVITIES.—The Director of the Office of Counternarcotics Enforcement shall, not later than February 1 of each year, submit to the Committees on Appropriations and the authorizing committees of jurisdiction of the House of Representatives and the Senate a review and evaluation of the counternarcotics activities of the Department for the previous fiscal year. The review and evaluation shall—

(A) describe the counternarcotics activities of the Department and each subdivision of the Department (whether individually or in cooperation with other subdivisions of the Department, or in cooperation with other branches of the Federal Government or with State or local agencies), including the methods, procedures, and systems (including computer systems) for collecting, analyzing, sharing, and disseminating information concerning narcotics activity within the Department and between the Department and other Federal, State, and local agencies;

(B) describe the results of those activities, using quantifiable data whenever possible;

(C) state whether those activities were sufficient to meet the responsibility of the Department to stop the entry

of illegal drugs into the United States, including a description of the performance measures of effectiveness that were used in making that determination; and

(D) recommend, where appropriate, changes to those activities to improve the performance of the Department in meeting its responsibility to stop the entry of illegal drugs into the United States.

(3) **CLASSIFIED OR LAW ENFORCEMENT SENSITIVE INFORMATION.**—Any content of a review and evaluation described in the reports required in this subsection that involves information classified under criteria established by an Executive order, or whose public disclosure, as determined by the Secretary, would be detrimental to the law enforcement or national security activities of the Department or any other Federal, State, or local agency, shall be presented to Congress separately from the rest of the review and evaluation.

**SEC. 879. [6 U.S.C. 459] OFFICE OF INTERNATIONAL AFFAIRS.**

(a) **ESTABLISHMENT.**—There is established within the Office of the Secretary an Office of International Affairs. The Office shall be headed by a Director, who shall be a senior official appointed by the Secretary.

(b) **DUTIES OF THE DIRECTOR.**—The Director shall have the following duties:

(1) To promote information and education exchange with nations friendly to the United States in order to promote sharing of best practices and technologies relating to homeland security. Such exchange shall include the following:

(A) Exchange of information on research and development on homeland security technologies.

(B) Joint training exercises of first responders.

(C) Exchange of expertise on terrorism prevention, response, and crisis management.

(2) To identify areas for homeland security information and training exchange where the United States has a demonstrated weakness and another friendly nation or nations have a demonstrated expertise.

(3) To plan and undertake international conferences, exchange programs, and training activities.

(4) To manage international activities within the Department in coordination with other Federal officials with responsibility for counter-terrorism matters.

**SEC. 880. [6 U.S.C. 460] PROHIBITION OF THE TERRORISM INFORMATION AND PREVENTION SYSTEM.**

Any and all activities of the Federal Government to implement the proposed component program of the Citizen Corps known as Operation TIPS (Terrorism Information and Prevention System) are hereby prohibited.

**SEC. 881. [6 U.S.C. 461] REVIEW OF PAY AND BENEFIT PLANS.**

Notwithstanding any other provision of this Act, the Secretary shall, in consultation with the Director of the Office of Personnel Management, review the pay and benefit plans of each agency whose functions are transferred under this Act to the Department and, within 90 days after the date of enactment, submit a plan to

the President of the Senate and the Speaker of the House of Representatives and the appropriate committees and subcommittees of Congress, for ensuring, to the maximum extent practicable, the elimination of disparities in pay and benefits throughout the Department, especially among law enforcement personnel, that are inconsistent with merit system principles set forth in section 2301 of title 5, United States Code.

**SEC. 882. [6 U.S.C. 462] OFFICE FOR NATIONAL CAPITAL REGION COORDINATION.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established within the Office of the Secretary the Office of National Capital Region Coordination, to oversee and coordinate Federal programs for and relationships with State, local, and regional authorities in the National Capital Region, as defined under section 2674(f)(2) of title 10, United States Code.

(2) DIRECTOR.—The Office established under paragraph (1) shall be headed by a Director, who shall be appointed by the Secretary.

(3) COOPERATION.—The Secretary shall cooperate with the Mayor of the District of Columbia, the Governors of Maryland and Virginia, and other State, local, and regional officers in the National Capital Region to integrate the District of Columbia, Maryland, and Virginia into the planning, coordination, and execution of the activities of the Federal Government for the enhancement of domestic preparedness against the consequences of terrorist attacks.

(b) RESPONSIBILITIES.—The Office established under subsection

(a)(1) shall—

(1) coordinate the activities of the Department relating to the National Capital Region, including cooperation with the Office for State and Local Government Coordination;

(2) assess, and advocate for, the resources needed by State, local, and regional authorities in the National Capital Region to implement efforts to secure the homeland;

(3) provide State, local, and regional authorities in the National Capital Region with regular information, research, and technical support to assist the efforts of State, local, and regional authorities in the National Capital Region in securing the homeland;

(4) develop a process for receiving meaningful input from State, local, and regional authorities and the private sector in the National Capital Region to assist in the development of the homeland security plans and activities of the Federal Government;

(5) coordinate with Federal agencies in the National Capital Region on terrorism preparedness, to ensure adequate planning, information sharing, training, and execution of the Federal role in domestic preparedness activities;

(6) coordinate with Federal, State, local, and regional agencies, and the private sector in the National Capital Region on terrorism preparedness to ensure adequate planning, information sharing, training, and execution of domestic preparedness activities among these agencies and entities; and

(7) serve as a liaison between the Federal Government and State, local, and regional authorities, and private sector entities in the National Capital Region to facilitate access to Federal grants and other programs.

(c) ANNUAL REPORT.—The Office established under subsection (a) shall submit an annual report to Congress that includes—

(1) the identification of the resources required to fully implement homeland security efforts in the National Capital Region;

(2) an assessment of the progress made by the National Capital Region in implementing homeland security efforts; and

(3) recommendations to Congress regarding the additional resources needed to fully implement homeland security efforts in the National Capital Region.

(d) LIMITATION.—Nothing contained in this section shall be construed as limiting the power of State and local governments.

**SEC. 883. [6 U.S.C. 463] REQUIREMENT TO COMPLY WITH LAWS PROTECTING EQUAL EMPLOYMENT OPPORTUNITY AND PROVIDING WHISTLEBLOWER PROTECTIONS.**

Nothing in this Act shall be construed as exempting the Department from requirements applicable with respect to executive agencies—

(1) to provide equal employment protection for employees of the Department (including pursuant to the provisions in section 2302(b)(1) of title 5, United States Code, and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (Public Law 107–174)); or

(2) to provide whistleblower protections for employees of the Department (including pursuant to the provisions in section 2302(b)(8) and (9) of such title and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002).

**SEC. 884. [6 U.S.C. 464] FEDERAL LAW ENFORCEMENT TRAINING CENTER.**

(a) IN GENERAL.—The transfer of an authority or an agency under this Act to the Department of Homeland Security does not affect training agreements already entered into with the Federal Law Enforcement Training Center with respect to the training of personnel to carry out that authority or the duties of that transferred agency.

(b) CONTINUITY OF OPERATIONS.—All activities of the Federal Law Enforcement Training Center transferred to the Department of Homeland Security under this Act shall continue to be carried out at the locations such activities were carried out before such transfer.

**SEC. 885. [6 U.S.C. 465] JOINT INTERAGENCY TASK FORCE.**

(a) ESTABLISHMENT.—The Secretary may establish and operate a permanent Joint Interagency Homeland Security Task Force composed of representatives from military and civilian agencies of the United States Government for the purposes of anticipating terrorist threats against the United States and taking appropriate actions to prevent harm to the United States.

(b) **STRUCTURE.**—It is the sense of Congress that the Secretary should model the Joint Interagency Homeland Security Task Force on the approach taken by the Joint Interagency Task Forces for drug interdiction at Key West, Florida and Alameda, California, to the maximum extent feasible and appropriate.

**SEC. 886. [6 U.S.C. 466] SENSE OF CONGRESS REAFFIRMING THE CONTINUED IMPORTANCE AND APPLICABILITY OF THE POSSE COMITATUS ACT.**

(a) **FINDINGS.**—Congress finds the following:

(1) Section 1385 of title 18, United States Code (commonly known as the “Posse Comitatus Act”), prohibits the use of the Armed Forces as a posse comitatus to execute the laws except in cases and under circumstances expressly authorized by the Constitution or Act of Congress.

(2) Enacted in 1878, the Posse Comitatus Act was expressly intended to prevent United States Marshals, on their own initiative, from calling on the Army for assistance in enforcing Federal law.

(3) The Posse Comitatus Act has served the Nation well in limiting the use of the Armed Forces to enforce the law.

(4) Nevertheless, by its express terms, the Posse Comitatus Act is not a complete barrier to the use of the Armed Forces for a range of domestic purposes, including law enforcement functions, when the use of the Armed Forces is authorized by Act of Congress or the President determines that the use of the Armed Forces is required to fulfill the President’s obligations under the Constitution to respond promptly in time of war, insurrection, or other serious emergency.

(5) Existing laws, including chapter 15 of title 10, United States Code (commonly known as the “Insurrection Act”), and the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), grant the President broad powers that may be invoked in the event of domestic emergencies, including an attack against the Nation using weapons of mass destruction, and these laws specifically authorize the President to use the Armed Forces to help restore public order.

(b) **SENSE OF CONGRESS.**—Congress reaffirms the continued importance of section 1385 of title 18, United States Code, and it is the sense of Congress that nothing in this Act should be construed to alter the applicability of such section to any use of the Armed Forces as a posse comitatus to execute the laws.

**SEC. 887. [6 U.S.C. 467] COORDINATION WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES UNDER THE PUBLIC HEALTH SERVICE ACT.**

(a) **IN GENERAL.**—The annual Federal response plan developed by the Department shall be consistent with section 319 of the Public Health Service Act (42 U.S.C. 247d).

(b) **DISCLOSURES AMONG RELEVANT AGENCIES.**—

(1) **IN GENERAL.**—Full disclosure among relevant agencies shall be made in accordance with this subsection.

(2) **PUBLIC HEALTH EMERGENCY.**—During the period in which the Secretary of Health and Human Services has declared the existence of a public health emergency under section 319(a) of the Public Health Service Act (42 U.S.C. 247d(a)), the

Secretary of Health and Human Services shall keep relevant agencies, including the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation, fully and currently informed.

(3) **POTENTIAL PUBLIC HEALTH EMERGENCY.**—In cases involving, or potentially involving, a public health emergency, but in which no determination of an emergency by the Secretary of Health and Human Services under section 319(a) of the Public Health Service Act (42 U.S.C. 247d(a)), has been made, all relevant agencies, including the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation, shall keep the Secretary of Health and Human Services and the Director of the Centers for Disease Control and Prevention fully and currently informed.

**SEC. 888. [6 U.S.C. 468] PRESERVING COAST GUARD MISSION PERFORMANCE.**

(a) **DEFINITIONS.**—In this section:

(1) **NON-HOMELAND SECURITY MISSIONS.**—The term “non-homeland security missions” means the following missions of the Coast Guard:

- (A) Marine safety.
- (B) Search and rescue.
- (C) Aids to navigation.
- (D) Living marine resources (fisheries law enforcement).
- (E) Marine environmental protection.
- (F) Ice operations.

(2) **HOMELAND SECURITY MISSIONS.**—The term “homeland security missions” means the following missions of the Coast Guard:

- (A) Ports, waterways and coastal security.
- (B) Drug interdiction.
- (C) Migrant interdiction.
- (D) Defense readiness.
- (E) Other law enforcement.

(b) **TRANSFER.**—There are transferred to the Department the authorities, functions, personnel, and assets of the Coast Guard, which shall be maintained as a distinct entity within the Department, including the authorities and functions of the Secretary of Transportation relating thereto.

(c) **MAINTENANCE OF STATUS OF FUNCTIONS AND ASSETS.**—Notwithstanding any other provision of this Act, the authorities, functions, and capabilities of the Coast Guard to perform its missions shall be maintained intact and without significant reduction after the transfer of the Coast Guard to the Department, except as specified in subsequent Acts.

(d) **CERTAIN TRANSFERS PROHIBITED.**—No mission, function, or asset (including for purposes of this subsection any ship, aircraft, or helicopter) of the Coast Guard may be diverted to the principal and continuing use of any other organization, unit, or entity of the Department, except for details or assignments that do not reduce the Coast Guard’s capability to perform its missions.

(e) **CHANGES TO MISSIONS.**—

(1) PROHIBITION.—The Secretary may not substantially or significantly reduce the missions of the Coast Guard or the Coast Guard's capability to perform those missions, except as specified in subsequent Acts.

(2) WAIVER.—The Secretary may waive the restrictions under paragraph (1) for a period of not to exceed 90 days upon a declaration and certification by the Secretary to Congress that a clear, compelling, and immediate need exists for such a waiver. A certification under this paragraph shall include a detailed justification for the declaration and certification, including the reasons and specific information that demonstrate that the Nation and the Coast Guard cannot respond effectively if the restrictions under paragraph (1) are not waived.

(f) ANNUAL REVIEW.—

(1) IN GENERAL.—The Inspector General of the Department shall conduct an annual review that shall assess thoroughly the performance by the Coast Guard of all missions of the Coast Guard (including non-homeland security missions and homeland security missions) with a particular emphasis on examining the non-homeland security missions.

(2) REPORT.—The report under this paragraph shall be submitted to—

(A) the Committee on Governmental Affairs of the Senate;

(B) the Committee on Government Reform of the House of Representatives;

(C) the Committees on Appropriations of the Senate and the House of Representatives;

(D) the Committee on Commerce, Science, and Transportation of the Senate; and

(E) the Committee on Transportation and Infrastructure of the House of Representatives.

(g) DIRECT REPORTING TO SECRETARY.—Upon the transfer of the Coast Guard to the Department, the Commandant shall report directly to the Secretary without being required to report through any other official of the Department.

(h) OPERATION AS A SERVICE IN THE NAVY.—None of the conditions and restrictions in this section shall apply when the Coast Guard operates as a service in the Navy under section 3 of title 14, United States Code.

(i) REPORT ON ACCELERATING THE INTEGRATED DEEPWATER SYSTEM.—Not later than 90 days after the date of enactment of this Act, the Secretary, in consultation with the Commandant of the Coast Guard, shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives that—

(1) analyzes the feasibility of accelerating the rate of procurement in the Coast Guard's Integrated Deepwater System from 20 years to 10 years;

(2) includes an estimate of additional resources required;

(3) describes the resulting increased capabilities;

- (4) outlines any increases in the Coast Guard’s homeland security readiness;
- (5) describes any increases in operational efficiencies; and
- (6) provides a revised asset phase-in time line.

\* \* \* \* \*

**SEC. 889. HOMELAND SECURITY FUNDING ANALYSIS IN PRESIDENT’S BUDGET.**

(a) \* \* \*

\* \* \* \* \*

(c) [31 U.S.C. 1105 note] **EFFECTIVE DATE.**—This section and the amendment made by this section shall apply beginning with respect to the fiscal year 2005 budget submission.

\* \* \* \* \*

**Subtitle I—Information Sharing**

**SEC. 891. [6 U.S.C. 481] SHORT TITLE; FINDINGS; AND SENSE OF CONGRESS.**

(a) **SHORT TITLE.**—This subtitle may be cited as the “Homeland Security Information Sharing Act”.

(b) **FINDINGS.**—Congress finds the following:

(1) The Federal Government is required by the Constitution to provide for the common defense, which includes terrorist attack.

(2) The Federal Government relies on State and local personnel to protect against terrorist attack.

(3) The Federal Government collects, creates, manages, and protects classified and sensitive but unclassified information to enhance homeland security.

(4) Some homeland security information is needed by the State and local personnel to prevent and prepare for terrorist attack.

(5) The needs of State and local personnel to have access to relevant homeland security information to combat terrorism must be reconciled with the need to preserve the protected status of such information and to protect the sources and methods used to acquire such information.

(6) Granting security clearances to certain State and local personnel is one way to facilitate the sharing of information regarding specific terrorist threats among Federal, State, and local levels of government.

(7) Methods exist to declassify, redact, or otherwise adapt classified information so it may be shared with State and local personnel without the need for granting additional security clearances.

(8) State and local personnel have capabilities and opportunities to gather information on suspicious activities and terrorist threats not possessed by Federal agencies.

(9) The Federal Government and State and local governments and agencies in other jurisdictions may benefit from such information.



(10) Federal, State, and local governments and intelligence, law enforcement, and other emergency preparation and response agencies must act in partnership to maximize the benefits of information gathering and analysis to prevent and respond to terrorist attacks.

(11) Information systems, including the National Law Enforcement Telecommunications System and the Terrorist Threat Warning System, have been established for rapid sharing of classified and sensitive but unclassified information among Federal, State, and local entities.

(12) Increased efforts to share homeland security information should avoid duplicating existing information systems.

(c) SENSE OF CONGRESS.—It is the sense of Congress that Federal, State, and local entities should share homeland security information to the maximum extent practicable, with special emphasis on hard-to-reach urban and rural communities.

**SEC. 892. [6 U.S.C. 482] FACILITATING HOMELAND SECURITY INFORMATION SHARING PROCEDURES.**

(a) PROCEDURES FOR DETERMINING EXTENT OF SHARING OF HOMELAND SECURITY INFORMATION.—

(1) The President shall prescribe and implement procedures under which relevant Federal agencies—

(A) share relevant and appropriate homeland security information with other Federal agencies, including the Department, and appropriate State and local personnel;

(B) identify and safeguard homeland security information that is sensitive but unclassified; and

(C) to the extent such information is in classified form, determine whether, how, and to what extent to remove classified information, as appropriate, and with which such personnel it may be shared after such information is removed.

(2) The President shall ensure that such procedures apply to all agencies of the Federal Government.

(3) Such procedures shall not change the substantive requirements for the classification and safeguarding of classified information.

(4) Such procedures shall not change the requirements and authorities to protect sources and methods.

(b) PROCEDURES FOR SHARING OF HOMELAND SECURITY INFORMATION.—

(1) Under procedures prescribed by the President, all appropriate agencies, including the intelligence community, shall, through information sharing systems, share homeland security information with Federal agencies and appropriate State and local personnel to the extent such information may be shared, as determined in accordance with subsection (a), together with assessments of the credibility of such information.

(2) Each information sharing system through which information is shared under paragraph (1) shall—

(A) have the capability to transmit unclassified or classified information, though the procedures and recipients for each capability may differ;

(B) have the capability to restrict delivery of information to specified subgroups by geographic location, type of organization, position of a recipient within an organization, or a recipient's need to know such information;

(C) be configured to allow the efficient and effective sharing of information; and

(D) be accessible to appropriate State and local personnel.

(3) The procedures prescribed under paragraph (1) shall establish conditions on the use of information shared under paragraph (1)—

(A) to limit the redissemination of such information to ensure that such information is not used for an unauthorized purpose;

(B) to ensure the security and confidentiality of such information;

(C) to protect the constitutional and statutory rights of any individuals who are subjects of such information; and

(D) to provide data integrity through the timely removal and destruction of obsolete or erroneous names and information.

(4) The procedures prescribed under paragraph (1) shall ensure, to the greatest extent practicable, that the information sharing system through which information is shared under such paragraph include existing information sharing systems, including, but not limited to, the National Law Enforcement Telecommunications System, the Regional Information Sharing System, and the Terrorist Threat Warning System of the Federal Bureau of Investigation.

(5) Each appropriate Federal agency, as determined by the President, shall have access to each information sharing system through which information is shared under paragraph (1), and shall therefore have access to all information, as appropriate, shared under such paragraph.

(6) The procedures prescribed under paragraph (1) shall ensure that appropriate State and local personnel are authorized to use such information sharing systems—

(A) to access information shared with such personnel; and

(B) to share, with others who have access to such information sharing systems, the homeland security information of their own jurisdictions, which shall be marked appropriately as pertaining to potential terrorist activity.

(7) Under procedures prescribed jointly by the Director of Central Intelligence and the Attorney General, each appropriate Federal agency, as determined by the President, shall review and assess the information shared under paragraph (6) and integrate such information with existing intelligence.

(c) SHARING OF CLASSIFIED INFORMATION AND SENSITIVE BUT UNCLASSIFIED INFORMATION WITH STATE AND LOCAL PERSONNEL.—

(1) The President shall prescribe procedures under which Federal agencies may, to the extent the President considers necessary, share with appropriate State and local personnel homeland security information that remains classified or other-

wise protected after the determinations prescribed under the procedures set forth in subsection (a).

(2) It is the sense of Congress that such procedures may include 1 or more of the following means:

(A) Carrying out security clearance investigations with respect to appropriate State and local personnel.

(B) With respect to information that is sensitive but unclassified, entering into nondisclosure agreements with appropriate State and local personnel.

(C) Increased use of information-sharing partnerships that include appropriate State and local personnel, such as the Joint Terrorism Task Forces of the Federal Bureau of Investigation, the Anti-Terrorism Task Forces of the Department of Justice, and regional Terrorism Early Warning Groups.

(3)(A) The Secretary shall establish a program to provide appropriate training to officials described in subparagraph (B) in order to assist such officials in—

(i) identifying sources of potential terrorist threats through such methods as the Secretary determines appropriate;

(ii) reporting information relating to such potential terrorist threats to the appropriate Federal agencies in the appropriate form and manner;

(iii) assuring that all reported information is systematically submitted to and passed on by the Department for use by appropriate Federal agencies; and

(iv) understanding the mission and roles of the intelligence community to promote more effective information sharing among Federal, State, and local officials and representatives of the private sector to prevent terrorist attacks against the United States.

(B) The officials referred to in subparagraph (A) are officials of State and local government agencies and representatives of private sector entities with responsibilities relating to the oversight and management of first responders, counterterrorism activities, or critical infrastructure.

(C) The Secretary shall consult with the Attorney General to ensure that the training program established in subparagraph (A) does not duplicate the training program established in section 908 of the USA PATRIOT Act (Public Law 107-56; 28 U.S.C. 509 note).

(D) The Secretary shall carry out this paragraph in consultation with the Director of Central Intelligence and the Attorney General.

(d) RESPONSIBLE OFFICIALS.—For each affected Federal agency, the head of such agency shall designate an official to administer this Act with respect to such agency.

(e) FEDERAL CONTROL OF INFORMATION.—Under procedures prescribed under this section, information obtained by a State or local government from a Federal agency under this section shall remain under the control of the Federal agency, and a State or local law authorizing or requiring such a government to disclose information shall not apply to such information.

(f) DEFINITIONS.—As used in this section:

(1) The term “homeland security information” means any information possessed by a Federal, State, or local agency that—

(A) relates to the threat of terrorist activity;

(B) relates to the ability to prevent, interdict, or disrupt terrorist activity;

(C) would improve the identification or investigation of a suspected terrorist or terrorist organization; or

(D) would improve the response to a terrorist act.

(2) The term “intelligence community” has the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(3) The term “State and local personnel” means any of the following persons involved in prevention, preparation, or response for terrorist attack:

(A) State Governors, mayors, and other locally elected officials.

(B) State and local law enforcement personnel and firefighters.

(C) Public health and medical professionals.

(D) Regional, State, and local emergency management agency personnel, including State adjutant generals.

(E) Other appropriate emergency response agency personnel.

(F) Employees of private-sector entities that affect critical infrastructure, cyber, economic, or public health security, as designated by the Federal Government in procedures developed pursuant to this section.

(4) The term “State” includes the District of Columbia and any commonwealth, territory, or possession of the United States.

(g) CONSTRUCTION.—Nothing in this Act shall be construed as authorizing any department, bureau, agency, officer, or employee of the Federal Government to request, receive, or transmit to any other Government entity or personnel, or transmit to any State or local entity or personnel otherwise authorized by this Act to receive homeland security information, any information collected by the Federal Government solely for statistical purposes in violation of any other provision of law relating to the confidentiality of such information.

**SEC. 893. [6 U.S.C. 483] REPORT.**

(a) REPORT REQUIRED.—Not later than 12 months after the date of the enactment of this Act, the President shall submit to the congressional committees specified in subsection (b) a report on the implementation of section 892. The report shall include any recommendations for additional measures or appropriation requests, beyond the requirements of section 892, to increase the effectiveness of sharing of information between and among Federal, State, and local entities.

(b) SPECIFIED CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsection (a) are the following committees:

(1) The Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives.

(2) The Select Committee on Intelligence and the Committee on the Judiciary of the Senate.

**SEC. 894. [6 U.S.C. 484] AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as may be necessary to carry out section 892.

\* \* \* \* \*

## Subtitle J—Secure Handling of Ammonium Nitrate

**SEC. 899A. [6 U.S.C. 488] DEFINITIONS.**

In this subtitle:

(1) **AMMONIUM NITRATE.**—The term “ammonium nitrate” means—

(A) solid ammonium nitrate that is chiefly the ammonium salt of nitric acid and contains not less than 33 percent nitrogen by weight; and

(B) any mixture containing a percentage of ammonium nitrate that is equal to or greater than the percentage determined by the Secretary under section 899B(b).

(2) **AMMONIUM NITRATE FACILITY.**—The term “ammonium nitrate facility” means any entity that produces, sells or otherwise transfers ownership of, or provides application services for ammonium nitrate.

(3) **AMMONIUM NITRATE PURCHASER.**—The term “ammonium nitrate purchaser” means any person who purchases ammonium nitrate from an ammonium nitrate facility.

**SEC. 899B. [6 U.S.C. 488a] REGULATION OF THE SALE AND TRANSFER OF AMMONIUM NITRATE.**

(a) **IN GENERAL.**—The Secretary shall regulate the sale and transfer of ammonium nitrate by an ammonium nitrate facility in accordance with this subtitle to prevent the misappropriation or use of ammonium nitrate in an act of terrorism.

(b) **AMMONIUM NITRATE MIXTURES.**—Not later than 90 days after the date of the enactment of this subtitle, the Secretary, in consultation with the heads of appropriate Federal departments and agencies (including the Secretary of Agriculture), shall, after notice and an opportunity for comment, establish a threshold percentage for ammonium nitrate in a substance.

(c) **REGISTRATION OF OWNERS OF AMMONIUM NITRATE FACILITIES.**—

(1) **REGISTRATION.**—The Secretary shall establish a process by which any person that—

(A) owns an ammonium nitrate facility is required to register with the Department; and

(B) registers under subparagraph (A) is issued a registration number for purposes of this subtitle.

(2) **REGISTRATION INFORMATION.**—Any person applying to register under paragraph (1) shall submit to the Secretary—

- (A) the name, address, and telephone number of each ammonium nitrate facility owned by that person;
  - (B) the name of the person designated by that person as the point of contact for each such facility, for purposes of this subtitle; and
  - (C) such other information as the Secretary may determine is appropriate.
- (d) REGISTRATION OF AMMONIUM NITRATE PURCHASERS.—
- (1) REGISTRATION.—The Secretary shall establish a process by which any person that—
    - (A) intends to be an ammonium nitrate purchaser is required to register with the Department; and
    - (B) registers under subparagraph (A) is issued a registration number for purposes of this subtitle.
  - (2) REGISTRATION INFORMATION.—Any person applying to register under paragraph (1) as an ammonium nitrate purchaser shall submit to the Secretary—
    - (A) the name, address, and telephone number of the applicant; and
    - (B) the intended use of ammonium nitrate to be purchased by the applicant.
- (e) RECORDS.—
- (1) MAINTENANCE OF RECORDS.—The owner of an ammonium nitrate facility shall—
    - (A) maintain a record of each sale or transfer of ammonium nitrate, during the two-year period beginning on the date of that sale or transfer; and
    - (B) include in such record the information described in paragraph (2).
  - (2) SPECIFIC INFORMATION REQUIRED.—For each sale or transfer of ammonium nitrate, the owner of an ammonium nitrate facility shall—
    - (A) record the name, address, telephone number, and registration number issued under subsection (c) or (d) of each person that purchases ammonium nitrate, in a manner prescribed by the Secretary;
    - (B) if applicable, record the name, address, and telephone number of an agent acting on behalf of the person described in subparagraph (A), at the point of sale;
    - (C) record the date and quantity of ammonium nitrate sold or transferred; and
    - (D) verify the identity of the persons described in subparagraphs (A) and (B), as applicable, in accordance with a procedure established by the Secretary.
  - (3) PROTECTION OF INFORMATION.—In maintaining records in accordance with paragraph (1), the owner of an ammonium nitrate facility shall take reasonable actions to ensure the protection of the information included in such records.
- (f) EXEMPTION FOR EXPLOSIVE PURPOSES.—The Secretary may exempt from this subtitle a person producing, selling, or purchasing ammonium nitrate exclusively for use in the production of an explosive under a license or permit issued under chapter 40 of title 18, United States Code.

(g) CONSULTATION.—In carrying out this section, the Secretary shall consult with the Secretary of Agriculture, States, and appropriate private sector entities, to ensure that the access of agricultural producers to ammonium nitrate is not unduly burdened.

(h) DATA CONFIDENTIALITY.—

(1) IN GENERAL.—Notwithstanding section 552 of title 5, United States Code, or the USA PATRIOT ACT (Public Law 107-56; 115 Stat. 272), and except as provided in paragraph (2), the Secretary may not disclose to any person any information obtained under this subtitle.

(2) EXCEPTION.—The Secretary may disclose any information obtained by the Secretary under this subtitle to—

(A) an officer or employee of the United States, or a person that has entered into a contract with the United States, who has a need to know the information to perform the duties of the officer, employee, or person; or

(B) to a State agency under section 899D, under appropriate arrangements to ensure the protection of the information.

(i) REGISTRATION PROCEDURES AND CHECK OF TERRORIST SCREENING DATABASE.—

(1) REGISTRATION PROCEDURES.—

(A) GENERALLY.—The Secretary shall establish procedures to efficiently receive applications for registration numbers under this subtitle, conduct the checks required under paragraph (2), and promptly issue or deny a registration number.

(B) INITIAL SIX-MONTH REGISTRATION PERIOD.—The Secretary shall take steps to maximize the number of registration applications that are submitted and processed during the six-month period described in section 899F(e).

(2) CHECK OF TERRORIST SCREENING DATABASE.—

(A) CHECK REQUIRED.—The Secretary shall conduct a check of appropriate identifying information of any person seeking to register with the Department under subsection (c) or (d) against identifying information that appears in the terrorist screening database of the Department.

(B) AUTHORITY TO DENY REGISTRATION NUMBER.—If the identifying information of a person seeking to register with the Department under subsection (c) or (d) appears in the terrorist screening database of the Department, the Secretary may deny issuance of a registration number under this subtitle.

(3) EXPEDITED REVIEW OF APPLICATIONS.—

(A) IN GENERAL.—Following the six-month period described in section 899F(e), the Secretary shall, to the extent practicable, issue or deny registration numbers under this subtitle not later than 72 hours after the time the Secretary receives a complete registration application, unless the Secretary determines, in the interest of national security, that additional time is necessary to review an application.

(B) NOTICE OF APPLICATION STATUS.—In all cases, the Secretary shall notify a person seeking to register with the

Department under subsection (c) or (d) of the status of the application of that person not later than 72 hours after the time the Secretary receives a complete registration application.

(4) EXPEDITED APPEALS PROCESS.—

(A) REQUIREMENT.—

(i) APPEALS PROCESS.—The Secretary shall establish an expedited appeals process for persons denied a registration number under this subtitle.

(ii) TIME PERIOD FOR RESOLUTION.—The Secretary shall, to the extent practicable, resolve appeals not later than 72 hours after receiving a complete request for appeal unless the Secretary determines, in the interest of national security, that additional time is necessary to resolve an appeal.

(B) CONSULTATION.—The Secretary, in developing the appeals process under subparagraph (A), shall consult with appropriate stakeholders.

(C) GUIDANCE.—The Secretary shall provide guidance regarding the procedures and information required for an appeal under subparagraph (A) to any person denied a registration number under this subtitle.

(5) RESTRICTIONS ON USE AND MAINTENANCE OF INFORMATION.—

(A) IN GENERAL.—Any information constituting grounds for denial of a registration number under this section shall be maintained confidentially by the Secretary and may be used only for making determinations under this section.

(B) SHARING OF INFORMATION.—Notwithstanding any other provision of this subtitle, the Secretary may share any such information with Federal, State, local, and tribal law enforcement agencies, as appropriate.

(6) REGISTRATION INFORMATION.—

(A) AUTHORITY TO REQUIRE INFORMATION.—The Secretary may require a person applying for a registration number under this subtitle to submit such information as may be necessary to carry out the requirements of this section.

(B) REQUIREMENT TO UPDATE INFORMATION.—The Secretary may require persons issued a registration under this subtitle to update registration information submitted to the Secretary under this subtitle, as appropriate.

(7) RE-CHECKS AGAINST TERRORIST SCREENING DATABASE.—

(A) RE-CHECKS.—The Secretary shall, as appropriate, recheck persons provided a registration number pursuant to this subtitle against the terrorist screening database of the Department, and may revoke such registration number if the Secretary determines such person may pose a threat to national security.

(B) NOTICE OF REVOCATION.—The Secretary shall, as appropriate, provide prior notice to a person whose registration number is revoked under this section and such



person shall have an opportunity to appeal, as provided in paragraph (4).

**SEC. 899C. [6 U.S.C. 488b] INSPECTION AND AUDITING OF RECORDS.**

The Secretary shall establish a process for the periodic inspection and auditing of the records maintained by owners of ammonium nitrate facilities for the purpose of monitoring compliance with this subtitle or for the purpose of deterring or preventing the misappropriation or use of ammonium nitrate in an act of terrorism.

**SEC. 899D. [6 U.S.C. 488c] ADMINISTRATIVE PROVISIONS.**

(a) **COOPERATIVE AGREEMENTS.**—The Secretary—

(1) may enter into a cooperative agreement with the Secretary of Agriculture, or the head of any State department of agriculture or its designee involved in agricultural regulation, in consultation with the State agency responsible for homeland security, to carry out the provisions of this subtitle; and

(2) wherever possible, shall seek to cooperate with State agencies or their designees that oversee ammonium nitrate facility operations when seeking cooperative agreements to implement the registration and enforcement provisions of this subtitle.

(b) **DELEGATION.**—

(1) **AUTHORITY.**—The Secretary may delegate to a State the authority to assist the Secretary in the administration and enforcement of this subtitle.

(2) **DELEGATION REQUIRED.**—At the request of a Governor of a State, the Secretary shall delegate to that State the authority to carry out functions under sections 899B and 899C, if the Secretary determines that the State is capable of satisfactorily carrying out such functions.

(3) **FUNDING.**—Subject to the availability of appropriations, if the Secretary delegates functions to a State under this subsection, the Secretary shall provide to that State sufficient funds to carry out the delegated functions.

(c) **PROVISION OF GUIDANCE AND NOTIFICATION MATERIALS TO AMMONIUM NITRATE FACILITIES.**—

(1) **GUIDANCE.**—The Secretary shall make available to each owner of an ammonium nitrate facility registered under section 899B(c)(1) guidance on—

(A) the identification of suspicious ammonium nitrate purchases or transfers or attempted purchases or transfers;

(B) the appropriate course of action to be taken by the ammonium nitrate facility owner with respect to such a purchase or transfer or attempted purchase or transfer, including—

(i) exercising the right of the owner of the ammonium nitrate facility to decline sale of ammonium nitrate; and

(ii) notifying appropriate law enforcement entities; and

(C) additional subjects determined appropriate to prevent the misappropriation or use of ammonium nitrate in an act of terrorism.

(2) USE OF MATERIALS AND PROGRAMS.—In providing guidance under this subsection, the Secretary shall, to the extent practicable, leverage any relevant materials and programs.

(3) NOTIFICATION MATERIALS.—

(A) IN GENERAL.—The Secretary shall make available materials suitable for posting at locations where ammonium nitrate is sold.

(B) DESIGN OF MATERIALS.—Materials made available under subparagraph (A) shall be designed to notify prospective ammonium nitrate purchasers of—

(i) the record-keeping requirements under section 899B; and

(ii) the penalties for violating such requirements.

**SEC. 899E. [6 U.S.C. 488d] THEFT REPORTING REQUIREMENT.**

Any person who is required to comply with section 899B(e) who has knowledge of the theft or unexplained loss of ammonium nitrate shall report such theft or loss to the appropriate Federal law enforcement authorities not later than 1 calendar day of the date on which the person becomes aware of such theft or loss. Upon receipt of such report, the relevant Federal authorities shall inform State, local, and tribal law enforcement entities, as appropriate.

**SEC. 899F. [6 U.S.C. 488e] PROHIBITIONS AND PENALTY.**

(a) PROHIBITIONS.—

(1) TAKING POSSESSION.—No person shall purchase ammonium nitrate from an ammonium nitrate facility unless such person is registered under subsection (c) or (d) of section 899B, or is an agent of a person registered under subsection (c) or (d) of that section.

(2) TRANSFERRING POSSESSION.—An owner of an ammonium nitrate facility shall not transfer possession of ammonium nitrate from the ammonium nitrate facility to any ammonium nitrate purchaser who is not registered under subsection (c) or (d) of section 899B, or to any agent acting on behalf of an ammonium nitrate purchaser when such purchaser is not registered under subsection (c) or (d) of section 899B.

(3) OTHER PROHIBITIONS.—No person shall—

(A) purchase ammonium nitrate without a registration number required under subsection (c) or (d) of section 899B;

(B) own or operate an ammonium nitrate facility without a registration number required under section 899B(c); or

(C) fail to comply with any requirement or violate any other prohibition under this subtitle.

(b) CIVIL PENALTY.—A person that violates this subtitle may be assessed a civil penalty by the Secretary of not more than \$50,000 per violation.

(c) PENALTY CONSIDERATIONS.—In determining the amount of a civil penalty under this section, the Secretary shall consider—

(1) the nature and circumstances of the violation;

(2) with respect to the person who commits the violation, any history of prior violations, the ability to pay the penalty, and any effect the penalty is likely to have on the ability of such person to do business; and

(3) any other matter that the Secretary determines that justice requires.

(d) NOTICE AND OPPORTUNITY FOR A HEARING.—No civil penalty may be assessed under this subtitle unless the person liable for the penalty has been given notice and an opportunity for a hearing on the violation for which the penalty is to be assessed in the county, parish, or incorporated city of residence of that person.

(e) DELAY IN APPLICATION OF PROHIBITION.—Paragraphs (1) and (2) of subsection (a) shall apply on and after the date that is 6 months after the date that the Secretary issues a final rule implementing this subtitle.

**SEC. 899G. [6 U.S.C. 488f] PROTECTION FROM CIVIL LIABILITY.**

(a) IN GENERAL.—Notwithstanding any other provision of law, an owner of an ammonium nitrate facility that in good faith refuses to sell or transfer ammonium nitrate to any person, or that in good faith discloses to the Department or to appropriate law enforcement authorities an actual or attempted purchase or transfer of ammonium nitrate, based upon a reasonable belief that the person seeking purchase or transfer of ammonium nitrate may use the ammonium nitrate to create an explosive device to be employed in an act of terrorism (as defined in section 3077 of title 18, United States Code), or to use ammonium nitrate for any other unlawful purpose, shall not be liable in any civil action relating to that refusal to sell ammonium nitrate or that disclosure.

(b) REASONABLE BELIEF.—A reasonable belief that a person may use ammonium nitrate to create an explosive device to be employed in an act of terrorism under subsection (a) may not solely be based on the race, sex, national origin, creed, religion, status as a veteran, or status as a member of the Armed Forces of the United States of that person.

**SEC. 899H. [6 U.S.C. 488g] PREEMPTION OF OTHER LAWS.**

(a) OTHER FEDERAL REGULATIONS.—Except as provided in section 899G, nothing in this subtitle affects any regulation issued by any agency other than an agency of the Department.

(b) STATE LAW.—Subject to section 899G, this subtitle preempts the laws of any State to the extent that such laws are inconsistent with this subtitle, except that this subtitle shall not preempt any State law that provides additional protection against the acquisition of ammonium nitrate by terrorists or the use of ammonium nitrate in explosives in acts of terrorism or for other illicit purposes, as determined by the Secretary.

**SEC. 899I. [6 U.S.C. 488h] DEADLINES FOR REGULATIONS.**

The Secretary—

(1) shall issue a proposed rule implementing this subtitle not later than 6 months after the date of the enactment of this subtitle; and

(2) issue a final rule implementing this subtitle not later than 1 year after such date of enactment.

**SEC. 899J. [6 U.S.C. 488i] AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the Secretary—

- (1) \$2,000,000 for fiscal year 2008; and
- (2) \$10,750,000 for each of fiscal years 2009 through 2012.

## **TITLE IX—NATIONAL HOMELAND SECURITY COUNCIL**

**SEC. 901. [6 U.S.C. 491] NATIONAL HOMELAND SECURITY COUNCIL.**

There is established within the Executive Office of the President a council to be known as the “Homeland Security Council” (in this title referred to as the “Council”).

**SEC. 902. [6 U.S.C. 492] FUNCTION.**

The function of the Council shall be to advise the President on homeland security matters.

**SEC. 903. [6 U.S.C. 493] MEMBERSHIP.**

(a) MEMBERS—<sup>1</sup>The members of the Council shall be the following:

- (1) The President.
- (2) The Vice President.
- (3) The Secretary of Homeland Security.
- (4) The Attorney General.
- (5) The Secretary of Defense.
- (6) Such other individuals as may be designated by the President.

(b) ATTENDANCE OF CHAIRMAN OF JOINT CHIEFS OF STAFF AT MEETINGS.—The Chairman of the Joint Chiefs of Staff (or, in the absence of the Chairman, the Vice Chairman of the Joint Chiefs of Staff) may, in the role of the Chairman of the Joint Chiefs of Staff as principal military adviser to the Council and subject to the direction of the President, attend and participate in meetings of the Council.

**SEC. 904. [6 U.S.C. 494] OTHER FUNCTIONS AND ACTIVITIES.**

For the purpose of more effectively coordinating the policies and functions of the United States Government relating to homeland security, the Council shall—

- (1) assess the objectives, commitments, and risks of the United States in the interest of homeland security and to make resulting recommendations to the President;
- (2) oversee and review homeland security policies of the Federal Government and to make resulting recommendations to the President; and
- (3) perform such other functions as the President may direct.

**SEC. 905. [6 U.S.C. 495] STAFF COMPOSITION.**

The Council shall have a staff, the head of which shall be a civilian Executive Secretary, who shall be appointed by the President. The President is authorized to fix the pay of the Executive

<sup>1</sup>A period probably should appear prior to the dash in the heading for subsection (a) of section 903.

Secretary at a rate not to exceed the rate of pay payable to the Executive Secretary of the National Security Council.

**SEC. 906. [6 U.S.C. 496] RELATION TO THE NATIONAL SECURITY COUNCIL.**

The President may convene joint meetings of the Homeland Security Council and the National Security Council with participation by members of either Council or as the President may otherwise direct.

## **TITLE X—INFORMATION SECURITY**

**SEC. 1001. INFORMATION SECURITY.**

(a) [6 U.S.C. 101 note] **SHORT TITLE.**—This title may be cited as the “Federal Information Security Management Act of 2002”.

\* \* \* \* \*

(c) [6 U.S.C. 511] **INFORMATION SECURITY RESPONSIBILITIES OF CERTAIN AGENCIES.**—

(1) **NATIONAL SECURITY RESPONSIBILITIES.**—(A) Nothing in this Act (including any amendment made by this Act) shall supersede any authority of the Secretary of Defense, the Director of Central Intelligence, or other agency head, as authorized by law and as directed by the President, with regard to the operation, control, or management of national security systems, as defined by section 3532(3) of title 44, United States Code.

\* \* \* \* \*

(2) **ATOMIC ENERGY ACT OF 1954.**—Nothing in this Act shall supersede any requirement made by or under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.). Restricted Data or Formerly Restricted Data shall be handled, protected, classified, downgraded, and declassified in conformity with the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

\* \* \* \* \*

**SEC. 1006. [6 U.S.C. 512] CONSTRUCTION.**

Nothing in this Act, or the amendments made by this Act, affects the authority of the National Institute of Standards and Technology or the Department of Commerce relating to the development and promulgation of standards or guidelines under paragraphs (1) and (2) of section 20(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3(a)).

## **TITLE XI—DEPARTMENT OF JUSTICE DIVISIONS**

### **Subtitle A—Executive Office for Immigration Review**

**SEC. 1101. LEGAL STATUS OF EOIR.**

(a) [6 U.S.C. 521] **EXISTENCE OF EOIR.**—There is in the Department of Justice the Executive Office for Immigration Review,

which shall be subject to the direction and regulation of the Attorney General under section 103(g) of the Immigration and Nationality Act, as added by section 1102.

\* \* \* \* \*

**SEC. 1103. [6 U.S.C. 522] STATUTORY CONSTRUCTION.**

Nothing in this Act, any amendment made by this Act, or in section 103 of the Immigration and Nationality Act, as amended by section 1102, shall be construed to limit judicial deference to regulations, adjudications, interpretations, orders, decisions, judgments, or any other actions of the Secretary of Homeland Security or the Attorney General.

## **Subtitle B—Transfer of the Bureau of Alcohol, Tobacco and Firearms to the Department of Justice**

**SEC. 1111. [6 U.S.C. 531] BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES.**

(a) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—There is established within the Department of Justice under the general authority of the Attorney General the Bureau of Alcohol, Tobacco, Firearms, and Explosives (in this section referred to as the “Bureau”).

(2) **DIRECTOR.**—There shall be at the head of the Bureau a Director, Bureau of Alcohol, Tobacco, Firearms, and Explosives (in this subtitle referred to as the “Director”). The Director shall be appointed by the President, by and with the advice and consent of the Senate and shall perform such functions as the Attorney General shall direct. The Director shall receive compensation at the rate prescribed by law under section 5314 of title V, United States Code, for positions at level III of the Executive Schedule.

(3) **COORDINATION.**—The Attorney General, acting through the Director and such other officials of the Department of Justice as the Attorney General may designate, shall provide for the coordination of all firearms, explosives, tobacco enforcement, and arson enforcement functions vested in the Attorney General so as to assure maximum cooperation between and among any officer, employee, or agency of the Department of Justice involved in the performance of these and related functions.

(4) **PERFORMANCE OF TRANSFERRED FUNCTIONS.**—The Attorney General may make such provisions as the Attorney General determines appropriate to authorize the performance by any officer, employee, or agency of the Department of Justice of any function transferred to the Attorney General under this section.

(b) **RESPONSIBILITIES.**—Subject to the direction of the Attorney General, the Bureau shall be responsible for investigating—

(1) criminal and regulatory violations of the Federal firearms, explosives, arson, alcohol, and tobacco smuggling laws;

(2) the functions transferred by subsection (c); and

(3) any other function related to the investigation of violent crime or domestic terrorism that is delegated to the Bureau by the Attorney General.

(c) TRANSFER OF AUTHORITIES, FUNCTIONS, PERSONNEL, AND ASSETS TO THE DEPARTMENT OF JUSTICE.—

(1) IN GENERAL.—Subject to paragraph (2), but notwithstanding any other provision of law, there are transferred to the Department of Justice the authorities, functions, personnel, and assets of the Bureau of Alcohol, Tobacco and Firearms, which shall be maintained as a distinct entity within the Department of Justice, including the related functions of the Secretary of the Treasury.

(2) ADMINISTRATION AND REVENUE COLLECTION FUNCTIONS.—There shall be retained within the Department of the Treasury the authorities, functions, personnel, and assets of the Bureau of Alcohol, Tobacco and Firearms relating to the administration and enforcement of chapters 51 and 52 of the Internal Revenue Code of 1986, sections 4181 and 4182 of the Internal Revenue Code of 1986, and title 27, United States Code.

(3) BUILDING PROSPECTUS.—Prospectus PDC-98W10, giving the General Services Administration the authority for site acquisition, design, and construction of a new headquarters building for the Bureau of Alcohol, Tobacco and Firearms, is transferred, and deemed to apply, to the Bureau of Alcohol, Tobacco, Firearms, and Explosives established in the Department of Justice under subsection (a).

(d) TAX AND TRADE BUREAU.—

(1) ESTABLISHMENT.—There is established within the Department of the Treasury the Tax and Trade Bureau.

(2) ADMINISTRATOR.—The Tax and Trade Bureau shall be headed by an Administrator, who shall perform such duties as assigned by the Under Secretary for Enforcement of the Department of the Treasury. The Administrator shall occupy a career-reserved position within the Senior Executive Service.

(3) RESPONSIBILITIES.—The authorities, functions, personnel, and assets of the Bureau of Alcohol, Tobacco and Firearms that are not transferred to the Department of Justice under this section shall be retained and administered by the Tax and Trade Bureau.

\* \* \* \* \*

**SEC. 1114. [6 U.S.C. 532] EXPLOSIVES TRAINING AND RESEARCH FACILITY.**

(a) ESTABLISHMENT.—There is established within the Bureau an Explosives Training and Research Facility at Fort AP Hill, Fredericksburg, Virginia.

(b) PURPOSE.—The facility established under subsection (a) shall be utilized to train Federal, State, and local law enforcement officers to—

- (1) investigate bombings and explosions;
- (2) properly handle, utilize, and dispose of explosive materials and devices;
- (3) train canines on explosive detection; and

- (4) conduct research on explosives.
- (c) AUTHORIZATION OF APPROPRIATIONS.—
  - (1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to establish and maintain the facility established under subsection (a).
  - (2) AVAILABILITY OF FUNDS.—Any amounts appropriated pursuant to paragraph (1) shall remain available until expended.

**SEC. 1115. [6 U.S.C. 533] PERSONNEL MANAGEMENT DEMONSTRATION PROJECT.**

Notwithstanding any other provision of law, the Personnel Management Demonstration Project established under section 102 of title I of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act for Fiscal Year 1999 (Public Law 105–277; 122 Stat. 2681–585) shall be transferred to the Attorney General of the United States for continued use by the Bureau of Alcohol, Tobacco, Firearms, and Explosives, Department of Justice, and the Secretary of the Treasury for continued use by the Tax and Trade Bureau.

### Subtitle C—Explosives

**SEC. 1121. [18 U.S.C. 841 note] SHORT TITLE.**

This subtitle may be referred to as the “Safe Explosives Act”.

**SEC. 1122. PERMITS FOR PURCHASERS OF EXPLOSIVES.**

(a) \* \* \*

\* \* \* \* \*

(i) [18 U.S.C. 843 note] EFFECTIVE DATE.—

- (1) IN GENERAL.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.
- (2) EXCEPTION.—Notwithstanding any provision of this Act, a license or permit issued under section 843 of title 18, United States Code, before the date of enactment of this Act, shall remain valid until that license or permit is revoked under section 843(d) or expires, or until a timely application for renewal is acted upon.

\* \* \* \* \*

**SEC. 1128. AUTHORIZATION OF APPROPRIATIONS.**

There is authorized to be appropriated such sums as necessary to carry out this subtitle and the amendments made by this subtitle.

## TITLE XII—AIRLINE WAR RISK INSURANCE LEGISLATION

\* \* \* \* \*

**SEC. 1204. REPORT.**

Not later than 90 days after the date of enactment of this Act, the Secretary shall transmit to the Committee on Commerce,



Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that—

(A) evaluates the availability and cost of commercial war risk insurance for air carriers and other aviation entities for passengers and third parties;

(B) analyzes the economic effect upon air carriers and other aviation entities of available commercial war risk insurance; and

(C) describes the manner in which the Department could provide an alternative means of providing aviation war risk reinsurance covering passengers, crew, and third parties through use of a risk-retention group or by other means.

## **TITLE XIII—FEDERAL WORKFORCE IMPROVEMENT**

### **Subtitle A—Chief Human Capital Officers**

**SEC. 1301. [5 U.S.C. 101 note] SHORT TITLE.**

This title may be cited as the “Chief Human Capital Officers Act of 2002”.

\* \* \* \* \*

**SEC. 1303. [5 U.S.C. 1401 note] CHIEF HUMAN CAPITAL OFFICERS COUNCIL.**

(a) **ESTABLISHMENT.**—There is established a Chief Human Capital Officers Council, consisting of—

(1) the Director of the Office of Personnel Management, who shall act as chairperson of the Council;

(2) the Deputy Director for Management of the Office of Management and Budget, who shall act as vice chairperson of the Council; and

(3) the Chief Human Capital Officers of Executive departments and any other members who are designated by the Director of the Office of Personnel Management.

(b) **FUNCTIONS.**—The Chief Human Capital Officers Council shall meet periodically to advise and coordinate the activities of the agencies of its members on such matters as modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources operations and organizations.

(c) **EMPLOYEE LABOR ORGANIZATIONS AT MEETINGS.**—The Chief Human Capital Officers Council shall ensure that representatives of Federal employee labor organizations are present at a minimum of 1 meeting of the Council each year. Such representatives shall not be members of the Council.

(d) **ANNUAL REPORT.**—Each year the Chief Human Capital Officers Council shall submit a report to Congress on the activities of the Council.

\* \* \* \* \*

SEC. 1305. [5 U.S.C. 1103 note] EFFECTIVE DATE.

This subtitle shall take effect 180 days after the date of enactment of this Act.

**Subtitle B—Reforms Relating to Federal Human Capital Management**

\* \* \* \* \*

SEC. 1313. PERMANENT EXTENSION, REVISION, AND EXPANSION OF AUTHORITIES FOR USE OF VOLUNTARY SEPARATION INCENTIVE PAY AND VOLUNTARY EARLY RETIREMENT.

(a) VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) \* \* \*

\* \* \* \* \*

(2) [5 U.S.C. 3521 note] ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS.—The Director of the Administrative Office of the United States Courts may, by regulation, establish a program substantially similar to the program established under paragraph (1) for individuals serving in the judicial branch.

(3) [5 U.S.C. 3521 note] CONTINUATION OF OTHER AUTHORITY.—Any agency exercising any voluntary separation incentive authority in effect on the effective date of this subsection may continue to offer voluntary separation incentives consistent with that authority until that authority expires.

(4) [5 U.S.C. 3521 note] EFFECTIVE DATE.—This subsection shall take effect 60 days after the date of enactment of this Act.

\* \* \* \* \*

(b) FEDERAL EMPLOYEE VOLUNTARY EARLY RETIREMENT.—

(1) \* \* \*

\* \* \* \* \*

(3) [5 U.S.C. 8336 note] GENERAL ACCOUNTING OFFICE AUTHORITY.—The amendments made by this subsection shall not be construed to affect the authority under section 1 of Public Law 106–303 (5 U.S.C. 8336 note; 114 Stat. 1063).

\* \* \* \* \*

(5) [5 U.S.C. 8336 note] REGULATIONS.—The Office of Personnel Management may prescribe regulations to carry out this subsection.

(c) [5 U.S.C. 3521 note] SENSE OF CONGRESS.—It is the sense of Congress that the implementation of this section is intended to reshape the Federal workforce and not downsize the Federal workforce.

\* \* \* \* \*

## Subtitle C—Reforms Relating to the Senior Executive Service

\* \* \* \* \*

### SEC. 1321. REPEAL OF RECERTIFICATION REQUIREMENTS OF SENIOR EXECUTIVES.

(a) \* \* \*

\* \* \* \* \*

(b) **[5 U.S.C. 3592 note]** SAVINGS PROVISION.—Notwithstanding the amendments made by subsection (a)(2)(A), an appeal under the final sentence of section 3592(a) of title 5, United States Code, that is pending on the day before the effective date of this section—

(1) shall not abate by reason of the enactment of the amendments made by subsection (a)(2)(A); and

(2) shall continue as if such amendments had not been enacted.

(c) **[5 U.S.C. 3593 note]** APPLICATION.—The amendment made by subsection (a)(2)(B) shall not apply with respect to an individual who, before the effective date of this section, leaves the Senior Executive Service for failure to be recertified as a senior executive under section 3393a of title 5, United States Code.

\* \* \* \* \*

## Subtitle D—Academic Training

\* \* \* \* \*

### SEC. 1332. MODIFICATIONS TO NATIONAL SECURITY EDUCATION PROGRAM.

(a) **[5 U.S.C. 3301 note]** FINDINGS AND POLICIES.—

(1) FINDINGS.—Congress finds that—

(A) the United States Government actively encourages and financially supports the training, education, and development of many United States citizens;

(B) as a condition of some of those supports, many of those citizens have an obligation to seek either compensated or uncompensated employment in the Federal sector; and

(C) it is in the United States national interest to maximize the return to the Nation of funds invested in the development of such citizens by seeking to employ them in the Federal sector.

(2) POLICY.—It shall be the policy of the United States Government to—

(A) establish procedures for ensuring that United States citizens who have incurred service obligations as the result of receiving financial support for education and training from the United States Government and have applied for Federal positions are considered in all recruitment and hiring initiatives of Federal departments, bureaus, agencies, and offices; and

(B) advertise and open all Federal positions to United States citizens who have incurred service obligations with the United States Government as the result of receiving financial support for education and training from the United States Government.

\* \* \* \* \*

**TITLE XIV—ARMING PILOTS AGAINST TERRORISM**

**SEC. 1401. [49 U.S.C. 40101 note] SHORT TITLE.**

This title may be cited as the “Arming Pilots Against Terrorism Act”.

**SEC. 1402. FEDERAL FLIGHT DECK OFFICER PROGRAM.**

(a) \* \* \*

\* \* \* \* \*

(c) [6 U.S.C. 513] FEDERAL AIR MARSHAL PROGRAM.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that the Federal air marshal program is critical to aviation security.

(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this Act, including any amendment made by this Act, shall be construed as preventing the Under Secretary of Transportation for Security from implementing and training Federal air marshals.

**SEC. 1403. CREW TRAINING.**

(a) \* \* \*

\* \* \* \* \*

(c) BENEFITS AND RISKS OF PROVIDING FLIGHT ATTENDANTS WITH NONLETHAL WEAPONS.—

(1) STUDY.—The Under Secretary of Transportation for Security shall conduct a study to evaluate the benefits and risks of providing flight attendants with nonlethal weapons to aide in combating air piracy and criminal violence on commercial airlines.

(2) REPORT.—Not later than 6 months after the date of enactment of this Act, the Under Secretary shall transmit to Congress a report on the results of the study.

**SEC. 1404. COMMERCIAL AIRLINE SECURITY STUDY.**

(a) STUDY.—The Secretary of Transportation shall conduct a study of the following:

(1) The number of armed Federal law enforcement officers (other than Federal air marshals), who travel on commercial airliners annually and the frequency of their travel.

(2) The cost and resources necessary to provide such officers with supplemental training in aircraft anti-terrorism training that is comparable to the training that Federal air marshals are provided.

(3) The cost of establishing a program at a Federal law enforcement training center for the purpose of providing new Federal law enforcement recruits with standardized training

comparable to the training that Federal air marshals are provided.

(4) The feasibility of implementing a certification program designed for the purpose of ensuring Federal law enforcement officers have completed the training described in paragraph (2) and track their travel over a 6-month period.

(5) The feasibility of staggering the flights of such officers to ensure the maximum amount of flights have a certified trained Federal officer on board.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study. The report may be submitted in classified and redacted form.

\* \* \* \* \*

## TITLE XV—TRANSITION

### Subtitle A—Reorganization Plan

#### SEC. 1501. [6 U.S.C. 541] DEFINITIONS.

For purposes of this title:

(1) The term “agency” includes any entity, organizational unit, program, or function.

(2) The term “transition period” means the 12-month period beginning on the effective date of this Act.

#### SEC. 1502. [6 U.S.C. 542] REORGANIZATION PLAN.

(a) SUBMISSION OF PLAN.—Not later than 60 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a reorganization plan regarding the following:

(1) The transfer of agencies, personnel, assets, and obligations to the Department pursuant to this Act.

(2) Any consolidation, reorganization, or streamlining of agencies transferred to the Department pursuant to this Act.

(b) PLAN ELEMENTS.—The plan transmitted under subsection (a) shall contain, consistent with this Act, such elements as the President deems appropriate, including the following:

(1) Identification of any functions of agencies transferred to the Department pursuant to this Act that will not be transferred to the Department under the plan.

(2) Specification of the steps to be taken by the Secretary to organize the Department, including the delegation or assignment of functions transferred to the Department among officers of the Department in order to permit the Department to carry out the functions transferred under the plan.

(3) Specification of the funds available to each agency that will be transferred to the Department as a result of transfers under the plan.

(4) Specification of the proposed allocations within the Department of unexpended funds transferred in connection with transfers under the plan.

(5) Specification of any proposed disposition of property, facilities, contracts, records, and other assets and obligations of agencies transferred under the plan.

(6) Specification of the proposed allocations within the Department of the functions of the agencies and subdivisions that are not related directly to securing the homeland.

(c) **MODIFICATION OF PLAN.**—The President may, on the basis of consultations with the appropriate congressional committees, modify or revise any part of the plan until that part of the plan becomes effective in accordance with subsection (d).

(d) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The reorganization plan described in this section, including any modifications or revisions of the plan under subsection (d), shall become effective for an agency on the earlier of—

(A) the date specified in the plan (or the plan as modified pursuant to subsection (d)), except that such date may not be earlier than 90 days after the date the President has transmitted the reorganization plan to the appropriate congressional committees pursuant to subsection (a); or

(B) the end of the transition period.

(2) **STATUTORY CONSTRUCTION.**—Nothing in this subsection may be construed to require the transfer of functions, personnel, records, balances of appropriations, or other assets of an agency on a single date.

(3) **SUPERSEDES EXISTING LAW.**—Paragraph (1) shall apply notwithstanding section 905(b) of title 5, United States Code.

**SEC. 1503. [6 U.S.C. 543] REVIEW OF CONGRESSIONAL COMMITTEE STRUCTURES.**

It is the sense of Congress that each House of Congress should review its committee structure in light of the reorganization of responsibilities within the executive branch by the establishment of the Department.

## **Subtitle B—Transitional Provisions**

**SEC. 1511. [6 U.S.C. 551] TRANSITIONAL AUTHORITIES.**

(a) **PROVISION OF ASSISTANCE BY OFFICIALS.**—Until the transfer of an agency to the Department, any official having authority over or functions relating to the agency immediately before the effective date of this Act shall provide to the Secretary such assistance, including the use of personnel and assets, as the Secretary may request in preparing for the transfer and integration of the agency into the Department.

(b) **SERVICES AND PERSONNEL.**—During the transition period, upon the request of the Secretary, the head of any executive agency may, on a reimbursable basis, provide services or detail personnel to assist with the transition.

(c) **ACTING OFFICIALS.**—(1) During the transition period, pending the advice and consent of the Senate to the appointment of an officer required by this Act to be appointed by and with such advice and consent, the President may designate any officer whose appointment was required to be made by and with such advice and

consent and who was such an officer immediately before the effective date of this Act (and who continues in office) or immediately before such designation, to act in such office until the same is filled as provided in this Act. While so acting, such officers shall receive compensation at the higher of—

(A) the rates provided by this Act for the respective offices in which they act; or

(B) the rates provided for the offices held at the time of designation.

(2) Nothing in this Act shall be understood to require the advice and consent of the Senate to the appointment by the President to a position in the Department of any officer whose agency is transferred to the Department pursuant to this Act and whose duties following such transfer are germane to those performed before such transfer.

(d) TRANSFER OF PERSONNEL, ASSETS, OBLIGATIONS, AND FUNCTIONS.—Upon the transfer of an agency to the Department—

(1) the personnel, assets, and obligations held by or available in connection with the agency shall be transferred to the Secretary for appropriate allocation, subject to the approval of the Director of the Office of Management and Budget and in accordance with the provisions of section 1531(a)(2) of title 31, United States Code; and

(2) the Secretary shall have all functions relating to the agency that any other official could by law exercise in relation to the agency immediately before such transfer, and shall have in addition all functions vested in the Secretary by this Act or other law.

(e) PROHIBITION ON USE OF TRANSPORTATION TRUST FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act, no funds derived from the Highway Trust Fund, Airport and Airway Trust Fund, Inland Waterway Trust Fund, or Harbor Maintenance Trust Fund, may be transferred to, made available to, or obligated by the Secretary or any other official in the Department.

(2) LIMITATION.—This subsection shall not apply to security-related funds provided to the Federal Aviation Administration for fiscal years preceding fiscal year 2003 for (A) operations, (B) facilities and equipment, or (C) research, engineering, and development, and to any funds provided to the Coast Guard from the Sport Fish Restoration and Boating Trust Fund for boating safety programs.

**SEC. 1512. [6 U.S.C. 552] SAVINGS PROVISIONS.**

(a) COMPLETED ADMINISTRATIVE ACTIONS.—(1) Completed administrative actions of an agency shall not be affected by the enactment of this Act or the transfer of such agency to the Department, but shall continue in effect according to their terms until amended, modified, superseded, terminated, set aside, or revoked in accordance with law by an officer of the United States or a court of competent jurisdiction, or by operation of law.

(2) For purposes of paragraph (1), the term “completed administrative action” includes orders, determinations, rules, regulations,

personnel actions, permits, agreements, grants, contracts, certificates, licenses, registrations, and privileges.

(b) PENDING PROCEEDINGS.—Subject to the authority of the Secretary under this Act—

(1) pending proceedings in an agency, including notices of proposed rulemaking, and applications for licenses, permits, certificates, grants, and financial assistance, shall continue notwithstanding the enactment of this Act or the transfer of the agency to the Department, unless discontinued or modified under the same terms and conditions and to the same extent that such discontinuance could have occurred if such enactment or transfer had not occurred; and

(2) orders issued in such proceedings, and appeals therefrom, and payments made pursuant to such orders, shall issue in the same manner and on the same terms as if this Act had not been enacted or the agency had not been transferred, and any such orders shall continue in effect until amended, modified, superseded, terminated, set aside, or revoked by an officer of the United States or a court of competent jurisdiction, or by operation of law.

(c) PENDING CIVIL ACTIONS.—Subject to the authority of the Secretary under this Act, pending civil actions shall continue notwithstanding the enactment of this Act or the transfer of an agency to the Department, and in such civil actions, proceedings shall be had, appeals taken, and judgments rendered and enforced in the same manner and with the same effect as if such enactment or transfer had not occurred.

(d) REFERENCES.—References relating to an agency that is transferred to the Department in statutes, Executive orders, rules, regulations, directives, or delegations of authority that precede such transfer or the effective date of this Act shall be deemed to refer, as appropriate, to the Department, to its officers, employees, or agents, or to its corresponding organizational units or functions. Statutory reporting requirements that applied in relation to such an agency immediately before the effective date of this Act shall continue to apply following such transfer if they refer to the agency by name.

(e) EMPLOYMENT PROVISIONS.—(1) Notwithstanding the generality of the foregoing (including subsections (a) and (d)), in and for the Department the Secretary may, in regulations prescribed jointly with the Director of the Office of Personnel Management, adopt the rules, procedures, terms, and conditions, established by statute, rule, or regulation before the effective date of this Act, relating to employment in any agency transferred to the Department pursuant to this Act; and

(2) except as otherwise provided in this Act, or under authority granted by this Act, the transfer pursuant to this Act of personnel shall not alter the terms and conditions of employment, including compensation, of any employee so transferred.

(f) STATUTORY REPORTING REQUIREMENTS.—Any statutory reporting requirement that applied to an agency, transferred to the Department under this Act, immediately before the effective date of this Act shall continue to apply following that transfer if the statutory requirement refers to the agency by name.



**SEC. 1513. [6 U.S.C. 553] TERMINATIONS.**

Except as otherwise provided in this Act, whenever all the functions vested by law in any agency have been transferred pursuant to this Act, each position and office the incumbent of which was authorized to receive compensation at the rates prescribed for an office or position at level II, III, IV, or V, of the Executive Schedule, shall terminate.

**SEC. 1514. [6 U.S.C. 554] NATIONAL IDENTIFICATION SYSTEM NOT AUTHORIZED.**

Nothing in this Act shall be construed to authorize the development of a national identification system or card.

**SEC. 1515. [6 U.S.C. 555] CONTINUITY OF INSPECTOR GENERAL OVERSIGHT.**

Notwithstanding the transfer of an agency to the Department pursuant to this Act, the Inspector General that exercised oversight of such agency prior to such transfer shall continue to exercise oversight of such agency during the period of time, if any, between the transfer of such agency to the Department pursuant to this Act and the appointment of the Inspector General of the Department of Homeland Security in accordance with section 103(b).

**SEC. 1516. [6 U.S.C. 556] INCIDENTAL TRANSFERS.**

The Director of the Office of Management and Budget, in consultation with the Secretary, is authorized and directed to make such additional incidental dispositions of personnel, assets, and liabilities held, used, arising from, available, or to be made available, in connection with the functions transferred by this Act, as the Director may determine necessary to accomplish the purposes of this Act.

**SEC. 1517. [6 U.S.C. 557] REFERENCE.**

With respect to any function transferred by or under this Act (including under a reorganization plan that becomes effective under section 1502) and exercised on or after the effective date of this Act, reference in any other Federal law to any department, commission, or agency or any officer or office the functions of which are so transferred shall be deemed to refer to the Secretary, other official, or component of the Department to which such function is so transferred.

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**TITLE XVII—CONFORMING AND TECHNICAL AMENDMENTS**

\* \* \* \* \*

**SEC. 1702. EXECUTIVE SCHEDULE.**

(a) \* \* \*

\* \* \* \* \*

(b) **[5 U.S.C. 5315 note] SPECIAL EFFECTIVE DATE.**—Notwithstanding section 4, the amendment made by subsection (a)(5) shall take effect on the date on which the transfer of functions specified under section 441 takes effect.

**SEC. 1703. UNITED STATES SECRET SERVICE.**

(a) \* \* \*

(b) **[3 U.S.C. 202 note] EFFECTIVE DATE.**—The amendments made by this section shall take effect on the date of transfer of the United States Secret Service to the Department.

**SEC. 1704. COAST GUARD.**

(a) \* \* \*

\* \* \* \* \*

(g) **[10 U.S.C. 101 note] EFFECTIVE DATE.**—The amendments made by this section (other than subsection (f)) shall take effect on the date of transfer of the Coast Guard to the Department.

**SEC. 1705. STRATEGIC NATIONAL STOCKPILE AND SMALLPOX VACCINE DEVELOPMENT.**

(a) \* \* \*

\* \* \* \* \*

(b) **[42 U.S.C. 247d–6b note] EFFECTIVE DATE.**—The amendments made by this section shall take effect on the date of transfer of the Strategic National Stockpile of the Department of Health and Human Services to the Department.

**SEC. 1706. TRANSFER OF CERTAIN SECURITY AND LAW ENFORCEMENT FUNCTIONS AND AUTHORITIES.**

(a) \* \* \*

\* \* \* \* \*

(2) **[40 U.S.C. 1315 note] DELEGATION OF AUTHORITY.**—The Secretary may delegate authority for the protection of specific buildings to another Federal agency where, in the Secretary’s discretion, the Secretary determines it necessary for the protection of that building.

\* \* \* \* \*

**SEC. 1708. [50 U.S.C. 1522 note] NATIONAL BIO-WEAPONS DEFENSE ANALYSIS CENTER.**

There is established in the Department of Defense a National Bio-Weapons Defense Analysis Center, whose mission is to develop countermeasures to potential attacks by terrorists using weapons of mass destruction.

\* \* \* \* \*

**SEC. 1714. [6 U.S.C. 103]** Notwithstanding any other provision of this Act, any report, notification, or consultation addressing directly or indirectly the use of appropriated funds and stipulated by this Act to be submitted to, or held with, the Congress or any Congressional committee shall also be submitted to, or held with, the Committees on Appropriations of the Senate and the House of Representatives under the same conditions and with the same restrictions as stipulated by this Act.

## TITLE XVIII—EMERGENCY COMMUNICATIONS

### SEC. 1801. [6 U.S.C. 571] OFFICE OF EMERGENCY COMMUNICATIONS.

(a) IN GENERAL.—There is established in the Department an Office of Emergency Communications.

(b) DIRECTOR.—The head of the office shall be the Director for Emergency Communications. The Director shall report to the Assistant Secretary for Cybersecurity and Communications.

(c) RESPONSIBILITIES.—The Director for Emergency Communications shall—

(1) assist the Secretary in developing and implementing the program described in section 7303(a)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(a)(1)), except as provided in section 314;

(2) administer the Department's responsibilities and authorities relating to the SAFECOM Program, excluding elements related to research, development, testing, and evaluation and standards;

(3) administer the Department's responsibilities and authorities relating to the Integrated Wireless Network program;

(4) conduct extensive, nationwide outreach to support and promote the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters;

(5) conduct extensive, nationwide outreach and foster the development of interoperable emergency communications capabilities by State, regional, local, and tribal governments and public safety agencies, and by regional consortia thereof;

(6) provide technical assistance to State, regional, local, and tribal government officials with respect to use of interoperable emergency communications capabilities;

(7) coordinate with the Regional Administrators regarding the activities of Regional Emergency Communications Coordination Working Groups under section 1805;

(8) promote the development of standard operating procedures and best practices with respect to use of interoperable emergency communications capabilities for incident response, and facilitate the sharing of information on such best practices for achieving, maintaining, and enhancing interoperable emergency communications capabilities for such response;

(9) coordinate, in cooperation with the National Communications System, the establishment of a national response capability with initial and ongoing planning, implementation, and training for the deployment of communications equipment for relevant State, local, and tribal governments and emergency response providers in the event of a catastrophic loss of local and regional emergency communications services;

(10) assist the President, the National Security Council, the Homeland Security Council, and the Director of the Office of Management and Budget in ensuring the continued oper-

ation of the telecommunications functions and responsibilities of the Federal Government, excluding spectrum management;

(11) establish, in coordination with the Director of the Office for Interoperability and Compatibility, requirements for interoperable emergency communications capabilities, which shall be nonproprietary where standards for such capabilities exist, for all public safety radio and data communications systems and equipment purchased using homeland security assistance administered by the Department, excluding any alert and warning device, technology, or system;

(12) review, in consultation with the Assistant Secretary for Grants and Training, all interoperable emergency communications plans of Federal, State, local, and tribal governments, including Statewide and tactical interoperability plans, developed pursuant to homeland security assistance administered by the Department, but excluding spectrum allocation and management related to such plans;

(13) develop and update periodically, as appropriate, a National Emergency Communications Plan under section 1802;

(14) perform such other duties of the Department necessary to support and promote the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(15) perform other duties of the Department necessary to achieve the goal of and maintain and enhance interoperable emergency communications capabilities.

(d) PERFORMANCE OF PREVIOUSLY TRANSFERRED FUNCTIONS.—The Secretary shall transfer to, and administer through, the Director for Emergency Communications the following programs and responsibilities:

(1) The SAFECOM Program, excluding elements related to research, development, testing, and evaluation and standards.

(2) The responsibilities of the Chief Information Officer related to the implementation of the Integrated Wireless Network.

(3) The Interoperable Communications Technical Assistance Program.

(e) COORDINATION.—The Director for Emergency Communications shall coordinate—

(1) as appropriate, with the Director of the Office for Interoperability and Compatibility with respect to the responsibilities described in section 314; and

(2) with the Administrator of the Federal Emergency Management Agency with respect to the responsibilities described in this title.

(f) SUFFICIENCY OF RESOURCES PLAN.—

(1) REPORT.—Not later than 120 days after the date of enactment of this section, the Secretary shall submit to Congress a report on the resources and staff necessary to carry out fully the responsibilities under this title.

(2) COMPTROLLER GENERAL REVIEW.—The Comptroller General shall review the validity of the report submitted by the Secretary under paragraph (1). Not later than 60 days

after the date on which such report is submitted, the Comptroller General shall submit to Congress a report containing the findings of such review.

**SEC. 1802. [6 U.S.C. 572] NATIONAL EMERGENCY COMMUNICATIONS PLAN.**

(a) **IN GENERAL.**—The Secretary, acting through the Director for Emergency Communications, and in cooperation with the Department of National Communications System (as appropriate), shall, in cooperation with State, local, and tribal governments, Federal departments and agencies, emergency response providers, and the private sector, develop not later than 180 days after the completion of the baseline assessment under section 1803, and periodically update, a National Emergency Communications Plan to provide recommendations regarding how the United States should—

(1) support and promote the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(2) ensure, accelerate, and attain interoperable emergency communications nationwide.

(b) **COORDINATION.**—The Emergency Communications Preparedness Center under section 1806 shall coordinate the development of the Federal aspects of the National Emergency Communications Plan.

(c) **CONTENTS.**—The National Emergency Communications Plan shall—

(1) include recommendations developed in consultation with the Federal Communications Commission and the National Institute of Standards and Technology for a process for expediting national voluntary consensus standards for emergency communications equipment for the purchase and use by public safety agencies of interoperable emergency communications equipment and technologies;

(2) identify the appropriate capabilities necessary for emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters;

(3) identify the appropriate interoperable emergency communications capabilities necessary for Federal, State, local, and tribal governments in the event of natural disasters, acts of terrorism, and other man-made disasters;

(4) recommend both short-term and long-term solutions for ensuring that emergency response providers and relevant government officials can continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters;

(5) recommend both short-term and long-term solutions for deploying interoperable emergency communications systems for Federal, State, local, and tribal governments throughout the Nation, including through the provision of existing and emerging technologies;

(6) identify how Federal departments and agencies that respond to natural disasters, acts of terrorism, and other man-

made disasters can work effectively with State, local, and tribal governments, in all States, and with other entities;

(7) identify obstacles to deploying interoperable emergency communications capabilities nationwide and recommend short-term and long-term measures to overcome those obstacles, including recommendations for multijurisdictional coordination among Federal, State, local, and tribal governments;

(8) recommend goals and timeframes for the deployment of emergency, command-level communications systems based on new and existing equipment across the United States and develop a timetable for the deployment of interoperable emergency communications systems nationwide;

(9) recommend appropriate measures that emergency response providers should employ to ensure the continued operation of relevant governmental communications infrastructure in the event of natural disasters, acts of terrorism, or other man-made disasters; and

(10) set a date, including interim benchmarks, as appropriate, by which State, local, and tribal governments, Federal departments and agencies, and emergency response providers expect to achieve a baseline level of national interoperable communications, as that term is defined under section 7303(g)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(g)(1)).

**SEC. 1803. [6 U.S.C. 573] ASSESSMENTS AND REPORTS.**

(a) **BASELINE ASSESSMENT.**—Not later than 1 year after the date of enactment of this section and not less than every 5 years thereafter, the Secretary, acting through the Director for Emergency Communications, shall conduct an assessment of Federal, State, local, and tribal governments that—

(1) defines the range of capabilities needed by emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters;

(2) defines the range of interoperable emergency communications capabilities needed for specific events;

(3) assesses the current available capabilities to meet such communications needs;

(4) identifies the gap between such current capabilities and defined requirements; and

(5) includes a national interoperable emergency communications inventory to be completed by the Secretary of Homeland Security, the Secretary of Commerce, and the Chairman of the Federal Communications Commission that—

(A) identifies for each Federal department and agency—

(i) the channels and frequencies used;

(ii) the nomenclature used to refer to each channel or frequency used; and

(iii) the types of communications systems and equipment used; and

(B) identifies the interoperable emergency communications systems in use by public safety agencies in the United States.

(b) CLASSIFIED ANNEX.—The baseline assessment under this section may include a classified annex including information provided under subsection (a)(5)(A).

(c) SAVINGS CLAUSE.—In conducting the baseline assessment under this section, the Secretary may incorporate findings from assessments conducted before, or ongoing on, the date of enactment of this title.

(d) PROGRESS REPORTS.—Not later than one year after the date of enactment of this section and biennially thereafter, the Secretary, acting through the Director for Emergency Communications, shall submit to Congress a report on the progress of the Department in achieving the goals of, and carrying out its responsibilities under, this title, including—

(1) a description of the findings of the most recent baseline assessment conducted under subsection (a);

(2) a determination of the degree to which interoperable emergency communications capabilities have been attained to date and the gaps that remain for interoperability to be achieved;

(3) an evaluation of the ability to continue to communicate and to provide and maintain interoperable emergency communications by emergency managers, emergency response providers, and relevant government officials in the event of—

(A) natural disasters, acts of terrorism, or other man-made disasters, including Incidents of National Significance declared by the Secretary under the National Response Plan; and

(B) a catastrophic loss of local and regional communications services;

(4) a list of best practices relating to the ability to continue to communicate and to provide and maintain interoperable emergency communications in the event of natural disasters, acts of terrorism, or other man-made disasters; and

(A) an evaluation of the feasibility and desirability of the Department developing, on its own or in conjunction with the Department of Defense, a mobile communications capability, modeled on the Army Signal Corps, that could be deployed to support emergency communications at the site of natural disasters, acts of terrorism, or other man-made disasters.

**SEC. 1804. [6 U.S.C. 574] COORDINATION OF DEPARTMENT EMERGENCY COMMUNICATIONS GRANT PROGRAMS.**

(a) COORDINATION OF GRANTS AND STANDARDS PROGRAMS.—The Secretary, acting through the Director for Emergency Communications, shall ensure that grant guidelines for the use of homeland security assistance administered by the Department relating to interoperable emergency communications are coordinated and consistent with the goals and recommendations in the National Emergency Communications Plan under section 1802.

(b) DENIAL OF ELIGIBILITY FOR GRANTS.—

(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Grants and Planning, and in consultation with the Director for Emergency Communications, may prohibit any State, local, or tribal government from using homeland security assistance administered by the Department to achieve, maintain, or enhance emergency communications capabilities, if—

(A) such government has not complied with the requirement to submit a Statewide Interoperable Communications Plan as required by section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f));

(B) such government has proposed to upgrade or purchase new equipment or systems that do not meet or exceed any applicable national voluntary consensus standards and has not provided a reasonable explanation of why such equipment or systems will serve the needs of the applicant better than equipment or systems that meet or exceed such standards; and

(C) as of the date that is 3 years after the date of the completion of the initial National Emergency Communications Plan under section 1802, national voluntary consensus standards for interoperable emergency communications capabilities have not been developed and promulgated.

(2) STANDARDS.—The Secretary, in coordination with the Federal Communications Commission, the National Institute of Standards and Technology, and other Federal departments and agencies with responsibility for standards, shall support the development, promulgation, and updating as necessary of national voluntary consensus standards for interoperable emergency communications.

**SEC. 1805. [6 U.S.C. 575] REGIONAL EMERGENCY COMMUNICATIONS COORDINATION.**

(a) IN GENERAL.—There is established in each Regional Office a Regional Emergency Communications Coordination Working Group (in this section referred to as an “RECC Working Group”). Each RECC Working Group shall report to the relevant Regional Administrator and coordinate its activities with the relevant Regional Advisory Council.

(b) MEMBERSHIP.—Each RECC Working Group shall consist of the following:

(1) NON-FEDERAL.—Organizations representing the interests of the following:

(A) State officials.

(B) Local government officials, including sheriffs.

(C) State police departments.

(D) Local police departments.

(E) Local fire departments.

(F) Public safety answering points (9–1–1 services).

(G) State emergency managers, homeland security directors, or representatives of State Administrative Agencies.



(H) Local emergency managers or homeland security directors.

(I) Other emergency response providers as appropriate.

(2) FEDERAL.—Representatives from the Department, the Federal Communications Commission, and other Federal departments and agencies with responsibility for coordinating interoperable emergency communications with or providing emergency support services to State, local, and tribal governments.

(c) COORDINATION.—Each RECC Working Group shall coordinate its activities with the following:

(1) Communications equipment manufacturers and vendors (including broadband data service providers).

(2) Local exchange carriers.

(3) Local broadcast media.

(4) Wireless carriers.

(5) Satellite communications services.

(6) Cable operators.

(7) Hospitals.

(8) Public utility services.

(9) Emergency evacuation transit services.

(10) Ambulance services.

(11) HAM and amateur radio operators.

(12) Representatives from other private sector entities and nongovernmental organizations as the Regional Administrator determines appropriate.

(d) DUTIES.—The duties of each RECC Working Group shall include—

(1) assessing the survivability, sustainability, and interoperability of local emergency communications systems to meet the goals of the National Emergency Communications Plan;

(2) reporting annually to the relevant Regional Administrator, the Director for Emergency Communications, the Chairman of the Federal Communications Commission, and the Assistant Secretary for Communications and Information of the Department of Commerce on the status of its region in building robust and sustainable interoperable voice and data emergency communications networks and, not later than 60 days after the completion of the initial National Emergency Communications Plan under section 1802, on the progress of the region in meeting the goals of such plan;

(3) ensuring a process for the coordination of effective multijurisdictional, multi-agency emergency communications networks for use during natural disasters, acts of terrorism, and other man-made disasters through the expanded use of emergency management and public safety communications mutual aid agreements; and

(4) coordinating the establishment of Federal, State, local, and tribal support services and networks designed to address the immediate and critical human needs in responding to natural disasters, acts of terrorism, and other man-made disasters.

**SEC. 1806. [6 U.S.C. 576] EMERGENCY COMMUNICATIONS PREPAREDNESS CENTER.**

(a) **ESTABLISHMENT.**—There is established the Emergency Communications Preparedness Center (in this section referred to as the “Center”).

(b) **OPERATION.**—The Secretary, the Chairman of the Federal Communications Commission, the Secretary of Defense, the Secretary of Commerce, the Attorney General of the United States, and the heads of other Federal departments and agencies or their designees shall jointly operate the Center in accordance with the Memorandum of Understanding entitled, “Emergency Communications Preparedness Center (ECPC) Charter”.

(c) **FUNCTIONS.**—The Center shall—

(1) serve as the focal point for interagency efforts and as a clearinghouse with respect to all relevant intergovernmental information to support and promote (including specifically by working to avoid duplication, hindrances, and counteractive efforts among the participating Federal departments and agencies)—

(A) the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(B) interoperable emergency communications;

(2) prepare and submit to Congress, on an annual basis, a strategic assessment regarding the coordination efforts of Federal departments and agencies to advance—

(A) the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and

(B) interoperable emergency communications;

(3) consider, in preparing the strategic assessment under paragraph (2), the goals stated in the National Emergency Communications Plan under section 1802; and

(4) perform such other functions as are provided in the Emergency Communications Preparedness Center (ECPC) Charter described in subsection (b)(1).

**SEC. 1807. [6 U.S.C. 577] URBAN AND OTHER HIGH RISK AREA COMMUNICATIONS CAPABILITIES.**

(a) **IN GENERAL.**—The Secretary, in consultation with the Chairman of the Federal Communications Commission and the Secretary of Defense, and with appropriate State, local, and tribal government officials, shall provide technical guidance, training, and other assistance, as appropriate, to support the rapid establishment of consistent, secure, and effective interoperable emergency communications capabilities in the event of an emergency in urban and other areas determined by the Secretary to be at consistently high levels of risk from natural disasters, acts of terrorism, and other man-made disasters.

(b) **MINIMUM CAPABILITIES.**—The interoperable emergency communications capabilities established under subsection (a) shall ensure the ability of all levels of government, emergency response

providers, the private sector, and other organizations with emergency response capabilities—

- (1) to communicate with each other in the event of an emergency;
- (2) to have appropriate and timely access to the Information Sharing Environment described in section 1016 of the National Security Intelligence Reform Act of 2004 (6 U.S.C. 321); and
- (3) to be consistent with any applicable State or Urban Area homeland strategy or plan.

**SEC. 1808. [6 U.S.C. 578] DEFINITION.**

In this title, the term “interoperable” has the meaning given the term “interoperable communications” under section 7303(g)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(g)(1)).

**SEC. 1809. [6 U.S.C. 579] INTEROPERABLE EMERGENCY COMMUNICATIONS GRANT PROGRAM.**

(a) **ESTABLISHMENT.**—The Secretary shall establish the Interoperable Emergency Communications Grant Program to make grants to States to carry out initiatives to improve local, tribal, statewide, regional, national and, where appropriate, international interoperable emergency communications, including communications in collective response to natural disasters, acts of terrorism, and other man-made disasters.

(b) **POLICY.**—The Director for Emergency Communications shall ensure that a grant awarded to a State under this section is consistent with the policies established pursuant to the responsibilities and authorities of the Office of Emergency Communications under this title, including ensuring that activities funded by the grant—

- (1) comply with the statewide plan for that State required by section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f)); and
- (2) comply with the National Emergency Communications Plan under section 1802, when completed.

(c) **ADMINISTRATION.**—

(1) **IN GENERAL.**—The Administrator of the Federal Emergency Management Agency shall administer the Interoperable Emergency Communications Grant Program pursuant to the responsibilities and authorities of the Administrator under title V of the Act.

(2) **GUIDANCE.**—In administering the grant program, the Administrator shall ensure that the use of grants is consistent with guidance established by the Director of Emergency Communications pursuant to section 7303(a)(1)(H) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(a)(1)(H)).

(d) **USE OF FUNDS.**—A State that receives a grant under this section shall use the grant to implement that State’s Statewide Interoperability Plan required under section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f)) and approved under subsection (e), and to assist with activi-

ties determined by the Secretary to be integral to interoperable emergency communications.

(e) APPROVAL OF PLANS.—

(1) APPROVAL AS CONDITION OF GRANT.—Before a State may receive a grant under this section, the Director of Emergency Communications shall approve the State's Statewide Interoperable Communications Plan required under section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f)).

(2) PLAN REQUIREMENTS.—In approving a plan under this subsection, the Director of Emergency Communications shall ensure that the plan—

(A) is designed to improve interoperability at the city, county, regional, State and interstate level;

(B) considers any applicable local or regional plan; and

(C) complies, to the maximum extent practicable, with the National Emergency Communications Plan under section 1802.

(3) APPROVAL OF REVISIONS.—The Director of Emergency Communications may approve revisions to a State's plan if the Director determines that doing so is likely to further interoperability.

(f) LIMITATIONS ON USES OF FUNDS.—

(1) IN GENERAL.—The recipient of a grant under this section may not use the grant—

(A) to supplant State or local funds;

(B) for any State or local government cost-sharing contribution; or

(C) for recreational or social purposes.

(2) PENALTIES.—In addition to other remedies currently available, the Secretary may take such actions as necessary to ensure that recipients of grant funds are using the funds for the purpose for which they were intended.

(g) LIMITATIONS ON AWARD OF GRANTS.—

(1) NATIONAL EMERGENCY COMMUNICATIONS PLAN REQUIRED.—The Secretary may not award a grant under this section before the date on which the Secretary completes and submits to Congress the National Emergency Communications Plan required under section 1802.

(2) VOLUNTARY CONSENSUS STANDARDS.—The Secretary may not award a grant to a State under this section for the purchase of equipment that does not meet applicable voluntary consensus standards, unless the State demonstrates that there are compelling reasons for such purchase.

(h) AWARD OF GRANTS.—In approving applications and awarding grants under this section, the Secretary shall consider—

(1) the risk posed to each State by natural disasters, acts of terrorism, or other manmade disasters, including—

(A) the likely need of a jurisdiction within the State to respond to such risk in nearby jurisdictions;

(B) the degree of threat, vulnerability, and consequences related to critical infrastructure (from all critical infrastructure sectors) or key resources identified by the Administrator or the State homeland security and

emergency management plans, including threats to, vulnerabilities of, and consequences from damage to critical infrastructure and key resources in nearby jurisdictions;

(C) the size of the population and density of the population of the State, including appropriate consideration of military, tourist, and commuter populations;

(D) whether the State is on or near an international border;

(E) whether the State encompasses an economically significant border crossing; and

(F) whether the State has a coastline bordering an ocean, a major waterway used for interstate commerce, or international waters; and

(2) the anticipated effectiveness of the State's proposed use of grant funds to improve interoperability.

(i) OPPORTUNITY TO AMEND APPLICATIONS.—In considering applications for grants under this section, the Administrator shall provide applicants with a reasonable opportunity to correct defects in the application, if any, before making final awards.

(j) MINIMUM GRANT AMOUNTS.—

(1) STATES.—In awarding grants under this section, the Secretary shall ensure that for each fiscal year, except as provided in paragraph (2), no State receives a grant in an amount that is less than the following percentage of the total amount appropriated for grants under this section for that fiscal year:

(A) For fiscal year 2008, 0.50 percent.

(B) For fiscal year 2009, 0.50 percent.

(C) For fiscal year 2010, 0.45 percent.

(D) For fiscal year 2011, 0.40 percent.

(E) For fiscal year 2012 and each subsequent fiscal year, 0.35 percent.

(2) TERRITORIES AND POSSESSIONS.—In awarding grants under this section, the Secretary shall ensure that for each fiscal year, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands each receive grants in amounts that are not less than 0.08 percent of the total amount appropriated for grants under this section for that fiscal year.

(k) CERTIFICATION.—Each State that receives a grant under this section shall certify that the grant is used for the purpose for which the funds were intended and in compliance with the State's approved Statewide Interoperable Communications Plan.

(l) STATE RESPONSIBILITIES.—

(1) AVAILABILITY OF FUNDS TO LOCAL AND TRIBAL GOVERNMENTS.—Not later than 45 days after receiving grant funds, any State that receives a grant under this section shall obligate or otherwise make available to local and tribal governments—

(A) not less than 80 percent of the grant funds;

(B) with the consent of local and tribal governments, eligible expenditures having a value of not less than 80 percent of the amount of the grant; or

(C) grant funds combined with other eligible expenditures having a total value of not less than 80 percent of the amount of the grant.

(2) ALLOCATION OF FUNDS.—A State that receives a grant under this section shall allocate grant funds to tribal governments in the State to assist tribal communities in improving interoperable communications, in a manner consistent with the Statewide Interoperable Communications Plan. A State may not impose unreasonable or unduly burdensome requirements on a tribal government as a condition of providing grant funds or resources to the tribal government.

(3) PENALTIES.—If a State violates the requirements of this subsection, in addition to other remedies available to the Secretary, the Secretary may terminate or reduce the amount of the grant awarded to that State or transfer grant funds previously awarded to the State directly to the appropriate local or tribal government.

(m) REPORTS.—

(1) ANNUAL REPORTS BY STATE GRANT RECIPIENTS.—A State that receives a grant under this section shall annually submit to the Director of Emergency Communications a report on the progress of the State in implementing that State's Statewide Interoperable Communications Plans required under section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f)) and achieving interoperability at the city, county, regional, State, and interstate levels. The Director shall make the reports publicly available, including by making them available on the Internet website of the Office of Emergency Communications, subject to any redactions that the Director determines are necessary to protect classified or other sensitive information.

(2) ANNUAL REPORTS TO CONGRESS.—At least once each year, the Director of Emergency Communications shall submit to Congress a report on the use of grants awarded under this section and any progress in implementing Statewide Interoperable Communications Plans and improving interoperability at the city, county, regional, State, and interstate level, as a result of the award of such grants.

(n) RULE OF CONSTRUCTION.—Nothing in this section shall be construed or interpreted to preclude a State from using a grant awarded under this section for interim or long-term Internet Protocol-based interoperable solutions.

(o) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section—

(1) for fiscal year 2008, such sums as may be necessary;

(2) for each of fiscal years 2009 through 2012, \$400,000,000; and

(3) for each subsequent fiscal year, such sums as may be necessary.

**SEC. 1810. [6 U.S.C. 580] BORDER INTEROPERABILITY DEMONSTRATION PROJECT.**

(a) IN GENERAL.—

(1) ESTABLISHMENT.—The Secretary, acting through the Director of the Office of Emergency Communications (referred

to in this section as the “Director”), and in coordination with the Federal Communications Commission and the Secretary of Commerce, shall establish an International Border Community Interoperable Communications Demonstration Project (referred to in this section as the “demonstration project”).

(2) **MINIMUM NUMBER OF COMMUNITIES.**—The Director shall select no fewer than 6 communities to participate in a demonstration project.

(3) **LOCATION OF COMMUNITIES.**—No fewer than 3 of the communities selected under paragraph (2) shall be located on the northern border of the United States and no fewer than 3 of the communities selected under paragraph (2) shall be located on the southern border of the United States.

(b) **CONDITIONS.**—The Director, in coordination with the Federal Communications Commission and the Secretary of Commerce, shall ensure that the project is carried out as soon as adequate spectrum is available as a result of the 800 megahertz rebanding process in border areas, and shall ensure that the border projects do not impair or impede the rebanding process, but under no circumstances shall funds be distributed under this section unless the Federal Communications Commission and the Secretary of Commerce agree that these conditions have been met.

(c) **PROGRAM REQUIREMENTS.**—Consistent with the responsibilities of the Office of Emergency Communications under section 1801, the Director shall foster local, tribal, State, and Federal interoperable emergency communications, as well as interoperable emergency communications with appropriate Canadian and Mexican authorities in the communities selected for the demonstration project. The Director shall—

(1) identify solutions to facilitate interoperable communications across national borders expeditiously;

(2) help ensure that emergency response providers can communicate with each other in the event of natural disasters, acts of terrorism, and other man-made disasters;

(3) provide technical assistance to enable emergency response providers to deal with threats and contingencies in a variety of environments;

(4) identify appropriate joint-use equipment to ensure communications access;

(5) identify solutions to facilitate communications between emergency response providers in communities of differing population densities; and

(6) take other actions or provide equipment as the Director deems appropriate to foster interoperable emergency communications.

(d) **DISTRIBUTION OF FUNDS.**—

(1) **IN GENERAL.**—The Secretary shall distribute funds under this section to each community participating in the demonstration project through the State, or States, in which each community is located.

(2) **OTHER PARTICIPANTS.**—A State shall make the funds available promptly to the local and tribal governments and emergency response providers selected by the Secretary to participate in the demonstration project.

(3) REPORT.—Not later than 90 days after a State receives funds under this subsection the State shall report to the Director on the status of the distribution of such funds to local and tribal governments.

(e) MAXIMUM PERIOD OF GRANTS.—The Director may not fund any participant under the demonstration project for more than 3 years.

(f) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Director shall establish mechanisms to ensure that the information and knowledge gained by participants in the demonstration project are transferred among the participants and to other interested parties, including other communities that submitted applications to the participant in the project.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for grants under this section such sums as may be necessary.

## TITLE XIX—DOMESTIC NUCLEAR DETECTION OFFICE

### SEC. 1901. [6 U.S.C. 591] DOMESTIC NUCLEAR DETECTION OFFICE.

(a) ESTABLISHMENT.—There shall be established in the Department a Domestic Nuclear Detection Office (referred to in this title as the “Office”). The Secretary may request that the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Attorney General, the Nuclear Regulatory Commission, and the directors of other Federal agencies, including elements of the Intelligence Community, provide for the reimbursable detail of personnel with relevant expertise to the Office.

(b) DIRECTOR.—The Office shall be headed by a Director for Domestic Nuclear Detection, who shall be appointed by the President.

### SEC. 1902. [6 U.S.C. 592] MISSION OF OFFICE.

(a) MISSION.—The Office shall be responsible for coordinating Federal efforts to detect and protect against the unauthorized importation, possession, storage, transportation, development, or use of a nuclear explosive device, fissile material, or radiological material in the United States, and to protect against attack using such devices or materials against the people, territory, or interests of the United States and, to this end, shall—

(1) serve as the primary entity of the United States Government to further develop, acquire, and support the deployment of an enhanced domestic system to detect and report on attempts to import, possess, store, transport, develop, or use an unauthorized nuclear explosive device, fissile material, or radiological material in the United States, and improve that system over time;

(2) enhance and coordinate the nuclear detection efforts of Federal, State, local, and tribal governments and the private sector to ensure a managed, coordinated response;

(3) establish, with the approval of the Secretary and in coordination with the Attorney General, the Secretary of De-



fense, and the Secretary of Energy, additional protocols and procedures for use within the United States to ensure that the detection of unauthorized nuclear explosive devices, fissile material, or radiological material is promptly reported to the Attorney General, the Secretary, the Secretary of Defense, the Secretary of Energy, and other appropriate officials or their respective designees for appropriate action by law enforcement, military, emergency response, or other authorities;

(4) develop, with the approval of the Secretary and in coordination with the Attorney General, the Secretary of State, the Secretary of Defense, and the Secretary of Energy, an enhanced global nuclear detection architecture with implementation under which—

(A) the Office will be responsible for the implementation of the domestic portion of the global architecture;

(B) the Secretary of Defense will retain responsibility for implementation of Department of Defense requirements within and outside the United States; and

(C) the Secretary of State, the Secretary of Defense, and the Secretary of Energy will maintain their respective responsibilities for policy guidance and implementation of the portion of the global architecture outside the United States, which will be implemented consistent with applicable law and relevant international arrangements;

(5) ensure that the expertise necessary to accurately interpret detection data is made available in a timely manner for all technology deployed by the Office to implement the global nuclear detection architecture;

(6) conduct, support, coordinate, and encourage an aggressive, expedited, evolutionary, and transformational program of research and development to generate and improve technologies to detect and prevent the illicit entry, transport, assembly, or potential use within the United States of a nuclear explosive device or fissile or radiological material, and coordinate with the Under Secretary for Science and Technology on basic and advanced or transformational research and development efforts relevant to the mission of both organizations;

(7) carry out a program to test and evaluate technology for detecting a nuclear explosive device and fissile or radiological material, in coordination with the Secretary of Defense and the Secretary of Energy, as appropriate, and establish performance metrics for evaluating the effectiveness of individual detectors and detection systems in detecting such devices or material—

(A) under realistic operational and environmental conditions; and

(B) against realistic adversary tactics and countermeasures;

(8) support and enhance the effective sharing and use of appropriate information generated by the intelligence community, law enforcement agencies, counterterrorism community, other government agencies, and foreign governments, as well as provide appropriate information to such entities;

(9) further enhance and maintain continuous awareness by analyzing information from all Office mission-related detection systems; and

(10) perform other duties as assigned by the Secretary.

**SEC. 1903. [6 U.S.C. 593] HIRING AUTHORITY.**

In hiring personnel for the Office, the Secretary shall have the hiring and management authorities provided in section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (5 U.S.C. 3104 note). The term of appointments for employees under subsection (c)(1) of such section may not exceed 5 years before granting any extension under subsection (c)(2) of such section.

**SEC. 1904. [6 U.S.C. 594] TESTING AUTHORITY.**

(a) **IN GENERAL.**—The Director shall coordinate with the responsible Federal agency or other entity to facilitate the use by the Office, by its contractors, or by other persons or entities, of existing Government laboratories, centers, ranges, or other testing facilities for the testing of materials, equipment, models, computer software, and other items as may be related to the missions identified in section 1902. Any such use of Government facilities shall be carried out in accordance with all applicable laws, regulations, and contractual provisions, including those governing security, safety, and environmental protection, including, when applicable, the provisions of section 309. The Office may direct that private sector entities utilizing Government facilities in accordance with this section pay an appropriate fee to the agency that owns or operates those facilities to defray additional costs to the Government resulting from such use.

(b) **CONFIDENTIALITY OF TEST RESULTS.**—The results of tests performed with services made available shall be confidential and shall not be disclosed outside the Federal Government without the consent of the persons for whom the tests are performed.

(c) **FEES.**—Fees for services made available under this section shall not exceed the amount necessary to recoup the direct and indirect costs involved, such as direct costs of utilities, contractor support, and salaries of personnel that are incurred by the United States to provide for the testing.

(d) **USE OF FEES.**—Fees received for services made available under this section may be credited to the appropriation from which funds were expended to provide such services.

**SEC. 1905. [6 U.S.C. 595] RELATIONSHIP TO OTHER DEPARTMENT ENTITIES AND FEDERAL AGENCIES.**

The authority of the Director under this title shall not affect the authorities or responsibilities of any officer of the Department or of any officer of any other department or agency of the United States with respect to the command, control, or direction of the functions, personnel, funds, assets, and liabilities of any entity within the Department or any Federal department or agency.

**SEC. 1906. [6 U.S.C. 596] CONTRACTING AND GRANT MAKING AUTHORITIES.**

The Secretary, acting through the Director for Domestic Nuclear Detection, in carrying out the responsibilities under paragraphs (6) and (7) of section 1902(a), shall—

(1) operate extramural and intramural programs and distribute funds through grants, cooperative agreements, and other transactions and contracts;

(2) ensure that activities under paragraphs (6) and (7) of section 1902(a) include investigations of radiation detection equipment in configurations suitable for deployment at sea-ports, which may include underwater or water surface detection equipment and detection equipment that can be mounted on cranes and straddle cars used to move shipping containers; and

(3) have the authority to establish or contract with 1 or more federally funded research and development centers to provide independent analysis of homeland security issues and carry out other responsibilities under this title.

**SEC. 1907. [6 U.S.C. 596a] JOINT ANNUAL INTERAGENCY REVIEW OF GLOBAL NUCLEAR DETECTION ARCHITECTURE.**

(a) ANNUAL REVIEW.—

(1) IN GENERAL.—The Secretary, the Attorney General, the Secretary of State, the Secretary of Defense, the Secretary of Energy, and the Director of National Intelligence shall jointly ensure interagency coordination on the development and implementation of the global nuclear detection architecture by ensuring that, not less frequently than once each year—

(A) each relevant agency, office, or entity—

(i) assesses its involvement, support, and participation in the development, revision, and implementation of the global nuclear detection architecture; and

(ii) examines and evaluates components of the global nuclear detection architecture (including associated strategies and acquisition plans) relating to the operations of that agency, office, or entity, to determine whether such components incorporate and address current threat assessments, scenarios, or intelligence analyses developed by the Director of National Intelligence or other agencies regarding threats relating to nuclear or radiological weapons of mass destruction; and

(B) each agency, office, or entity deploying or operating any nuclear or radiological detection technology under the global nuclear detection architecture—

(i) evaluates the deployment and operation of nuclear or radiological detection technologies under the global nuclear detection architecture by that agency, office, or entity;

(ii) identifies performance deficiencies and operational or technical deficiencies in nuclear or radiological detection technologies deployed under the global nuclear detection architecture; and

(iii) assesses the capacity of that agency, office, or entity to implement the responsibilities of that agency, office, or entity under the global nuclear detection architecture.

(2) TECHNOLOGY.—Not less frequently than once each year, the Secretary shall examine and evaluate the development, as-

assessment, and acquisition of radiation detection technologies deployed or implemented in support of the domestic portion of the global nuclear detection architecture.

(b) ANNUAL REPORT ON JOINT INTERAGENCY REVIEW.—

(1) IN GENERAL.—Not later than March 31 of each year, the Secretary, the Attorney General, the Secretary of State, the Secretary of Defense, the Secretary of Energy, and the Director of National Intelligence, shall jointly submit a report regarding the implementation of this section and the results of the reviews required under subsection (a) to—

(A) the President;

(B) the Committee on Appropriations, the Committee on Armed Services, the Select Committee on Intelligence, and the Committee on Homeland Security and Governmental Affairs of the Senate; and

(C) the Committee on Appropriations, the Committee on Armed Services, the Permanent Select Committee on Intelligence, the Committee on Homeland Security, and the Committee on Science and Technology of the House of Representatives.

(2) FORM.—The annual report submitted under paragraph

(1) shall be submitted in unclassified form to the maximum extent practicable, but may include a classified annex.

(c) DEFINITION.—In this section, the term “global nuclear detection architecture” means the global nuclear detection architecture developed under section 1902.

## TITLE XX—HOMELAND SECURITY GRANTS

### SEC. 2001. [6 U.S.C. 601] DEFINITIONS.

In this title, the following definitions shall apply:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Federal Emergency Management Agency.

(2) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) those committees of the House of Representatives that the Speaker of the House of Representatives determines appropriate.

(3) CRITICAL INFRASTRUCTURE SECTORS.—The term “critical infrastructure sectors” means the following sectors, in both urban and rural areas:

(A) Agriculture and food.

(B) Banking and finance.

(C) Chemical industries.

(D) Commercial facilities.

(E) Commercial nuclear reactors, materials, and waste.

(F) Dams.

(G) The defense industrial base.

(H) Emergency services.

- (I) Energy.
  - (J) Government facilities.
  - (K) Information technology.
  - (L) National monuments and icons.
  - (M) Postal and shipping.
  - (N) Public health and health care.
  - (O) Telecommunications.
  - (P) Transportation systems.
  - (Q) Water.
- (4) **DIRECTLY ELIGIBLE TRIBE.**—The term “directly eligible tribe” means—
- (A) any Indian tribe—
    - (i) that is located in the continental United States;
    - (ii) that operates a law enforcement or emergency response agency with the capacity to respond to calls for law enforcement or emergency services;
    - (iii)(I) that is located on or near an international border or a coastline bordering an ocean (including the Gulf of Mexico) or international waters;
    - (II) that is located within 10 miles of a system or asset included on the prioritized critical infrastructure list established under section 210E(a)(2) or has such a system or asset within its territory;
    - (III) that is located within or contiguous to 1 of the 50 most populous metropolitan statistical areas in the United States; or
    - (IV) the jurisdiction of which includes not less than 1,000 square miles of Indian country, as that term is defined in section 1151 of title 18, United States Code; and
    - (iv) that certifies to the Secretary that a State has not provided funds under section 2003 or 2004 to the Indian tribe or consortium of Indian tribes for the purpose for which direct funding is sought; and
  - (B) a consortium of Indian tribes, if each tribe satisfies the requirements of subparagraph (A).
- (5) **ELIGIBLE METROPOLITAN AREA.**—The term “eligible metropolitan area” means any of the 100 most populous metropolitan statistical areas in the United States.
- (6) **HIGH-RISK URBAN AREA.**—The term “high-risk urban area” means a high-risk urban area designated under section 2003(b)(3)(A).
- (7) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given that term in section 4(e) of the Indian Self-Determination Act (25 U.S.C. 450b(e)).
- (8) **METROPOLITAN STATISTICAL AREA.**—The term “metropolitan statistical area” means a metropolitan statistical area, as defined by the Office of Management and Budget.
- (9) **NATIONAL SPECIAL SECURITY EVENT.**—The term “National Special Security Event” means a designated event that, by virtue of its political, economic, social, or religious significance, may be the target of terrorism or other criminal activity.
- (10) **POPULATION.**—The term “population” means population according to the most recent United States census popu-

lation estimates available at the start of the relevant fiscal year.

(11) **POPULATION DENSITY.**—The term “population density” means population divided by land area in square miles.

(12) **QUALIFIED INTELLIGENCE ANALYST.**—The term “qualified intelligence analyst” means an intelligence analyst (as that term is defined in section 210A(j)), including law enforcement personnel—

(A) who has successfully completed training to ensure baseline proficiency in intelligence analysis and production, as determined by the Secretary, which may include training using a curriculum developed under section 209; or

(B) whose experience ensures baseline proficiency in intelligence analysis and production equivalent to the training required under subparagraph (A), as determined by the Secretary.

(13) **TARGET CAPABILITIES.**—The term “target capabilities” means the target capabilities for Federal, State, local, and tribal government preparedness for which guidelines are required to be established under section 646(a) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 746(a)).

(14) **TRIBAL GOVERNMENT.**—The term “tribal government” means the government of an Indian tribe.

## **Subtitle A—Grants to States and High-Risk Urban Areas**

### **SEC. 2002. [6 U.S.C. 603] HOMELAND SECURITY GRANT PROGRAMS.**

(a) **GRANTS AUTHORIZED.**—The Secretary, through the Administrator, may award grants under sections 2003 and 2004 to State, local, and tribal governments.

(b) **PROGRAMS NOT AFFECTED.**—This subtitle shall not be construed to affect any of the following Federal programs:

(1) Firefighter and other assistance programs authorized under the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.).

(2) Grants authorized under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(3) Emergency Management Performance Grants under the amendments made by title II of the Implementing Recommendations of the 9/11 Commission Act of 2007.

(4) Grants to protect critical infrastructure, including port security grants authorized under section 70107 of title 46, United States Code, and the grants authorized under title XIV and XV of the Implementing Recommendations of the 9/11 Commission Act of 2007 and the amendments made by such titles.

(5) The Metropolitan Medical Response System authorized under section 635 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 723).

(6) The Interoperable Emergency Communications Grant Program authorized under title XVIII.

(7) Grant programs other than those administered by the Department.

(c) RELATIONSHIP TO OTHER LAWS.—

(1) IN GENERAL.—The grant programs authorized under sections 2003 and 2004 shall supercede all grant programs authorized under section 1014 of the USA PATRIOT Act (42 U.S.C. 3714).

(2) ALLOCATION.—The allocation of grants authorized under section 2003 or 2004 shall be governed by the terms of this subtitle and not by any other provision of law.

**SEC. 2003. [6 U.S.C. 604] URBAN AREA SECURITY INITIATIVE.**

(a) ESTABLISHMENT.—There is established an Urban Area Security Initiative to provide grants to assist high-risk urban areas in preventing, preparing for, protecting against, and responding to acts of terrorism.

(b) ASSESSMENT AND DESIGNATION OF HIGH-RISK URBAN AREAS.—

(1) IN GENERAL.—The Administrator shall designate high-risk urban areas to receive grants under this section based on procedures under this subsection.

(2) INITIAL ASSESSMENT.—

(A) IN GENERAL.—For each fiscal year, the Administrator shall conduct an initial assessment of the relative threat, vulnerability, and consequences from acts of terrorism faced by each eligible metropolitan area, including consideration of—

(i) the factors set forth in subparagraphs (A) through (H) and (K) of section 2007(a)(1); and

(ii) information and materials submitted under subparagraph (B).

(B) SUBMISSION OF INFORMATION BY ELIGIBLE METROPOLITAN AREAS.—Prior to conducting each initial assessment under subparagraph (A), the Administrator shall provide each eligible metropolitan area with, and shall notify each eligible metropolitan area of, the opportunity to—

(i) submit information that the eligible metropolitan area believes to be relevant to the determination of the threat, vulnerability, and consequences it faces from acts of terrorism; and

(ii) review the risk assessment conducted by the Department of that eligible metropolitan area, including the bases for the assessment by the Department of the threat, vulnerability, and consequences from acts of terrorism faced by that eligible metropolitan area, and remedy erroneous or incomplete information.

(3) DESIGNATION OF HIGH-RISK URBAN AREAS.—

(A) DESIGNATION.—

(i) IN GENERAL.—For each fiscal year, after conducting the initial assessment under paragraph (2), and based on that assessment, the Administrator shall

designate high-risk urban areas that may submit applications for grants under this section.

(ii) **ADDITIONAL AREAS.**—Notwithstanding paragraph (2), the Administrator may—

(I) in any case where an eligible metropolitan area consists of more than 1 metropolitan division (as that term is defined by the Office of Management and Budget) designate more than 1 high-risk urban area within a single eligible metropolitan area; and

(II) designate an area that is not an eligible metropolitan area as a high-risk urban area based on the assessment by the Administrator of the relative threat, vulnerability, and consequences from acts of terrorism faced by the area.

(iii) **RULE OF CONSTRUCTION.**—Nothing in this subsection may be construed to require the Administrator to—

(I) designate all eligible metropolitan areas that submit information to the Administrator under paragraph (2)(B)(i) as high-risk urban areas; or

(II) designate all areas within an eligible metropolitan area as part of the high-risk urban area.

(B) **JURISDICTIONS INCLUDED IN HIGH-RISK URBAN AREAS.**—

(i) **IN GENERAL.**—In designating high-risk urban areas under subparagraph (A), the Administrator shall determine which jurisdictions, at a minimum, shall be included in each high-risk urban area.

(ii) **ADDITIONAL JURISDICTIONS.**—A high-risk urban area designated by the Administrator may, in consultation with the State or States in which such high-risk urban area is located, add additional jurisdictions to the high-risk urban area.

(c) **APPLICATION.**—

(1) **IN GENERAL.**—An area designated as a high-risk urban area under subsection (b) may apply for a grant under this section.

(2) **MINIMUM CONTENTS OF APPLICATION.**—In an application for a grant under this section, a high-risk urban area shall submit—

(A) a plan describing the proposed division of responsibilities and distribution of funding among the local and tribal governments in the high-risk urban area;

(B) the name of an individual to serve as a high-risk urban area liaison with the Department and among the various jurisdictions in the high-risk urban area; and

(C) such information in support of the application as the Administrator may reasonably require.

(3) **ANNUAL APPLICATIONS.**—Applicants for grants under this section shall apply or reapply on an annual basis.

(4) **STATE REVIEW AND TRANSMISSION.**—



(A) IN GENERAL.—To ensure consistency with State homeland security plans, a high-risk urban area applying for a grant under this section shall submit its application to each State within which any part of that high-risk urban area is located for review before submission of such application to the Department.

(B) DEADLINE.—Not later than 30 days after receiving an application from a high-risk urban area under subparagraph (A), a State shall transmit the application to the Department.

(C) OPPORTUNITY FOR STATE COMMENT.—If the Governor of a State determines that an application of a high-risk urban area is inconsistent with the State homeland security plan of that State, or otherwise does not support the application, the Governor shall—

(i) notify the Administrator, in writing, of that fact; and

(ii) provide an explanation of the reason for not supporting the application at the time of transmission of the application.

(5) OPPORTUNITY TO AMEND.—In considering applications for grants under this section, the Administrator shall provide applicants with a reasonable opportunity to correct defects in the application, if any, before making final awards.

(d) DISTRIBUTION OF AWARDS.—

(1) IN GENERAL.—If the Administrator approves the application of a high-risk urban area for a grant under this section, the Administrator shall distribute the grant funds to the State or States in which that high-risk urban area is located.

(2) STATE DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Not later than 45 days after the date that a State receives grant funds under paragraph (1), that State shall provide the high-risk urban area awarded that grant not less than 80 percent of the grant funds. Any funds retained by a State shall be expended on items, services, or activities that benefit the high-risk urban area.

(B) FUNDS RETAINED.—A State shall provide each relevant high-risk urban area with an accounting of the items, services, or activities on which any funds retained by the State under subparagraph (A) were expended.

(3) INTERSTATE URBAN AREAS.—If parts of a high-risk urban area awarded a grant under this section are located in 2 or more States, the Administrator shall distribute to each such State—

(A) a portion of the grant funds in accordance with the proposed distribution set forth in the application; or

(B) if no agreement on distribution has been reached, a portion of the grant funds determined by the Administrator to be appropriate.

(4) CERTIFICATIONS REGARDING DISTRIBUTION OF GRANT FUNDS TO HIGH-RISK URBAN AREAS.—A State that receives grant funds under paragraph (1) shall certify to the Adminis-

trator that the State has made available to the applicable high-risk urban area the required funds under paragraph (2).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section—

- (1) \$850,000,000 for fiscal year 2008;
- (2) \$950,000,000 for fiscal year 2009;
- (3) \$1,050,000,000 for fiscal year 2010;
- (4) \$1,150,000,000 for fiscal year 2011;
- (5) \$1,300,000,000 for fiscal year 2012; and
- (6) such sums as are necessary for fiscal year 2013, and each fiscal year thereafter.

**SEC. 2004. [6 U.S.C. 605] STATE HOMELAND SECURITY GRANT PROGRAM.**

(a) ESTABLISHMENT.—There is established a State Homeland Security Grant Program to assist State, local, and tribal governments in preventing, preparing for, protecting against, and responding to acts of terrorism.

(b) APPLICATION.—

(1) IN GENERAL.—Each State may apply for a grant under this section, and shall submit such information in support of the application as the Administrator may reasonably require.

(2) MINIMUM CONTENTS OF APPLICATION.—The Administrator shall require that each State include in its application, at a minimum—

(A) the purpose for which the State seeks grant funds and the reasons why the State needs the grant to meet the target capabilities of that State;

(B) a description of how the State plans to allocate the grant funds to local governments and Indian tribes; and

(C) a budget showing how the State intends to expend the grant funds.

(3) ANNUAL APPLICATIONS.—Applicants for grants under this section shall apply or reapply on an annual basis.

(c) DISTRIBUTION TO LOCAL AND TRIBAL GOVERNMENTS.—

(1) IN GENERAL.—Not later than 45 days after receiving grant funds, any State receiving a grant under this section shall make available to local and tribal governments, consistent with the applicable State homeland security plan—

(A) not less than 80 percent of the grant funds;

(B) with the consent of local and tribal governments, items, services, or activities having a value of not less than 80 percent of the amount of the grant; or

(C) with the consent of local and tribal governments, grant funds combined with other items, services, or activities having a total value of not less than 80 percent of the amount of the grant.

(2) CERTIFICATIONS REGARDING DISTRIBUTION OF GRANT FUNDS TO LOCAL GOVERNMENTS.—A State shall certify to the Administrator that the State has made the distribution to local and tribal governments required under paragraph (1).

(3) EXTENSION OF PERIOD.—The Governor of a State may request in writing that the Administrator extend the period under paragraph (1) for an additional period of time. The Administrator may approve such a request if the Administrator

determines that the resulting delay in providing grant funding to the local and tribal governments is necessary to promote effective investments to prevent, prepare for, protect against, or respond to acts of terrorism.

(4) EXCEPTION.—Paragraph (1) shall not apply to the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or the Virgin Islands.

(5) DIRECT FUNDING.—If a State fails to make the distribution to local or tribal governments required under paragraph (1) in a timely fashion, a local or tribal government entitled to receive such distribution may petition the Administrator to request that grant funds be provided directly to the local or tribal government.

(d) MULTISTATE APPLICATIONS.—

(1) IN GENERAL.—Instead of, or in addition to, any application for a grant under subsection (b), 2 or more States may submit an application for a grant under this section in support of multistate efforts to prevent, prepare for, protect against, and respond to acts of terrorism.

(2) ADMINISTRATION OF GRANT.—If a group of States applies for a grant under this section, such States shall submit to the Administrator at the time of application a plan describing—

(A) the division of responsibilities for administering the grant; and

(B) the distribution of funding among the States that are parties to the application.

(e) MINIMUM ALLOCATION.—

(1) IN GENERAL.—In allocating funds under this section, the Administrator shall ensure that—

(A) except as provided in subparagraph (B), each State receives, from the funds appropriated for the State Homeland Security Grant Program established under this section, not less than an amount equal to—

(i) 0.375 percent of the total funds appropriated for grants under this section and section 2003 in fiscal year 2008;

(ii) 0.365 percent of the total funds appropriated for grants under this section and section 2003 in fiscal year 2009;

(iii) 0.36 percent of the total funds appropriated for grants under this section and section 2003 in fiscal year 2010;

(iv) 0.355 percent of the total funds appropriated for grants under this section and section 2003 in fiscal year 2011; and

(v) 0.35 percent of the total funds appropriated for grants under this section and section 2003 in fiscal year 2012 and in each fiscal year thereafter; and

(B) for each fiscal year, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands each receive, from the funds appropriated for the State Homeland Security Grant Program

established under this section, not less than an amount equal to 0.08 percent of the total funds appropriated for grants under this section and section 2003.

(2) EFFECT OF MULTISTATE AWARD ON STATE MINIMUM.—

Any portion of a multistate award provided to a State under subsection (d) shall be considered in calculating the minimum State allocation under this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section—

(1) \$950,000,000 for each of fiscal years 2008 through 2012; and

(2) such sums as are necessary for fiscal year 2013, and each fiscal year thereafter.

**SEC. 2005. [6 U.S.C. 606] GRANTS TO DIRECTLY ELIGIBLE TRIBES.**

(a) IN GENERAL.—Notwithstanding section 2004(b), the Administrator may award grants to directly eligible tribes under section 2004.

(b) TRIBAL APPLICATIONS.—A directly eligible tribe may apply for a grant under section 2004 by submitting an application to the Administrator that includes, as appropriate, the information required for an application by a State under section 2004(b).

(c) CONSISTENCY WITH STATE PLANS.—

(1) IN GENERAL.—To ensure consistency with any applicable State homeland security plan, a directly eligible tribe applying for a grant under section 2004 shall provide a copy of its application to each State within which any part of the tribe is located for review before the tribe submits such application to the Department.

(2) OPPORTUNITY FOR COMMENT.—If the Governor of a State determines that the application of a directly eligible tribe is inconsistent with the State homeland security plan of that State, or otherwise does not support the application, not later than 30 days after the date of receipt of that application the Governor shall—

(A) notify the Administrator, in writing, of that fact; and

(B) provide an explanation of the reason for not supporting the application.

(d) FINAL AUTHORITY.—The Administrator shall have final authority to approve any application of a directly eligible tribe. The Administrator shall notify each State within the boundaries of which any part of a directly eligible tribe is located of the approval of an application by the tribe.

(e) PRIORITIZATION.—The Administrator shall allocate funds to directly eligible tribes in accordance with the factors applicable to allocating funds among States under section 2007.

(f) DISTRIBUTION OF AWARDS TO DIRECTLY ELIGIBLE TRIBES.—If the Administrator awards funds to a directly eligible tribe under this section, the Administrator shall distribute the grant funds directly to the tribe and not through any State.

(g) MINIMUM ALLOCATION.—

(1) IN GENERAL.—In allocating funds under this section, the Administrator shall ensure that, for each fiscal year, di-

rectly eligible tribes collectively receive, from the funds appropriated for the State Homeland Security Grant Program established under section 2004, not less than an amount equal to 0.1 percent of the total funds appropriated for grants under sections 2003 and 2004.

(2) EXCEPTION.—This subsection shall not apply in any fiscal year in which the Administrator—

(A) receives fewer than 5 applications under this section; or

(B) does not approve at least 2 applications under this section.

(h) TRIBAL LIAISON.—A directly eligible tribe applying for a grant under section 2004 shall designate an individual to serve as a tribal liaison with the Department and other Federal, State, local, and regional government officials concerning preventing, preparing for, protecting against, and responding to acts of terrorism.

(i) ELIGIBILITY FOR OTHER FUNDS.—A directly eligible tribe that receives a grant under section 2004 may receive funds for other purposes under a grant from the State or States within the boundaries of which any part of such tribe is located and from any high-risk urban area of which it is a part, consistent with the homeland security plan of the State or high-risk urban area.

(j) STATE OBLIGATIONS.—

(1) IN GENERAL.—States shall be responsible for allocating grant funds received under section 2004 to tribal governments in order to help those tribal communities achieve target capabilities not achieved through grants to directly eligible tribes.

(2) DISTRIBUTION OF GRANT FUNDS.—With respect to a grant to a State under section 2004, an Indian tribe shall be eligible for funding directly from that State, and shall not be required to seek funding from any local government.

(3) IMPOSITION OF REQUIREMENTS.—A State may not impose unreasonable or unduly burdensome requirements on an Indian tribe as a condition of providing the Indian tribe with grant funds or resources under section 2004.

(k) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the authority of an Indian tribe that receives funds under this subtitle.

**SEC. 2006. [6 U.S.C. 607] TERRORISM PREVENTION.**

(a) LAW ENFORCEMENT TERRORISM PREVENTION PROGRAM.—

(1) IN GENERAL.—The Administrator shall ensure that not less than 25 percent of the total combined funds appropriated for grants under sections 2003 and 2004 is used for law enforcement terrorism prevention activities.

(2) LAW ENFORCEMENT TERRORISM PREVENTION ACTIVITIES.—Law enforcement terrorism prevention activities include—

(A) information sharing and analysis;

(B) target hardening;

(C) threat recognition;

(D) terrorist interdiction;

(E) overtime expenses consistent with a State homeland security plan, including for the provision of enhanced

law enforcement operations in support of Federal agencies, including for increased border security and border crossing enforcement;

(F) establishing, enhancing, and staffing with appropriately qualified personnel State, local, and regional fusion centers that comply with the guidelines established under section 210A(i);

(G) paying salaries and benefits for personnel, including individuals employed by the grant recipient on the date of the relevant grant application, to serve as qualified intelligence analysts;

(H) any other activity permitted under the Fiscal Year 2007 Program Guidance of the Department for the Law Enforcement Terrorism Prevention Program; and

(I) any other terrorism prevention activity authorized by the Administrator.

(3) PARTICIPATION OF UNDERREPRESENTED COMMUNITIES IN FUSION CENTERS.—The Administrator shall ensure that grant funds described in paragraph (1) are used to support the participation, as appropriate, of law enforcement and other emergency response providers from rural and other underrepresented communities at risk from acts of terrorism in fusion centers.

(b) OFFICE FOR STATE AND LOCAL LAW ENFORCEMENT.—

(1) ESTABLISHMENT.—There is established in the Policy Directorate of the Department an Office for State and Local Law Enforcement, which shall be headed by an Assistant Secretary for State and Local Law Enforcement.

(2) QUALIFICATIONS.—The Assistant Secretary for State and Local Law Enforcement shall have an appropriate background with experience in law enforcement, intelligence, and other counterterrorism functions.

(3) ASSIGNMENT OF PERSONNEL.—The Secretary shall assign to the Office for State and Local Law Enforcement permanent staff and, as appropriate and consistent with sections 506(c)(2), 821, and 888(d), other appropriate personnel detailed from other components of the Department to carry out the responsibilities under this subsection.

(4) RESPONSIBILITIES.—The Assistant Secretary for State and Local Law Enforcement shall—

(A) lead the coordination of Department-wide policies relating to the role of State and local law enforcement in preventing, preparing for, protecting against, and responding to natural disasters, acts of terrorism, and other man-made disasters within the United States;

(B) serve as a liaison between State, local, and tribal law enforcement agencies and the Department;

(C) coordinate with the Office of Intelligence and Analysis to ensure the intelligence and information sharing requirements of State, local, and tribal law enforcement agencies are being addressed;

(D) work with the Administrator to ensure that law enforcement and terrorism-focused grants to State, local, and tribal government agencies, including grants under

sections 2003 and 2004, the Commercial Equipment Direct Assistance Program, and other grants administered by the Department to support fusion centers and law enforcement-oriented programs, are appropriately focused on terrorism prevention activities;

(E) coordinate with the Science and Technology Directorate, the Federal Emergency Management Agency, the Department of Justice, the National Institute of Justice, law enforcement organizations, and other appropriate entities to support the development, promulgation, and updating, as necessary, of national voluntary consensus standards for training and personal protective equipment to be used in a tactical environment by law enforcement officers; and

(F) conduct, jointly with the Administrator, a study to determine the efficacy and feasibility of establishing specialized law enforcement deployment teams to assist State, local, and tribal governments in responding to natural disasters, acts of terrorism, or other man-made disasters and report on the results of that study to the appropriate committees of Congress.

(5) **RULE OF CONSTRUCTION.**—Nothing in this subsection shall be construed to diminish, supercede, or replace the responsibilities, authorities, or role of the Administrator.

**SEC. 2007. [6 U.S.C. 608] PRIORITIZATION.**

(a) **IN GENERAL.**—In allocating funds among States and high-risk urban areas applying for grants under section 2003 or 2004, the Administrator shall consider, for each State or high-risk urban area—

(1) its relative threat, vulnerability, and consequences from acts of terrorism, including consideration of—

(A) its population, including appropriate consideration of military, tourist, and commuter populations;

(B) its population density;

(C) its history of threats, including whether it has been the target of a prior act of terrorism;

(D) its degree of threat, vulnerability, and consequences related to critical infrastructure (for all critical infrastructure sectors) or key resources identified by the Administrator or the State homeland security plan, including threats, vulnerabilities, and consequences related to critical infrastructure or key resources in nearby jurisdictions;

(E) the most current threat assessments available to the Department;

(F) whether the State has, or the high-risk urban area is located at or near, an international border;

(G) whether it has a coastline bordering an ocean (including the Gulf of Mexico) or international waters;

(H) its likely need to respond to acts of terrorism occurring in nearby jurisdictions;

(I) the extent to which it has unmet target capabilities;

(J) in the case of a high-risk urban area, the extent to which that high-risk urban area includes—

(i) those incorporated municipalities, counties, parishes, and Indian tribes within the relevant eligible metropolitan area, the inclusion of which will enhance regional efforts to prevent, prepare for, protect against, and respond to acts of terrorism; and

(ii) other local and tribal governments in the surrounding area that are likely to be called upon to respond to acts of terrorism within the high-risk urban area; and

(K) such other factors as are specified in writing by the Administrator; and

(2) the anticipated effectiveness of the proposed use of the grant by the State or high-risk urban area in increasing the ability of that State or high-risk urban area to prevent, prepare for, protect against, and respond to acts of terrorism, to meet its target capabilities, and to otherwise reduce the overall risk to the high-risk urban area, the State, or the Nation.

(b) TYPES OF THREAT.—In assessing threat under this section, the Administrator shall consider the following types of threat to critical infrastructure sectors and to populations in all areas of the United States, urban and rural:

(1) Biological.

(2) Chemical.

(3) Cyber.

(4) Explosives.

(5) Incendiary.

(6) Nuclear.

(7) Radiological.

(8) Suicide bombers.

(9) Such other types of threat determined relevant by the Administrator.

**SEC. 2008. [6 U.S.C. 609] USE OF FUNDS.**

(a) PERMITTED USES.—The Administrator shall permit the recipient of a grant under section 2003 or 2004 to use grant funds to achieve target capabilities related to preventing, preparing for, protecting against, and responding to acts of terrorism, consistent with a State homeland security plan and relevant local, tribal, and regional homeland security plans, through—

(1) developing and enhancing homeland security, emergency management, or other relevant plans, assessments, or mutual aid agreements;

(2) designing, conducting, and evaluating training and exercises, including training and exercises conducted under section 512 of this Act and section 648 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 748);

(3) protecting a system or asset included on the prioritized critical infrastructure list established under section 210E(a)(2);

(4) purchasing, upgrading, storing, or maintaining equipment, including computer hardware and software;

(5) ensuring operability and achieving interoperability of emergency communications;



(6) responding to an increase in the threat level under the Homeland Security Advisory System, or to the needs resulting from a National Special Security Event;

(7) establishing, enhancing, and staffing with appropriately qualified personnel State, local, and regional fusion centers that comply with the guidelines established under section 210A(i);

(8) enhancing school preparedness;

(9) supporting public safety answering points;

(10) paying salaries and benefits for personnel, including individuals employed by the grant recipient on the date of the relevant grant application, to serve as qualified intelligence analysts, regardless of whether such analysts are current or new full-time employees or contract employees;

(11) paying expenses directly related to administration of the grant, except that such expenses may not exceed 3 percent of the amount of the grant;

(12) any activity permitted under the Fiscal Year 2007 Program Guidance of the Department for the State Homeland Security Grant Program, the Urban Area Security Initiative (including activities permitted under the full-time counterterrorism staffing pilot), or the Law Enforcement Terrorism Prevention Program; and

(13) any other appropriate activity, as determined by the Administrator.

(b) LIMITATIONS ON USE OF FUNDS.—

(1) IN GENERAL.—Funds provided under section 2003 or 2004 may not be used—

(A) to supplant State or local funds, except that nothing in this paragraph shall prohibit the use of grant funds provided to a State or high-risk urban area for otherwise permissible uses under subsection (a) on the basis that a State or high-risk urban area has previously used State or local funds to support the same or similar uses; or

(B) for any State or local government cost-sharing contribution.

(2) PERSONNEL.—

(A) IN GENERAL.—Not more than 50 percent of the amount awarded to a grant recipient under section 2003 or 2004 in any fiscal year may be used to pay for personnel, including overtime and backfill costs, in support of the permitted uses under subsection (a).

(B) WAIVER.—At the request of the recipient of a grant under section 2003 or 2004, the Administrator may grant a waiver of the limitation under subparagraph (A).

(3) LIMITATIONS ON DISCRETION.—

(A) IN GENERAL.—With respect to the use of amounts awarded to a grant recipient under section 2003 or 2004 for personnel costs in accordance with paragraph (2) of this subsection, the Administrator may not—

(i) impose a limit on the amount of the award that may be used to pay for personnel, or personnel-related, costs that is higher or lower than the percent limit imposed in paragraph (2)(A); or

(ii) impose any additional limitation on the portion of the funds of a recipient that may be used for a specific type, purpose, or category of personnel, or personnel-related, costs.

(B) ANALYSTS.—If amounts awarded to a grant recipient under section 2003 or 2004 are used for paying salary or benefits of a qualified intelligence analyst under subsection (a)(10), the Administrator shall make such amounts available without time limitations placed on the period of time that the analyst can serve under the grant.

(4) CONSTRUCTION.—

(A) IN GENERAL.—A grant awarded under section 2003 or 2004 may not be used to acquire land or to construct buildings or other physical facilities.

(B) EXCEPTIONS.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), nothing in this paragraph shall prohibit the use of a grant awarded under section 2003 or 2004 to achieve target capabilities related to preventing, preparing for, protecting against, or responding to acts of terrorism, including through the alteration or remodeling of existing buildings for the purpose of making such buildings secure against acts of terrorism.

(ii) REQUIREMENTS FOR EXCEPTION.—No grant awarded under section 2003 or 2004 may be used for a purpose described in clause (i) unless—

(I) specifically approved by the Administrator;

(II) any construction work occurs under terms and conditions consistent with the requirements under section 611(j)(9) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(j)(9)); and

(III) the amount allocated for purposes under clause (i) does not exceed the greater of \$1,000,000 or 15 percent of the grant award.

(5) RECREATION.—Grants awarded under this subtitle may not be used for recreational or social purposes.

(c) MULTIPLE-PURPOSE FUNDS.—Nothing in this subtitle shall be construed to prohibit State, local, or tribal governments from using grant funds under sections 2003 and 2004 in a manner that enhances preparedness for disasters unrelated to acts of terrorism, if such use assists such governments in achieving target capabilities related to preventing, preparing for, protecting against, or responding to acts of terrorism.

(d) REIMBURSEMENT OF COSTS.—

(1) PAID-ON-CALL OR VOLUNTEER REIMBURSEMENT.—In addition to the activities described in subsection (a), a grant under section 2003 or 2004 may be used to provide a reasonable stipend to paid-on-call or volunteer emergency response providers who are not otherwise compensated for travel to or participation in training or exercises related to the purposes of this subtitle. Any such reimbursement shall not be considered compensation for purposes of rendering an emergency response

provider an employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

(2) PERFORMANCE OF FEDERAL DUTY.—An applicant for a grant under section 2003 or 2004 may petition the Administrator to use the funds from its grants under those sections for the reimbursement of the cost of any activity relating to preventing, preparing for, protecting against, or responding to acts of terrorism that is a Federal duty and usually performed by a Federal agency, and that is being performed by a State or local government under agreement with a Federal agency.

(e) FLEXIBILITY IN UNSPENT HOMELAND SECURITY GRANT FUNDS.—Upon request by the recipient of a grant under section 2003 or 2004, the Administrator may authorize the grant recipient to transfer all or part of the grant funds from uses specified in the grant agreement to other uses authorized under this section, if the Administrator determines that such transfer is in the interests of homeland security.

(f) EQUIPMENT STANDARDS.—If an applicant for a grant under section 2003 or 2004 proposes to upgrade or purchase, with assistance provided under that grant, new equipment or systems that do not meet or exceed any applicable national voluntary consensus standards developed under section 647 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 747), the applicant shall include in its application an explanation of why such equipment or systems will serve the needs of the applicant better than equipment or systems that meet or exceed such standards.

## Subtitle B—Grants Administration

### SEC. 2021. [6 U.S.C. 611] ADMINISTRATION AND COORDINATION.

(a) REGIONAL COORDINATION.—The Administrator shall ensure that—

(1) all recipients of grants administered by the Department to prevent, prepare for, protect against, or respond to natural disasters, acts of terrorism, or other man-made disasters (excluding assistance provided under section 203, title IV, or title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133, 5170 et seq., and 5191 et seq.)) coordinate, as appropriate, their prevention, preparedness, and protection efforts with neighboring State, local, and tribal governments; and

(2) all high-risk urban areas and other recipients of grants administered by the Department to prevent, prepare for, protect against, or respond to natural disasters, acts of terrorism, or other man-made disasters (excluding assistance provided under section 203, title IV, or title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133, 5170 et seq., and 5191 et seq.)) that include or substantially affect parts or all of more than 1 State coordinate, as appropriate, across State boundaries, including, where appropriate, through the use of regional working groups and requirements for regional plans.

(b) PLANNING COMMITTEES.—

(1) IN GENERAL.—Any State or high-risk urban area receiving a grant under section 2003 or 2004 shall establish a planning committee to assist in preparation and revision of the State, regional, or local homeland security plan and to assist in determining effective funding priorities for grants under sections 2003 and 2004.

(2) COMPOSITION.—

(A) IN GENERAL.—The planning committee shall include representatives of significant stakeholders, including—

- (i) local and tribal government officials; and
- (ii) emergency response providers, which shall include representatives of the fire service, law enforcement, emergency medical response, and emergency managers.

(B) GEOGRAPHIC REPRESENTATION.—The members of the planning committee shall be a representative group of individuals from the counties, cities, towns, and Indian tribes within the State or high-risk urban area, including, as appropriate, representatives of rural, high-population, and high-threat jurisdictions.

(3) EXISTING PLANNING COMMITTEES.—Nothing in this subsection may be construed to require that any State or high-risk urban area create a planning committee if that State or high-risk urban area has established and uses a multijurisdictional planning committee or commission that meets the requirements of this subsection.

(c) INTERAGENCY COORDINATION.—

(1) IN GENERAL.—Not later than 12 months after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Secretary (acting through the Administrator), the Attorney General, the Secretary of Health and Human Services, and the heads of other agencies providing assistance to State, local, and tribal governments for preventing, preparing for, protecting against, and responding to natural disasters, acts of terrorism, and other man-made disasters, shall jointly—

(A) compile a comprehensive list of Federal grant programs for State, local, and tribal governments for preventing, preparing for, protecting against, and responding to natural disasters, acts of terrorism, and other man-made disasters;

(B) compile the planning, reporting, application, and other requirements and guidance for the grant programs described in subparagraph (A);

(C) develop recommendations, as appropriate, to—

(i) eliminate redundant and duplicative requirements for State, local, and tribal governments, including onerous application and ongoing reporting requirements;

(ii) ensure accountability of the programs to the intended purposes of such programs;

(iii) coordinate allocation of grant funds to avoid duplicative or inconsistent purchases by the recipients;

(iv) make the programs more accessible and user friendly to applicants; and

(v) ensure the programs are coordinated to enhance the overall preparedness of the Nation;

(D) submit the information and recommendations under subparagraphs (A), (B), and (C) to the appropriate committees of Congress; and

(E) provide the appropriate committees of Congress, the Comptroller General, and any officer or employee of the Government Accountability Office with full access to any information collected or reviewed in preparing the submission under subparagraph (D).

(2) SCOPE OF TASK.—Nothing in this subsection shall authorize the elimination, or the alteration of the purposes, as delineated by statute, regulation, or guidance, of any grant program that exists on the date of the enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, nor authorize the review or preparation of proposals on the elimination, or the alteration of such purposes, of any such grant program.

(d) SENSE OF CONGRESS.—It is the sense of Congress that, in order to ensure that the Nation is most effectively able to prevent, prepare for, protect against, and respond to all hazards, including natural disasters, acts of terrorism, and other man-made disasters—

(1) the Department should administer a coherent and coordinated system of both terrorism-focused and all-hazards grants;

(2) there should be a continuing and appropriate balance between funding for terrorism-focused and all-hazards preparedness, as reflected in the authorizations of appropriations for grants under the amendments made by titles I and II, as applicable, of the Implementing Recommendations of the 9/11 Commission Act of 2007; and

(3) with respect to terrorism-focused grants, it is necessary to ensure both that the target capabilities of the highest risk areas are achieved quickly and that basic levels of preparedness, as measured by the attainment of target capabilities, are achieved nationwide.

**SEC. 2022. [6 U.S.C. 612] ACCOUNTABILITY.**

(a) AUDITS OF GRANT PROGRAMS.—

(1) COMPLIANCE REQUIREMENTS.—

(A) AUDIT REQUIREMENT.—Each recipient of a grant administered by the Department that expends not less than \$500,000 in Federal funds during its fiscal year shall submit to the Administrator a copy of the organization-wide financial and compliance audit report required under chapter 75 of title 31, United States Code.

(B) ACCESS TO INFORMATION.—The Department and each recipient of a grant administered by the Department shall provide the Comptroller General and any officer or employee of the Government Accountability Office with full

access to information regarding the activities carried out related to any grant administered by the Department.

(C) IMPROPER PAYMENTS.—Consistent with the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note), for each of the grant programs under sections 2003 and 2004 of this title and section 662 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 762), the Administrator shall specify policies and procedures for—

(i) identifying activities funded under any such grant program that are susceptible to significant improper payments; and

(ii) reporting any improper payments to the Department.

(2) AGENCY PROGRAM REVIEW.—

(A) IN GENERAL.—Not less than once every 2 years, the Administrator shall conduct, for each State and high-risk urban area receiving a grant administered by the Department, a programmatic and financial review of all grants awarded by the Department to prevent, prepare for, protect against, or respond to natural disasters, acts of terrorism, or other man-made disasters, excluding assistance provided under section 203, title IV, or title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133, 5170 et seq., and 5191 et seq.).

(B) CONTENTS.—Each review under subparagraph (A) shall, at a minimum, examine—

(i) whether the funds awarded were used in accordance with the law, program guidance, and State homeland security plans or other applicable plans; and

(ii) the extent to which funds awarded enhanced the ability of a grantee to prevent, prepare for, protect against, and respond to natural disasters, acts of terrorism, and other man-made disasters.

(C) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts authorized to be appropriated to the Administrator, there are authorized to be appropriated to the Administrator for reviews under this paragraph—

(i) \$8,000,000 for each of fiscal years 2008, 2009, and 2010; and

(ii) such sums as are necessary for fiscal year 2011, and each fiscal year thereafter.

(3) OFFICE OF INSPECTOR GENERAL PERFORMANCE AUDITS.—

(A) IN GENERAL.—In order to ensure the effective and appropriate use of grants administered by the Department, the Inspector General of the Department each year shall conduct audits of a sample of States and high-risk urban areas that receive grants administered by the Department to prevent, prepare for, protect against, or respond to natural disasters, acts of terrorism, or other man-made disasters, excluding assistance provided under section 203, title IV, or title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133, 5170 et seq., and 5191 et seq.).

(B) DETERMINING SAMPLES.—The sample selected for audits under subparagraph (A) shall be—

(i) of an appropriate size to—

(I) assess the overall integrity of the grant programs described in subparagraph (A); and

(II) act as a deterrent to financial mismanagement; and

(ii) selected based on—

(I) the size of the grants awarded to the recipient;

(II) the past grant management performance of the recipient;

(III) concerns identified by the Administrator, including referrals from the Administrator; and

(IV) such other factors as determined by the Inspector General of the Department.

(C) COMPREHENSIVE AUDITING.—During the 7-year period beginning on the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Inspector General of the Department shall conduct not fewer than 1 audit of each State that receives funds under a grant under section 2003 or 2004.

(D) REPORT BY THE INSPECTOR GENERAL.—

(i) IN GENERAL.—The Inspector General of the Department shall submit to the appropriate committees of Congress an annual consolidated report regarding the audits completed during the fiscal year before the date of that report.

(ii) CONTENTS.—Each report submitted under clause (i) shall describe, for the fiscal year before the date of that report—

(I) the audits conducted under subparagraph (A);

(II) the findings of the Inspector General with respect to the audits conducted under subparagraph (A);

(III) whether the funds awarded were used in accordance with the law, program guidance, and State homeland security plans and other applicable plans; and

(IV) the extent to which funds awarded enhanced the ability of a grantee to prevent, prepare for, protect against, and respond to natural disasters, acts of terrorism and other man-made disasters.

(iii) DEADLINE.—For each year, the report required under clause (i) shall be submitted not later than December 31.

(E) PUBLIC AVAILABILITY ON WEBSITE.—The Inspector General of the Department shall make each audit conducted under subparagraph (A) available on the website of the Inspector General, subject to redaction as the Inspector General determines necessary to protect classified and other sensitive information.

(F) PROVISION OF INFORMATION TO ADMINISTRATOR.—The Inspector General of the Department shall provide to the Administrator any findings and recommendations from audits conducted under subparagraph (A).

(G) EVALUATION OF GRANTS MANAGEMENT AND OVERSIGHT.—Not later than 1 year after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Inspector General of the Department shall review and evaluate the grants management and oversight practices of the Federal Emergency Management Agency, including assessment of and recommendations relating to—

(i) the skills, resources, and capabilities of the workforce; and

(ii) any additional resources and staff necessary to carry out such management and oversight.

(H) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts authorized to be appropriated to the Inspector General of the Department, there are authorized to be appropriated to the Inspector General of the Department for audits under subparagraph (A)—

(i) \$8,500,000 for each of fiscal years 2008, 2009, and 2010; and

(ii) such sums as are necessary for fiscal year 2011, and each fiscal year thereafter.

(4) PERFORMANCE ASSESSMENT.—In order to ensure that States and high-risk urban areas are using grants administered by the Department appropriately to meet target capabilities and preparedness priorities, the Administrator shall—

(A) ensure that any such State or high-risk urban area conducts or participates in exercises under section 648(b) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 748(b));

(B) use performance metrics in accordance with the comprehensive assessment system under section 649 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 749) and ensure that any such State or high-risk urban area regularly tests its progress against such metrics through the exercises required under subparagraph (A);

(C) use the remedial action management program under section 650 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 750); and

(D) ensure that each State receiving a grant administered by the Department submits a report to the Administrator on its level of preparedness, as required by section 652(c) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 752(c)).

(5) CONSIDERATION OF ASSESSMENTS.—In conducting program reviews and performance audits under paragraphs (2) and (3), the Administrator and the Inspector General of the Department shall take into account the performance assessment elements required under paragraph (4).



(6) **RECOVERY AUDITS.**—The Administrator shall conduct a recovery audit (as that term is defined by the Director of the Office of Management and Budget under section 3561 of title 31, United States Code) for any grant administered by the Department with a total value of not less than \$1,000,000, if the Administrator finds that—

(A) a financial audit has identified improper payments that can be recouped; and

(B) it is cost effective to conduct a recovery audit to recapture the targeted funds.

(7) **REMEDIES FOR NONCOMPLIANCE.**—

(A) **IN GENERAL.**—If, as a result of a review or audit under this subsection or otherwise, the Administrator finds that a recipient of a grant under this title has failed to substantially comply with any provision of law or with any regulations or guidelines of the Department regarding eligible expenditures, the Administrator shall—

(i) reduce the amount of payment of grant funds to the recipient by an amount equal to the amount of grants funds that were not properly expended by the recipient;

(ii) limit the use of grant funds to programs, projects, or activities not affected by the failure to comply;

(iii) refer the matter to the Inspector General of the Department for further investigation;

(iv) terminate any payment of grant funds to be made to the recipient; or

(v) take such other action as the Administrator determines appropriate.

(B) **DURATION OF PENALTY.**—The Administrator shall apply an appropriate penalty under subparagraph (A) until such time as the Administrator determines that the grant recipient is in full compliance with the law and with applicable guidelines or regulations of the Department.

(b) **REPORTS BY GRANT RECIPIENTS.**—

(1) **QUARTERLY REPORTS ON HOMELAND SECURITY SPENDING.**—

(A) **IN GENERAL.**—As a condition of receiving a grant under section 2003 or 2004, a State, high-risk urban area, or directly eligible tribe shall, not later than 30 days after the end of each Federal fiscal quarter, submit to the Administrator a report on activities performed using grant funds during that fiscal quarter.

(B) **CONTENTS.**—Each report submitted under subparagraph (A) shall at a minimum include, for the applicable State, high-risk urban area, or directly eligible tribe, and each subgrantee thereof—

(i) the amount obligated to that recipient under section 2003 or 2004 in that quarter;

(ii) the amount of funds received and expended under section 2003 or 2004 by that recipient in that quarter; and

(iii) a summary description of expenditures made by that recipient using such funds, and the purposes for which such expenditures were made.

(C) END-OF-YEAR REPORT.—The report submitted under subparagraph (A) by a State, high-risk urban area, or directly eligible tribe relating to the last quarter of any fiscal year shall include—

(i) the amount and date of receipt of all funds received under the grant during that fiscal year;

(ii) the identity of, and amount provided to, any subgrantee for that grant during that fiscal year;

(iii) the amount and the dates of disbursements of all such funds expended in compliance with section 2021(a)(1) or under mutual aid agreements or other sharing arrangements that apply within the State, high-risk urban area, or directly eligible tribe, as applicable, during that fiscal year; and

(iv) how the funds were used by each recipient or subgrantee during that fiscal year.

(2) ANNUAL REPORT.—Any State applying for a grant under section 2004 shall submit to the Administrator annually a State preparedness report, as required by section 652(c) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 752(c)).

(c) REPORTS BY THE ADMINISTRATOR.—

(1) FEDERAL PREPAREDNESS REPORT.—The Administrator shall submit to the appropriate committees of Congress annually the Federal Preparedness Report required under section 652(a) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 752(a)).

(2) RISK ASSESSMENT.—

(A) IN GENERAL.—For each fiscal year, the Administrator shall provide to the appropriate committees of Congress a detailed and comprehensive explanation of the methodologies used to calculate risk and compute the allocation of funds for grants administered by the Department, including—

(i) all variables included in the risk assessment and the weights assigned to each such variable;

(ii) an explanation of how each such variable, as weighted, correlates to risk, and the basis for concluding there is such a correlation; and

(iii) any change in the methodologies from the previous fiscal year, including changes in variables considered, weighting of those variables, and computational methods.

(B) CLASSIFIED ANNEX.—The information required under subparagraph (A) shall be provided in unclassified form to the greatest extent possible, and may include a classified annex if necessary.

(C) DEADLINE.—For each fiscal year, the information required under subparagraph (A) shall be provided on the earlier of—

(i) October 31; or

- (ii) 30 days before the issuance of any program guidance for grants administered by the Department.
- (3) TRIBAL FUNDING REPORT.—At the end of each fiscal year, the Administrator shall submit to the appropriate committees of Congress a report setting forth the amount of funding provided during that fiscal year to Indian tribes under any grant program administered by the Department, whether provided directly or through a subgrant from a State or high-risk urban area.