

with relevant industry and government stakeholders, annually submit to Congress in an appendix to the budget request and publish in an unclassified format in the public domain—” for “Beginning 2 years after the date the Plan is submitted to Congress under subsection (a), and biennially thereafter, the Administrator shall submit to Congress—” in introductory provisions.

Subsec. (g)(3). Pub. L. 115-254, §1917(1)(B)–(D), added par. (3).

Subsecs. (h), (i). Pub. L. 115-254, §1917(2), added subsecs. (h) and (i).

### § 563a. Acquisition justification and reports

#### (a) Acquisition justification

Before the Administration implements any security-related technology acquisition, the Administrator, in accordance with the Department’s policies and directives, shall determine whether the acquisition is justified by conducting an analysis that includes—

(1) an identification of the scenarios and level of risk to transportation security from those scenarios that would be addressed by the security-related technology acquisition;

(2) an assessment of how the proposed acquisition aligns to the Plan;

(3) a comparison of the total expected lifecycle cost against the total expected quantitative and qualitative benefits to transportation security;

(4) an analysis of alternative security solutions, including policy or procedure solutions, to determine if the proposed security-related technology acquisition is the most effective and cost-efficient solution based on cost-benefit considerations;

(5) an assessment of the potential privacy and civil liberties implications of the proposed acquisition that includes, to the extent practicable, consultation with organizations that advocate for the protection of privacy and civil liberties;

(6) a determination that the proposed acquisition is consistent with fair information practice principles issued by the Privacy Officer of the Department;

(7) confirmation that there are no significant risks to human health or safety posed by the proposed acquisition; and

(8) an estimate of the benefits to commercial aviation passengers.

#### (b) Reports and certification to Congress

##### (1) In general

Not later than the end of the 30-day period preceding the award by the Administration of a contract for any security-related technology acquisition exceeding \$30,000,000, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives—

(A) the results of the comprehensive acquisition justification under subsection (a); and

(B) a certification by the Administrator that the benefits to transportation security justify the contract cost.

##### (2) Extension due to imminent terrorist threat

If there is a known or suspected imminent threat to transportation security, the Administrator—

(A) may reduce the 30-day period under paragraph (1) to 5 days to rapidly respond to the threat; and

(B) shall immediately notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives of the known or suspected imminent threat.

(Pub. L. 107-296, title XVI, §1612, as added Pub. L. 113-245, §3(a), Dec. 18, 2014, 128 Stat. 2873.)

### § 563b. Acquisition baseline establishment and reports

#### (a) Baseline requirements

##### (1) In general

Before the Administration implements any security-related technology acquisition, the appropriate acquisition official of the Department shall establish and document a set of formal baseline requirements.

##### (2) Contents

The baseline requirements under paragraph (1) shall—

(A) include the estimated costs (including lifecycle costs), schedule, and performance milestones for the planned duration of the acquisition;

(B) identify the acquisition risks and a plan for mitigating those risks; and

(C) assess the personnel necessary to manage the acquisition process, manage the ongoing program, and support training and other operations as necessary.

##### (3) Feasibility

In establishing the performance milestones under paragraph (2)(A), the appropriate acquisition official of the Department, to the extent possible and in consultation with the Under Secretary for Science and Technology, shall ensure that achieving those milestones is technologically feasible.

##### (4) Test and evaluation plan

The Administrator, in consultation with the Under Secretary for Science and Technology, shall develop a test and evaluation plan that describes—

(A) the activities that are expected to be required to assess acquired technologies against the performance milestones established under paragraph (2)(A);

(B) the necessary and cost-effective combination of laboratory testing, field testing, modeling, simulation, and supporting analysis to ensure that such technologies meet the Administration’s mission needs;

(C) an efficient planning schedule to ensure that test and evaluation activities are completed without undue delay; and

(D) if commercial aviation passengers are expected to interact with the security-related technology, methods that could be used to measure passenger acceptance of and familiarization with the security-related technology.

##### (5) Verification and validation

The appropriate acquisition official of the Department—

(A) subject to subparagraph (B), shall utilize independent reviewers to verify and validate the performance milestones and cost estimates developed under paragraph (2) for a security-related technology that pursuant to section 563(d)(2) of this title has been identified as a high priority need in the most recent Plan; and

(B) shall ensure that the use of independent reviewers does not unduly delay the schedule of any acquisition.

**(6) Streamlining access for interested vendors**

The Administrator shall establish a streamlined process for an interested vendor of a security-related technology to request and receive appropriate access to the baseline requirements and test and evaluation plans that are necessary for the vendor to participate in the acquisitions process for that technology.

**(b) Review of baseline requirements and deviation; report to Congress**

**(1) Review**

**(A) In general**

The appropriate acquisition official of the Department shall review and assess each implemented acquisition to determine if the acquisition is meeting the baseline requirements established under subsection (a).

**(B) Test and evaluation assessment**

The review shall include an assessment of whether—

(i) the planned testing and evaluation activities have been completed; and

(ii) the results of that testing and evaluation demonstrate that the performance milestones are technologically feasible.

**(2) Report**

Not later than 30 days after making a finding described in clause (i), (ii), or (iii) of subparagraph (A), the Administrator shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives that includes—

(A) the results of any assessment that finds that—

(i) the actual or planned costs exceed the baseline costs by more than 10 percent;

(ii) the actual or planned schedule for delivery has been delayed by more than 180 days; or

(iii) there is a failure to meet any performance milestone that directly impacts security effectiveness;

(B) the cause for such excessive costs, delay, or failure; and

(C) a plan for corrective action.

(Pub. L. 107–296, title XVI, §1613, as added Pub. L. 113–245, §3(a), Dec. 18, 2014, 128 Stat. 2874.)

**§ 563c. Inventory utilization**

**(a) In general**

Before the procurement of additional quantities of equipment to fulfill a mission need, the Administrator, to the extent practicable, shall utilize any existing units in the Administration's inventory to meet that need.

**(b) Tracking of inventory**

**(1) In general**

The Administrator shall establish a process for tracking—

(A) the location of security-related equipment in the inventory under subsection (a);

(B) the utilization status of security-related technology in the inventory under subsection (a); and

(C) the quantity of security-related equipment in the inventory under subsection (a).

**(2) Internal controls**

The Administrator shall implement internal controls to ensure up-to-date accurate data on security-related technology owned, deployed, and in use.

**(c) Logistics management**

**(1) In general**

The Administrator shall establish logistics principles for managing inventory in an effective and efficient manner.

**(2) Limitation on just-in-time logistics**

The Administrator may not use just-in-time logistics if doing so—

(A) would inhibit necessary planning for large-scale delivery of equipment to airports or other facilities; or

(B) would unduly diminish surge capacity for response to a terrorist threat.

(Pub. L. 107–296, title XVI, §1614, as added Pub. L. 113–245, §3(a), Dec. 18, 2014, 128 Stat. 2876.)

**§ 563d. Small business contracting goals**

Not later than 90 days after December 18, 2014, and annually thereafter, the Administrator shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives that includes—

(1) the Administration's performance record with respect to meeting its published small-business contracting goals during the preceding fiscal year;

(2) if the goals described in paragraph (1) were not met or the Administration's performance was below the published small-business contracting goals of the Department—

(A) a list of challenges, including deviations from the Administration's subcontracting plans, and factors that contributed to the level of performance during the preceding fiscal year;

(B) an action plan, with benchmarks, for addressing each of the challenges identified in subparagraph (A) that—

(i) is prepared after consultation with the Secretary of Defense and the heads of Federal departments and agencies that achieved their published goals for prime contracting with small and minority-owned businesses, including small and disadvantaged businesses, in prior fiscal years; and

(ii) identifies policies and procedures that could be incorporated by the Administration in furtherance of achieving the Administration's published goal for such contracting; and