

sition 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
- (3) a status report on the implementation of the action plan that was developed in the preceding fiscal year in accordance with paragraph (2)(B), if such a plan was required.

(Pub. L. 107-296, title XVI, §1615, as added Pub. L. 113-245, §3(a), Dec. 18, 2014, 128 Stat. 2876.)

**§ 563e. Consistency with the Federal Acquisition Regulation and departmental policies and directives**

The Administrator shall execute the responsibilities set forth in this part in a manner consistent with, and not duplicative of, the Federal Acquisition Regulation and the Department's policies and directives.

(Pub. L. 107-296, title XVI, §1616, as added Pub. L. 113-245, §3(a), Dec. 18, 2014, 128 Stat. 2877.)

**§ 563f. Diversified security technology industry marketplace**

**(a) In general**

Not later than 120 days after October 5, 2018, the Administrator shall develop and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives a strategy to promote a diverse security technology industry marketplace upon which the Administrator can rely to acquire advanced transportation security technologies or capabilities, including by increased participation of small business innovators.

**(b) Contents**

The strategy required under subsection (a) shall include the following:

- (1) Information on how existing Administration solicitation, testing, evaluation, piloting, acquisition, and procurement processes impact the Administrator's ability to acquire from the security technology industry marketplace, including small business innovators that have not previously provided technology to the Administration, innovative technologies or capabilities with the potential to enhance transportation security.

- (2) Specific actions that the Administrator will take, including modifications to the processes described in paragraph (1), to foster diversification within the security technology industry marketplace.

- (3) Projected timelines for implementing the actions described in paragraph (2).

- (4) Plans for how the Administrator could, to the extent practicable, assist a small business innovator periodically during such processes, including when such an innovator lacks adequate resources to participate in such processes, to facilitate an advanced transportation security technology or capability being developed and acquired by the Administrator.

- (5) An assessment of the feasibility of partnering with an organization described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of title 26 to provide venture capital to businesses, particularly small business innovators, for commercialization of innovative transportation security technologies that are expected to be ready for commercialization in the near term and within 36 months.

**(c) Feasibility assessment**

In conducting the feasibility assessment under subsection (b)(5), the Administrator shall consider the following:

- (1) Establishing an organization described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of title 26 as a venture capital partnership between the private sector and the intelligence community to help businesses, particularly small business innovators, commercialize innovative security-related technologies.

- (2) Enhanced engagement through the Science and Technology Directorate of the Department of Homeland Security.

**(d) Rule of construction**

Nothing in this section may be construed as requiring changes to the Transportation Security Administration standards for security technology.

**(e) Definitions**

In this section:

**(1) Intelligence community**

The term “intelligence community” has the meaning given the term in section 3003 of title 50.

**(2) Small business concern**

The term “small business concern” has the meaning described under section 632 of title 15.

**(3) Small business innovator**

The term “small business innovator” means a small business concern that has an advanced