

**(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: