

SECURING AMERICAN NON-PROFIT ORGANIZATIONS
AGAINST TERRORISM ACT OF 2017

JANUARY 9, 2018.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. McCAUL, from the Committee on Homeland Security,
submitted the following

R E P O R T

[To accompany H.R. 1486]

The Committee on Homeland Security, to whom was referred the bill (H.R. 1486) to amend the Homeland Security Act of 2002 to provide funding to secure non-profit facilities from terrorist attacks, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all that follows after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Securing American Non-Profit Organizations Against Terrorism Act of 2017”.

SEC. 2. NON-PROFIT SECURITY GRANT PROGRAM.

(a) IN GENERAL.—Subtitle A of title XX of the Homeland Security Act of 2002 (6 U.S.C. 601 et seq.) is amended by adding at the end the following new section:

“SEC. 2009. NON-PROFIT SECURITY GRANT PROGRAM.

“(a) ESTABLISHMENT.—There is established in the Department a program to be known as the ‘Non-Profit Security Grant Program’ (in this section referred to as the ‘Program’). Under the Program, the Secretary, acting through the Administrator, shall make grants to eligible nonprofit organizations described in subsection (b), through the State in which such organizations are located, for target hardening and other security enhancements to protect against terrorist attacks.

“(b) ELIGIBLE RECIPIENTS.—Eligible nonprofit organizations described in this subsection (a) are organizations that are—

“(1) described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code; and

“(2) determined to be at risk of a terrorist attack by the Administrator.

“(c) PERMITTED USES.—The recipient of a grant under this section may use such grant for any of the following uses:

“(1) Target hardening activities, including physical security enhancement equipment and inspection and screening systems.

“(2) Fees for security training relating to physical security and cybersecurity, target hardening, terrorism awareness, and employee awareness.

“(3) Any other appropriate activity, including cybersecurity resilience activities, as determined by the Administrator.

“(d) PERIOD OF PERFORMANCE.—The Administrator shall make funds provided under this section available for use by a recipient of a grant for a period of not less than 36 months.

“(e) REPORT.—The Administrator shall annually for each of fiscal years 2018 through 2022 submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report containing information on the expenditure by each grant recipient of grant funds made under this section.

“(f) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated \$50,000,000 for each of fiscal years 2018 through 2022 to carry out this section.

“(2) SPECIFICATION.—Of the amounts authorized to be appropriated pursuant to paragraph (1)—

“(A) \$35,000,000 is authorized for eligible recipients located in jurisdictions that receive funding under section 2003; and

“(B) \$15,000,000 is authorized for eligible recipients in jurisdictions not receiving funding under section 2003.”.

(b) CONFORMING AMENDMENT.—Subsection (a) of section 2002 of the Homeland Security Act of 2002 (6 U.S.C. 603) is amended by striking “sections 2003 and 2004” and inserting “sections 2003, 2004, and 2009”.

(c) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by inserting after the item relating to section 2008 the following new item:

“Sec. 2009. Non-profit security grant program.”.

PURPOSE AND SUMMARY

The purpose of H.R. 1486 is to amend the Homeland Security Act of 2002 to provide funding to secure non-profit facilities from terrorist attacks.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 1486 authorizes the Non-Profit Security Grant Program for the first time, recognizing the impact of this program on the security of non-profit organizations at risk of terrorist attacks, many of which have recently seen an increase in threats.

This legislation was included in H.R. 2825, the “Department of Homeland Security Authorization Act,” which passed the Com-

mittee on Homeland Security on June 28, 2017, and subsequently passed the House of Representatives on July 20, 2017. The Senate has yet to take action on that measure. In addition, the funding level included in this legislation is consistent with H.R. 3354, the “Make America Secure and Prosperous Appropriations Act, 2018,” which appropriates \$50,000,000 for such non-profit organizations who are at high risk of a terrorist attack. That measure passed the House of Representatives on September 14, 2017.

HEARINGS

No hearings were held on H.R. 1486 in the 115th Congress. However, in both the 115th and 114th Congresses, the Committee held hearings and briefings on the evolving terrorist threat, including the threat of complex, coordinated terrorist attacks, and the activities and resources needed to address these threats. In addition, the importance of the Non-Profit Security Grant Program was discussed at a Full Committee hearing, held on November 30, 2017.

On November 30, 2017, the Committee held a hearing entitled “World Wide Threats: Keeping America Secure in the New Age of Terror.” The Committee received testimony from Hon. Elaine C. Duke, Acting Secretary, Department of Homeland Security; Hon. Christopher A. Wray, Director, Federal Bureau of Investigation, U.S. Department of Justice; ,. Nicholas J. Rasmussen, Director, The National Counterterrorism Center, Office of the Director of National Intelligence; Mr. David B. Rausch, Chief of Police, City of Knoxville, Tennessee, *testifying on behalf of the International Association of Chiefs of Police*; Rabbi Abraham Cooper, Associate Dean, Director Global Social Action Agenda, Simon Wiesenthal Center; and Mr. J. Richard Cohen, President, Southern Poverty Law Center.

COMMITTEE CONSIDERATION

The Committee met on December 13, 2017, to consider H.R. 1486, and ordered the measure to be reported to the House with a favorable recommendation, as amended, by voice vote. The Committee took the following actions:

The following amendments were offered:

An Amendment in the Nature of a Substitute offered by MR. THOMPSON of Mississippi (#1); was AGREED TO, as amended by voice vote.

An amendment offered by MR. LANGEVIN to the Amendment in the Nature of a Substitute (#1A); was AGREED TO by voice vote.

Page 2, line 18, insert “including cybersecurity resilience activities,” after “appropriate activity,”.

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto.

No recorded votes were requested during consideration of H.R. 1486.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee has held oversight hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 1486, the Securing American Non-Profit Organizations Against Terrorism Act of 2017, would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives, a cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, H.R. 1486 contains the following general performance goals and objectives, including outcome related goals and objectives authorized.

The goals and objectives of H.R. 1486 are to establish the Non-Profit Security Grant Program within the Department of Homeland Security in order to ensure that eligible non-profit organizations have available resources to implement security enhancements that will protect against terrorist attacks.

DUPLICATIVE FEDERAL PROGRAMS

Pursuant to clause 3(c) of Rule XIII, the Committee finds that H.R. 1486 does not contain any provision that establishes or reauthorizes a program known to be duplicative of another Federal program.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with Rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the Rule XXI.

FEDERAL MANDATES STATEMENT

An estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chairman of the

Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PREEMPTION CLARIFICATION

In compliance with section 423 of the Congressional Budget Act of 1974, requiring the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt State, local, or Tribal law, the Committee finds that H.R. 1486 does not preempt any State, local, or Tribal law.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that H.R. 1486 would require no directed rule makings.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short Title.

This section provides that this bill may be cited as the “Securing American Non-Profit Organizations Against Terrorism Act of 2017”.

Sec. 2. Non-Profit Security Grant Program..

This section establishes the Non-Profit Security Grant Program within the Department of Homeland Security. Under the Program, the Secretary of the Department of Homeland Security, acting through the Federal Emergency Management Agency Administrator, shall make grants to eligible nonprofit organizations through the State where the organizations are located.

This section also specifically identifies eligible recipients of the grants as 501(c)(3) organizations that are exempt from tax under 501(a) of the Internal Revenue Code that are determined to be at risk of a terrorist attack by the Administrator.

Additionally, this section authorizes the use of grants for target hardening activities, including physical security enhancement equipment and inspection and screening systems. In addition, grants can be used for fees for security training relating to physical security and cybersecurity, target hardening, terrorism awareness, employee awareness, and any other appropriate activity as determined by the Administrator.

Further, this section requires the Administrator to submit a report containing information on the expenditure by each grant recipient of grant funds made under this section annually from Fiscal

Year through Fiscal Year to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate.

In addition, this section authorizes \$50,000,000 for each year from Fiscal Year through Fiscal Year to carry out this section. Of that, \$35,000,000 is authorized for eligible recipients located in Urban Areas Security Initiative Program (UASI) jurisdictions and \$15,000,000 is authorized for eligible recipients who are not located in UASI jurisdictions.

Last, this section makes a conforming and clerical amendment to update section numbering and the table of contents in the Homeland Security Act of 2002 (Pub. L. 107–296).

This program has traditionally been funded as a carve out of funding appropriated for the Urban Area Security Initiative (UASI). In recognition of this increase in threats, this legislation expands eligibility to non-profit organizations located outside of UASI jurisdictions. H.R. 1486 divides the funding authorization between the two types of eligible applicants with \$35 million authorized for organizations in UASI jurisdictions and \$15 million for organizations outside UASI jurisdictions. In expanding eligibility, the Committee does not intend for organizations outside of UASI jurisdictions to be funded from the UASI account.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

HOMELAND SECURITY ACT OF 2002

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) 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:

* * * * *

TITLE XX—HOMELAND SECURITY GRANTS

Sec. 2001. Definitions.

Subtitle A—Grants to States and High-Risk Urban Areas

Sec. 2002. Homeland Security Grant Programs.

Sec. 2003. Urban Area Security Initiative.

Sec. 2004. State Homeland Security Grant Program.

Sec. 2005. Grants to directly eligible tribes.

Sec. 2006. Terrorism prevention.

Sec. 2007. Prioritization.

Sec. 2008. Use of funds.

Sec. 2009. *Non-profit security grant program.*

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TITLE XX—HOMELAND SECURITY GRANTS

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Subtitle A—Grants to States and High-Risk Urban Areas

SEC. 2002. HOMELAND SECURITY GRANT PROGRAMS.

(a) GRANTS AUTHORIZED.—The Secretary, through the Administrator, may award grants under [sections 2003 and 2004] *sections 2003, 2004, and 2009* 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.

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SEC. 2009. NON-PROFIT SECURITY GRANT PROGRAM.

(a) *ESTABLISHMENT.*—*There is established in the Department a program to be known as the “Non-Profit Security Grant Program” (in this section referred to as the “Program”). Under the Program, the Secretary, acting through the Administrator, shall make grants to eligible nonprofit organizations described in subsection (b), through the State in which such organizations are located, for tar-*

get hardening and other security enhancements to protect against terrorist attacks.

(b) *ELIGIBLE RECIPIENTS.*—Eligible nonprofit organizations described in this subsection (a) are organizations that are—

(1) described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code; and

(2) determined to be at risk of a terrorist attack by the Administrator.

(c) *PERMITTED USES.*—The recipient of a grant under this section may use such grant for any of the following uses:

(1) Target hardening activities, including physical security enhancement equipment and inspection and screening systems.

(2) Fees for security training relating to physical security and cybersecurity, target hardening, terrorism awareness, and employee awareness.

(3) Any other appropriate activity, including cybersecurity resilience activities, as determined by the Administrator.

(d) *PERIOD OF PERFORMANCE.*—The Administrator shall make funds provided under this section available for use by a recipient of a grant for a period of not less than 36 months.

(e) *REPORT.*—The Administrator shall annually for each of fiscal years 2018 through 2022 submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report containing information on the expenditure by each grant recipient of grant funds made under this section.

(f) *AUTHORIZATION OF APPROPRIATIONS.*—

(1) *IN GENERAL.*—There is authorized to be appropriated \$50,000,000 for each of fiscal years 2018 through 2022 to carry out this section.

(2) *SPECIFICATION.*—Of the amounts authorized to be appropriated pursuant to paragraph (1)—

(A) \$35,000,000 is authorized for eligible recipients located in jurisdictions that receive funding under section 2003; and

(B) \$15,000,000 is authorized for eligible recipients in jurisdictions not receiving funding under section 2003.

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