To amend the Homeland Security Act of 2002 to require research and development to identify and evaluate the extent to which critical domain risks within the United States supply chain pose a substantial threat to homeland security, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 2021
Mr. Katko (for himself and Mr. Thompson of Mississippi) introduced the following bill; which was referred to the Committee on Homeland Security

JUNE 1, 2021
Additional sponsors: Mr. Meijer, Ms. Slotkin, Mrs. Cammack, Mr. Pfluger, Mrs. Harshbarger, Mr. Gimenez, and Mr. Garbarino

JUNE 1, 2021
Reported from the Committee on Homeland Security; committed to the Committee of the Whole House on the State of the Union and ordered to be printed
A BILL

To amend the Homeland Security Act of 2002 to require research and development to identify and evaluate the extent to which critical domain risks within the United States supply chain pose a substantial threat to 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.

This Act may be cited as the “Domains Critical to Homeland Security Act”.

SEC. 2. CRITICAL DOMAIN RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Subtitle H of title VIII of the Homeland Security Act of 2002 (6 U.S.C. 451 et seq.) is amended by adding at the end the following new section:

“SEC. 890B. HOMELAND SECURITY CRITICAL DOMAIN RESEARCH AND DEVELOPMENT.

“(a) IN GENERAL.—

“(1) RESEARCH AND DEVELOPMENT.—The Secretary is authorized to conduct research and development to—

“(A) identify United States critical domains for economic security and homeland security; and

“(B) evaluate the extent to which disruption, corruption, exploitation, or dysfunction of any of such domain poses a substantial threat to homeland security.

“(2) REQUIREMENTS.—

“(A) RISK ANALYSIS OF CRITICAL DOMAINS.—The research under paragraph (1)
shall include a risk analysis of each identified United States critical domain for economic security to determine the degree to which there exists a present or future threat to homeland security in the event of disruption, corruption, exploitation, or dysfunction to such domain. Such research shall consider, to the extent possible, the following:

“(i) The vulnerability and resilience of relevant supply chains.

“(ii) Foreign production, processing, and manufacturing methods.

“(iii) Influence of malign economic actors.

“(iv) Asset ownership.

“(v) Relationships within the supply chains of such domains.

“(vi) The degree to which the conditions referred to in clauses (i) through (v) would place such a domain at risk of disruption, corruption, exploitation, or dysfunction.

“(B) ADDITIONAL RESEARCH INTO HIGH-RISK CRITICAL DOMAINS.—Based on the identification and risk analysis of United States crit-
ical domains for economic security pursuant to paragraph (1) and subparagraph (A) of this paragraph, respectively, the Secretary may conduct additional research into those critical domains, or specific elements thereof, with respect to which there exists the highest degree of a present or future threat to homeland security in the event of disruption, corruption, exploitation, or dysfunction to such a domain. For each such high-risk domain, or element thereof, such research shall—

“(i) describe the underlying infrastructure and processes;

“(ii) analyze present and projected performance of industries that comprise or support such domain;

“(iii) examine the extent to which the supply chain of a product or service necessary to such domain is concentrated, either through a small number of sources, or if multiple sources are concentrated in one geographic area;

“(iv) examine the extent to which the demand for supplies of goods and services of such industries can be fulfilled by
present and projected performance of other industries, identify strategies, plans, and potential barriers to expand the supplier industrial base, and identify the barriers to the participation of such other industries;

“(v) consider each such domain’s performance capacities in stable economic environments, adversarial supply conditions, and under crisis economic constraints;

“(vi) identify and define needs and requirements to establish supply resiliency within each such domain; and

“(vii) consider the effects of sector consolidation, including foreign consolidation, either through mergers or acquisitions, or due to recent geographic realignment, on such industries’ performances.

“(3) Consultation.—In conducting the research under paragraph (1) and subparagraph (B) of paragraph (2), the Secretary may consult with appropriate Federal agencies, State agencies, and private sector stakeholders.

“(4) Publication.—Beginning one year after the date of the enactment of this section, the Secretary shall publish a report containing information
relating to the research under paragraph (1) and subparagraph (B) of paragraph (2), including findings, evidence, analysis, and recommendations. Such report shall be updated annually through 2026.

“(b) SUBMISSION TO CONGRESS.—Not later than 90 days after the publication of each report required under paragraph (4) of subsection (a), the Secretary shall transmit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate each such report, together with a description of actions the Secretary, in consultation with appropriate Federal agencies, will undertake or has undertaken in response to each such report.

“(c) DEFINITIONS.—In this section:

“(1) UNITED STATES CRITICAL DOMAINS FOR ECONOMIC SECURITY.—The term ‘United States critical domains for economic security’ means the critical infrastructure and other associated industries, technologies, and intellectual property, or any combination thereof, that are essential to the economic security of the United States.

“(2) ECONOMIC SECURITY.—The term ‘economic security’ means the condition of having secure and resilient domestic production capacity, combined with reliable access to the global resources necessary
to maintain an acceptable standard of living and to
protect core national values.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There
is authorized to be appropriated $1,000,000 for each of
fiscal years 2022 through 2026 to carry out this section.”.

(b) 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
890A the following new item:

“Sec. 890B. Homeland security critical domain research and development.”.
A BILL

[Report No. 117-50]

H. R. 3264

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