

## H.R. 4470, Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2023

As reported by the House Committee on Homeland Security on July 19, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
<b>Spending Subject to Appropriation (Outlays)</b>	<b>0</b>	<b>145</b>	<b>145</b>
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	Yes
		<b>Mandate Effects</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	Yes, Under Threshold
		Contains private-sector mandate?	Yes, Under Threshold
* = between -\$500,000 and \$500,000.			

H.R. 4470 would extend the Chemical Facility Anti-Terrorism Standards (CFATS) program through July 27, 2025; the authority to carry out the current program will expire on July 27, 2023. The Consolidated Appropriations Act, 2023 provided \$74 million to run the CFATS program through the end of the current fiscal year and CBO expects that under the bill, the cost of operating the program for the last two months of the current fiscal year would be paid from that appropriation. Reauthorizing the CFATS program also would extend CISA’s authority to levy civil penalties against owners or operators of facilities that fail to comply with orders to correct deficiencies in their security plans.

Under CFATS, the Cybersecurity and Infrastructure Security Agency (CISA) regulates security at facilities that manufacture, store, or distribute any of more than 300 chemicals that could be used by terrorists to cause mass injury or death. The regulations set minimum standards for perimeter security, access control, personnel security, and cybersecurity to reduce the risk that those chemicals could be stolen, released, or sabotaged. CISA provides technical assistance and inspects regulated facilities to ensure that they meet those standards.

Based on the appropriation for 2023, CBO estimates that extending the program through July 27, 2025, would cost \$145 million; such spending would be subject to the appropriation of



the estimated amounts. Because the extension in the bill would only cover 10 months of fiscal year 2025, the costs of implementing the extension are lower in that year than the costs for 2024, which would be authorized for the full fiscal year.

The discretionary costs of the legislation, shown in Table 1, fall within budget function 050 (national defense). Outlays are based on historical spending patterns for existing or similar programs.

**Table 1.**  
**Estimated Increases in Spending Subject to Appropriation Under H.R. 4470**

	By Fiscal Year, Millions of Dollars						2023-2028
	2023	2024	2025	2026	2027	2028	
Estimated Authorization	0	77	70	0	0	0	147
Estimated Outlays	0	40	72	33	0	0	145

Amounts collected under the authority to level civil penalties would be deposited in the Treasury and recorded as revenues. Based on previous penalties levied, CBO estimates that CISA would collect less than \$500,000 over the 2023-2025 authorization period.

H.R. 4470 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) on the operators of chemical facilities. The bill would reauthorize existing security requirements, including vulnerability assessments and site security plans, under the CFATS program. Because chemical facilities are already subject to those mandates, the cost to comply with the reauthorization would be small. CBO estimates that the cost of the mandates would fall below the annual intergovernmental and private-sector thresholds established in UMRA (\$99 million and \$198 million in 2023, respectively, adjusted annually for inflation).

The CBO staff contacts for this estimate are Aldo Prospero (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

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