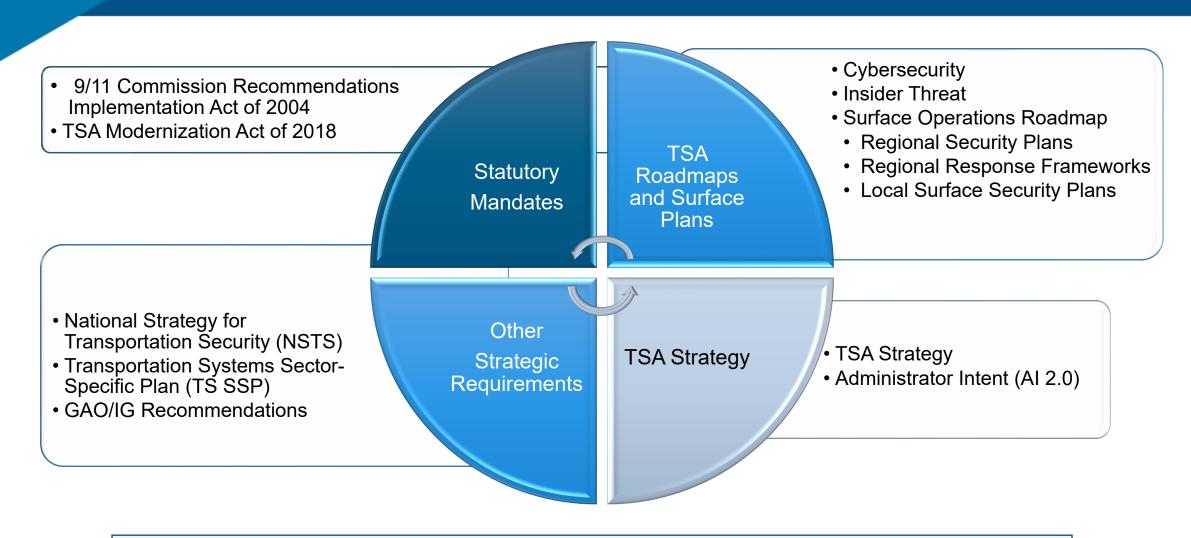


Surface Operations: Why We are Here

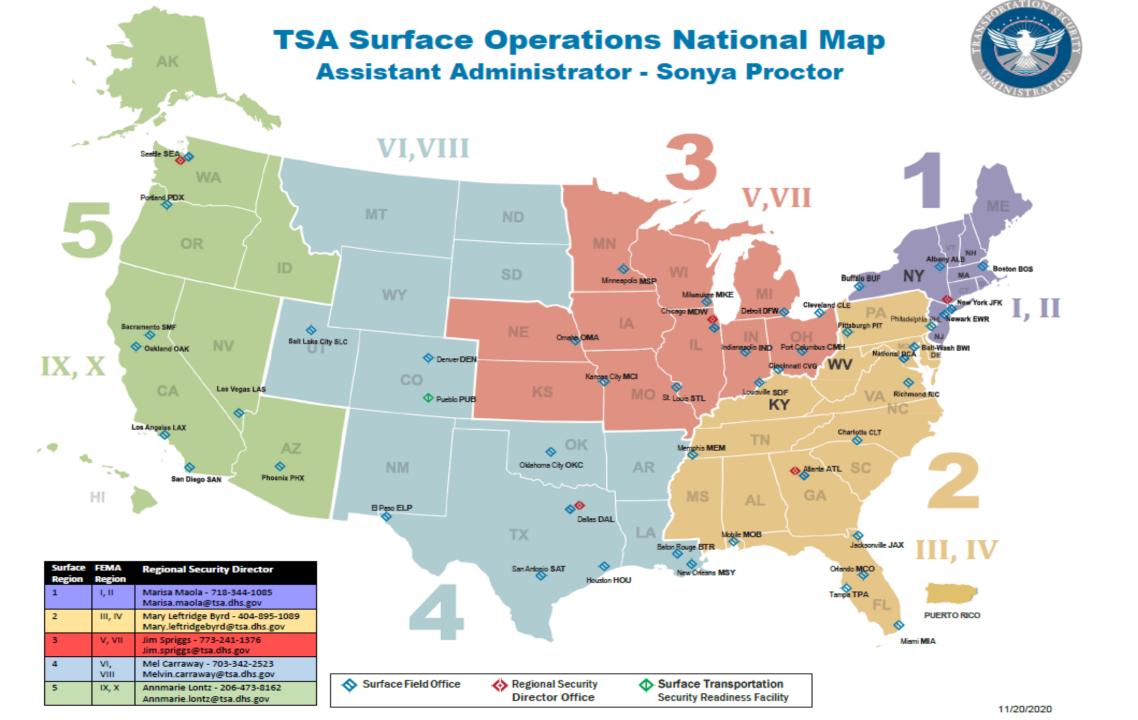


- The enactment of H.R. 302, which included the TSA Modernization Act, included a provision aimed to consolidate all operational surface transportation security activities
- Prior to H.R. 302, surface transportation security operational activities were split across several components of TSA
- H.R. 302 directs the TSA Administrator to appoint an individual, reporting directly to the Administrator or the Administrator's designated direct report, to be responsible and accountable for surface transportation security operations and training:
- Conduct security systems assessments
- Review and prioritize surface transportation security grants projects
- Ensure operator compliance with regulations and voluntary standards
- Workforce training and development programs, and other specialized programs designed to secure surface transportation

Surface Operations: Guided Approach

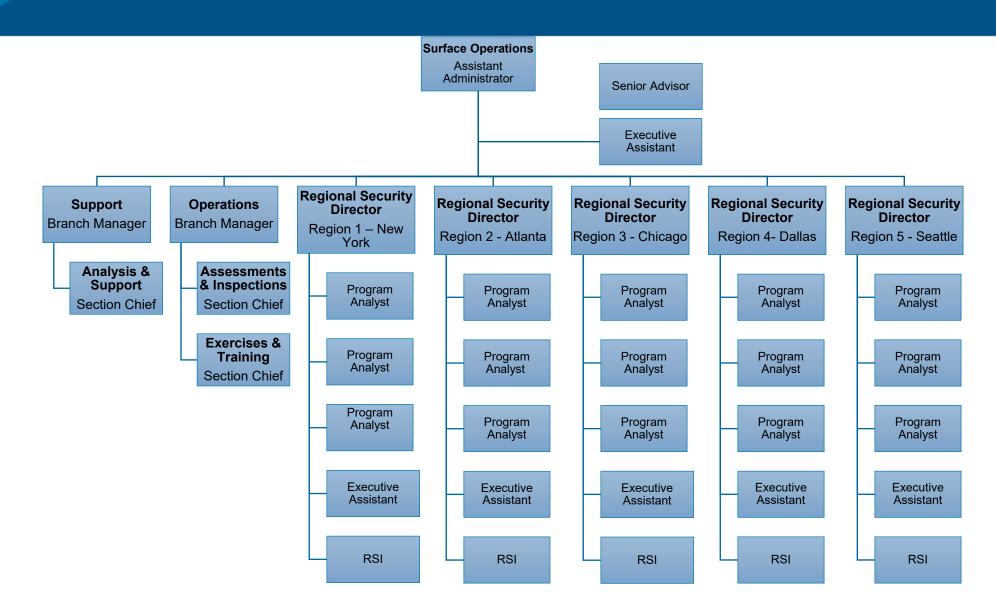


Aviation and Transportation Security Act (ATSA), Public Law 107-11, 115 Stat. 591 (2001)



Surface Operations Organizational Chart

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Surface Operations: How We Achieve Our Mission

- We have spent years cultivating a culture of trust,
 collaboration and partnership with industry
 - Very few regulations for surface transportation security
 - Cooperative approach to industry adoption of security measures
- Because of our industry relationships, mutual trust and respect, our stakeholders use their own resources to voluntarily adopt security measures and programs to achieve TSA security priorities



Surface Operations Responsibilities

Regulatory Oversight

TSA's exercise of oversight of surface transportation security regulations, implemented by trained TSA Transportation Security Inspectors (TSIs), who have authority to utilize a variety of civil enforcement tools to achieve required compliance.

Structured Oversight

TSA exercises security oversight by assessing industry's adoption and adherence to a set of agreed upon non-regulatory guidelines, security action items or other security measures. Those items have been developed in conjunction with industry partners and have been agreed to by industry associations. These non-regulatory assessments may be carried out by Transportation Security Inspectors (TSIs) or other TSA personnel who are trained to conduct audits or assessments. Assessments are designed to assess industry's adherence to a set of previously agreed upon non-regulatory guidelines, security action items or other security measures and encourage owners/operators to increase their adherence to guidelines, security action items or other security measures through consultation and follow-up visits.

Structured Oversight is not an entirely new process. TSA has conducted oversight activities of surface transportation entities for over a decade through the assessment of industry adoption and <u>implementation of guidelines</u> and other security measures.

Chemical Security-Related Activities

TSA Rail Security Program

• TSA regulates freight railroad carriers and rail operators at certain, fixed-site facilities that ship or receive (in High Threat Urban Areas) specified hazardous materials by rail.

Key Regulatory Requirements:

- Designation of Primary and Alternate Rail Security Coordinator (49 CFR 1570.201)
- Report significant security concerns to TSA (49 CFR1570.203)
- Location and Shipping Information (49 CFR1580.203)
- Covered facilities implement chain of custody requirements of specified hazardous materials exchanged. (49 CFR1580.205)
- Regulated carriers must submit a security training program to TSA. (49 CFR Parts 1580.115, 1582.115, and 1584.115 for details).

Non-Regulatory Requirements:

Risk Reduction Surveys are based on voluntary security measures that have been coordinated amongst the
freight rail entities across all High Threat Urban Areas (HTUA) to verify Toxic Inhalation Cars (TIH) are placed
or positioned in a location that is within a reasonable proximity of a railroad employee to detect unlawful
interference with car(s).

Chemical Security-Related Activities

TSA Pipeline Security Program

• TSA administers a structured oversight approach to enhance the security preparedness of the nation's hazardous liquid and natural gas pipeline systems.

Key Structured Oversight Requirements:

- TSA issued Pipeline Security Guidelines (March 2018) which are applicable to:
 - · operational natural gas and hazardous liquid transmission pipeline systems,
 - natural gas distribution pipeline systems, and liquefied natural gas facility operators.
 - operational pipeline systems that transport materials categorized as toxic inhalation hazards (TIH).
- TSA Pipeline Security Guidelines addresses both physical and cyber elements of security.
- Security measures outlined within the Pipeline Security Guidelines provide the basis for TSA's voluntary security reviews:
 - Pipeline Security Program Corporate Security Reviews
 - Critical Facility Security Reviews

Surface Operations



