



2008 National Ag Safety School

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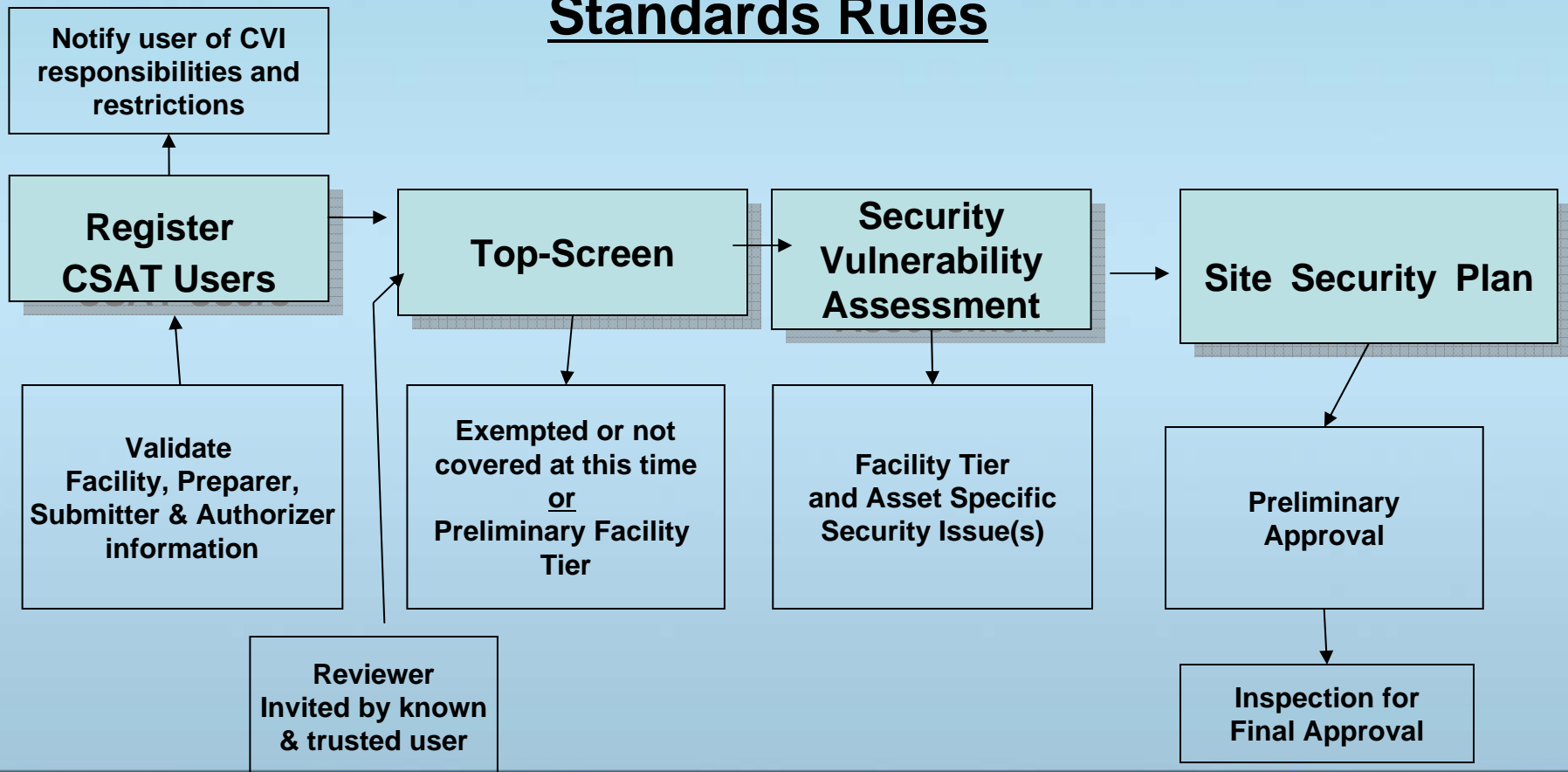


Agricultural Retailers Association (ARA)

- ARA is a member, dues supported trade association representing the interests of the nation's agricultural retailers and distributors on federal Issues in Washington, D.C.
 - 400 Members and growing (about 6,500 locations) representing 70 to 75% of all the Ag retail and distribution in the U.S.
 - 5 registered Lobbyists, 2 In-House Counsel
 - ARA is a member of DHS Chemical Sector Coordinating Council



Overview of DHS Chemical Facilities Anti-Terrorism Standards Rules





DHS Chemical Facility Anti-Terrorism Standards (CFATS) Regulations

- Top-Screen Submission Deadline – Jan. 22, 2008
- DHS has issued Preliminary Tiering letters to just over 7,000 facilities. Some Ag retailer and distributor facilities included in this list.
- Tier 1 represents highest risk facilities while Tier 4 is lowest risk of all facilities covered by CFATS.
- Next Step – Complete SVA, submit to DHS by deadline included in facility's tiering notification letter.



Chemical-terrorism Vulnerability Information (CVI)

- A facility should safeguard all sensitive security information related to the DHS CFATS rules.
- Only employees with a “need to know” should handle CFATS related information and should receive proper CVI training and certification from DHS.
- The improper use or disclosure of this information could be exploited by terrorists to attack these facilities or target them for theft or diversion of materials of concern.
- DHS expects that consultants who assist facilities in complying with CFATS regulations are CVI trained and certified.



DHS Preliminary Tiering Letter

DHS Tiering letter to a “high-risk” facility includes:

- Preliminary facility tier (1-4)
- Chemicals at the facility to address in the SVA
- Security issue associated with the identified chemical(s)
- Deadline to submit Security Vulnerability Assessment (SVA)



Approximate deadlines for “high risk” facilities to submit an SVA to DHS in 2008 –

- 90 days for Tier 1 facilities (on or around Sept. 25)
- 120 days for Tier 2 facilities (on or around Oct. 24)
- 150 days for Tier 3 facilities (on or around Nov. 24)
- 180 days for Tier 4 facilities (December 31).



Security Vulnerability Assessment (SVA)

- Asset Characterization: assets associated with chemicals identified in the post Top-Screen letter
- Threat Characterization: specific scenarios prescribed by CSAT
- Consequence Analysis: potential consequence of scenarios against identified assets
- Vulnerability Analysis: security measures in place to mitigate or reduce the likelihood of success of an attack on an asset
- Cyber vulnerability assessment included



SVA Report

- Informs facility of final tiering level based on highest risk critical asset and potential consequences (release/theft/sabotage)
- Includes CVI protected letter which defines next steps required by the facility
- Information in post-SVA letter should be used by facility to assist in the development of Site Security Plan (SSP)



Alternative Security Program

- Tier 4 facilities can submit an Alternative Security Program (ASP)
- Asmark Security Vulnerability Assessment (SVA) program meets methodology approved by DHS and can be submitted by Tier 4 facilities
- Asmark SVA must be in PDF form and submitted through the DHS CSATS website. Need to answer DHS questions that ASP meets DHS criteria before you can upload PDF.



Site Security Plan (SSP)

- All critical assets in the post-SVA letter must be addressed in the SSP
- All security measures in place or planned to achieve the applicable Risk Based Performance Standards (RBPS)
- The security measures needed to satisfy the RBPS for each covered facility correspond to the security risks presented by the facility.
- Facilities that present a higher risk will be required to meet more rigorous RBPS.
- Review of SSPs will be prioritized by DHS based upon SVA results and final tiering level
- Facilities may upload ASPs for consideration



Risk Based Performance Standards

1. Restrict Area Perimeter
2. Secure Site Assets
3. Screen and Control Access
4. Deter, Detect, and Delay
5. Shipping, Receipt, and Storage
6. Theft and Diversion
7. Sabotage
8. Cyber Security
9. Response
10. Monitoring
11. Training
12. Personnel Surety
13. Elevated Threats
14. Specific Threats, Vulnerabilities, or Risks
15. Reporting of Significant Security Incidents
16. Significant Security Incidents and Suspicious Activities
17. Designated Security Officials and Organization
18. Maintaining Records
19. Address any specific performance standards the Assistant Secretary may specify



Permanent Chemical Security Legislation

- Congress considering permanent legislation – HR 5577.
- DHS CFATS authority expires Sept. 30, 2009.
- Environmental groups pushing for more stringent rules – seek Inherently Safer Technology (IST) mandate.
- IST mandate would jeopardize availability of products such as anhydrous ammonia and ammonium nitrate.



- www.dhs.gov/chemicalsecurity
- CSAT Helpline, 866-323-2957
Monday-Friday 7:00 a.m. – 7:00 p.m., Eastern Time
Not open on federal holidays
- Request a consultation if you have specific questions about a chemical, your facility or security vulnerability



Homeland Security





AGRICULTURAL CHEMICALS SECURITY CREDIT

- Enacted on May 22, 2008 as part of the 2008 Farm Bill (P.L. 110-234) - expires December 31, 2012
- Agricultural retailers, distributors and other eligible agribusinesses.
- Credit to offset increased security costs from federal government regulations and efforts to safeguard specified agricultural fertilizer and pesticides
- Senator Pat Roberts (R-KS), member of Finance Committee, sponsor of provision included in farm bill.
- ARA led initiative supported by coalition of national and state agribusinesses



AG CHEMICAL SECURITY CREDIT

Eligible Businesses:

- 1) Retailers selling specified agricultural products to farmers and ranchers.
- 2) Manufactures, formulates, distributors, or aerially applying specified agricultural chemicals.

Facility Limitation:

30% Tax credit of aggregate amount up to 100,000 per facility.

Company Annual Limit:

\$2 million in tax credits in a given tax year.



New Technologies Being Developed to Combat Terrorism





QUESTIONS / COMMENTS?

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