

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 7274
OFFERED BY MR. COMER OF KENTUCKY**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Federal Acquisition
3 Security Council Improvement Act”.

**4 SEC. 2. CHANGES WITH RESPECT TO THE FEDERAL ACQUI-
5 SITION SECURITY COUNCIL.**

6 (a) DEFINITION OF SOURCE OF CONCERN, COVERED
7 SOURCE OF CONCERN, RECOMMENDED ORDER, AND DES-
8 IGNATED ORDER.—Section 1321 of title 41, United States
9 Code, is amended—

10 (1) by redesignating paragraphs (5) through
11 (8) as paragraphs (7) through (10);

12 (2) by inserting after paragraph (4) the fol-
13 lowing:

14 “(5) COVERED SOURCE OF CONCERN.—The
15 term ‘covered source of concern’ means a source of
16 concern that is specifically designated as a ‘covered
17 source of concern’ by a statute that states that such
18 designation is for the purposes of this subchapter.

1 “(6) DESIGNATED ORDER.—The term ‘des-
2 ignated order’ means an order described under sec-
3 tion 1323(c)(3).”; and

4 (3) by adding at the end the following:

5 “(11) RECOMMENDED ORDER.—The term ‘rec-
6 ommended order’ means an order recommended
7 under section 1323(c)(2).

8 “(12) SOURCE OF CONCERN.—

9 “(A) IN GENERAL.—The term ‘source of
10 concern’ means a source—

11 “(i) subject to the jurisdiction, direc-
12 tion, or control of the government of a for-
13 eign adversary, or operates on behalf of
14 the government of a foreign adversary; or

15 “(ii) that poses a risk to the national
16 security of the United States based on col-
17 laboration with, whole or partial ownership
18 or control by, or being affiliated with a
19 military, internal security force, or intel-
20 ligence agency of a foreign adversary.

21 “(B) FOREIGN ADVERSARY DEFINED.—In
22 this paragraph, the term ‘foreign adversary’ has
23 the meaning given the term ‘covered nation’ in
24 section 4872(d) of title 10.”.

1 (b) ESTABLISHMENT AND MEMBERS OF COUNCIL.—
2 Section 1322 of title 41, United States Code, is amend-
3 ed—

4 (1) in subsection (a), by striking “executive
5 branch” and inserting “Executive Office of the
6 President”;

7 (2) in subsection (b)—

8 (A) by amending paragraph (1) to read as
9 follows:

10 “(1) IN GENERAL.—The members of the Coun-
11 cil shall be as follows:

12 “(A) The Administrator for Federal Pro-
13 curement Policy.

14 “(B) The Deputy Director for Manage-
15 ment of the Office of Management and Budget.

16 “(C) The following officials, each of whom
17 shall occupy a position at the level of Assistant
18 Secretary or Deputy Assistant Secretary (or
19 equivalent):

20 “(i) Two officials from the Office of
21 the Director of National Intelligence, one
22 of which shall be from the National Coun-
23 terintelligence and Security Center.

1 “(ii) Two officials from the Depart-
2 ment of Defense, one of which shall be one
3 from the National Security Agency.

4 “(iii) Two officials from the Depart-
5 ment of Homeland Security, one of which
6 shall be one from the Cybersecurity and
7 Infrastructure Security Agency.

8 “(iv) An official from the General
9 Services Administration.

10 “(v) An official from the Office of the
11 National Cyber Director.

12 “(vi) Two officials from the Depart-
13 ment of Justice, one of which shall be one
14 from the Federal Bureau of Investigation.

15 “(vii) Two officials from the Depart-
16 ment of Commerce, one of which shall be
17 from the National Institute of Standards
18 and Technology and one of which shall be
19 from the Bureau of Industry and Security.

20 “(viii) An official from any executive
21 agency not listed under clauses (i) through
22 (vii) whose temporary or permanent par-
23 ticipation is determined by the Chairperson
24 of the Council to be necessary to carry out
25 the functions of the Council while main-

1 taining the intended balance in subject
2 matter expertise.”; and

3 (B) in paragraph (2)—

4 (i) in the heading, by striking “LEAD
5 REPRESENTATIVES” and inserting “MEM-
6 BERS”;

7 (ii) by amending subparagraph (A)(i)
8 to read as follows:

9 “(i) IN GENERAL.—The head of each
10 executive agency listed under paragraph
11 (1)(C) shall designate the official or offi-
12 cials from that agency who shall serve on
13 the Council in accordance with such para-
14 graph.”;

15 (iii) by amending subparagraph
16 (A)(ii) to read as follows:

17 “(ii) REQUIREMENTS.—To the extent
18 feasible, any official designated under
19 clause (i) shall have expertise in supply
20 chain risk management, acquisitions, law,
21 or information and communications tech-
22 nology.”;

23 (iv) by amending subparagraph (B) to
24 read as follows:

1 “(B) FUNCTIONS.—A member of the
2 Council shall—

3 “(i) regularly participate in the activi-
4 ties of the Council;

5 “(ii) ensure that any information re-
6 quested by the Council from the agency
7 represented by the member is provided to
8 the Council; and

9 “(iii) ensure that the head of the
10 agency represented by the member and
11 other appropriate personnel of the agency
12 are aware of the activities of the Council.”;

13 (3) in subsection (c)—

14 (A) by amending paragraph (1) to read as
15 follows:

16 “(1) IN GENERAL.—The President shall a des-
17 ignate a member of the Council to serve as Chair-
18 person of the Council.”; and

19 (B) in paragraph (2)—

20 (i) in subparagraph (B), by striking

21 “(b)(1)(H)” and inserting

22 “(b)(1)(C)(viii)”;

23 (ii) in subparagraph (C), by striking

24 “lead representative of each agency rep-

1 resented on the Council” and inserting
2 “members of the Council”; and

3 (4) in subsection (d)—

4 (A) by striking “The Council” and insert-
5 ing the following:

6 “(1) COUNCIL MEETINGS.—The Council”; and

7 (B) by adding at the end the following:

8 “(2) OTHER MEETINGS.—The Chairperson of
9 the Council shall meet, not less frequently than
10 semiannually, with—

11 “(A) the Secretary of Homeland Security,
12 Secretary of Defense, and Director of National
13 Intelligence; or

14 “(B) in the case that any of the officials
15 under subparagraph (A) delegated authority to
16 an official under section 1323(c)(6)(C), with
17 the delegated official.”.

18 (c) FUNCTIONS AND AUTHORITIES.—Section 1323 of
19 title 41, United States Code is amended—

20 (1) in subsection (a)—

21 (A) by striking “supply chain” each place
22 it appears and inserting “acquisition security
23 and supply chain”;

1 (B) in paragraph (1), as amended by sub-
2 paragraph (A), by striking “, particularly” and
3 inserting “that arise”;

4 (C) in paragraph (2), as amended by sub-
5 paragraph (A), by inserting “associated with
6 the acquisition and use of covered articles”
7 after “risk”;

8 (D) in paragraph (6), as amended by sub-
9 paragraph (A)—

10 (i) by striking “posed by” and insert-
11 ing “associated with”; and

12 (ii) by inserting “and use” before “of
13 covered articles”;

14 (E) in paragraph (7), by striking “posed
15 by acquisitions” and inserting “associated with
16 the acquisition”;

17 (F) by redesignating paragraph (7) as
18 paragraph (12); and

19 (G) by inserting after paragraph (6) the
20 following:

21 “(7) Implementing a prioritization scheme for
22 evaluating the security risks associated with the ac-
23 quisition and use of covered articles provided or pro-
24 duced by a covered source of concern.

1 “(8) Evaluating each covered source of concern
2 to determine whether to issue a designated order
3 with respect to the covered source of concern or a
4 covered article produced or provided by the covered
5 source of concern.

6 “(9) Evaluating sources of concern to determine
7 whether to issue a recommended order with respect
8 to the source of concern, or any covered article pro-
9 duced or provided by the source of concern.

10 “(10) Monitoring and evaluating compliance by
11 the Secretary of Homeland Security, Secretary of
12 Defense, and Director of National Intelligence with
13 the requirement to issue designated orders under
14 subsection (c)(6)(B).

15 “(11) Reporting to Congress annually on the
16 security risks associated with the acquisition and use
17 of covered articles produced or provided by sources
18 of concern.”;

19 (2) in subsection (b)—

20 (A) by striking “The Council” and insert-
21 ing the following:

22 “(1) IN GENERAL.—The Council”; and

23 (B) in paragraph (1), as so redesignated,
24 by striking “a program office and”; and

25 (C) by adding at the end the following:

1 “(2) FEDERAL ACQUISITION SECURITY COUNCIL
2 PROGRAM OFFICE.—

3 “(A) ESTABLISHMENT.—The President
4 shall establish a Federal Acquisition Security
5 Council Program Office (referred to in this
6 paragraph as the ‘Program Office’) within the
7 Executive Office of the President to carry out
8 the duties described under subparagraph (B).

9 “(B) DUTIES.—The Program Office shall
10 provide to the Council, including any commit-
11 tees, working groups, or other constituent bod-
12 ies established by the Council under paragraph
13 (1)—

14 “(i) administrative, legal, and policy
15 support; and

16 “(ii) analysis and subject matter ex-
17 pertise on information communications
18 technology, acquisition security, and supply
19 chain risk.

20 “(C) STRUCTURE.—The head of the Pro-
21 gram Office shall be designated by the Chair-
22 person of the Council.

23 “(D) PROHIBITION.—The Program Office
24 may not provide administrative support to the
25 Council for any activities of the Council carried

1 out pursuant to a provision of law other than
2 a provision of law under this subchapter.

3 “(E) FUNDING AND RESOURCES.—The
4 Program Office may use the staff and resources
5 of the Executive Office of the President or
6 maintain dedicated staff and resources, as ap-
7 propriate, in the performance of the duties of
8 the Office.

9 “(F) SHARED STAFFING AUTHORITY.—

10 “(i) IN GENERAL.—The Program Of-
11 fice may accept officers or employees of
12 the United States or members of the
13 Armed Forces on a detail from an element
14 of the intelligence community (as such
15 term is defined in section 3 of the National
16 Security Act of 1947 (50 U.S.C. 3003)) or
17 from another element of the Federal Gov-
18 ernment on a nonreimbursable basis, as
19 jointly agreed to by the heads of the receiv-
20 ing and detailing elements, for a period not
21 to exceed three years.

22 “(ii) RULE OF CONSTRUCTION.—
23 Nothing in this subparagraph may be con-
24 strued as imposing any limitation on any

1 other authority for reimbursable or nonre-
2 imburseable details.

3 “(iii) NONREIMBURSABLE DETAIL.—A
4 nonreimbursable detail made under this
5 subparagraph shall not be considered an
6 augmentation of the appropriations of the
7 receiving element of the Program Office.”;

8 (3) in subsection (c)—

9 (A) in paragraph (1)—

10 (i) in the matter preceding subpara-
11 graph (A), by striking “supply chain risk”
12 and inserting “acquisition security and
13 supply chain risk associated with the ac-
14 quisition of covered articles”;

15 (ii) in subparagraph (A), by inserting
16 “recommended” before “exclusion orders”;

17 (iii) in subparagraph (B), by inserting
18 “recommended” before “removal orders”;

19 (iv) in subparagraph (C), by striking
20 “; and” and inserting a semicolon;

21 (v) in subparagraph (D), by striking
22 the period at the end and inserting “;
23 and”; and

24 (vi) by adding at the end the fol-
25 lowing:

- 1 “(E) issuing designated orders.”;
- 2 (B) in paragraph (2)—
- 3 (i) in the heading, by striking “REC-
- 4 OMMENDATIONS” and inserting “REC-
- 5 OMMENDED ORDERS”;
- 6 (ii) by striking “use” and inserting “,
- 7 using”;
- 8 (iii) by striking “subsection (a)(3)”
- 9 and inserting “subsection (a)(4)”;
- 10 (iv) by striking “to issue recommenda-
- 11 tions” and inserting “, recommend or-
- 12 ders”;
- 13 (v) by striking “Such recommenda-
- 14 tions” and inserting “Any such order rec-
- 15 ommended”;
- 16 (vi) by inserting “to the officials de-
- 17 scribed under clause (iii) of paragraph
- 18 (6)(A) for issuance under such paragraph”
- 19 after “thereof,”;
- 20 (vii) in subparagraph (D), by striking
- 21 “supply chain risk” and inserting “acquisi-
- 22 tion security and supply chain risk associ-
- 23 ated with the acquisition of covered arti-
- 24 cles”; and

1 (viii) in subparagraph (E), by striking
2 “exclusion or removal”;

3 (C) by redesignating paragraphs (3)
4 through (7) as paragraphs (4) through (8);

5 (D) by inserting after paragraph (2) the
6 following:

7 “(3) DESIGNATED ORDERS.—

8 “(A) EXCLUSION OR REMOVAL OF COV-
9 ERED SOURCES OF CONCERN.—

10 “(i) IN GENERAL.—Not later than
11 270 days after a source of concern is des-
12 igned as a covered source of concern, the
13 Council—

14 “(I) shall provide to the officials
15 described under clause (iii) of para-
16 graph (6)(B) for issuance under such
17 paragraph orders requiring—

18 “(aa) the exclusion of the
19 covered source of concern from
20 any executive agency procure-
21 ment action, including source se-
22 lection and consent for a con-
23 tractor; or

24 “(bb) the removal of covered
25 articles produced or provided by

1 the covered source of concern
2 from the information system of
3 executive agencies; or

4 “(II) report to Congress why the
5 Council has determined to not issue
6 an order described under subclause (I)
7 with respect to the covered source of
8 concern or covered articles produced
9 or provided by the covered source of
10 concern.

11 “(ii) CONTENTS OF ORDER.—Any
12 order provided under clause (i) shall in-
13 clude—

14 “(I) information regarding the
15 scope and applicability of the order,
16 including any information necessary
17 to positively identify the covered
18 source of concern or covered articles
19 produced or provided by the covered
20 source of concern required to be ex-
21 cluded or removed under the order;

22 “(II) a summary of any risk as-
23 sessment reviewed or conducted in
24 support of the order;

1 “(III) a summary of the basis for
2 the order, including a discussion of
3 less intrusive measures that were con-
4 sidered and why such measures were
5 not reasonably available to reduce se-
6 curity risk;

7 “(IV) a description of the actions
8 necessary to implement the order; and

9 “(V) where practicable, in the
10 Council’s sole and unreviewable dis-
11 cretion, a description of mitigation
12 steps that could be taken by the cov-
13 ered source of concern that may result
14 in the Council rescinding the order.

15 “(B) EXCLUSION OR REMOVAL OF SECOND
16 ORDER SOURCES OR COVERED ARTICLES.—

17 “(i) ISSUANCE.—In the case that the
18 Council provides an order under subpara-
19 graph (A), the Council may also provide an
20 order to the officials described under para-
21 graph (6)(A)(iii) requiring the exclusion of
22 sources or covered articles from executive
23 agency procurement actions or removal of
24 covered articles from executive agency in-
25 formation systems if—

1 “(I) such covered articles or such
2 sources use a covered source of con-
3 cern in the performance of a contract
4 with the executive agency; or

5 “(II) such sources enter into a
6 contract, the performance of which
7 such source knows or has reason to
8 believe will require, in the perform-
9 ance of a contract with the executive
10 agency, the use of a covered source of
11 concern or the use of a covered article
12 produced or provided by a covered
13 source of concern.

14 “(ii) EFFECTIVE DATE CONSIDER-
15 ATIONS.—Any effective date prescribed by
16 the Council for an order issued pursuant
17 to clause (i) shall take into account—

18 “(I) the risk posed by the covered
19 source of concern or the covered arti-
20 cle produced or provided by the cov-
21 ered source of concern to the national
22 security of the United States;

23 “(II) the likelihood of the covered
24 source of concern or the covered arti-
25 cle produced or provided by the cov-

1 ered source of concern causing immi-
2 nent threat to public health and safe-
3 ty;

4 “(III) the availability of an alter-
5 native source or covered article pro-
6 duced or provided by an alternative
7 source; and

8 “(IV) an assessment of the po-
9 tential direct or quantifiable costs
10 that may be incurred by the Federal
11 Government, a State, local, or Tribal
12 government, or by the private sector,
13 as a result of compliance by the head
14 of an executive agency with such an
15 exclusion or removal order.”;

16 (E) in paragraph (4), as so redesignated—

17 (i) in the heading, by striking “OF
18 RECOMMENDATION AND REVIEW” and in-
19 serting “AND REVIEW OF RECOMMENDED
20 AND DESIGNATED ORDERS”;

21 (ii) by striking “ the recommenda-
22 tion” each place the term appears, and in-
23 serting “ the order”;

24 (iii) in the matter preceding subpara-
25 graph (A), by striking “A notice of the

1 Council’s recommendation under para-
2 graph (2)” and inserting “Before the
3 Council recommends an order under para-
4 graph (2) or issues an order under para-
5 graph (3), a notice”;

6 (iv) in subparagraph (A), by striking
7 “a recommendation has been made” and
8 inserting “the order will be recommended
9 or issued”;

10 (v) in subparagraph (D), by striking
11 “paragraph (5)” and inserting “paragraph
12 (6)”;

13 (vi) by inserting a new subparagraph
14 to read as follows:

15 “(F) Until an order is issued pursuant to
16 paragraph (6), information collected under this
17 paragraph shall be exempt from public disclo-
18 sure and shall be exempt from disclosure under
19 section 552(b)(3)(B) of title 5, United States
20 Code (commonly referred to as the ‘Freedom of
21 Information Act’).”;

22 (F) in paragraph (5), as so redesignated—

23 (i) by striking “paragraph (3)” and
24 inserting “paragraph (4)”;

1 (ii) in subparagraph (A), by striking
2 “paragraph (5)” and inserting “paragraph
3 (6)”; and

4 (iii) in subparagraph (B), by striking
5 “paragraph (6)” and inserting “paragraph
6 (7)”;

7 (G) in paragraph (6), as so redesignated—

8 (i) by amending subparagraph (A) to
9 read as follows:

10 “(A) ISSUANCE OF RECOMMENDED OR-
11 DERS.—

12 “(i) MODIFICATIONS TO ORDER.—
13 After considering any response properly
14 submitted by a source under paragraph (4)
15 related to an order to be recommended
16 under paragraph (2), the Council shall—

17 “(I) make such modifications to
18 the order as the Council considers ap-
19 propriate; and

20 “(II) provide the order (together
21 with any information submitted by a
22 source under paragraph (4) related to
23 such order) to the officials described
24 under clause (iii).

1 “(ii) ORDER.—Not later than 90 days
2 after receiving a recommended order, the
3 officials described under clause (iii) shall—

4 “(I) issue the order to the heads
5 of the applicable agencies; or

6 “(II) submit a notification to the
7 Council that the order will not be
8 issued, that includes in the notifica-
9 tion to the Council, all the reasons for
10 why the order will not be issued.

11 “(iii) OFFICIALS.—The officials de-
12 scribed in this clause are as follows:

13 “(I) The Secretary of Homeland
14 Security, for exclusion and removal
15 orders applicable to civilian agencies,
16 to the extent not covered by subclause
17 (II) or (III).

18 “(II) The Secretary of Defense,
19 for exclusion and removal orders ap-
20 plicable to the Department of Defense
21 and national security systems other
22 than sensitive compartmented infor-
23 mation systems.

24 “(III) The Director of National
25 Intelligence, for exclusion and removal

1 orders applicable to the intelligence
2 community and sensitive compart-
3 mented information systems, to the
4 extent not covered by subclause (II).”;

5 (ii) by redesignating subparagraphs
6 (B) through (E) as subparagraphs (C)
7 through (F), respectively;

8 (iii) by inserting after subparagraph
9 (A) the following:

10 “(B) ISSUANCE OF DESIGNATED ORDER.—

11 “(i) MODIFICATIONS.—After consid-
12 ering any response properly submitted by a
13 source under paragraph (4) related to a
14 designated order, the Council shall—

15 “(I)(aa) make any such modifica-
16 tions to the order as the Council con-
17 siders appropriate; or

18 “(bb) if the Council deter-
19 mines that the issuance of a des-
20 ignated order is not warranted,
21 rescind the designated order and
22 notify the source of the rescis-
23 sion; and

24 “(II) except in the case that the
25 Council rescinds the designated order

1 under subclause (I)(bb), provide the
2 designated order (including any modi-
3 fications made to such order by the
4 Council) to the officials described in
5 clause (iii).

6 “(ii) ISSUANCE.—The officials de-
7 scribed in clause (iii) shall, not later than
8 90 days after receiving a designated order,
9 issue the order to the heads of the applica-
10 ble agencies.

11 “(iii) OFFICIALS.—The officials de-
12 scribed in this clause are as follows:

13 “(I) The Secretary of Homeland
14 Security, for exclusion and removal
15 orders applicable to civilian agencies,
16 to the extent not covered by subclause
17 (II) or (III).

18 “(II) The Secretary of Defense,
19 for exclusion and removal orders ap-
20 plicable to the Department of Defense
21 and national security systems other
22 than sensitive compartmented infor-
23 mation systems.

24 “(III) The Director of National
25 Intelligence, for exclusion and removal

1 orders applicable to the intelligence
2 community and sensitive compart-
3 mented information systems, to the
4 extent not covered by subclause (II).

5 “(iv) WAIVER.—An official described
6 under clause (iii) may waive for a period of
7 not more than 365 days the application of
8 an order issued by such official under
9 clause (ii) with respect to a covered source
10 of concern or a covered article produced or
11 provided by a covered source of concern if
12 the official submits, not later than 30 days
13 after making such waiver, a written notifi-
14 cation to the Council, appropriate congres-
15 sional committees, and leadership that con-
16 tains the justification for such waiver.

17 “(v) RENEWAL OF WAIVER.—An offi-
18 cial described under clause (iii) may renew
19 a waiver under clause (iv) for an additional
20 period of not more than 180 days if—

21 “(I) the renewal of the waiver is
22 in the national security interests of
23 the United States; and

24 “(II) the official submits, not
25 later than 30 days after renewing

1 such waiver, a written notification to
2 the Council, appropriate congressional
3 committees, and leadership that in-
4 cludes the justification for renewing
5 the wavier.

6 “(vi) NATIONAL SECURITY WAIVER.—
7 An official described under clause (iii) may
8 waive the application of an order issued by
9 such official under clause (ii) with respect
10 to a covered source of concern or a covered
11 article produced or provided by a covered
12 source of concern for any activity subject
13 to the reporting requirements under title V
14 of the National Security Act of 1947 (50
15 U.S.C. 3091 et seq.) or any authorized in-
16 telligence activities of the United States.

17 “(vii) RESCISSION OF ORDER.—An ex-
18 clusion or removal order issued under this
19 subparagraph by an official may be re-
20 scinded only by the Council.”.

21 (iv) in subparagraph (C), as so reded-
22 ignated—
23 (I) by striking “subparagraph
24 (A)” and inserting “subparagraph
25 (A)(iii) or (B)(iii)”;

1 (II) by striking “this subpara-
2 graph” and inserting “subparagraph
3 (A)(iii) or (B)(iii)”; and

4 (III) by striking “, except” and
5 all that follows before the period at
6 the end;

7 (v) in subparagraph (D), as so redes-
8 ignated—

9 (I) by striking “this paragraph”
10 and inserting “subparagraph (A)(iii)
11 or (B)(iii)”; and

12 (II) by striking “help”;

13 (vi) in subparagraph (E), as so redes-
14 ignated, by striking “this paragraph” and
15 inserting “subparagraph (A)”; and

16 (vii) by adding after subparagraph
17 (F), as so redesignated, the following:

18 “(G) EFFECTIVE DATE OF ORDERS.—The
19 effective date of an order issued under this
20 paragraph may not be more than 365 days
21 after the order is issued.”;

22 (H) in paragraph (7), as so redesignated,
23 by striking “paragraph (5)(A)” and inserting
24 “subparagraph (A) or (B) of paragraph (6)”;
25 and

1 (I) in paragraph (8), as so redesignated,
2 by striking “paragraph (5)” and inserting
3 “paragraph (6)”;

4 (4) in subsection (e), by inserting “the Chief
5 Data Officers Council,” before “the Chief Acquisi-
6 tion”; and

7 (5) in subsection (f)(2), by striking the period
8 at the end and inserting “unless such source is spe-
9 cifically designated by statute as a covered source of
10 concern for the purposes of this subchapter.”.

11 (d) STRATEGIC PLAN.—Section 1324(a) of title 41,
12 United States Code, is amended—

13 (1) by inserting “, and periodically thereafter”
14 after “2018”;

15 (2) in the matter preceding paragraph (1), by
16 inserting “acquisition security and” before “supply
17 chain risks”;

18 (3) in paragraph (8), by inserting “acquisition
19 security and” before “supply chain risks”; and

20 (4) in paragraph (9)(A), by inserting “acquisi-
21 tion security and” before “supply chain risk”.

22 (e) REQUIREMENTS FOR EXECUTIVE AGENCIES.—
23 Section 1326 of title 41, United States Code, is amend-
24 ed—

25 (1) in subsection (a)—

1 (A) in paragraph (1), by striking “; and”
2 and inserting a semicolon;

3 (B) in paragraph (2), by striking the pe-
4 riod at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(3) providing any information requested by the
7 Chairperson of the Council for the purpose of car-
8 rying out activities of this subchapter, subject to ap-
9 plicable law or policy on the control and handling of
10 classified, sensitive, or proprietary information.”;

11 (2) by striking “supply chain” each place such
12 term appears and inserting “security and supply
13 chain”; and

14 (3) in subsection (b)(6), by striking “supply
15 chain” and inserting “security or supply chain”.

16 (f) JUDICIAL PROCEDURE.—Section 1327(b) of title
17 41, United States Code, is amended—

18 (1) in paragraph (1), by striking “section
19 1323(c)(6)” and inserting “section 1323(c)(7)”;

20 (2) in paragraph (3), by striking “section
21 1323(c)(5)” and inserting “sections 1323(c)(6)”;
22 and

23 (3) in paragraph (4), by amending subpara-
24 graph (B)(i) to read as follows:

1 “(i) FILING OF RECORD.—The United
2 States shall file with the court an adminis-
3 trative record, which shall consist of—

4 “(I) the information the Council
5 relied upon in issuing a designated
6 order under 1323(c)(6); and

7 “(II) the information that the ap-
8 propriate official relied upon in
9 issuing an exclusion or removal order
10 under section 1323(c)(6) or a covered
11 procurement action under section
12 4713.”.

13 (g) ADDITIONAL PROVISIONS.—Subchapter III of
14 chapter 13 of title 41, United States Code, is amended
15 by adding at the end the following:

16 **“§ 1329. Additional provisions**

17 “(a) COMPLIANCE WITH EXISTING PROHIBITIONS.—
18 In implementing this subchapter, the Council shall coordi-
19 nate, as applicable and practicable, with the head of an
20 agency to assist with compliance by the agency with—

21 “(1) section 889 of the John S. McCain Na-
22 tional Defense Authorization Act of 2019 (Public
23 Law 115–232; 41 U.S.C. 3901 note);

1 “(2) section 5949 of the James M. Inhofe Na-
2 tional Defense Authorization Act of 2023 (Public
3 Law 117–263; 41 U.S.C. 4713 note); and

4 “(3) sections 1821 through 1833 of the Amer-
5 ican Security Drone Act of 2023 (Public Law 118–
6 31).

7 “(b) UPDATE TO REGULATIONS.—The Federal Ac-
8 quisition Security Council shall update, within two years
9 after the date of the enactment of this section, any regula-
10 tions of the Council as necessary.”.

11 (h) REALLOCATING EXISTING RESOURCES.—Section
12 5949(l)(1) of the James M. Inhofe National Defense Au-
13 thorization Act for Fiscal Year 2023 (Public Law 117–
14 263) is amended by inserting before the period at the end
15 the following: “and the Federal Acquisition Security
16 Council Program Office established under section
17 1323(b)(2) of title 41, United States Code”.

18 (i) TECHNICAL AND CONFORMING CHANGES.—Sub-
19 chapter III of chapter 13 of title 41, United States Code,
20 is amended—

21 (1) in the table of sections for the subchapter
22 by adding after the item related to section 1328 the
23 following:

 “1329. Additional provisions.”; and

1 (2) by striking “of this title” each place the
2 term appears.

