

118TH CONGRESS
2D SESSION

H. R. 9597

AN ACT

To amend title 41, United States Code, to make changes with respect to the Federal Acquisition Security Council, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Federal Acquisition
3 Security Council Improvement Act of 2024”.

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.

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

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

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

26 “(12) SOURCE OF CONCERN.—

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

3 “(i) subject to the jurisdiction, direc-
4 tion, or control of the government of a for-
5 eign adversary, or operates on behalf of
6 the government of a foreign adversary; or

7 “(ii) that poses a risk to the national
8 security of the United States based on col-
9 laboration with, whole or partial ownership
10 or control by, or being affiliated with a
11 military, internal security force, or intel-
12 ligence agency of a foreign adversary.

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

17 (b) ESTABLISHMENT AND MEMBERS OF COUNCIL.—
18 Section 1322 of title 41, United States Code, is amend-
19 ed—

20 (1) in subsection (a), by striking “executive
21 branch” and inserting “Executive Office of the
22 President”;

23 (2) in subsection (b)—

24 (A) by amending paragraph (1) to read as
25 follows:

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

3 “(A) The Administrator for Federal Pro-
4 curement Policy.

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

7 “(C) The following officials, each of whom
8 shall occupy a position at the level of Assistant
9 Secretary or Deputy Assistant Secretary (or
10 equivalent):

11 “(i) Two officials from the Office of
12 the Director of National Intelligence, one
13 of which shall be from the National Coun-
14 terintelligence and Security Center.

15 “(ii) Two officials from the Depart-
16 ment of Defense, one of which shall be one
17 from the National Security Agency.

18 “(iii) Two officials from the Depart-
19 ment of Homeland Security, one of which
20 shall be one from the Cybersecurity and
21 Infrastructure Security Agency.

22 “(iv) An official from the General
23 Services Administration.

24 “(v) An official from the Office of the
25 National Cyber Director.

1 “(vi) Two officials from the Depart-
2 ment of Justice, one of which shall be one
3 from the Federal Bureau of Investigation.

4 “(vii) Two officials from the Depart-
5 ment of Commerce, one of which shall be
6 from the National Institute of Standards
7 and Technology and one of which shall be
8 from the Bureau of Industry and Security.

9 “(viii) An official from any executive
10 agency not listed under clauses (i) through
11 (vii) whose temporary or permanent par-
12 ticipation is determined by the Chairperson
13 of the Council to be necessary to carry out
14 the functions of the Council while main-
15 taining the intended balance in subject
16 matter expertise.”; and

17 (B) in paragraph (2)—

18 (i) in the heading, by striking “LEAD
19 REPRESENTATIVES” and inserting “MEM-
20 BERS”;

21 (ii) by amending subparagraph (A)(i)
22 to read as follows:

23 “(i) IN GENERAL.—The head of each
24 executive agency listed under paragraph
25 (1)(C) shall designate the official or offi-

1 cials from that agency who shall serve on
2 the Council in accordance with such para-
3 graph.”;

4 (iii) by amending subparagraph
5 (A)(ii) to read as follows:

6 “(ii) REQUIREMENTS.—To the extent
7 feasible, any official designated under
8 clause (i) shall have expertise in supply
9 chain risk management, acquisitions, law,
10 or information and communications tech-
11 nology.”;

12 (iv) by amending subparagraph (B) to
13 read as follows:

14 “(B) FUNCTIONS.—A member of the
15 Council shall—

16 “(i) regularly participate in the activi-
17 ties of the Council;

18 “(ii) ensure that any information re-
19 quested by the Council from the agency
20 represented by the member is provided to
21 the Council; and

22 “(iii) ensure that the head of the
23 agency represented by the member and
24 other appropriate personnel of the agency
25 are aware of the activities of the Council.”;

1 (3) in subsection (c)—

2 (A) by amending paragraph (1) to read as
3 follows:

4 “(1) IN GENERAL.—The Chairperson of the
5 Council shall be—

6 “(A) the National Cyber Director; or

7 “(B) another member of the Council des-
8 ignated by the National Cyber Director.”; and

9 (B) in paragraph (2)—

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

11 “(b)(1)(H)” and inserting

12 “(b)(1)(C)(viii)”;

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

14 “lead representative of each agency rep-

15 resented on the Council” and inserting

16 “members of the Council”; and

17 (4) in subsection (d)—

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

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

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

22 “(2) OTHER MEETINGS.—The Chairperson of
23 the Council shall meet, not less frequently than
24 semiannually, with—

1 “(A) the Secretary of Homeland Security,
2 Secretary of Defense, and Director of National
3 Intelligence; or

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

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

10 (1) in subsection (a)—

11 (A) by striking “supply chain” each place
12 it appears and inserting “acquisition security
13 and supply chain”;

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

17 (C) in paragraph (2), as amended by sub-
18 paragraph (A), by inserting “associated with
19 the acquisition and use of covered articles”
20 after “risk”;

21 (D) in paragraph (6), as amended by sub-
22 paragraph (A)—

23 (i) by striking “posed by” and insert-
24 ing “associated with”; and

1 (ii) by inserting “and use” before “of
2 covered articles”;

3 (E) in paragraph (7), by striking “posed
4 by acquisitions” and inserting “associated with
5 the acquisition”;

6 (F) by redesignating paragraph (7) as
7 paragraph (12); and

8 (G) by inserting after paragraph (6) the
9 following:

10 “(7) Implementing a prioritization scheme for
11 evaluating the security risks associated with the ac-
12 quisition and use of covered articles provided or pro-
13 duced by a covered source of concern.

14 “(8) Evaluating each covered source of concern
15 to determine whether to issue a designated order
16 with respect to the covered source of concern or a
17 covered article produced or provided by the covered
18 source of concern.

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

23 “(10) Monitoring and evaluating compliance by
24 the Secretary of Homeland Security, Secretary of
25 Defense, and Director of National Intelligence with

1 the requirement to issue designated orders under
2 subsection (c)(6)(B).

3 “(11) Reporting to Congress annually on the
4 security risks associated with the acquisition and use
5 of covered articles produced or provided by sources
6 of concern.”;

7 (2) in subsection (b)—

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

10 “(1) IN GENERAL.—The Council”; and

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

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

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

16 “(A) ESTABLISHMENT.—The Council shall
17 establish a Federal Acquisition Security Council
18 Program Office (referred to in this paragraph
19 as the ‘Program Office’) within the Office of
20 the National Cyber Director to carry out the
21 functions of the Council duties described under
22 subparagraph (B).

23 “(B) DUTIES.—The Program Office shall
24 provide to the Council, including any commit-
25 tees, working groups, or other constituent bod-

1 ies established by the Council under paragraph
2 (1)—

3 “(i) administrative, legal, and policy
4 support; and

5 “(ii) analysis and subject matter ex-
6 pertise on information communications
7 technology, acquisition security, and supply
8 chain risk.

9 “(C) STRUCTURE.—The head of the Pro-
10 gram Office shall be a senior official from the
11 Office of the National Cyber Director that occu-
12 pies a position at the level of Assistant Sec-
13 retary or Deputy Assistant Secretary (or equiv-
14 alent).

15 “(D) PROHIBITION.—The Program Office
16 may not provide administrative support to the
17 Council for any activities of the Council carried
18 out pursuant to a provision of law other than
19 a provision of law under this subchapter.

20 “(E) FUNDING AND RESOURCES.—The
21 Program Office may use the staff and resources
22 of the Office of the National Cyber Director or
23 maintain dedicated staff and resources, as ap-
24 propriate, in the performance of the duties of
25 the Office.

1 “(F) SHARED STAFFING AUTHORITY.—

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

14 “(ii) RULE OF CONSTRUCTION.—
15 Nothing in this subparagraph may be con-
16 strued as imposing any limitation on any
17 other authority for reimbursable or nonre-
18 imburseable details.

19 “(iii) NONREIMBURSABLE DETAIL.—A
20 nonreimbursable detail made under this
21 subparagraph shall not be considered an
22 augmentation of the appropriations of the
23 receiving element of the Program Office or
24 the Office of the National Cyber Director.

1 “(G) SUNSET.—The Program Office shall
2 terminate on the date described under section
3 1328.”;

4 (3) in subsection (c)—

5 (A) in paragraph (1)—

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

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

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

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

17 (v) in subparagraph (D), by striking
18 the period at the end and inserting “;
19 and”; and

20 (vi) by adding at the end the fol-
21 lowing:
22 “(E) issuing designated orders.”;

23 (B) in paragraph (2)—

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

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

3 (D) by inserting after paragraph (2) the
4 following:

5 “(3) DESIGNATED ORDERS.—

6 “(A) EXCLUSION OR REMOVAL OF COV-
7 ERED SOURCES OF CONCERN.—

8 “(i) IN GENERAL.—Not later than
9 270 days after a source of concern is des-
10 ignated as a covered source of concern, the
11 Council—

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

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

22 “(bb) the removal of covered
23 articles produced or provided by
24 the covered source of concern

1 from the information system of
2 executive agencies; or

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

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

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

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

24 “(III) a summary of the basis for
25 the order, including a discussion of

1 less intrusive measures that were con-
2 sidered and why such measures were
3 not reasonably available to reduce se-
4 curity risk;

5 “(IV) a description of the actions
6 necessary to implement the order; and

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

13 “(B) EXCLUSION OR REMOVAL OF SECOND
14 ORDER SOURCES OR COVERED ARTICLES.—

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

24 “(I) such covered articles or such
25 sources use a covered source of con-

1 cern in the performance of a contract
2 with the executive agency; or

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

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

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

21 “(II) the likelihood of the covered
22 source of concern or the covered arti-
23 cle produced or provided by the cov-
24 ered source of concern causing immi-

1 ment threat to public health and safe-
2 ty;

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

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

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

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

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

23 (iii) in the matter preceding subpara-
24 graph (A), by striking “A notice of the
25 Council’s recommendation under para-

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

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

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

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

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

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

22 (i) by striking “paragraph (3)” and
23 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)”; and

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 waiver.

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 icated—

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) TECHNICAL AND CONFORMING CHANGES.—Sub-
12 chapter III of chapter 13 of title 41, United States Code,
13 is amended—

14 (1) in the table of sections for the subchapter
15 by adding after the item related to section 1328 the
16 following:

 “1329. Additional provisions.”;

17 (2) in section 1321(1)(B), by striking “Govern-
18 ment Reform” and inserting “Accountability”; and

19 (3) by striking “of this title” each place the
20 term appears.

21 **SEC. 3. REALLOCATING EXISTING RESOURCES.**

22 Section 5949(l) of the James M. Inhofe National De-
23 fense Authorization Act for Fiscal Year 2023 (Public Law
24 117–263) is amended—

1 (1) in paragraph (1), by striking “Office of
2 Management and Budget” and inserting “Office of
3 the National Cyber Director”; and

4 (2) in paragraph (2), by striking “Office of
5 Management and Budget” and inserting “Office of
6 the National Cyber Director”.

Passed the House of Representatives November 12,
2024.

Attest:

Clerk.

118TH CONGRESS
2^D SESSION

H. R. 9597

AN ACT

To amend title 41, United States Code, to make changes with respect to the Federal Acquisition Security Council, and for other purposes.