

118TH CONGRESS
1ST SESSION

S. 1868

AN ACT

To require an interagency study to produce a security assessment process on adjacent space to high-security leased space to accommodate a Federal agency, 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 “Secure Adjacent Fed-
3 eral Property Act of 2023”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **ADMINISTRATOR.**—The term “Adminis-
7 trator” means the Administrator of General Serv-
8 ices.

9 (2) **BENEFICIAL OWNER.**—

10 (A) **IN GENERAL.**—The term “beneficial
11 owner”, with respect to a covered entity, means
12 each natural person who, directly or indirectly,
13 through any contract, arrangement, under-
14 standing, relationship, or otherwise—

15 (i) exercises substantial control over
16 the covered entity; or

17 (ii) owns or controls not less than 25
18 percent of the ownership interests of, or
19 receives substantial economic benefits from
20 the assets of, the covered entity.

21 (B) **EXCLUSIONS.**—The term “beneficial
22 owner”, with respect to a covered entity, does
23 not include—

24 (i) a minor;

1 (ii) a person acting as a nominee,
 2 intermediary, custodian, or agent on behalf
 3 of another person;

4 (iii) a person acting solely as an em-
 5 ployee of the covered entity and whose con-
 6 trol over or economic benefits from the
 7 covered entity derives solely from the em-
 8 ployment status of the person;

9 (iv) a person whose only interest in
 10 the covered entity is through a right of in-
 11 heritance, unless the person also meets the
 12 requirements of subparagraph (A); or

13 (v) a creditor of the covered entity,
 14 unless the creditor also meets the require-
 15 ments of subparagraph (A).

16 (C) ANTI-ABUSE RULE.—The exclusions
 17 under subparagraph (B) shall not apply if, in
 18 the determination of the Administrator, an ex-
 19 clusion is used for the purpose of evading, cir-
 20 cumventing, or abusing the requirements of this
 21 Act.

22 (3) CONTROL.—The term “control”, with re-
 23 spect to a covered entity, means—

24 (A) having the authority or ability to de-
 25 termine how the covered entity is utilized; or

1 (B) having some decisionmaking power for
2 the use of the covered entity.

3 (4) COVERED ENTITY.—The term “covered en-
4 tity” means—

5 (A) a person, corporation, company, busi-
6 ness association, partnership, society, trust, or
7 any other nongovernmental entity, organization,
8 or group; or

9 (B) any governmental entity or instrumen-
10 tality of a government.

11 (5) EXECUTIVE AGENCY.—The term “Executive
12 agency” has the meaning given the term in section
13 105 of title 5, United States Code.

14 (6) FEDERAL AGENCY.—The term “Federal
15 agency” means—

16 (A) an Executive agency; and

17 (B) any establishment in the legislative or
18 judicial branch of the Federal Government.

19 (7) FEDERAL LESSEE.—

20 (A) IN GENERAL.—The term “Federal les-
21 see” means—

22 (i) the Administrator;

23 (ii) the Architect of the Capitol; and

1 (iii) the head of any other Federal
2 agency that has independent statutory
3 leasing authority.

4 (B) EXCLUSIONS.—The term “Federal les-
5 see” does not include—

6 (i) the head of an element of the intel-
7 ligence community; or

8 (ii) the Secretary of Defense.

9 (8) FEDERAL TENANT.—

10 (A) IN GENERAL.—The term “Federal ten-
11 ant” means a Federal agency that is occupying
12 or will occupy a high-security leased space for
13 which a lease agreement has been secured on
14 behalf of the Federal agency.

15 (B) EXCLUSION.—The term “Federal ten-
16 ant” does not include an element of the intel-
17 ligence community.

18 (9) FOREIGN ENTITY.—The term “foreign enti-
19 ty” means—

20 (A) a corporation, company, business asso-
21 ciation, partnership, society, trust, or any other
22 nongovernmental entity, organization, or group
23 that is headquartered in or organized under the
24 laws of—

1 (i) a country that is not the United
2 States; or

3 (ii) a State, unit of local government,
4 or Indian Tribe that is not located within
5 or a territory of the United States; or

6 (B) a government or governmental instru-
7 mentality that is not—

8 (i) the United States Government; or

9 (ii) a State, unit of local government,
10 or Indian Tribe that is located within or a
11 territory of the United States.

12 (10) FOREIGN PERSON.—The term “foreign
13 person” means an individual who is not a United
14 States person.

15 (11) HIGH-SECURITY LEASED ADJACENT
16 SPACE.—The term “high-security leased adjacent
17 space” means a building or office space that shares
18 a boundary with or surrounds a high-security leased
19 space.

20 (12) HIGH-SECURITY LEASED SPACE.—The
21 term “high-security leased space” means a space
22 leased by a Federal lessee that—

23 (A) will be occupied by Federal employees
24 for nonmilitary activities; and

1 (B) has a facility security level of III, IV,
2 or V, as determined by the Federal tenant in
3 consultation with the Interagency Security
4 Committee, the Secretary of Homeland Secu-
5 rity, and the Administrator.

6 (13) HIGHEST-LEVEL OWNER.—The term
7 “highest-level owner” means an entity that owns or
8 controls—

9 (A) an immediate owner of the offeror of
10 a lease for a high-security leased adjacent
11 space; or

12 (B) 1 or more entities that control an im-
13 mediate owner of the offeror of a lease de-
14 scribed in subparagraph (A).

15 (14) IMMEDIATE OWNER.—The term “imme-
16 diate owner” means an entity, other than the offeror
17 of a lease for a high-security leased adjacent space,
18 that has direct control of that offeror, including—

19 (A) ownership or interlocking management;

20 (B) identity of interests among family
21 members;

22 (C) shared facilities and equipment; and

23 (D) the common use of employees.

24 (15) INTELLIGENCE COMMUNITY.—The term
25 “intelligence community” has the meaning given the

1 term in section 3 of the National Security Act of
2 1947 (50 U.S.C. 3003).

3 (16) SUBSTANTIAL ECONOMIC BENEFITS.—The
4 term “substantial economic benefits”, with respect
5 to a natural person described in paragraph
6 (2)(A)(ii), means having an entitlement to the funds
7 or assets of a covered entity that, as a practical mat-
8 ter, enables the person, directly or indirectly, to con-
9 trol, manage, or direct the covered entity.

10 (17) UNITED STATES PERSON.—The term
11 “United States person” means an individual who—

12 (A) is a citizen of the United States; or

13 (B) is an alien lawfully admitted for per-
14 manent residence in the United States.

15 **SEC. 3. GOVERNMENT-WIDE STUDY.**

16 (a) COORDINATION STUDY.—The Administrator, in
17 coordination with the Director of the Federal Protective
18 Service, the Secretary of Homeland Security, the Director
19 of the Office of Management and Budget, and any other
20 relevant entities, as determined by the Administrator,
21 shall carry out a Government-wide study examining op-
22 tions to assist agencies (as defined in section 551 of title
23 5, United States Code) to produce a security assessment
24 process for high-security leased adjacent space before en-
25 tering into a lease or novation agreement with a covered

1 entity for the purposes of accommodating a Federal ten-
2 ant located in a high-security leased space.

3 (b) CONTENTS.—The study required under sub-
4 section (a)—

5 (1) shall evaluate how to produce a security as-
6 sessment process that includes a process for assess-
7 ing the threat level of each occupancy of a high-se-
8 curity leased adjacent space, including through—

9 (A) site-visits;

10 (B) interviews; and

11 (C) any other relevant activities deter-
12 mined necessary by the Director of the Federal
13 Protective Service; and

14 (2) may include a process for collecting and
15 using information on each immediate owner, highest-
16 level owner, or beneficial owner of a covered entity
17 that seeks to enter into a lease with a Federal lessee
18 for a high-security leased adjacent space, includ-
19 ing—

20 (A) name;

21 (B) current residential or business street
22 address; and

23 (C) an identifying number or document
24 that verifies identity as a United States person,
25 a foreign person, or a foreign entity.

1 (c) WORKING GROUP.—

2 (1) IN GENERAL.—Not later than 90 days after
3 the date of enactment of this Act, the Administrator,
4 in coordination with the Director of Federal Protec-
5 tive Service, the Secretary of Homeland Security,
6 the Director of the Office of Management and Budg-
7 et, and any other relevant entities, as determined by
8 the Administrator, shall establish a working group
9 to assist in the carrying out of the study required
10 under subsection (a).

11 (2) NO COMPENSATION.—A member of the
12 working group established under paragraph (1) shall
13 receive no compensation as a result of serving on the
14 working group.

15 (3) SUNSET.—The working group established
16 under paragraph (1) shall terminate on the date on
17 which the report required under subsection (f) is
18 submitted.

19 (d) PROTECTION OF INFORMATION.—The Adminis-
20 trator shall ensure that any information collected pursu-
21 ant to the study required under subsection (a) shall not
22 be made available to the public.

23 (e) LIMITATION.—Nothing in this section requires an
24 entity located in the United States to provide information

1 requested pursuant to the study required under subsection
2 (a).

3 (f) REPORT.—Not later than 2 years after the date
4 of enactment of this Act, the Administrator, in coordina-
5 tion with the Director of Federal Protective Service, the
6 Secretary of Homeland Security, the Director of the Office
7 of Management and Budget, and any other relevant enti-
8 ties, as determined by the Administrator, shall submit to
9 the Committee on Homeland Security and Governmental
10 Affairs of the Senate and the Committee on Transpor-
11 tation and Infrastructure of the House of Representatives
12 a report describing—

13 (1) the results of the study required under sub-
14 section (a); and

15 (2) how all applicable privacy laws and rights
16 relating to the First and Fourth Amendments to the
17 Constitution of the United States would be upheld
18 and followed in—

19 (A) the security assessment process de-
20 scribed in paragraph (1) of subsection (b); and

21 (B) the information collection process de-
22 scribed in paragraph (2) of that subsection.

23 (g) LIMITATION.—Nothing in this section authorizes
24 a Federal entity to mandate information gathering unless
25 specifically authorized by law.

1 (h) PROHIBITION.—No information collected pursu-
2 ant the security assessment process described in sub-
3 section (b)(1) may be used for law enforcement purposes.

4 (i) NO ADDITIONAL FUNDING.—No additional funds
5 are authorized to be appropriated to carry out this section.

Passed the Senate December 5, 2024.

Attest:

Secretary.

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