

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—118th Cong., 2d Sess.**

**(no.)** \_\_\_\_\_

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

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. PETERS

Viz:

1 Strike all after the enacting clause and insert the fol-

2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Acquisition

5 Security Council Improvement Act of 2024”.

6 **SEC. 2. CHANGES WITH RESPECT TO THE FEDERAL ACQUI-**

7 **SITION SECURITY COUNCIL.**

8 (a) DEFINITION OF SOURCE OF CONCERN, COVERED

9 SOURCE OF CONCERN, RECOMMENDED ORDER, AND DES-

10 IGNATED ORDER.—Section 1321 of title 41, United States

11 Code, is amended—

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

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

5           “(5) COVERED SOURCE OF CONCERN.—The  
6           term ‘covered source of concern’ means a source of  
7           concern that is specifically designated as a ‘covered  
8           source of concern’ by a statute that states that such  
9           designation is for the purposes of this subchapter.

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

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

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

17           “(12) SOURCE OF CONCERN.—

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

20                   “(i) subject to the jurisdiction, direc-  
21                   tion, or control of the government of a for-  
22                   eign adversary, or operates on behalf of  
23                   the government of a foreign adversary; or

24                   “(ii) that poses a risk to the national  
25                   security of the United States based on col-

1           laboration with, whole or partial ownership  
2           or control by, or being affiliated with a  
3           military, internal security force, or intel-  
4           ligence agency of a foreign adversary.

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

9           (b) ESTABLISHMENT AND MEMBERS OF COUNCIL.—  
10          Section 1322 of title 41, United States Code, is amend-  
11          ed—

12           (1) in subsection (a), by striking “executive  
13          branch” and inserting “Executive Office of the  
14          President”;

15           (2) in subsection (b)—

16           (A) by amending paragraph (1) to read as  
17          follows:

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

20           (A) The Administrator for Federal Pro-  
21          curement Policy.

22           (B) The Deputy Director for Manage-  
23          ment of the Office of Management and Budget.

24           (C) The following officials, each of whom  
25          shall occupy a position at the level of Assistant

1 Secretary or Deputy Assistant Secretary (or  
2 equivalent):

3 “(i) Two officials from the Office of  
4 the Director of National Intelligence, one  
5 of which shall be from the National Coun-  
6 terintelligence and Security Center.

7 “(ii) Two officials from the Depart-  
8 ment of Defense, one of which shall be one  
9 from the National Security Agency.

10 “(iii) Two officials from the Depart-  
11 ment of Homeland Security, one of which  
12 shall be one from the Cybersecurity and  
13 Infrastructure Security Agency.

14 “(iv) An official from the General  
15 Services Administration.

16 “(v) An official from the Office of the  
17 National Cyber Director.

18 “(vi) Two officials from the Depart-  
19 ment of Justice, one of which shall be one  
20 from the Federal Bureau of Investigation.

21 “(vii) Two officials from the Depart-  
22 ment of Commerce, one of which shall be  
23 from the National Institute of Standards  
24 and Technology and one of which shall be  
25 from the Bureau of Industry and Security.

1           “(viii) An official from any executive  
2 agency not listed under clauses (i) through  
3 (vii) whose temporary or permanent par-  
4 ticipation is determined by the Chairperson  
5 of the Council to be necessary to carry out  
6 the functions of the Council while main-  
7 taining the intended balance in subject  
8 matter expertise.”; and

9           (B) in paragraph (2)—

10           (i) in the heading, by striking “LEAD  
11 REPRESENTATIVES” and inserting “MEM-  
12 BERS”;

13           (ii) by amending subparagraph (A)(i)  
14 to read as follows:

15           “(i) IN GENERAL.—The head of each  
16 executive agency listed under paragraph  
17 (1)(C) shall designate the official or offi-  
18 cials from that agency who shall serve on  
19 the Council in accordance with such para-  
20 graph.”;

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

23           “(ii) REQUIREMENTS.—To the extent  
24 feasible, any official designated under  
25 clause (i) shall have expertise in supply

1 chain risk management, acquisitions, law,  
2 or information and communications tech-  
3 nology.”;

4 (iv) by amending subparagraph (B) to  
5 read as follows:

6 “(B) FUNCTIONS.—A member of the  
7 Council shall—

8 “(i) regularly participate in the activi-  
9 ties of the Council;

10 “(ii) ensure that any information re-  
11 quested by the Council from the agency  
12 represented by the member is provided to  
13 the Council; and

14 “(iii) ensure that the head of the  
15 agency represented by the member and  
16 other appropriate personnel of the agency  
17 are aware of the activities of the Council.”;

18 (3) in subsection (c)—

19 (A) by amending paragraph (1) to read as  
20 follows:

21 “(1) IN GENERAL.—The Chairperson of the  
22 Council shall be—

23 “(A) the National Cyber Director; or

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

1 (B) in paragraph (2)—

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

3 “(b)(1)(H)” and inserting

4 “(b)(1)(C)(viii)”; and

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

6 “lead representative of each agency rep-

7 resented on the Council” and inserting

8 “members of the Council”; and

9 (4) in subsection (d)—

10 (A) by striking “The Council” and insert-

11 ing the following:

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

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

14 “(2) OTHER MEETINGS.—The Chairperson of

15 the Council shall meet, not less frequently than

16 semiannually, with—

17 “(A) the Secretary of Homeland Security,

18 Secretary of Defense, and Director of National

19 Intelligence; or

20 “(B) in the case that any of the officials

21 under subparagraph (A) delegated authority to

22 an official under section 1323(c)(6)(C), with

23 the delegated official.”.

24 (c) FUNCTIONS AND AUTHORITIES.—Section 1323 of

25 title 41, United States Code is amended—

1 (1) in subsection (a)—

2 (A) by striking “supply chain” each place  
3 it appears and inserting “acquisition security  
4 and supply chain”;

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

8 (C) in paragraph (2), as amended by sub-  
9 paragraph (A), by inserting “associated with  
10 the acquisition and use of covered articles”  
11 after “risk”;

12 (D) in paragraph (6), as amended by sub-  
13 paragraph (A)—

14 (i) by striking “posed by” and insert-  
15 ing “associated with”; and

16 (ii) by inserting “and use” before “of  
17 covered articles”;

18 (E) in paragraph (7), by striking “posed  
19 by acquisitions” and inserting “associated with  
20 the acquisition”;

21 (F) by redesignating paragraph (7) as  
22 paragraph (12); and

23 (G) by inserting after paragraph (6) the  
24 following:



1           “(7) Implementing a prioritization scheme for  
2           evaluating the security risks associated with the ac-  
3           quisition and use of covered articles provided or pro-  
4           duced by a covered source of concern.

5           “(8) Evaluating each covered source of concern  
6           to determine whether to issue a designated order  
7           with respect to the covered source of concern or a  
8           covered article produced or provided by the covered  
9           source of concern.

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

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

19           “(11) Reporting to Congress annually on the  
20           security risks associated with the acquisition and use  
21           of covered articles produced or provided by sources  
22           of concern.”;

23           (2) in subsection (b)—

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

1 “(1) IN GENERAL.—The Council”; and

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

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

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

7 “(A) ESTABLISHMENT.—The Council shall  
8 establish a Federal Acquisition Security Council  
9 Program Office (referred to in this paragraph  
10 as the ‘Program Office’) within the Office of  
11 the National Cyber Director to carry out the  
12 functions of the Council duties described under  
13 subparagraph (B).

14 “(B) DUTIES.—The Program Office shall  
15 provide to the Council, including any commit-  
16 tees, working groups, or other constituent bod-  
17 ies established by the Council under paragraph  
18 (1)—

19 “(i) administrative, legal, and policy  
20 support; and

21 “(ii) analysis and subject matter ex-  
22 pertise on information communications  
23 technology, acquisition security, and supply  
24 chain risk.

1           “(C) STRUCTURE.—The head of the Pro-  
2           gram Office shall be a senior official from the  
3           Office of the National Cyber Director that occu-  
4           pies a position at the level of Assistant Sec-  
5           retary or Deputy Assistant Secretary (or equiv-  
6           alent).

7           “(D) PROHIBITION.—The Program Office  
8           may not provide administrative support to the  
9           Council for any activities of the Council carried  
10          out pursuant to a provision of law other than  
11          a provision of law under this subchapter.

12          “(E) FUNDING AND RESOURCES.—The  
13          Program Office may use the staff and resources  
14          of the Office of the National Cyber Director or  
15          maintain dedicated staff and resources, as ap-  
16          propriate, in the performance of the duties of  
17          the Office.

18          “(F) SHARED STAFFING AUTHORITY.—

19                 “(i) IN GENERAL.—The Program Of-  
20                 fice may accept officers or employees of  
21                 the United States or members of the  
22                 Armed Forces on a detail from an element  
23                 of the intelligence community (as such  
24                 term is defined in section 3 of the National  
25                 Security Act of 1947 (50 U.S.C. 3003)) or

1 from another element of the Federal Gov-  
2 ernment on a nonreimbursable basis, as  
3 jointly agreed to by the heads of the receiv-  
4 ing and detailing elements, for a period not  
5 to exceed three years.

6 “(ii) RULE OF CONSTRUCTION.—  
7 Nothing in this subparagraph may be con-  
8 strued as imposing any limitation on any  
9 other authority for reimbursable or nonre-  
10 imburseable details.

11 “(iii) NONREIMBURSABLE DETAIL.—A  
12 nonreimbursable detail made under this  
13 subparagraph shall not be considered an  
14 augmentation of the appropriations of the  
15 receiving element of the Program Office or  
16 the Office of the National Cyber Director.

17 “(G) SUNSET.—The Program Office shall  
18 terminate on the date described under section  
19 1328.”;

20 (3) in subsection (c)—

21 (A) in paragraph (1)—

22 (i) in the matter preceding subpara-  
23 graph (A), by striking “supply chain risk”  
24 and inserting “acquisition security and

1 supply chain risk associated with the ac-  
2 quisition of covered articles”;

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

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

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

9 (v) in subparagraph (D), by striking  
10 the period at the end and inserting “;  
11 and”; and

12 (vi) by adding at the end the fol-  
13 lowing:

14 “(E) issuing designated orders.”;

15 (B) in paragraph (2)—

16 (i) in the heading, by striking “REC-  
17 OMMENDATIONS” and inserting “REC-  
18 OMMENDED ORDERS”;

19 (ii) by striking “use” and inserting “,  
20 using”;

21 (iii) by striking “subsection (a)(3)”  
22 and inserting “subsection (a)(4)”;

23 (iv) by striking “to issue recommenda-  
24 tions” and inserting “, recommend or-  
25 ders”;

1 (v) by striking “Such recommenda-  
2 tions” and inserting “Any such order rec-  
3 ommended”;

4 (vi) by inserting “to the officials de-  
5 scribed under clause (iii) of paragraph  
6 (6)(A) for issuance under such paragraph”  
7 after “thereof,”;

8 (vii) in subparagraph (D), by striking  
9 “supply chain risk” and inserting “acquisi-  
10 tion security and supply chain risk associ-  
11 ated with the acquisition of covered arti-  
12 cles”; and

13 (viii) in subparagraph (E), by striking  
14 “exclusion or removal”;

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

17 (D) by inserting after paragraph (2) the  
18 following:

19 “(3) DESIGNATED ORDERS.—

20 “(A) EXCLUSION OR REMOVAL OF COV-  
21 ERED SOURCES OF CONCERN.—

22 “(i) IN GENERAL.—Not later than  
23 270 days after a source of concern is des-  
24 ignated as a covered source of concern, the  
25 Council—

1                   “(I) shall provide to the officials  
2 described under clause (iii) of para-  
3 graph (6)(B) for issuance under such  
4 paragraph orders requiring—

5                   “(aa) the exclusion of the  
6 covered source of concern from  
7 any executive agency procure-  
8 ment action, including source se-  
9 lection and consent for a con-  
10 tractor; or

11                   “(bb) the removal of covered  
12 articles produced or provided by  
13 the covered source of concern  
14 from the information system of  
15 executive agencies; or

16                   “(II) report to Congress why the  
17 Council has determined to not issue  
18 an order described under subclause (I)  
19 with respect to the covered source of  
20 concern or covered articles produced  
21 or provided by the covered source of  
22 concern.

23                   “(ii) CONTENTS OF ORDER.—Any  
24 order provided under clause (i) shall in-  
25 clude—

1                   “(I) information regarding the  
2                   scope and applicability of the order,  
3                   including any information necessary  
4                   to positively identify the covered  
5                   source of concern or covered articles  
6                   produced or provided by the covered  
7                   source of concern required to be ex-  
8                   cluded or removed under the order;

9                   “(II) a summary of any risk as-  
10                  sessment reviewed or conducted in  
11                  support of the order;

12                  “(III) a summary of the basis for  
13                  the order, including a discussion of  
14                  less intrusive measures that were con-  
15                  sidered and why such measures were  
16                  not reasonably available to reduce se-  
17                  curity risk;

18                  “(IV) a description of the actions  
19                  necessary to implement the order; and

20                  “(V) where practicable, in the  
21                  Council’s sole and unreviewable dis-  
22                  cretion, a description of mitigation  
23                  steps that could be taken by the cov-  
24                  ered source of concern that may result  
25                  in the Council rescinding the order.



1                   “(B) EXCLUSION OR REMOVAL OF SECOND  
2 ORDER SOURCES OR COVERED ARTICLES.—

3                   “(i) ISSUANCE.—In the case that the  
4 Council provides an order under subpara-  
5 graph (A), the Council may also provide an  
6 order to the officials described under para-  
7 graph (6)(A)(iii) requiring the exclusion of  
8 sources or covered articles from executive  
9 agency procurement actions or removal of  
10 covered articles from executive agency in-  
11 formation systems if—

12                   “(I) such covered articles or such  
13 sources use a covered source of con-  
14 cern in the performance of a contract  
15 with the executive agency; or

16                   “(II) such sources enter into a  
17 contract, the performance of which  
18 such source knows or has reason to  
19 believe will require, in the perform-  
20 ance of a contract with the executive  
21 agency, the use of a covered source of  
22 concern or the use of a covered article  
23 produced or provided by a covered  
24 source of concern.

1                   “(ii) EFFECTIVE DATE CONSIDER-  
2                   ATIONS.—Any effective date prescribed by  
3                   the Council for an order issued pursuant  
4                   to clause (i) shall take into account—

5                   “(I) the risk posed by the covered  
6                   source of concern or the covered arti-  
7                   cle produced or provided by the cov-  
8                   ered source of concern to the national  
9                   security of the United States;

10                   “(II) the likelihood of the covered  
11                   source of concern or the covered arti-  
12                   cle produced or provided by the cov-  
13                   ered source of concern causing immi-  
14                   nent threat to public health and safe-  
15                   ty;

16                   “(III) the availability of an alter-  
17                   native source or covered article pro-  
18                   duced or provided by an alternative  
19                   source; and

20                   “(IV) an assessment of the po-  
21                   tential direct or quantifiable costs  
22                   that may be incurred by the Federal  
23                   Government, a State, local, or Tribal  
24                   government, or by the private sector,  
25                   as a result of compliance by the head

1 of an executive agency with such an  
2 exclusion or removal order.”;

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

4 (i) in the heading, by striking “OF  
5 RECOMMENDATION AND REVIEW” and in-  
6 serting “AND REVIEW OF RECOMMENDED  
7 AND DESIGNATED ORDERS”;

8 (ii) by striking “ the recommenda-  
9 tion” each place the term appears, and in-  
10 serting “ the order”;

11 (iii) in the matter preceding subpara-  
12 graph (A), by striking “A notice of the  
13 Council’s recommendation under para-  
14 graph (2)” and inserting “Before the  
15 Council recommends an order under para-  
16 graph (2) or issues an order under para-  
17 graph (3), a notice”;

18 (iv) in subparagraph (A), by striking  
19 “a recommendation has been made” and  
20 inserting “the order will be recommended  
21 or issued”;

22 (v) in subparagraph (D), by striking  
23 “paragraph (5)” and inserting “paragraph  
24 (6)”;

1 (vi) by inserting a new subparagraph  
2 to read as follows:

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

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

11 (i) by striking “paragraph (3)” and  
12 inserting “paragraph (4)”;

13 (ii) in subparagraph (A), by striking  
14 “paragraph (5)” and inserting “paragraph  
15 (6)”;

16 (iii) in subparagraph (B), by striking  
17 “paragraph (6)” and inserting “paragraph  
18 (7)”;

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

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

22 “(A) ISSUANCE OF RECOMMENDED OR-  
23 DERS.—

24 “(i) MODIFICATIONS TO ORDER.—

25 After considering any response properly

1 submitted by a source under paragraph (4)  
2 related to an order to be recommended  
3 under paragraph (2), the Council shall—

4 “(I) make such modifications to  
5 the order as the Council considers ap-  
6 propriate; and

7 “(II) provide the order (together  
8 with any information submitted by a  
9 source under paragraph (4) related to  
10 such order) to the officials described  
11 under clause (iii).

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

15 “(I) issue the order to the heads  
16 of the applicable agencies; or

17 “(II) submit a notification to the  
18 Council that the order will not be  
19 issued, that includes in the notifica-  
20 tion to the Council, all the reasons for  
21 why the order will not be issued.

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

24 “(I) The Secretary of Homeland  
25 Security, for exclusion and removal

1 orders applicable to civilian agencies,  
2 to the extent not covered by subclause  
3 (II) or (III).

4 “(II) The Secretary of Defense,  
5 for exclusion and removal orders ap-  
6 plicable to the Department of Defense  
7 and national security systems other  
8 than sensitive compartmented infor-  
9 mation systems.

10 “(III) The Director of National  
11 Intelligence, for exclusion and removal  
12 orders applicable to the intelligence  
13 community and sensitive compart-  
14 mented information systems, to the  
15 extent not covered by subclause (II).”;

16 (ii) by redesignating subparagraphs  
17 (B) through (E) as subparagraphs (C)  
18 through (F), respectively;

19 (iii) by inserting after subparagraph  
20 (A) the following:

21 “(B) ISSUANCE OF DESIGNATED ORDER.—

22 “(i) MODIFICATIONS.—After consid-  
23 ering any response properly submitted by a  
24 source under paragraph (4) related to a  
25 designated order, the Council shall—



1 orders applicable to civilian agencies,  
2 to the extent not covered by subclause  
3 (II) or (III).

4 “(II) The Secretary of Defense,  
5 for exclusion and removal orders ap-  
6 plicable to the Department of Defense  
7 and national security systems other  
8 than sensitive compartmented infor-  
9 mation systems.

10 “(III) The Director of National  
11 Intelligence, for exclusion and removal  
12 orders applicable to the intelligence  
13 community and sensitive compart-  
14 mented information systems, to the  
15 extent not covered by subclause (II).

16 “(iv) WAIVER.—An official described  
17 under clause (iii) may waive for a period of  
18 not more than 365 days the application of  
19 an order issued by such official under  
20 clause (ii) with respect to a covered source  
21 of concern or a covered article produced or  
22 provided by a covered source of concern if  
23 the official submits, not later than 30 days  
24 after making such waiver, a written notifi-  
25 cation to the Council, appropriate congres-



1 sional committees, and leadership that con-  
2 tains the justification for such waiver.

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

7 “(I) the renewal of the waiver is  
8 in the national security interests of  
9 the United States; and

10 “(II) the official submits, not  
11 later than 30 days after renewing  
12 such waiver, a written notification to  
13 the Council, appropriate congressional  
14 committees, and leadership that in-  
15 cludes the justification for renewing  
16 the waiver.

17 “(vi) NATIONAL SECURITY WAIVER.—  
18 An official described under clause (iii) may  
19 waive the application of an order issued by  
20 such official under clause (ii) with respect  
21 to a covered source of concern or a covered  
22 article produced or provided by a covered  
23 source of concern for any activity subject  
24 to the reporting requirements under title V  
25 of the National Security Act of 1947 (50

1 U.S.C. 3091 et seq.) or any authorized in-  
2 telligence activities of the United States.

3 “(vii) RESCISSION OF ORDER.—An ex-  
4 clusion or removal order issued under this  
5 subparagraph by an official may be re-  
6 scinded only by the Council.”.

7 (iv) in subparagraph (C), as so reded-  
8 igned—

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

12 (II) by striking “this subpara-  
13 graph” and inserting “subparagraph  
14 (A)(iii) or (B)(iii)”;

15 (III) by striking “, except” and  
16 all that follows before the period at  
17 the end;

18 (v) in subparagraph (D), as so reded-  
19 igned—

20 (I) by striking “this paragraph”  
21 and inserting “subparagraph (A)(iii)  
22 or (B)(iii)”;

23 (II) by striking “help”;

1 (vi) in subparagraph (E), as so redesi-  
2 gnated, by striking “this paragraph” and  
3 inserting “subparagraph (A)”; and

4 (vii) by adding after subparagraph  
5 (F), as so redesignated, the following:

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

10 (H) in paragraph (7), as so redesignated,  
11 by striking “paragraph (5)(A)” and inserting  
12 “subparagraph (A) or (B) of paragraph (6)”;  
13 and

14 (I) in paragraph (8), as so redesignated,  
15 by striking “paragraph (5)” and inserting  
16 “paragraph (6)”;

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

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

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

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

3           (2) in the matter preceding paragraph (1), by  
4           inserting “acquisition security and” before “supply  
5           chain risks”;

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

8           (4) in paragraph (9)(A), by inserting “acqui-  
9           sition security and” before “supply chain risk”.

10          (e) REQUIREMENTS FOR EXECUTIVE AGENCIES.—  
11 Section 1326 of title 41, United States Code, is amend-  
12 ed—

13           (1) in subsection (a)—

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

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

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

19                “(3) providing any information requested by the  
20                Chairperson of the Council for the purpose of car-  
21                rying out activities of this subchapter, subject to ap-  
22                plicable law or policy on the control and handling of  
23                classified, sensitive, or proprietary information.’”;

1           (2) by striking “supply chain” each place such  
2 term appears and inserting “security and supply  
3 chain”; and

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

6           (f) JUDICIAL PROCEDURE.—Section 1327(b) of title  
7 41, United States Code, is amended—

8           (1) in paragraph (1), by striking “section  
9 1323(c)(6)” and inserting “section 1323(c)(7)”;

10           (2) in paragraph (3), by striking “section  
11 1323(c)(5)” and inserting “sections 1323(c)(6)”;  
12 and

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

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

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

21                           “(II) the information that the ap-  
22 propriate official relied upon in  
23 issuing an exclusion or removal order  
24 under section 1323(c)(6) or a covered

1 procurement action under section  
2 4713.”.

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

6 **“§ 1329. Additional provisions**

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

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

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

17 “(3) sections 1821 through 1833 of the Amer-  
18 ican Security Drone Act of 2023 (Public Law 118–  
19 31).

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

1 (h) TECHNICAL AND CONFORMING CHANGES.—Sub-  
2 chapter III of chapter 13 of title 41, United States Code,  
3 is amended—

4 (1) in the table of sections for the subchapter  
5 by adding after the item related to section 1328 the  
6 following:

“1329. Additional provisions.”;

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

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

11 **SEC. 3. REALLOCATING EXISTING RESOURCES.**

12 Section 5949(l) of the James M. Inhofe National De-  
13 fense Authorization Act for Fiscal Year 2023 (Public Law  
14 117–263) is amended—

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

18 (2) in paragraph (2), by striking “Office of  
19 Management and Budget” and inserting “Office of  
20 the National Cyber Director”.