

118TH CONGRESS
2D SESSION

S. 5310

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

IN THE SENATE OF THE UNITED STATES

NOVEMBER 13, 2024

Mr. PETERS (for himself and Mr. ROUNDS) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

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,*

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-

1 DESIGNATED ORDER.—Section 1321 of title 41, United States
2 Code, is amended—

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

5 (2) by inserting after paragraph (4) the fol-
6 lowing new paragraph:

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

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

15 (3) by adding at the end the following new
16 paragraph:

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

20 “(12) SOURCE OF CONCERN.—

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

23 “(i) subject to the jurisdiction, direc-
24 tion, or control of the government of a for-

1 eign adversary, or operates on behalf of
2 the government of a foreign adversary; or

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

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

13 (b) ESTABLISHMENT AND MEMBERS OF COUNCIL.—
14 Section 1322 of title 41, United States Code, is amend-
15 ed—

16 (1) in subsection (a), by striking “executive
17 branch” and inserting “Executive Office of the
18 President”;

19 (2) in subsection (b)—

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

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

24 “(A) The Administrator for Federal Pro-
25 curement Policy.

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

3 “(C) The following officials, each of whom
4 shall occupy a position at the level of Assistant
5 Secretary or Deputy Assistant Secretary (or
6 equivalent):

7 “(i) Two officials from the Office of
8 the Director of National Intelligence, one
9 of which shall be from the National Coun-
10 terintelligence and Security Center.

11 “(ii) Two officials from the Depart-
12 ment of Defense, one of which shall be
13 from the National Security Agency.

14 “(iii) Two officials from the Depart-
15 ment of Homeland Security, one of which
16 shall be from the Cybersecurity and Infra-
17 structure Security Agency.

18 “(iv) One official from the General
19 Services Administration.

20 “(v) One official from the Office of
21 the National Cyber Director.

22 “(vi) Two officials from the Depart-
23 ment of Justice, one of which shall be from
24 the Federal Bureau of Investigation.

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

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

14 (B) in paragraph (2)—

15 (i) in the heading, by striking “LEAD
16 REPRESENTATIVES” and inserting “MEM-
17 BERS”;

18 (ii) by amending subparagraph (A)(i)
19 to read as follows:

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

1 (iii) by amending subparagraph
2 (A)(ii) to read as follows:

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

9 (iv) by amending subparagraph (B) to
10 read as follows:

11 “(B) FUNCTIONS.—A member of the
12 Council shall—

13 “(i) regularly participate in the activi-
14 ties of the Council;

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

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

23 (3) in subsection (c)—

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

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

3 “(A) the National Cyber Director; or

4 “(B) another member of the Council des-
5 igned by the National Cyber Director.”; and

6 (B) in paragraph (2)—

7 (i) in subparagraph (B), by striking
8 “(b)(1)(H)” and inserting “(b)(1)(C)(vii)”;
9 and

10 (ii) in subparagraph (C), by striking
11 “lead representative of each agency rep-
12 resented on the Council” and inserting
13 “members of the Council”; and

14 (4) in subsection (d)—

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

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

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

19 “(2) OTHER MEETINGS.—The Chairperson of
20 the Council shall meet, not less frequently than
21 semiannually, with—

22 “(A) the Secretary of Homeland Security,
23 the Secretary of Defense, and the Director of
24 National Intelligence; or

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

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

7 (1) in subsection (a)—

8 (A) by striking “supply chain” each place
9 it appears and inserting “acquisition security
10 and supply chain”;

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

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

18 (D) in paragraph (6)—

19 (i) by striking “posed by” and insert-
20 ing “associated with”; and

21 (ii) by inserting “and use” before “of
22 covered articles”;

23 (E) by redesignating paragraph (7) as
24 paragraph (12);

1 (F) in paragraph (12), as redesignated by
2 subparagraph (E), by striking “posed by acqui-
3 sitions” and inserting “associated with the ac-
4 quisition”; and

5 (G) by inserting after paragraph (6) the
6 following new paragraphs:

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

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

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

20 “(10) Monitoring the issuance of designated or-
21 ders under subsection (c)(6)(B), as required, by the
22 Secretary of Homeland Security, the Secretary of
23 Defense, and the Director of National Intelligence
24 with the requirement to issue designated orders

1 under subsection (e)(6)(B) and providing technical
2 assistance to those agencies on compliance matters.

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 new
14 paragraph:

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

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

24 “(B) DUTIES.—The Program Office shall
25 provide to the Council and any committees,

1 working groups, or other constituent bodies es-
2 tablished by the Council under paragraph (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 following
21 new subparagraph:
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 “recommendations”
9 and inserting “recommend orders”;
- 10 (v) by inserting “to the officials de-
11 scribed under clause (iii) of paragraph
12 (6)(A) for issuance under such paragraph”
13 after “thereof,”;
- 14 (vi) by striking “Such recommenda-
15 tions” and inserting “Any such order rec-
16 ommended”;
- 17 (vii) in subparagraph (D), by striking
18 “supply chain risk” and inserting “acquisi-
19 tion security and supply chain risk associ-
20 ated with the acquisition of covered arti-
21 cles”; and
- 22 (viii) in subparagraph (E), by striking
23 “exclusion or removal”;
- 24 (C) by redesignating paragraphs (3)
25 through (7) as paragraphs (4) through (8);

1 (D) by inserting after paragraph (2) the
2 following new paragraph:

3 “(3) DESIGNATED ORDERS.—

4 “(A) EXCLUSION OR REMOVAL OF COV-
5 ERED SOURCES OF CONCERN.—

6 “(i) IN GENERAL.—Not later than
7 270 days after a source of concern is des-
8 ignated as a covered source of concern pur-
9 suant to paragraph (2), the Council—

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

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

20 “(bb) the removal of covered
21 articles produced or provided by
22 the covered source of concern
23 from the information system of
24 executive agencies; or

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

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

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

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

22 “(III) a summary of the basis for
23 the order, including a discussion of
24 less intrusive measures that were con-
25 sidered and why such measures were

1 not reasonably available to reduce se-
2 curity risk;

3 “(IV) a description of the actions
4 necessary to implement the order; and

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

11 “(B) EXCLUSION OR REMOVAL OF SECOND
12 ORDER SOURCES OR COVERED ARTICLES.—

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

22 “(I) such covered articles or such
23 sources use a covered source of con-
24 cern in the performance of a contract
25 with the executive agency; or

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

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

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

19 “(II) the likelihood of the covered
20 source of concern or the covered arti-
21 cle produced or provided by the cov-
22 ered source of concern causing immi-
23 nent threat to public health and safe-
24 ty;

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

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

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

15 (i) in the paragraph heading, by strik-
16 ing “OF RECOMMENDATION AND REVIEW”
17 and inserting “AND REVIEW OF REC-
18 OMMENDED AND DESIGNATED ORDERS”;

19 (ii) by striking “ the recommenda-
20 tion” each place it appears, and inserting
21 “ the order”;

22 (iii) in the matter preceding subpara-
23 graph (A), by striking “A notice of the
24 Council’s recommendation under para-
25 graph (2)” and inserting “Before the

1 Council recommends an order under para-
2 graph (2) or issues an order under para-
3 graph (3), a notice”;

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

8 (v) in subparagraph (D), by striking
9 “paragraph (5); and” and inserting “para-
10 graph (6);”;

11 (vi) in subparagraph (E), by striking
12 the period at the end and inserting “;
13 and”;

14 (vii) by adding at the end the fol-
15 lowing new subparagraph:

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

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

24 (i) by striking “paragraph (3)” and
25 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 new subparagraph:

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 determines
19 that the issuance of a designated
20 order is not warranted, rescind the
21 designated order and notify the source
22 of the rescission; and

23 “(II) except in the case that the
24 Council rescinds the designated order
25 under subclause (I)(bb), provide the

1 designated order (including any modi-
2 fications made to such order by the
3 Council) to the officials described in
4 clause (iii).

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

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

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

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

23 “(III) The Director of National
24 Intelligence, for exclusion and removal
25 orders applicable to the intelligence

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

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

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 365 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, the appropriate congress-
3 sional committees, and leadership that
4 includes 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 redes-
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 through “Deputy
6 Commander”;

7 (v) in subparagraph (D), as so redesi-
8 gnated—

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 redesi-
14 gnated, by striking “this paragraph” and
15 inserting “subparagraph (A)”; and

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

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

23 (H) in paragraph (7), as so redesignated,
24 by striking “paragraph (5)(A)” and inserting

1 “subparagraph (A) or (B) of paragraph (6)”;
2 and

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

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

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

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

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

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

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

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

1 (e) REQUIREMENTS FOR EXECUTIVE AGENCIES.—
2 Section 1326 of title 41, United States Code, is amend-
3 ed—

4 (1) by striking “supply chain” each place such
5 term appears and inserting “security and supply
6 chain”;

7 (2) in subsection (a)—

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

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

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

13 “(3) providing any information requested by the
14 Chairperson of the Council for the purpose of car-
15 rying out activities of this subchapter, subject to ap-
16 plicable law or policy on control and handling of
17 classified, sensitive, or proprietary information.”;
18 and

19 (3) in subsection (b)(6), by striking “may pose”
20 and all that follows through “risk” and inserting
21 “may pose a security or supply chain risk”.

22 (f) JUDICIAL PROCEDURE.—Section 1327(b) of title
23 41, United States Code, is amended—

24 (1) in paragraph (1), by striking “section
25 1323(c)(6)” and inserting “section 1323(c)(7)”;

1 (2) in paragraph (3), by striking “sections
2 1323(c)(5)” and inserting “sections 1323(c)(6)”;
3 and

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

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

9 “(I) the information the Council
10 relied upon in issuing a designated
11 order under section 1323(c)(6); and

12 “(II) the information that the ap-
13 propriate official relied upon in
14 issuing an exclusion or removal order
15 under section 1323(c)(6) or a covered
16 procurement action under section
17 4713.”.

18 (g) ADDITIONAL PROVISIONS.—Subchapter III of
19 chapter 13 of title 41, United States Code, is amended
20 by adding at the end the following new section:

21 **“§ 1329. Additional provisions**

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

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

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

7 “(3) sections 1821 through 1833 of the Amer-
8 ican Security Drone Act of 2023 (Public Law 118–
9 31).

10 “(b) UPDATE TO REGULATIONS.—Not later than two
11 years after the date of the enactment of this section, the
12 Federal Acquisition Security Council shall update any reg-
13 ulations the Council determines necessary.”.

14 (h) TECHNICAL AND CONFORMING CHANGES.—Sub-
15 chapter III of chapter 13 of title 41, United States Code,
16 is amended—

17 (1) in the table of sections for the subchapter
18 by adding after the item related to section 1328 the
19 following:

 “1329. Additional provisions.”;

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

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

1 **SEC. 3. REALLOCATING EXISTING RESOURCES.**

2 Section 5949(l) of the James M. Inhofe National De-
3 fense Authorization Act for Fiscal Year 2023 (Public Law
4 117–263) is amended—

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

8 (2) in paragraph (2), by striking “Office of
9 Management and Budget” and inserting “Office of
10 the National Cyber Director”.

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