

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 6237) TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEARS 2018 AND 2019 FOR INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES OF THE UNITED STATES GOVERNMENT, THE COMMUNITY MANAGEMENT ACCOUNT, AND THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM, AND FOR OTHER PURPOSES

JULY 11, 2018.—Referred to the House Calendar and ordered to be printed

Mr. COLLINS of Georgia, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 989]

The Committee on Rules, having had under consideration House Resolution 989, by a record vote of 6 to 4, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 6237, the Matthew Young Pollard Intelligence Authorization Act for Fiscal Years 2018 and 2019, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Permanent Select Committee on Intelligence. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for purpose of amendment an amendment in the nature of a substitute consisting of the text of Rules Committee Print 115-80 and provides that it shall be considered as read. The resolution waives all points of order against that amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in this report. The resolution provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of the bill, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

It is important to note that the estimate provided by the Congressional Budget Office (CBO) to the Permanent Select Committee on Intelligence and the Committee on the Budget is incomplete due to the fact that CBO is only permitted to score the unclassified portions of the bill. Because the estimate is incomplete, the Chair of the Committee on the Budget is unable to accurately advise the Chair on budget related points of order.

The waiver of all points of order against the amendment in the nature of a substitute made in order as original text includes a waiver of clause 5(a) of rule XXI, which prohibits a bill or joint resolution carrying a tax or tariff measure from being reported by a committee not having jurisdiction to report tax or tariff measures.

Although the resolution waives all points of order against the amendments printed in this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 257

Motion by Mr. Hastings of Florida to make in order and provide the appropriate waivers to amendment #11, offered by Rep. Hastings (FL), which amends the National Security Act to include in its list of statutorily-required positions on the National Security Council a Cybersecurity Coordinator. The Cybersecurity Coordinator shall be paid at the rate of basic pay for level III of the Executive Schedule. Defeated: 4–6

| Majority Members | Vote | Minority Members | Vote |
|------------------------------|-------|-------------------------------|------|
| Mr. Cole | | Mr. McGovern | Yea |
| Mr. Woodall | Nay | Mr. Hastings of Florida | Yea |
| Mr. Burgess | Nay | Mr. Polis | Yea |
| Mr. Collins | Nay | Mrs. Torres | Yea |
| Mr. Byrne | Nay | | |
| Mr. Newhouse | | | |
| Mr. Buck | Nay | | |
| Ms. Cheney | | | |
| Mr. Sessions, Chairman | Nay | | |

Rules Committee record vote No. 258

Motion by Rep. Torres to make in order and provide the appropriate waivers to amendment #41, offered by Rep. Torres (CA) and Rep. Hastings (FL) and Rep. McGovern (MA) and Rep. Polis (CO), which inserts the findings of the Senate Select Committee on Intelligence, with respect to the Intelligence Community Assessment (ICA) regarding Russian activities and intentions in the 2016 U.S. Presidential Election. Converts the Committee's findings into findings of the entire Congress. Defeated: 4–6

| Majority Members | Vote | Minority Members | Vote |
|------------------------------|------|-------------------------------|------|
| Mr. Cole | | Mr. McGovern | Yea |
| Mr. Woodall | Nay | Mr. Hastings of Florida | Yea |
| Mr. Burgess | Nay | Mr. Polis | Yea |
| Mr. Collins | Nay | Mrs. Torres | Yea |
| Mr. Byrne | Nay | | |
| Mr. Newhouse | | | |
| Mr. Buck | Nay | | |
| Ms. Cheney | | | |
| Mr. Sessions, Chairman | Nay | | |

Rules Committee record vote No. 259

Motion by Rep. Torres to make in order en bloc and provide the appropriate waivers to amendment #5, offered by Rep. Torres (CA), which requires the advisory report on foreign counterintelligence and cybersecurity threats to election campaigns summarizing best practices for Federal offices to also include State and Local offices, and amendment #7 offered by Rep. Torres (CA) which Requires a report from the Director of National Intelligence to Congress on the use of U.S. policy on family separation as propaganda by foreign governments, including Russia, to interfere and undermine the moral credibility of the United States. Defeated: 4–6

| Majority Members | Vote | Minority Members | Vote |
|------------------------------|------|-------------------------------|------|
| Mr. Cole | | Mr. McGovern | Yea |
| Mr. Woodall | Nay | Mr. Hastings of Florida | Yea |
| Mr. Burgess | Nay | Mr. Polis | Yea |
| Mr. Collins | Nay | Mrs. Torres | Yea |
| Mr. Byrne | Nay | | |
| Mr. Newhouse | | | |
| Mr. Buck | Nay | | |
| Ms. Cheney | | | |
| Mr. Sessions, Chairman | Nay | | |

Rules Committee record vote No. 260

Motion by Mr. Woodall to report the rule. Adopted: 6–4

| Majority Members | Vote | Minority Members | Vote |
|------------------------------|------|-------------------------------|------|
| Mr. Cole | | Mr. McGovern | Nay |
| Mr. Woodall | Yea | Mr. Hastings of Florida | Nay |
| Mr. Burgess | Yea | Mr. Polis | Nay |
| Mr. Collins | Yea | Mrs. Torres | Nay |
| Mr. Byrne | Yea | | |
| Mr. Newhouse | | | |
| Mr. Buck | Yea | | |
| Ms. Cheney | | | |
| Mr. Sessions, Chairman | Yea | | |

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KEATING OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 17, line 2, insert “Russian,” after “Korean,”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHNEIDER OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 20, line 7, before the period insert “, including an identification of the foreign state or foreign nonstate person, group, or entity to which such threat has been attributed”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JACKSON LEE OF TEXAS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 22, line 16, strike “and”.

Page 23, line 2, strike the period and insert “; and”.

Page 23, after line 2, insert the following new paragraph:

(6) an immediate review of a clearance may be triggered when a security clearance holder is reported to have engaged in violent acts against individuals, property, or public spaces based on the security clearance holder’s association or sympathy with persons or organizations that advocate, threaten, or use force or violence, or any other illegal or unconstitutional means, in an effort to prevent others from exercising their rights under the Constitution or laws of the United States or of any State, based on factors including, at a minimum, race, religion, national origin, or disability.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE VARGAS OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 29, line 13, after “methods” insert “, including the use of virtual currencies,”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE TORRES OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. NORTH KOREA FOLLOW THE MONEY ACT.

(a) ASSESSMENT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence, in coordination with the Assistant Secretary of State for Intelligence and Research and the Assistant Secretary of the Treasury for Intelligence and Analysis, shall produce an intelligence assessment of the revenue sources of the North Korean regime. Such assessment shall include revenue from the following sources:

- (1) Trade in coal, iron, and iron ore.
- (2) The provision of fishing rights to North Korean territorial waters.
- (3) Trade in gold, titanium ore, vanadium ore, copper, silver, nickel, zinc, or rare earth minerals, and other stores of value.
- (4) Trade in textiles.
- (5) Sales of conventional defense articles and services.
- (6) Sales of controlled goods, ballistic missiles, and other associated purposes.
- (7) Other types of manufacturing for export, as the Director of National Intelligence considers appropriate.

(8) The exportation of workers from North Korea in a manner intended to generate significant revenue, directly or indirectly, for use by the government of North Korea.

(9) The provision of non-humanitarian goods (such as food, medicine, and medical devices) and services by other countries.

(10) The provision of services, including banking and other support, including by entities located in the Russian Federation, China, and Iran.

(11) Online commercial activities of the Government of North Korea, including online gambling.

(12) Criminal activities, including cyber-enabled crime and counterfeit goods.

(b) ELEMENTS.—The assessment required under subsection (a) shall include an identification of each of the following:

(1) The sources of North Korea’s funding.

(2) Financial and non-financial networks, including supply chain management, transportation, and facilitation, through which North Korea accesses the United States and international financial systems and repatriates and exports capital, goods, and services; and

(3) the global financial institutions, money services business, and payment systems that assist North Korea with financial transactions.

(c) SUBMITTAL TO CONGRESS.—Upon completion of the assessment required under subsection (a), the Director of National Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a copy of such assessment.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE HASTINGS OF FLORIDA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. EXPANSION OF INTELLIGENCE COMMUNITY RECRUITMENT EFFORTS.

In order to further increase the diversity of the intelligence community workforce, not later than 90 days after the date of the enactment of this Act, the Director of National Intelligence, in consultation with heads of elements of the Intelligence Community, shall create, implement, and submit to the congressional intelligence committees a written plan to ensure that rural and under-represented regions are more fully and consistently represented in such elements’ employment recruitment efforts. Upon receipt of the plan, the congressional committees shall have 60 days to submit comments to the Director of National Intelligence before such plan shall be implemented.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHNEIDER OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. REPORT ON IRANIAN SUPPORT OF PROXY FORCES IN SYRIA AND LEBANON.

(a) **REPORT REQUIRED.**—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to the Committee on Armed Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate a report on Iranian support of proxy forces in Syria and Lebanon and the threat posed to Israel, other United States regional allies, and other specified interests of the United States as a result of such support.

(b) **MATTERS FOR INCLUSION.**—The report required under subsection (a) shall include information relating to the following matters with respect to both the strategic and tactical implications for the United States and its allies:

(1) A description of arms or related material transferred by Iran to Hizballah since March 2011, including the number of such arms or related material and whether such transfer was by land, sea, or air, as well as financial and additional technological capabilities transferred by Iran to Hizballah.

(2) A description of Iranian and Iranian-controlled personnel, including Hizballah, Shiite militias, and Iran’s Revolutionary Guard Corps forces, operating within Syria, including the number and geographic distribution of such personnel operating within 30 kilometers of the Israeli borders with Syria and Lebanon.

(3) An assessment of Hizballah’s operational lessons learned based on its recent experiences in Syria.

(4) A description of any rocket-producing facilities in Lebanon for non-state actors, including whether such facilities were assessed to be built at the direction of Hizballah leadership, Iranian leadership, or in consultation between Iranian leadership and Hizballah leadership.

(5) An analysis of the foreign and domestic supply chains that significantly facilitate, support, or otherwise aid Hizballah’s acquisition or development of missile production facilities, including the geographic distribution of such foreign and domestic supply chains.

(6) An assessment of the provision of goods, services, or technology transferred by Iran or its affiliates to Hizballah to indigenously manufacture or otherwise produce missiles.

(7) An identification of foreign persons that are, based on credible information, facilitating the transfer of significant financial support or arms or related material to Hizballah.

(8) A description of the threat posed to Israel and other United States allies in the Middle East by the transfer of arms or related material or other support offered to Hizballah and other proxies from Iran.

(c) **FORM OF REPORT.**—The report required under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(d) **DEFINITION.**—In this section, the term “arms or related material” means—

- (1) nuclear, biological, chemical, or radiological weapons or materials or components of such weapons;
- (2) ballistic or cruise missile weapons or materials or components of such weapons;
- (3) destabilizing numbers and types of advanced conventional weapons;
- (4) defense articles or defense services, as those terms are defined in paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act (22 U.S.C. 2794);
- (5) defense information, as that term is defined in section 644 of the Foreign Assistance Act of 1961 (22 U.S.C. 2403); or
- (6) items designated by the President for purposes of the United States Munitions List under section 38(a)(1) of the Arms Export Control Act (22 U.S.C. 2778(a)(1)).

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BERA OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. BRIEFING ON EMERGING INFECTIOUS DISEASE AND PANDEMICS.

(a) **BRIEFING.**—Not later than 120 days after the date of the enactment of this Act, the Director of National Intelligence shall provide to the appropriate congressional committees a briefing on the anticipated geopolitical effects of emerging infectious disease (including deliberate, accidental, and naturally occurring infectious disease threats) and pandemics, and their implications on the national security of the United States.

(b) **CONTENT.**—The briefing under subsection (a) shall assess—

- (1) the economic, social, political, and security risks, costs, and impacts of emerging infectious diseases on the United States and the international political and economic system;
- (2) the economic, social, political, and security risks, costs, and impacts of a major transnational pandemic on the United States and the international political and economic system; and
- (3) contributing trends and factor to the matters assessed under paragraphs (1) and (2).

(c) **EXAMINATION OF RESPONSE CAPACITY.**—In examining the risks, costs, and impacts of emerging infectious disease and a possible transnational pandemic under subsection (b), the Director of National Intelligence shall also examine in the briefing under subsection (a) the response capacity within affected countries and the international system. In considering response capacity, the Director shall include—

- (1) the ability of affected nations to effectively detect and manage emerging infectious diseases and a possible transnational pandemic;
- (2) the role and capacity of international organizations and nongovernmental organizations to respond to emerging infectious disease and a possible pandemic, and their ability to coordinate with affected and donor nations; and
- (3) the effectiveness of current international frameworks, agreements, and health systems to respond to emerging infectious diseases and a possible transnational pandemic.

- (d) FORM.—The briefing under subsection (a) may be classified.
- (e) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—
- (1) the congressional intelligence committees;
 - (2) the Committee on Foreign Affairs, the Committee on Armed Services, and the Committee on Appropriations of the House of Representatives; and
 - (3) the Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Appropriations of the Senate.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KENNEDY OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. REPORT ON ESTABLISHMENT OF FOREIGN MALIGN INFLUENCE RESPONSE CENTER.

- (a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report on the potential establishment of a center, to be known as the “Foreign Malign Influence Response Center” that—
- (1) is comprised of analysts from all appropriate elements of the intelligence community, including elements with related diplomatic and law enforcement functions;
 - (2) has access to all intelligence and other reporting acquired by the United States Government on foreign efforts to influence, through overt and covert malign activities, United States political processes and elections;
 - (3) provides comprehensive assessment, and indications and warning, of such activities; and
 - (4) provides for enhanced dissemination of such assessment to United States policy makers.
- (b) CONTENTS.—The Report required by subsection (a)—
- (1) shall contain, at a minimum, a discussion of the desirability of the establishment of such center and any barriers to such establishment; and
 - (2) may contain any recommendations the Director determines appropriate.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE RICE OF NEW YORK OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 102, after line 13, insert the following:

SEC. 2509. REPORT ON POSSIBLE EXPLOITATION OF VIRTUAL CURRENCIES BY TERRORIST ACTORS.

- (a) SHORT TITLE.—This section may be cited as the “Stop Terrorist Use of Virtual Currencies Act”.
- (b) REPORT.—Not later than one year after the date of the enactment of this Act, the Director of National Intelligence, in consultation with the Secretary of the Treasury, shall submit to Congress

a report on the possible exploitation of virtual currencies by terrorist actors. Such report shall include the following elements:

(1) An assessment of the means and methods by which international terrorist organizations and State sponsors of terrorism use virtual currencies.

(2) An assessment of the use by terrorist organizations and State sponsors of terrorism of virtual currencies compared to the use by such organizations and States of other forms of financing to support operations, including an assessment of the collection posture of the intelligence community on the use of virtual currencies by such organizations and States.

(3) A description of any existing legal impediments that inhibit or prevent the intelligence community from collecting information on or helping prevent the use of virtual currencies by international terrorist organizations and State sponsors of terrorism and an identification of any gaps in existing law that could be exploited for illicit funding by such organizations and States.

(c) **FORM OF REPORT.**—The report required by subsection (b) shall be submitted in unclassified form, but may include a classified annex.

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LIPINSKI OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of title V of division B, add the following new section:

SEC. 2509. REPORT ON IRANIAN EXPENDITURES SUPPORTING FOREIGN MILITARY AND TERRORIST ACTIVITIES.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Director of National Intelligence shall submit to Congress a report describing Iranian expenditures in the previous calendar year on military and terrorist activities outside the country, including each of the following:

(1) The amount spent in such calendar year on activities by the Islamic Revolutionary Guard Corps, including activities providing support for—

- (A) Hezbollah;
- (B) Houthi rebels in Yemen;
- (C) Hamas;
- (D) proxy forces in Iraq and Syria; or
- (E) any other entity or country the Director determines to be relevant.

(2) The amount spent in such calendar year for ballistic missile research and testing or other activities that the Director determines are destabilizing to the Middle East region.

(b) **FORM.**—The report required under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DAVIDSON OF OHIO OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of title V of division B, add the following new section:

**SEC. 2509. INCLUSION OF DISCIPLINARY ACTIONS IN ANNUAL REPORT
RELATING TO SECTION 702.**

Section 707(b)(1)(G)(ii) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1881f(b)(1)(G)(ii)) is amended by inserting before the semicolon the following: “, including whether disciplinary actions were taken as a result of such an incident of non-compliance and the extent of such disciplinary actions”.

