

All executive agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of the order.

The order, a copy of which is enclosed, became effective at 12:01 a.m. eastern daylight time on September 29, 2010.

BARACK OBAMA.

THE WHITE HOUSE, September 28, 2010.

□ 1830

### INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2010

Mr. REYES. Madam Speaker, pursuant to House Resolution 1674, I call up the bill (H.R. 2701) to authorize appropriations for fiscal year 2010 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, with the Senate amendment thereto, and I have a motion at the desk.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will designate the Senate amendment.

The text of the Senate amendment is as follows:

Senate amendment:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 2010”.

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

#### TITLE I—BUDGET AND PERSONNEL AUTHORIZATIONS

Sec. 101. Authorization of appropriations.

Sec. 102. Restriction on conduct of intelligence activities.

Sec. 103. Budgetary provisions.

#### TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Technical modification to mandatory retirement provision of the Central Intelligence Agency Retirement Act.

#### TITLE III—GENERAL INTELLIGENCE COMMUNITY MATTERS

##### Subtitle A—Personnel Matters

Sec. 301. Increase in employee compensation and benefits authorized by law.

Sec. 302. Enhanced flexibility in nonreimbursable details to elements of the intelligence community.

Sec. 303. Pay authority for critical positions.

Sec. 304. Award of rank to members of the Senior National Intelligence Service.

Sec. 305. Annual personnel level assessments for the intelligence community.

Sec. 306. Temporary personnel authorizations for critical language training.

Sec. 307. Conflict of interest regulations for intelligence community employees.

##### Subtitle B—Education Programs

Sec. 311. Permanent authorization for the Pat Roberts Intelligence Scholars Program.

Sec. 312. Modifications to the Louis Stokes Educational Scholarship Program.

Sec. 313. Intelligence officer training program.

Sec. 314. Pilot program for intensive language instruction in African languages.

##### Subtitle C—Acquisition Matters

Sec. 321. Vulnerability assessments of major systems.

Sec. 322. Intelligence community business system transformation.

Sec. 323. Reports on the acquisition of major systems.

Sec. 324. Critical cost growth in major systems.

Sec. 325. Future budget projections.

Sec. 326. National Intelligence Program funded acquisitions.

##### Subtitle D—Congressional Oversight, Plans, and Reports

Sec. 331. Notification procedures.

Sec. 332. Certification of compliance with oversight requirements.

Sec. 333. Report on detention and interrogation activities.

Sec. 334. Summary of intelligence relating to terrorist recidivism of detainees held at United States Naval Station, Guantanamo Bay, Cuba.

Sec. 335. Report and strategic plan on biological weapons.

Sec. 336. Cybersecurity oversight.

Sec. 337. Report on foreign language proficiency in the intelligence community.

Sec. 338. Report on plans to increase diversity within the intelligence community.

Sec. 339. Report on intelligence community contractors.

Sec. 340. Study on electronic waste destruction practices of the intelligence community.

Sec. 341. Review of records relating to potential health risks among Desert Storm veterans.

Sec. 342. Review of Federal Bureau of Investigation exercise of enforcement jurisdiction in foreign nations.

Sec. 343. Public release of information on procedures used in narcotics airbridge denial program in Peru.

Sec. 344. Report on threat from dirty bombs.

Sec. 345. Report on creation of space intelligence office.

Sec. 346. Report on attempt to detonate explosive device on Northwest Airlines flight 253.

Sec. 347. Repeal or modification of certain reporting requirements.

Sec. 348. Information access by the Comptroller General of the United States.

Sec. 349. Conforming amendments for report submission dates.

##### Subtitle E—Other Matters

Sec. 361. Extension of authority to delete information about receipt and disposition of foreign gifts and decorations.

Sec. 362. Modification of availability of funds for different intelligence activities.

Sec. 363. Protection of certain national security information.

Sec. 364. National Intelligence Program budget.

Sec. 365. Improving the review authority of the Public Interest Declassification Board.

Sec. 366. Authority to designate undercover operations to collect foreign intelligence or counterintelligence.

Sec. 367. Security clearances: reports; reciprocity.

Sec. 368. Correcting long-standing material weaknesses.

Sec. 369. Intelligence community financial improvement and audit readiness.

#### TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

##### Subtitle A—Office of the Director of National Intelligence

Sec. 401. Accountability reviews by the Director of National Intelligence.

Sec. 402. Authorities for intelligence information sharing.

Sec. 403. Location of the Office of the Director of National Intelligence.

Sec. 404. Title and appointment of Chief Information Officer of the Intelligence Community.

Sec. 405. Inspector General of the Intelligence Community.

Sec. 406. Chief Financial Officer of the Intelligence Community.

Sec. 407. Leadership and location of certain offices and officials.

Sec. 408. Protection of certain files of the Office of the Director of National Intelligence.

Sec. 409. Counterintelligence initiatives for the intelligence community.

Sec. 410. Inapplicability of Federal Advisory Committee Act to advisory committees of the Office of the Director of National Intelligence.

Sec. 411. Membership of the Director of National Intelligence on the Transportation Security Oversight Board.

Sec. 412. Repeal of certain authorities relating to the Office of the National Counterintelligence Executive.

Sec. 413. Misuse of the Office of the Director of National Intelligence name, initials, or seal.

Sec. 414. Plan to implement recommendations of the data center energy efficiency reports.

Sec. 415. Director of National Intelligence support for reviews of International Traffic in Arms Regulations and Export Administration Regulations.

##### Subtitle B—Central Intelligence Agency

Sec. 421. Additional functions and authorities for protective personnel of the Central Intelligence Agency.

Sec. 422. Appeals from decisions involving contracts of the Central Intelligence Agency.

Sec. 423. Deputy Director of the Central Intelligence Agency.

Sec. 424. Authority to authorize travel on a common carrier.

Sec. 425. Inspector General for the Central Intelligence Agency.

Sec. 426. Budget of the Inspector General for the Central Intelligence Agency.

Sec. 427. Public availability of unclassified versions of certain intelligence products.

##### Subtitle C—Defense Intelligence Components

Sec. 431. Inspector general matters.

Sec. 432. Clarification of national security missions of National Geospatial-Intelligence Agency for analysis and dissemination of certain intelligence information.

Sec. 433. Director of Compliance of the National Security Agency.

##### Subtitle D—Other Elements

Sec. 441. Codification of additional elements of the intelligence community.

Sec. 442. Authorization of appropriations for Coast Guard National Tactical Integration Office.

Sec. 443. Retention and relocation bonuses for the Federal Bureau of Investigation.

Sec. 444. Extension of the authority of the Federal Bureau of Investigation to waive mandatory retirement provisions.

Sec. 445. Report and assessments on transformation of the intelligence capabilities of the Federal Bureau of Investigation.

**TITLE V—REORGANIZATION OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE**

Sec. 501. Reorganization of the Diplomatic Telecommunications Service Program Office.

**TITLE VI—FOREIGN INTELLIGENCE AND INFORMATION COMMISSION ACT**

Sec. 601. Short title.

Sec. 602. Definitions.

Sec. 603. Establishment and functions of the Commission.

Sec. 604. Members and staff of the Commission.

Sec. 605. Powers and duties of the Commission.

Sec. 606. Report of the Commission.

Sec. 607. Termination.

Sec. 608. Nonapplicability of Federal Advisory Committee Act.

Sec. 609. Authorization of appropriations.

**TITLE VII—OTHER MATTERS**

Sec. 701. Extension of National Commission for the Review of the Research and Development Programs of the United States Intelligence Community.

Sec. 702. Classification review of executive branch materials in the possession of the congressional intelligence committees.

**TITLE VIII—TECHNICAL AMENDMENTS**

Sec. 801. Technical amendments to the Foreign Intelligence Surveillance Act of 1978.

Sec. 802. Technical amendments to the Central Intelligence Agency Act of 1949.

Sec. 803. Technical amendments to title 10, United States Code.

Sec. 804. Technical amendments to the National Security Act of 1947.

Sec. 805. Technical amendments relating to the multiyear National Intelligence Program.

Sec. 806. Technical amendments to the Intelligence Reform and Terrorism Prevention Act of 2004.

Sec. 807. Technical amendments to the Executive Schedule.

Sec. 808. Technical amendments to section 105 of the Intelligence Authorization Act for Fiscal Year 2004.

Sec. 809. Technical amendments to section 602 of the Intelligence Authorization Act for Fiscal Year 1995.

Sec. 810. Technical amendments to section 403 of the Intelligence Authorization Act, Fiscal Year 1992.

**SEC. 2. DEFINITIONS.**

In this Act:

(1) **CONGRESSIONAL INTELLIGENCE COMMITTEES.**—The term “congressional intelligence committees” means—

(A) the Select Committee on Intelligence of the Senate; and

(B) the Permanent Select Committee on Intelligence of the House of Representatives.

(2) **INTELLIGENCE COMMUNITY.**—The term “intelligence community” has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

**TITLE I—BUDGET AND PERSONNEL AUTHORIZATIONS**

**SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

For the purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414), appropriated funds available to an intelligence agency may be obligated or expended for an intelligence or intelligence-related activity as appropriated for fiscal year 2010, as modified by such reprogramming and transfers of funds authorized by and reported to the appropriate congressional committees.

**SEC. 102. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.**

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity that is not otherwise authorized by the Constitution or the laws of the United States.

**SEC. 103. BUDGETARY PROVISIONS.**

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

**TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM**

**SEC. 201. TECHNICAL MODIFICATION TO MANDATORY RETIREMENT PROVISION OF THE CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT.**

Subparagraph (A) of section 235(b)(1) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2055(b)(1)) is amended by striking “receiving compensation under the Senior Intelligence Service pay schedule at the rate” and inserting “who is at the Senior Intelligence Service rank”.

**TITLE III—GENERAL INTELLIGENCE COMMUNITY MATTERS**

**Subtitle A—Personnel Matters**

**SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.**

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

**SEC. 302. ENHANCED FLEXIBILITY IN NONREIMBURSABLE DETAILS TO ELEMENTS OF THE INTELLIGENCE COMMUNITY.**

(a) **IN GENERAL.**—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by inserting after section 113 the following new section:

“DETAIL OF OTHER PERSONNEL

“SEC. 113A. Except as provided in section 904(g)(2) of the Counterintelligence Enhancement Act of 2002 (50 U.S.C. 402c(g)(2)) and section 113 of this Act, and notwithstanding any other provision of law, an officer or employee of the United States or member of the Armed Forces may be detailed to the staff of an element of the intelligence community funded through the National Intelligence Program from another element of the intelligence community or from another element of the United States Government on a reimbursable or nonreimbursable basis, as jointly agreed to by the head of the receiving element and the head of the detailing element, for a period not to exceed 2 years.”.

(b) **TABLE OF CONTENTS AMENDMENT.**—The table of contents in the first section of such Act is amended by inserting after the item relating to section 113 the following new item:

“SEC. 113A. Detail of other personnel.”.

**SEC. 303. PAY AUTHORITY FOR CRITICAL POSITIONS.**

Section 102A of the National Security Act of 1947 (50 U.S.C. 403–1) is amended by adding at the end the following new subsection:

“(s) **PAY AUTHORITY FOR CRITICAL POSITIONS.**—(1) Notwithstanding any pay limitation established under any other provision of law applicable to employees in elements of the intelligence community, the Director of National Intelligence may, in coordination with the Director of the Office of Personnel Management and the Director of the Office of Management and Budget, grant authority to the head of a department or agency to fix the rate of basic pay for

one or more positions within the intelligence community at a rate in excess of any applicable limitation, subject to the provisions of this subsection. The exercise of authority so granted is at the discretion of the head of the department or agency employing the individual in a position covered by such authority, subject to the provisions of this subsection and any conditions established by the Director of National Intelligence when granting such authority.

“(2) Authority under this subsection may be granted or exercised only—

“(A) with respect to a position that requires an extremely high level of expertise and is critical to successful accomplishment of an important mission; and

“(B) to the extent necessary to recruit or retain an individual exceptionally well qualified for the position.

“(3) The head of a department or agency may not fix a rate of basic pay under this subsection at a rate greater than the rate payable for level II of the Executive Schedule under section 5313 of title 5, United States Code, except upon written approval of the Director of National Intelligence or as otherwise authorized by law.

“(4) The head of a department or agency may not fix a rate of basic pay under this subsection at a rate greater than the rate payable for level I of the Executive Schedule under section 5312 of title 5, United States Code, except upon written approval of the President in response to a request by the Director of National Intelligence or as otherwise authorized by law.

“(5) Any grant of authority under this subsection for a position shall terminate at the discretion of the Director of National Intelligence.

“(6)(A) The Director of National Intelligence shall notify the congressional intelligence committees not later than 30 days after the date on which the Director grants authority to the head of a department or agency under this subsection.

“(B) The head of a department or agency to which the Director of National Intelligence grants authority under this subsection shall notify the congressional intelligence committees and the Director of the exercise of such authority not later than 30 days after the date on which such head exercises such authority.”.

**SEC. 304. AWARD OF RANK TO MEMBERS OF THE SENIOR NATIONAL INTELLIGENCE SERVICE.**

Section 102A of the National Security Act of 1947 (50 U.S.C. 403–1), as amended by section 303 of this Act, is further amended by adding at the end the following new subsection:

“(t) **AWARD OF RANK TO MEMBERS OF THE SENIOR NATIONAL INTELLIGENCE SERVICE.**—(1) The President, based on the recommendation of the Director of National Intelligence, may award a rank to a member of the Senior National Intelligence Service or other intelligence community senior civilian officer not already covered by such a rank award program in the same manner in which a career appointee of an agency may be awarded a rank under section 4507 of title 5, United States Code.

“(2) The President may establish procedures to award a rank under paragraph (1) to a member of the Senior National Intelligence Service or a senior civilian officer of the intelligence community whose identity as such a member or officer is classified information (as defined in section 606(1)).”.

**SEC. 305. ANNUAL PERSONNEL LEVEL ASSESSMENTS FOR THE INTELLIGENCE COMMUNITY.**

(a) **ASSESSMENT.**—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.) is amended by inserting after section 506A the following new section:

“ANNUAL PERSONNEL LEVEL ASSESSMENTS FOR THE INTELLIGENCE COMMUNITY

“SEC. 506B. (a) **REQUIREMENT TO PROVIDE.**—The Director of National Intelligence shall, in consultation with the head of each element of

the intelligence community, prepare an annual personnel level assessment for such element that assesses the personnel levels for such element for the fiscal year following the fiscal year in which the assessment is submitted.

“(b) SCHEDULE.—Each assessment required by subsection (a) shall be submitted to the congressional intelligence committees each year at the time that the President submits to Congress the budget for a fiscal year pursuant to section 1105 of title 31, United States Code.

“(c) CONTENTS.—Each assessment required by subsection (a) submitted during a fiscal year shall contain the following information for the element of the intelligence community concerned:

“(1) The budget submission for personnel costs for the upcoming fiscal year.

“(2) The dollar and percentage increase or decrease of such costs as compared to the personnel costs of the current fiscal year.

“(3) The dollar and percentage increase or decrease of such costs as compared to the personnel costs during the prior 5 fiscal years.

“(4) The number of full-time equivalent positions that is the basis for which personnel funds are requested for the upcoming fiscal year.

“(5) The numerical and percentage increase or decrease of the number referred to in paragraph (4) as compared to the number of full-time equivalent positions of the current fiscal year.

“(6) The numerical and percentage increase or decrease of the number referred to in paragraph (4) as compared to the number of full-time equivalent positions during the prior 5 fiscal years.

“(7) The best estimate of the number and costs of core contract personnel to be funded by the element for the upcoming fiscal year.

“(8) The numerical and percentage increase or decrease of such costs of core contract personnel as compared to the best estimate of the costs of core contract personnel of the current fiscal year.

“(9) The numerical and percentage increase or decrease of such number and such costs of core contract personnel as compared to the number and cost of core contract personnel during the prior 5 fiscal years.

“(10) A justification for the requested personnel and core contract personnel levels.

“(11) The best estimate of the number of intelligence collectors and analysts employed or contracted by each element of the intelligence community.

“(12) A statement by the Director of National Intelligence that, based on current and projected funding, the element concerned will have sufficient—

“(A) internal infrastructure to support the requested personnel and core contract personnel levels;

“(B) training resources to support the requested personnel levels; and

“(C) funding to support the administrative and operational activities of the requested personnel levels.”

(b) APPLICABILITY DATE.—The first assessment required to be submitted under section 506B(b) of the National Security Act of 1947, as added by subsection (a), shall be submitted to the congressional intelligence committees at the time that the President submits to Congress the budget for fiscal year 2012 pursuant to section 1105 of title 31, United States Code.

(c) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of such Act, as amended by section 302 of this Act, is further amended by inserting after the item relating to section 506A the following new item:

“Sec. 506B. Annual personnel level assessments for the intelligence community.”

**SEC. 306. TEMPORARY PERSONNEL AUTHORIZATIONS FOR CRITICAL LANGUAGE TRAINING.**

Section 102A(e) of the National Security Act of 1947 (50 U.S.C. 403–1(e)) is amended by—

(1) redesignating paragraph (3) as paragraph (4); and

(2) inserting after paragraph (2) the following new paragraph:

“(3)(A) In addition to the number of full-time equivalent positions authorized for the Office of the Director of National Intelligence for a fiscal year, there is authorized for such Office for each fiscal year an additional 100 full-time equivalent positions that may be used only for the purposes described in subparagraph (B).

“(B) Except as provided in subparagraph (C), the Director of National Intelligence may use a full-time equivalent position authorized under subparagraph (A) only for the purpose of providing a temporary transfer of personnel made in accordance with paragraph (2) to an element of the intelligence community to enable such element to increase the total number of personnel authorized for such element, on a temporary basis—

“(i) during a period in which a permanent employee of such element is absent to participate in critical language training; or

“(ii) to accept a permanent employee of another element of the intelligence community to provide language-capable services.

“(C) Paragraph (2)(B) shall not apply with respect to a transfer of personnel made under subparagraph (B).

“(D) The Director of National Intelligence shall submit to the congressional intelligence committees an annual report on the use of authorities under this paragraph. Each such report shall include a description of—

“(i) the number of transfers of personnel made by the Director pursuant to subparagraph (B), disaggregated by each element of the intelligence community;

“(ii) the critical language needs that were fulfilled or partially fulfilled through the use of such transfers; and

“(iii) the cost to carry out subparagraph (B).”

**SEC. 307. CONFLICT OF INTEREST REGULATIONS FOR INTELLIGENCE COMMUNITY EMPLOYEES.**

Section 102A of the National Security Act of 1947 (50 U.S.C. 403–1), as amended by section 304 of this Act, is further amended by adding at the end the following new subsection:

“(u) CONFLICT OF INTEREST REGULATIONS.—

(1) The Director of National Intelligence, in consultation with the Director of the Office of Government Ethics, shall issue regulations prohibiting an officer or employee of an element of the intelligence community from engaging in outside employment if such employment creates a conflict of interest or appearance thereof.

(2) The Director of National Intelligence shall annually submit to the congressional intelligence committees a report describing all outside employment for officers and employees of elements of the intelligence community that was authorized by the head of an element of the intelligence community during the preceding calendar year. Such report shall be submitted each year on the date provided in section 507.”

**Subtitle B—Education Programs**

**SEC. 311. PERMANENT AUTHORIZATION FOR THE PAT ROBERTS INTELLIGENCE SCHOLARS PROGRAM.**

(a) PERMANENT AUTHORIZATION.—Subtitle C of title X of the National Security Act of 1947 (50 U.S.C. 441m et seq.) is amended by adding at the end the following new section:

**“PROGRAM ON RECRUITMENT AND TRAINING**

“SEC. 1022. (a) PROGRAM.—(1) The Director of National Intelligence shall carry out a program to ensure that selected students or former students are provided funds to continue academic training, or are reimbursed for academic training previously obtained, in areas of specialization that the Director, in consultation with the other heads of the elements of the intelligence community, identifies as areas in which the current capabilities of the intelligence community

are deficient or in which future capabilities of the intelligence community are likely to be deficient.

“(2) A student or former student selected for participation in the program shall commit to employment with an element of the intelligence community, following completion of appropriate academic training, under such terms and conditions as the Director considers appropriate.

“(3) The program shall be known as the Pat Roberts Intelligence Scholars Program.

“(b) ELEMENTS.—In carrying out the program under subsection (a), the Director shall—

“(1) establish such requirements relating to the academic training of participants as the Director considers appropriate to ensure that participants are prepared for employment as intelligence professionals; and

“(2) periodically review the areas of specialization of the elements of the intelligence community to determine the areas in which such elements are, or are likely to be, deficient in capabilities.

“(c) USE OF FUNDS.—Funds made available for the program under subsection (a) shall be used—

“(1) to provide a monthly stipend for each month that a student is pursuing a course of study;

“(2) to pay the full tuition of a student or former student for the completion of such course of study;

“(3) to pay for books and materials that the student or former student requires or required to complete such course of study;

“(4) to pay the expenses of the student or former student for travel requested by an element of the intelligence community in relation to such program; or

“(5) for such other purposes the Director considers reasonably appropriate to carry out such program.”

(b) CONFORMING AMENDMENTS.—

(1) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of such Act, as amended by section 305 of this Act, is further amended—

(A) by transferring the item relating to section 1002 so such item immediately follows the item relating to section 1001; and

(B) by inserting after the item relating to section 1021 the following new item:

“Sec. 1022. Program on recruitment and training.”

(2) REPEAL OF PILOT PROGRAM.—

(A) AUTHORITY.—Section 318 of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108–177; 50 U.S.C. 441g note) is repealed.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1 of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108–177; 117 Stat. 2599) is amended by striking the item relating to section 318.

**SEC. 312. MODIFICATIONS TO THE LOUIS STOKES EDUCATIONAL SCHOLARSHIP PROGRAM.**

(a) EXPANSION OF THE LOUIS STOKES EDUCATIONAL SCHOLARSHIP PROGRAM TO GRADUATE STUDENTS.—Section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended—

(1) in subsection (a)—

(A) by inserting “and graduate” after “undergraduate”; and

(B) by striking “the baccalaureate” and inserting “a baccalaureate or graduate”;

(2) in subsection (b), by inserting “or graduate” after “undergraduate”;

(3) in subsection (e)(2), by inserting “and graduate” after “undergraduate”; and

(4) by adding at the end the following new subsection:

“(h) The undergraduate and graduate training program established under this section shall be known as the Louis Stokes Educational Scholarship Program.”

(b) **AUTHORITY FOR PARTICIPATION BY INDIVIDUALS WHO ARE NOT EMPLOYED BY THE UNITED STATES GOVERNMENT.**—

(1) **IN GENERAL.**—Subsection (b) of section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note), as amended by subsection (a)(2), is further amended by striking “civilian employees” and inserting “civilians who may or may not be employees”.

(2) **CONFORMING AMENDMENTS.**—Section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note), as amended by subsection (a), is further amended—

(A) in subsection (c), by striking “employees” and inserting “program participants”; and

(B) in subsection (d)—

(i) in paragraph (1)—

(I) in the matter preceding subparagraph (A), strike “an employee of the Agency,” and insert “a program participant.”;

(II) in subparagraph (A), by striking “employee” and inserting “program participant”;

(III) in subparagraph (C)—

(aa) by striking “employee” each place that term appears and inserting “program participant”; and

(bb) by striking “employee’s” each place that term appears and inserting “program participant’s”; and

(IV) in subparagraph (D)—

(aa) by striking “employee” each place that term appears and inserting “program participant”; and

(bb) by striking “employee’s” each place that term appears and inserting “program participant’s”; and

(ii) in paragraph (3)(C)—

(I) by striking “employee” both places that term appears and inserting “program participant”; and

(II) by striking “employee’s” and inserting “program participant’s”.

(c) **TERMINATION OF PROGRAM PARTICIPANTS.**—Subsection (d)(1)(C) of section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note), as amended by subsection (b)(2)(B)(i)(III), is further amended by striking “terminated” and all that follows and inserting “terminated—

“(i) by the Agency due to misconduct by the program participant;

“(ii) by the program participant voluntarily;

or

“(iii) by the Agency for the failure of the program participant to maintain such level of academic standing in the educational course of training as the Director of the National Security Agency shall have specified in the agreement of the program participant under this subsection; and”.

(d) **AUTHORITY TO WITHHOLD DISCLOSURE OF AFFILIATION WITH NSA.**—Subsection (e) of Section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by striking “(1) When an employee” and all that follows through “(2) Agency efforts” and inserting “Agency efforts”.

(e) **AUTHORITY OF ELEMENTS OF THE INTELLIGENCE COMMUNITY TO ESTABLISH A STOKES EDUCATIONAL SCHOLARSHIP PROGRAM.**—

(1) **AUTHORITY.**—Subtitle C of title X of the National Security Act of 1947 (50 U.S.C. 441m et seq.), as amended by section 311 of this Act, is further amended by adding at the end the following new section:

**“EDUCATIONAL SCHOLARSHIP PROGRAM**

“SEC. 1023. The head of a department or agency containing an element of the intelligence community may establish an undergraduate or graduate training program with respect to civilian employees and prospective civilian employees of such element similar in purpose, conditions, content, and administration to the program that the Secretary of Defense is authorized to establish under section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note).”.

(2) **TABLE OF CONTENTS AMENDMENT.**—The table of contents in the first section of the Na-

tional Security Act of 1947, as amended by section 311 of this Act, is further amended by inserting after the item relating to section 1022, as added by such section 311, the following new item:

“Sec. 1023. Educational scholarship program.”.

**SEC. 313. INTELLIGENCE OFFICER TRAINING PROGRAM.**

(a) **PROGRAM.**—Subtitle C of title X of the National Security Act of 1947 (50 U.S.C. 441m et seq.), as amended by section 312(e) of this Act, is further amended by adding at the end the following new section:

**“INTELLIGENCE OFFICER TRAINING PROGRAM**

“SEC. 1024. (a) **PROGRAMS.**—(1) The Director of National Intelligence may carry out grant programs in accordance with subsection (b) to enhance the recruitment and retention of an ethnically and culturally diverse intelligence community workforce with capabilities critical to the national security interests of the United States.

“(2) In carrying out paragraph (1), the Director shall identify the skills necessary to meet current or emergent needs of the intelligence community and the educational disciplines that will provide individuals with such skills.

“(b) **INSTITUTIONAL GRANT PROGRAM.**—(1) The Director may provide grants to institutions of higher education to support the establishment or continued development of programs of study in educational disciplines identified under subsection (a)(2).

“(2) A grant provided under paragraph (1) may, with respect to the educational disciplines identified under subsection (a)(2), be used for the following purposes:

“(A) Curriculum or program development.

“(B) Faculty development.

“(C) Laboratory equipment or improvements.

“(D) Faculty research.

“(c) **APPLICATION.**—An institution of higher education seeking a grant under this section shall submit an application describing the proposed use of the grant at such time and in such manner as the Director may require.

“(d) **REPORTS.**—An institution of higher education that receives a grant under this section shall submit to the Director regular reports regarding the use of such grant, including—

“(1) a description of the benefits to students who participate in the course of study funded by such grant;

“(2) a description of the results and accomplishments related to such course of study; and

“(3) any other information that the Director may require.

“(e) **REGULATIONS.**—The Director shall prescribe such regulations as may be necessary to carry out this section.

“(f) **DEFINITIONS.**—In this section:

“(1) The term ‘Director’ means the Director of National Intelligence.

“(2) The term ‘institution of higher education’ has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).”.

(b) **REPEAL OF DUPLICATIVE PROVISIONS.**—

(1) **IN GENERAL.**—The following provisions of law are repealed:

(A) Subsections (b) through (g) of section 319 of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108-177; 50 U.S.C. 403 note).

(B) Section 1003 of the National Security Act of 1947 (50 U.S.C. 441g-2).

(C) Section 922 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375; 50 U.S.C. 402 note).

(2) **EXISTING AGREEMENTS.**—Notwithstanding the repeals made by paragraph (1), nothing in this subsection shall be construed to amend, modify, or abrogate any agreement, contract, or employment relationship that was in effect in relation to the provisions repealed under paragraph (1) on the day prior to the date of the enactment of this Act.

(3) **TECHNICAL AMENDMENT.**—Section 319 of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108-177; 50 U.S.C. 403 note) is amended by striking “(a) FINDINGS.—”.

(c) **TABLE OF CONTENTS AMENDMENT.**—The table of contents in the first section of the National Security Act of 1947, as amended by section 312 of this Act, is further amended by striking the item relating to section 1003 and inserting the following new item:

“Sec. 1024. Intelligence officer training program.”.

**SEC. 314. PILOT PROGRAM FOR INTENSIVE LANGUAGE INSTRUCTION IN AFRICAN LANGUAGES.**

(a) **ESTABLISHMENT.**—The Director of National Intelligence, in consultation with the National Security Education Board established under section 803(a) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1903(a)), may establish a pilot program for intensive language instruction in African languages.

(b) **PROGRAM.**—A pilot program established under subsection (a) shall provide scholarships for programs that provide intensive language instruction—

(1) in any of the five highest priority African languages for which scholarships are not offered under the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1901 et seq.), as determined by the Director of National Intelligence; and

(2) both in the United States and in a country in which the language is the native language of a significant portion of the population, as determined by the Director of National Intelligence.

(c) **TERMINATION.**—A pilot program established under subsection (a) shall terminate on the date that is five years after the date on which such pilot program is established.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—There is authorized to be appropriated to carry out this section \$2,000,000.

(2) **AVAILABILITY.**—Funds authorized to be appropriated under paragraph (1) shall remain available until the termination of the pilot program in accordance with subsection (c).

**Subtitle C—Acquisition Matters**

**SEC. 321. VULNERABILITY ASSESSMENTS OF MAJOR SYSTEMS.**

(a) **VULNERABILITY ASSESSMENTS OF MAJOR SYSTEMS.**—

(1) **IN GENERAL.**—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 305 of this Act, is further amended by inserting after section 506B, as added by section 305(a), the following new section:

**“VULNERABILITY ASSESSMENTS OF MAJOR SYSTEMS**

“SEC. 506C. (a) **INITIAL VULNERABILITY ASSESSMENTS.**—(1)(A) Except as provided in subparagraph (B), the Director of National Intelligence shall conduct and submit to the congressional intelligence committees an initial vulnerability assessment for each major system and its significant items of supply—

“(i) except as provided in clause (ii), prior to the completion of Milestone B or an equivalent acquisition decision for the major system; or

“(ii) prior to the date that is 1 year after the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2010 in the case of a major system for which Milestone B or an equivalent acquisition decision—

“(I) was completed prior to such date of enactment; or

“(II) is completed on a date during the 180-day period following such date of enactment.

“(B) The Director may submit to the congressional intelligence committees an initial vulnerability assessment required by clause (ii) of subparagraph (A) not later than 180 days after the date such assessment is required to be submitted under such clause if the Director notifies the congressional intelligence committees of the extension of the submission date under this subparagraph and provides a justification for such extension.

“(C) The initial vulnerability assessment of a major system and its significant items of supply shall include use of an analysis-based approach to—

“(i) identify vulnerabilities;  
“(ii) define exploitation potential;  
“(iii) examine the system’s potential effectiveness;

“(iv) determine overall vulnerability; and  
“(v) make recommendations for risk reduction.

“(2) If an initial vulnerability assessment for a major system is not submitted to the congressional intelligence committees as required by paragraph (1), funds appropriated for the acquisition of the major system may not be obligated for a major contract related to the major system. Such prohibition on the obligation of funds for the acquisition of the major system shall cease to apply on the date on which the congressional intelligence committees receive the initial vulnerability assessment.

“(b) SUBSEQUENT VULNERABILITY ASSESSMENTS.—(1) The Director of National Intelligence shall, periodically throughout the procurement of a major system or if the Director determines that a change in circumstances warrants the issuance of a subsequent vulnerability assessment, conduct a subsequent vulnerability assessment of each major system and its significant items of supply within the National Intelligence Program.

“(2) Upon the request of a congressional intelligence committee, the Director of National Intelligence may, if appropriate, recertify the previous vulnerability assessment or may conduct a subsequent vulnerability assessment of a particular major system and its significant items of supply within the National Intelligence Program.

“(3) Any subsequent vulnerability assessment of a major system and its significant items of supply shall include use of an analysis-based approach and, if applicable, a testing-based approach, to monitor the exploitation potential of such system and reexamine the factors described in clauses (i) through (v) of subsection (a)(1)(C).

“(c) MAJOR SYSTEM MANAGEMENT.—The Director of National Intelligence shall give due consideration to the vulnerability assessments prepared for a given major system when developing and determining the National Intelligence Program budget.

“(d) CONGRESSIONAL OVERSIGHT.—(1) The Director of National Intelligence shall provide to the congressional intelligence committees a copy of each vulnerability assessment conducted under subsection (a) or (b) not later than 10 days after the date of the completion of such assessment.

“(2) The Director of National Intelligence shall provide the congressional intelligence committees with a proposed schedule for subsequent periodic vulnerability assessments of a major system under subsection (b)(1) when providing such committees with the initial vulnerability assessment under subsection (a) of such system as required by paragraph (1).

“(e) DEFINITIONS.—In this section:

“(1) The term ‘item of supply’ has the meaning given that term in section 4(10) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(10)).

“(2) The term ‘major contract’ means each of the 6 largest prime, associate, or Government-furnished equipment contracts under a major system that is in excess of \$40,000,000 and that is not a firm, fixed price contract.

“(3) The term ‘major system’ has the meaning given that term in section 506A(e).

“(4) The term ‘Milestone B’ means a decision to enter into major system development and demonstration pursuant to guidance prescribed by the Director of National Intelligence.

“(5) The term ‘vulnerability assessment’ means the process of identifying and quantifying vulnerabilities in a major system and its significant items of supply.”

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the Na-

tional Security Act of 1947, as amended by section 313 of this Act, is further amended by inserting after the item relating to section 506B, as added by section 305(c) of this Act, the following new item:

“Sec. 506C. Vulnerability assessments of major systems.”

(b) DEFINITION OF MAJOR SYSTEM.—Paragraph (3) of section 506A(e) of the National Security Act of 1947 (50 U.S.C. 415a–1(e)) is amended by striking “(in current fiscal year dollars)” and inserting “(based on fiscal year 2010 constant dollars)”.

**SEC. 322. INTELLIGENCE COMMUNITY BUSINESS SYSTEM TRANSFORMATION.**

(a) INTELLIGENCE COMMUNITY BUSINESS SYSTEM TRANSFORMATION.—

(1) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 321 of this Act, is further amended by inserting after section 506C, as added by section 321(a), the following new section:

“INTELLIGENCE COMMUNITY BUSINESS SYSTEM TRANSFORMATION

“SEC. 506D. (a) LIMITATION ON OBLIGATION OF FUNDS.—(1) Subject to paragraph (3), no funds appropriated to any element of the intelligence community may be obligated for an intelligence community business system transformation that will have a total cost in excess of \$3,000,000 unless—

“(A) the Director of the Office of Business Transformation of the Office of the Director of National Intelligence makes a certification described in paragraph (2) with respect to such intelligence community business system transformation; and

“(B) such certification is approved by the board established under subsection (f).

“(2) The certification described in this paragraph for an intelligence community business system transformation is a certification made by the Director of the Office of Business Transformation of the Office of the Director of National Intelligence that the intelligence community business system transformation—

“(A) complies with the enterprise architecture under subsection (b) and such other policies and standards that the Director of National Intelligence considers appropriate; or

“(B) is necessary—

“(i) to achieve a critical national security capability or address a critical requirement; or

“(ii) to prevent a significant adverse effect on a project that is needed to achieve an essential capability, taking into consideration any alternative solutions for preventing such adverse effect.

“(3) With respect to a fiscal year after fiscal year 2010, the amount referred to in paragraph (1) in the matter preceding subparagraph (A) shall be equal to the sum of—

“(A) the amount in effect under such paragraph (1) for the preceding fiscal year (determined after application of this paragraph), plus

“(B) such amount multiplied by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of the previous fiscal year.

“(b) ENTERPRISE ARCHITECTURE FOR INTELLIGENCE COMMUNITY BUSINESS SYSTEMS.—(1) The Director of National Intelligence shall, acting through the board established under subsection (f), develop and implement an enterprise architecture to cover all intelligence community business systems, and the functions and activities supported by such business systems. The enterprise architecture shall be sufficiently defined to effectively guide, constrain, and permit implementation of interoperable intelligence community business system solutions, consistent with applicable policies and procedures established by the Director of the Office of Management and Budget.

“(2) The enterprise architecture under paragraph (1) shall include the following:

“(A) An information infrastructure that will enable the intelligence community to—

“(i) comply with all Federal accounting, financial management, and reporting requirements;

“(ii) routinely produce timely, accurate, and reliable financial information for management purposes;

“(iii) integrate budget, accounting, and program information and systems; and

“(iv) provide for the measurement of performance, including the ability to produce timely, relevant, and reliable cost information.

“(B) Policies, procedures, data standards, and system interface requirements that apply uniformly throughout the intelligence community.

“(c) RESPONSIBILITIES FOR INTELLIGENCE COMMUNITY BUSINESS SYSTEM TRANSFORMATION.—The Director of National Intelligence shall be responsible for the entire life cycle of an intelligence community business system transformation, including review, approval, and oversight of the planning, design, acquisition, deployment, operation, and maintenance of the business system transformation.

“(d) INTELLIGENCE COMMUNITY BUSINESS SYSTEM INVESTMENT REVIEW.—(1) The Director of the Office of Business Transformation of the Office of the Director of National Intelligence shall establish and implement, not later than 60 days after the enactment of the Intelligence Authorization Act for Fiscal Year 2010, an investment review process for the intelligence community business systems for which the Director of the Office of Business Transformation is responsible.

“(2) The investment review process under paragraph (1) shall—

“(A) meet the requirements of section 11312 of title 40, United States Code; and

“(B) specifically set forth the responsibilities of the Director of the Office of Business Transformation under such review process.

“(3) The investment review process under paragraph (1) shall include the following elements:

“(A) Review and approval by an investment review board (consisting of appropriate representatives of the intelligence community) of each intelligence community business system as an investment before the obligation of funds for such system.

“(B) Periodic review, but not less often than annually, of every intelligence community business system investment.

“(C) Thresholds for levels of review to ensure appropriate review of intelligence community business system investments depending on the scope, complexity, and cost of the system involved.

“(D) Procedures for making certifications in accordance with the requirements of subsection (a)(2).

“(e) BUDGET INFORMATION.—For each fiscal year after fiscal year 2011, the Director of National Intelligence shall include in the materials the Director submits to Congress in support of the budget for such fiscal year that is submitted to Congress under section 1105 of title 31, United States Code, the following information:

“(1) An identification of each intelligence community business system for which funding is proposed in such budget.

“(2) An identification of all funds, by appropriation, proposed in such budget for each such system, including—

“(A) funds for current services to operate and maintain such system;

“(B) funds for business systems modernization identified for each specific appropriation; and

“(C) funds for associated business process improvement or reengineering efforts.

“(3) The certification, if any, made under subsection (a)(2) with respect to each such system.

“(f) INTELLIGENCE COMMUNITY BUSINESS SYSTEM TRANSFORMATION GOVERNANCE BOARD.—(1) The Director of National Intelligence shall establish a board within the intelligence community business system transformation governance structure (in this subsection referred to as the ‘Board’).

“(2) The Board shall—

“(A) recommend to the Director policies and procedures necessary to effectively integrate all business activities and any transformation, reform, reorganization, or process improvement initiatives undertaken within the intelligence community;

“(B) review and approve any major update of—

“(i) the enterprise architecture developed under subsection (b); and

“(ii) any plans for an intelligence community business systems modernization;

“(C) manage cross-domain integration consistent with such enterprise architecture;

“(D) coordinate initiatives for intelligence community business system transformation to maximize benefits and minimize costs for the intelligence community, and periodically report to the Director on the status of efforts to carry out an intelligence community business system transformation;

“(E) ensure that funds are obligated for intelligence community business system transformation in a manner consistent with subsection (a); and

“(F) carry out such other duties as the Director shall specify.

“(g) RELATION TO ANNUAL REGISTRATION REQUIREMENTS.—Nothing in this section shall be construed to alter the requirements of section 8083 of the Department of Defense Appropriations Act, 2005 (Public Law 108-287; 118 Stat. 989), with regard to information technology systems (as defined in subsection (d) of such section).

“(h) RELATIONSHIP TO DEFENSE BUSINESS ENTERPRISE ARCHITECTURE.—Nothing in this section shall be construed to exempt funds authorized to be appropriated to the Department of Defense from the requirements of section 2222 of title 10, United States Code, to the extent that such requirements are otherwise applicable.

“(i) RELATION TO CLINGER-COHEN ACT.—(1) Executive agency responsibilities in chapter 113 of title 40, United States Code, for any intelligence community business system transformation shall be exercised jointly by—

“(A) the Director of National Intelligence and the Chief Information Officer of the Intelligence Community; and

“(B) the head of the executive agency that contains the element of the intelligence community involved and the chief information officer of that executive agency.

“(2) The Director of National Intelligence and the head of the executive agency referred to in paragraph (1)(B) shall enter into a Memorandum of Understanding to carry out the requirements of this section in a manner that best meets the needs of the intelligence community and the executive agency.

“(j) REPORTS.—Not later than March 31 of each of the years 2011 through 2015, the Director of National Intelligence shall submit to the congressional intelligence committees a report on the compliance of the intelligence community with the requirements of this section. Each such report shall—

“(1) describe actions taken and proposed for meeting the requirements of subsection (a), including—

“(A) specific milestones and actual performance against specified performance measures, and any revision of such milestones and performance measures; and

“(B) specific actions on the intelligence community business system transformations submitted for certification under such subsection;

“(2) identify the number of intelligence community business system transformations that received a certification described in subsection (a)(2); and

“(3) describe specific improvements in business operations and cost savings resulting from successful intelligence community business systems transformation efforts.

“(k) DEFINITIONS.—In this section:

“(1) The term ‘enterprise architecture’ has the meaning given that term in section 3601(4) of title 44, United States Code.

“(2) The terms ‘information system’ and ‘information technology’ have the meanings given those terms in section 11101 of title 40, United States Code.

“(3) The term ‘intelligence community business system’ means an information system, including a national security system, that is operated by, for, or on behalf of an element of the intelligence community, including a financial system, mixed system, financial data feeder system, and the business infrastructure capabilities shared by the systems of the business enterprise architecture, including people, process, and technology, that build upon the core infrastructure used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management.

“(4) The term ‘intelligence community business system transformation’ means—

“(A) the acquisition or development of a new intelligence community business system; or

“(B) any significant modification or enhancement of an existing intelligence community business system (other than necessary to maintain current services).

“(5) The term ‘national security system’ has the meaning given that term in section 3542 of title 44, United States Code.

“(6) The term ‘Office of Business Transformation of the Office of the Director of National Intelligence’ includes any successor office that assumes the functions of the Office of Business Transformation of the Office of the Director of National Intelligence as carried out by the Office of Business Transformation on the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2010.”

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of that Act, as amended by section 321 of this Act, is further amended by inserting after the item relating to section 506C, as added by section 321(a)(2), the following new item:

“Sec. 506D. Intelligence community business system transformation.”

(b) IMPLEMENTATION.—

(1) CERTAIN DUTIES.—Not later than 60 days after the date of the enactment of this Act, the Director of National Intelligence shall designate a chair and other members to serve on the board established under subsection (f) of such section 506D of the National Security Act of 1947 (as added by subsection (a)).

(2) ENTERPRISE ARCHITECTURE.—

(A) SCHEDULE FOR DEVELOPMENT.—The Director shall develop the enterprise architecture required by subsection (b) of such section 506D (as so added), including the initial Business Enterprise Architecture for business transformation, not later than 60 days after the enactment of this Act.

(B) REQUIREMENT FOR IMPLEMENTATION PLAN.—In developing such an enterprise architecture, the Director shall develop an implementation plan for such enterprise architecture that includes the following:

(i) An acquisition strategy for new systems that are expected to be needed to complete such enterprise architecture, including specific time-phased milestones, performance metrics, and a statement of the financial and nonfinancial resource needs.

(ii) An identification of the intelligence community business systems in operation or planned as of the date that is 60 days after the enactment of this Act that will not be a part of such enterprise architecture, together with the schedule for the phased termination of the utilization of any such systems.

(iii) An identification of the intelligence community business systems in operation or planned as of such date, that will be a part of such en-

terprise architecture, together with a strategy for modifying such systems to ensure that such systems comply with such enterprise architecture.

(C) SUBMISSION OF ACQUISITION STRATEGY.—Based on the results of an enterprise process management review and the availability of funds, the Director shall submit the acquisition strategy described in subparagraph (B)(i) to the congressional intelligence committees not later than March 31, 2011.

### SEC. 323. REPORTS ON THE ACQUISITION OF MAJOR SYSTEMS.

(a) REPORTS.—

(1) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 322 of this Act, is further amended by inserting after section 506D, as added by section 322(a)(1), the following new section:

“REPORTS ON THE ACQUISITION OF MAJOR SYSTEMS

“SEC. 506E. (a) DEFINITIONS.—In this section:

“(1) The term ‘cost estimate’—

“(A) means an assessment and quantification of all costs and risks associated with the acquisition of a major system based upon reasonably available information at the time the Director establishes the 2010 adjusted total acquisition cost for such system pursuant to subsection (h) or restructures such system pursuant to section 506F(c); and

“(B) does not mean an ‘independent cost estimate’.

“(2) The term ‘critical cost growth threshold’ means a percentage increase in the total acquisition cost for a major system of at least 25 percent over the total acquisition cost for the major system as shown in the current Baseline Estimate for the major system.

“(3)(A) The term ‘current Baseline Estimate’ means the projected total acquisition cost of a major system that is—

“(i) approved by the Director, or a designee of the Director, at Milestone B or an equivalent acquisition decision for the development, procurement, and construction of such system;

“(ii) approved by the Director at the time such system is restructured pursuant to section 506F(c); or

“(iii) the 2010 adjusted total acquisition cost determined pursuant to subsection (h).

“(B) A current Baseline Estimate may be in the form of an independent cost estimate.

“(4) Except as otherwise specifically provided, the term ‘Director’ means the Director of National Intelligence.

“(5) The term ‘independent cost estimate’ has the meaning given that term in section 506A(e).

“(6) The term ‘major contract’ means each of the 6 largest prime, associate, or Government-furnished equipment contracts under a major system that is in excess of \$40,000,000 and that is not a firm, fixed price contract.

“(7) The term ‘major system’ has the meaning given that term in section 506A(e).

“(8) The term ‘Milestone B’ means a decision to enter into major system development and demonstration pursuant to guidance prescribed by the Director.

“(9) The term ‘program manager’ means—

“(A) the head of the element of the intelligence community that is responsible for the budget, cost, schedule, and performance of a major system; or

“(B) in the case of a major system within the Office of the Director of National Intelligence, the deputy who is responsible for the budget, cost, schedule, and performance of the major system.

“(10) The term ‘significant cost growth threshold’ means the percentage increase in the total acquisition cost for a major system of at least 15 percent over the total acquisition cost for such system as shown in the current Baseline Estimate for such system.

“(11) The term ‘total acquisition cost’ means the amount equal to the total cost for development and procurement of, and system-specific construction for, a major system.

“(b) MAJOR SYSTEM COST REPORTS.—(1) The program manager for a major system shall, on a quarterly basis, submit to the Director a major system cost report as described in paragraph (2).

“(2) A major system cost report shall include the following information (as of the last day of the quarter for which the report is made):

“(A) The total acquisition cost for the major system.

“(B) Any cost variance or schedule variance in a major contract for the major system since the contract was entered into.

“(C) Any changes from a major system schedule milestones or performances that are known, expected, or anticipated by the program manager.

“(D) Any significant changes in the total acquisition cost for development and procurement of any software component of the major system, schedule milestones for such software component of the major system, or expected performance of such software component of the major system that are known, expected, or anticipated by the program manager.

“(3) Each major system cost report required by paragraph (1) shall be submitted not more than 30 days after the end of the reporting quarter.

“(c) REPORTS FOR BREACH OF SIGNIFICANT OR CRITICAL COST GROWTH THRESHOLDS.—If the program manager of a major system for which a report has previously been submitted under subsection (b) determines at any time during a quarter that there is reasonable cause to believe that the total acquisition cost for the major system has increased by a percentage equal to or greater than the significant cost growth threshold or critical cost growth threshold and if a report indicating an increase of such percentage or more has not previously been submitted to the Director, then the program manager shall immediately submit to the Director a major system cost report containing the information, determined as of the date of the report, required under subsection (b).

“(d) NOTIFICATION TO CONGRESS OF COST GROWTH.—(1) Whenever a major system cost report is submitted to the Director, the Director shall determine whether the current acquisition cost for the major system has increased by a percentage equal to or greater than the significant cost growth threshold or the critical cost growth threshold.

“(2) If the Director determines that the current total acquisition cost has increased by a percentage equal to or greater than the significant cost growth threshold or critical cost growth threshold, the Director shall submit to Congress a Major System Congressional Report pursuant to subsection (e).

“(e) REQUIREMENT FOR MAJOR SYSTEM CONGRESSIONAL REPORT.—(1) Whenever the Director determines under subsection (d) that the total acquisition cost of a major system has increased by a percentage equal to or greater than the significant cost growth threshold for the major system, a Major System Congressional Report shall be submitted to Congress not later than 45 days after the date on which the Director receives the major system cost report for such major system.

“(2) If the total acquisition cost of a major system (as determined by the Director under subsection (d)) increases by a percentage equal to or greater than the critical cost growth threshold for the program or subprogram, the Director shall take actions consistent with the requirements of section 506F.

“(f) MAJOR SYSTEM CONGRESSIONAL REPORT ELEMENTS.—(1) Except as provided in paragraph (2), each Major System Congressional Report shall include the following:

“(A) The name of the major system.

“(B) The date of the preparation of the report.

“(C) The program phase of the major system as of the date of the preparation of the report.

“(D) The estimate of the total acquisition cost for the major system expressed in constant base-year dollars and in current dollars.

“(E) The current Baseline Estimate for the major system in constant base-year dollars and in current dollars.

“(F) A statement of the reasons for any increase in total acquisition cost for the major system.

“(G) The completion status of the major system—

“(i) expressed as the percentage that the number of years for which funds have been appropriated for the major system is of the number of years for which it is planned that funds will be appropriated for the major system; and

“(ii) expressed as the percentage that the amount of funds that have been appropriated for the major system is of the total amount of funds which it is planned will be appropriated for the major system.

“(H) The fiscal year in which the major system was first authorized and in which funds for such system were first appropriated by Congress.

“(I) The current change and the total change, in dollars and expressed as a percentage, in the total acquisition cost for the major system, stated both in constant base-year dollars and in current dollars.

“(J) The quantity of end items to be acquired under the major system and the current change and total change, if any, in that quantity.

“(K) The identities of the officers responsible for management and cost control of the major system.

“(L) The action taken and proposed to be taken to control future cost growth of the major system.

“(M) Any changes made in the performance or schedule milestones of the major system and the extent to which such changes have contributed to the increase in total acquisition cost for the major system.

“(N) The following contract performance assessment information with respect to each major contract under the major system:

“(i) The name of the contractor.

“(ii) The phase that the contract is in at the time of the preparation of the report.

“(iii) The percentage of work under the contract that has been completed.

“(iv) Any current change and the total change, in dollars and expressed as a percentage, in the contract cost.

“(v) The percentage by which the contract is currently ahead of or behind schedule.

“(vi) A narrative providing a summary explanation of the most significant occurrences, including cost and schedule variances under major contracts of the major system, contributing to the changes identified and a discussion of the effect these occurrences will have on the future costs and schedule of the major system.

“(O) In any case in which one or more problems with a software component of the major system significantly contributed to the increase in costs of the major system, the action taken and proposed to be taken to solve such problems.

“(2) A Major System Congressional Report prepared for a major system for which the increase in the total acquisition cost is due to termination or cancellation of the entire major system shall include only—

“(A) the information described in subparagraphs (A) through (F) of paragraph (1); and

“(B) the total percentage change in total acquisition cost for such system.

“(g) PROHIBITION ON OBLIGATION OF FUNDS.—

If a determination of an increase by a percentage equal to or greater than the significant cost growth threshold is made by the Director under subsection (d) and a Major System Congressional Report containing the information described in subsection (f) is not submitted to Congress under subsection (e)(1), or if a determination of an increase by a percentage equal to or greater than the critical cost growth threshold is made by the Director under subsection (d) and the Major System Congressional Report containing the information described in subsection

(f) and section 506F(b)(3) and the certification required by section 506F(b)(2) are not submitted to Congress under subsection (e)(2), funds appropriated for construction, research, development, test, evaluation, and procurement may not be obligated for a major contract under the major system. The prohibition on the obligation of funds for a major system shall cease to apply at the end of the 45-day period that begins on the date—

“(1) on which Congress receives the Major System Congressional Report under subsection (e)(1) with respect to that major system, in the case of a determination of an increase by a percentage equal to or greater than the significant cost growth threshold (as determined in subsection (d)); or

“(2) on which Congress receives both the Major System Congressional Report under subsection (e)(2) and the certification of the Director under section 506F(b)(2) with respect to that major system, in the case of an increase by a percentage equal to or greater than the critical cost growth threshold (as determined under subsection (d)).

“(h) TREATMENT OF COST INCREASES PRIOR TO ENACTMENT OF INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2010.—(1) Not later than 180 days after the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2010, the Director—

“(A) shall, for each major system, determine if the total acquisition cost of such major system increased by a percentage equal to or greater than the significant cost growth threshold or the critical cost growth threshold prior to such date of enactment;

“(B) shall establish for each major system for which the total acquisition cost has increased by a percentage equal to or greater than the significant cost growth threshold or the critical cost growth threshold prior to such date of enactment a revised current Baseline Estimate based upon an updated cost estimate;

“(C) may, for a major system not described in subparagraph (B), establish a revised current Baseline Estimate based upon an updated cost estimate; and

“(D) shall submit to Congress a report describing—

“(i) each determination made under subparagraph (A);

“(ii) each revised current Baseline Estimate established for a major system under subparagraph (B); and

“(iii) each revised current Baseline Estimate established for a major system under subparagraph (C), including the percentage increase of the total acquisition cost of such major system that occurred prior to the date of the enactment of such Act.

“(2) The revised current Baseline Estimate established for a major system under subparagraph (B) or (C) of paragraph (1) shall be the 2010 adjusted total acquisition cost for the major system and may include the estimated cost of conducting any vulnerability assessments for such major system required under section 506C.

“(i) REQUIREMENTS TO USE BASE YEAR DOLLARS.—Any determination of a percentage increase under this section shall be stated in terms of constant base year dollars.

“(j) FORM OF REPORT.—Any report required to be submitted under this section may be submitted in a classified form.”.

(2) APPLICABILITY DATE OF QUARTERLY REPORTS.—The first report required to be submitted under subsection (b) of section 506E of the National Security Act of 1947, as added by paragraph (1) of this subsection, shall be submitted with respect to the first fiscal quarter that begins on a date that is not less than 180 days after the date of the enactment of this Act.

(3) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of that Act, as amended by section 322 of this Act, is further amended by inserting after the item relating to section 506D, as added by section 322(a)(2), the following new item:

“Sec. 506E. Reports on the acquisition of major systems.”.

(b) MAJOR DEFENSE ACQUISITION PROGRAMS.—Nothing in this section, section 324, or an amendment made by this section or section 324, shall be construed to exempt an acquisition program of the Department of Defense from the requirements of chapter 144 of title 10, United States Code or Department of Defense Directive 5000, to the extent that such requirements are otherwise applicable.

**SEC. 324. CRITICAL COST GROWTH IN MAJOR SYSTEMS.**

(a) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 323 of this Act, is further amended by inserting after section 506E, as added by section 323(a), the following new section:

“CRITICAL COST GROWTH IN MAJOR SYSTEMS

“SEC. 506F. (a) REASSESSMENT OF MAJOR SYSTEM.—If the Director of National Intelligence determines under section 506E(d) that the total acquisition cost of a major system has increased by a percentage equal to or greater than the critical cost growth threshold for the major system, the Director shall—

“(1) determine the root cause or causes of the critical cost growth, in accordance with applicable statutory requirements, policies, procedures, and guidance; and

“(2) carry out an assessment of—

“(A) the projected cost of completing the major system if current requirements are not modified;

“(B) the projected cost of completing the major system based on reasonable modification of such requirements;

“(C) the rough order of magnitude of the costs of any reasonable alternative system or capability; and

“(D) the need to reduce funding for other systems due to the growth in cost of the major system.

“(b) PRESUMPTION OF TERMINATION.—(1) After conducting the reassessment required by subsection (a) with respect to a major system, the Director shall terminate the major system unless the Director submits to Congress a Major System Congressional Report containing a certification in accordance with paragraph (2) and the information described in paragraph (3). The Director shall submit such Major System Congressional Report and certification not later than 90 days after the date the Director receives the relevant major system cost report under subsection (b) or (c) of section 506E.

“(2) A certification described by this paragraph with respect to a major system is a written certification that—

“(A) the continuation of the major system is essential to the national security;

“(B) there are no alternatives to the major system that will provide acceptable capability to meet the intelligence requirement at less cost;

“(C) the new estimates of the total acquisition cost have been determined by the Director to be reasonable;

“(D) the major system is a higher priority than other systems whose funding must be reduced to accommodate the growth in cost of the major system; and

“(E) the management structure for the major system is adequate to manage and control the total acquisition cost.

“(3) A Major System Congressional Report accompanying a written certification under paragraph (2) shall include, in addition to the requirements of section 506E(e), the root cause analysis and assessment carried out pursuant to subsection (a), the basis for each determination made in accordance with subparagraphs (A) through (E) of paragraph (2), and a description of all funding changes made as a result of the growth in the cost of the major system, including reductions made in funding for other systems to accommodate such cost growth, together with supporting documentation.

“(c) ACTIONS IF MAJOR SYSTEM NOT TERMINATED.—If the Director elects not to terminate a major system pursuant to subsection (b), the Director shall—

“(1) restructure the major system in a manner that addresses the root cause or causes of the critical cost growth, as identified pursuant to subsection (a), and ensures that the system has an appropriate management structure as set forth in the certification submitted pursuant to subsection (b)(2)(E);

“(2) rescind the most recent Milestone approval for the major system;

“(3) require a new Milestone approval for the major system before taking any action to enter a new contract, exercise an option under an existing contract, or otherwise extend the scope of an existing contract under the system, except to the extent determined necessary by the Milestone Decision Authority, on a nondelegable basis, to ensure that the system may be restructured as intended by the Director without unnecessarily wasting resources;

“(4) establish a revised current Baseline Estimate for the major system based upon an updated cost estimate; and

“(5) conduct regular reviews of the major system.

“(d) ACTIONS IF MAJOR SYSTEM TERMINATED.—If a major system is terminated pursuant to subsection (b), the Director shall submit to Congress a written report setting forth—

“(1) an explanation of the reasons for terminating the major system;

“(2) the alternatives considered to address any problems in the major system; and

“(3) the course the Director plans to pursue to meet any intelligence requirements otherwise intended to be met by the major system.

“(e) FORM OF REPORT.—Any report or certification required to be submitted under this section may be submitted in a classified form.

“(f) WAIVER.—(1) The Director may waive the requirements of subsections (d)(2), (e), and (g) of section 506E and subsections (a)(2), (b), (c), and (d) of this section with respect to a major system if the Director determines that at least 90 percent of the amount of the current Baseline Estimate for the major system has been expended.

“(2)(A) If the Director grants a waiver under paragraph (1) with respect to a major system, the Director shall submit to the congressional intelligence committees written notice of the waiver that includes—

“(i) the information described in section 506E(f); and

“(ii) if the current total acquisition cost of the major system has increased by a percentage equal to or greater than the critical cost growth threshold—

“(I) a determination of the root cause or causes of the critical cost growth, as described in subsection (a)(1); and

“(II) a certification that includes the elements described in subparagraphs (A), (B), and (E) of subsection (b)(2).

“(B) The Director shall submit the written notice required by subparagraph (A) not later than 90 days after the date that the Director receives a major system cost report under subsection (b) or (c) of section 506E that indicates that the total acquisition cost for the major system has increased by a percentage equal to or greater than the significant cost growth threshold or critical cost growth threshold.

“(g) DEFINITIONS.—In this section, the terms ‘cost estimate’, ‘critical cost growth threshold’, ‘current Baseline Estimate’, ‘major system’, and ‘total acquisition cost’ have the meaning given those terms in section 506E(a).”.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of that Act, as amended by section 323 of this Act, is further amended by inserting after the items relating to section 506E, as added by section 323(a)(3), the following new item:

“Sec. 506F. Critical cost growth in major systems.”.

**SEC. 325. FUTURE BUDGET PROJECTIONS.**

(a) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 324 of this Act, is further amended by inserting after section 506F, as added by section 324(a), the following new section:

“FUTURE BUDGET PROJECTIONS

“SEC. 506G. (a) FUTURE YEAR INTELLIGENCE PLANS.—(1) The Director of National Intelligence, with the concurrence of the Director of the Office of Management and Budget, shall provide to the congressional intelligence committees a Future Year Intelligence Plan, as described in paragraph (2), for—

“(A) each expenditure center in the National Intelligence Program; and

“(B) each major system in the National Intelligence Program.

“(2)(A) A Future Year Intelligence Plan submitted under this subsection shall include the year-by-year proposed funding for each center or system referred to in subparagraph (A) or (B) of paragraph (1), for the budget year for which the Plan is submitted and not less than the 4 subsequent fiscal years.

“(B) A Future Year Intelligence Plan submitted under subparagraph (B) of paragraph (1) for a major system shall include—

“(i) the estimated total life-cycle cost of such major system; and

“(ii) major milestones that have significant resource implications for such major system.

(b) LONG-TERM BUDGET PROJECTIONS.—(1) The Director of National Intelligence, with the concurrence of the Director of the Office of Management and Budget, shall provide to the congressional intelligence committees a Long-term Budget Projection for each element of the intelligence community funded under the National Intelligence Program acquiring a major system that includes the budget for such element for the 5-year period that begins on the day after the end of the last fiscal year for which year-by-year proposed funding is included in a Future Year Intelligence Plan for such major system in accordance with subsection (a)(2)(A).

“(2) A Long-term Budget Projection submitted under paragraph (1) shall include—

“(A) projections for the appropriate element of the intelligence community for—

“(i) pay and benefits of officers and employees of such element;

“(ii) other operating and support costs and minor acquisitions of such element;

“(iii) research and technology required by such element;

“(iv) current and planned major system acquisitions for such element;

“(v) any future major system acquisitions for such element; and

“(vi) any additional funding projections that the Director of National Intelligence considers appropriate;

“(B) a budget projection based on effective cost and schedule execution of current or planned major system acquisitions and application of Office of Management and Budget inflation estimates to future major system acquisitions;

“(C) any additional assumptions and projections that the Director of National Intelligence considers appropriate; and

“(D) a description of whether, and to what extent, the total projection for each year exceeds the level that would result from applying the most recent Office of Management and Budget inflation estimate to the budget of that element of the intelligence community.

(c) SUBMISSION TO CONGRESS.—The Director of National Intelligence, with the concurrence of the Director of the Office of Management and Budget, shall submit to the congressional intelligence committees each Future Year Intelligence Plan or Long-term Budget Projection required under subsection (a) or (b) for a fiscal year at the time that the President submits to

Congress the budget for such fiscal year pursuant to section 1105 of title 31, United States Code.

“(d) MAJOR SYSTEM AFFORDABILITY REPORT.—(1) The Director of National Intelligence, with the concurrence of the Director of the Office of Management and Budget, shall prepare a report on the acquisition of a major system funded under the National Intelligence Program before the time that the President submits to Congress the budget for the first fiscal year in which appropriated funds are anticipated to be obligated for the development or procurement of such major system.

“(2) The report on such major system shall include an assessment of whether, and to what extent, such acquisition, if developed, procured, and operated, is projected to cause an increase in the most recent Future Year Intelligence Plan and Long-term Budget Projection submitted under section 506G for an element of the intelligence community.

“(3) The Director of National Intelligence shall update the report whenever an independent cost estimate must be updated pursuant to section 506A(a)(4).

“(4) The Director of National Intelligence shall submit each report required by this subsection at the time that the President submits to Congress the budget for a fiscal year pursuant to section 1105 of title 31, United States Code.

“(e) DEFINITIONS.—In this section:

“(1) BUDGET YEAR.—The term ‘budget year’ means the next fiscal year for which the President is required to submit to Congress a budget pursuant to section 1105 of title 31, United States Code.

“(2) INDEPENDENT COST ESTIMATE; MAJOR SYSTEM.—The terms ‘independent cost estimate’ and ‘major system’ have the meaning given those terms in section 506A(e).”

(b) APPLICABILITY DATE.—The first Future Year Intelligence Plan and Long-term Budget Projection required to be submitted under subsection (a) and (b) of section 506G of the National Security Act of 1947, as added by subsection (a), shall be submitted to the congressional intelligence committees at the time that the President submits to Congress the budget for fiscal year 2012 pursuant to section 1105 of title 31, United States Code.

(c) CONFORMING AMENDMENTS.—

(1) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of that Act, as amended by section 324 of this Act, is further amended by inserting after the items relating to section 506F, as added by section 324(b), the following new item:

“Sec. 506G. Future budget projections.”

(2) REPEAL OF DUPLICATIVE PROVISION.—Section 8104 of the Department of Defense Appropriations Act, 2010 (50 U.S.C. 415a-3; Public Law 111-118; 123 Stat. 3451) is repealed.

**SEC. 326. NATIONAL INTELLIGENCE PROGRAM FUNDED ACQUISITIONS.**

Subsection (n) of section 102A of the National Security Act of 1947 (50 U.S.C. 403-1) is amended by adding at the end the following new paragraph:

“(4)(A) In addition to the authority referred to in paragraph (1), the Director of National Intelligence may authorize the head of an element of the intelligence community to exercise an acquisition authority referred to in section 3 or 8(a) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403c and 403j(a)) for an acquisition by such element that is more than 50 percent funded under the National Intelligence Program.

“(B) The head of an element of the intelligence community may not exercise an authority referred to in subparagraph (A) until—

“(i) the head of such element (without delegation) submits to the Director of National Intelligence a written request that includes—

“(I) a description of such authority requested to be exercised;

“(II) an explanation of the need for such authority, including an explanation of the reasons that other authorities are insufficient; and

“(III) a certification that the mission of such element would be—

“(aa) impaired if such authority is not exercised; or

“(bb) significantly and measurably enhanced if such authority is exercised; and

“(ii) the Director of National Intelligence issues a written authorization that includes—

“(I) a description of the authority referred to in subparagraph (A) that is authorized to be exercised; and

“(II) a justification to support the exercise of such authority.

“(C) A request and authorization to exercise an authority referred to in subparagraph (A) may be made with respect to an individual acquisition or with respect to a specific class of acquisitions described in the request and authorization referred to in subparagraph (B).

“(D)(i) A request from a head of an element of the intelligence community located within one of the departments described in clause (ii) to exercise an authority referred to in subparagraph (A) shall be submitted to the Director of National Intelligence in accordance with any procedures established by the head of such department.

“(ii) The departments described in this clause are the Department of Defense, the Department of Energy, the Department of Homeland Security, the Department of Justice, the Department of State, and the Department of the Treasury.

“(E)(i) The head of an element of the intelligence community may not be authorized to utilize an authority referred to in subparagraph (A) for a class of acquisitions for a period of more than 3 years, except that the Director of National Intelligence (without delegation) may authorize the use of such an authority for not more than 6 years.

“(ii) Each authorization to utilize an authority referred to in subparagraph (A) may be extended in accordance with the requirements of subparagraph (B) for successive periods of not more than 3 years, except that the Director of National Intelligence (without delegation) may authorize an extension period of not more than 6 years.

“(F) Subject to clauses (i) and (ii) of subparagraph (E), the Director of National Intelligence may only delegate the authority of the Director under subparagraphs (A) through (E) to the Principal Deputy Director of National Intelligence or a Deputy Director of National Intelligence.

“(G) The Director of National Intelligence shall submit—

“(i) to the congressional intelligence committees a notification of an authorization to exercise an authority referred to in subparagraph (A) or an extension of such authorization that includes the written authorization referred to in subparagraph (B)(ii); and

“(ii) to the Director of the Office of Management and Budget a notification of an authorization to exercise an authority referred to in subparagraph (A) for an acquisition or class of acquisitions that will exceed \$50,000,000 annually.

“(H) Requests and authorizations to exercise an authority referred to in subparagraph (A) shall remain available within the Office of the Director of National Intelligence for a period of at least 6 years following the date of such request or authorization.

“(I) Nothing in this paragraph may be construed to alter or otherwise limit the authority of the Central Intelligence Agency to independently exercise an authority under section 3 or 8(a) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403c and 403j(a)).”

**Subtitle D—Congressional Oversight, Plans, and Reports**

**SEC. 331. NOTIFICATION PROCEDURES.**

(a) PROCEDURES.—Section 501(c) of the National Security Act of 1947 (50 U.S.C. 413(c)) is amended by striking “such procedures” and inserting “such written procedures”.

(b) INTELLIGENCE ACTIVITIES.—Section 502(a)(2) of such Act (50 U.S.C. 413a(a)(2)) is amended by inserting “(including the legal basis under which the intelligence activity is being or was conducted)” after “concerning intelligence activities”.

(c) COVERT ACTIONS.—Section 503 of such Act (50 U.S.C. 413b) is amended—

(1) in subsection (b)(2), by inserting “(including the legal basis under which the covert action is being or was conducted)” after “concerning covert actions”;

(2) in subsection (c)—

(A) in paragraph (1), by inserting “in writing” after “be reported”;

(B) in paragraph (4), by striking “committee. When” and inserting the following: “committee. “(5)(A) When”; and

(C) in paragraph (5), as designated by subparagraph (B)—

(i) in subparagraph (A), as so designated—

(I) by inserting “, or a notification provided under subsection (d)(1),” after “access to a finding”;

(II) by inserting “written” before “statement”; and

(ii) by adding at the end the following new subparagraph:

“(B) Not later than 180 days after a statement of reasons is submitted in accordance with subparagraph (A) or this subparagraph, the President shall ensure that—

“(i) all members of the congressional intelligence committees are provided access to the finding or notification; or

“(ii) a statement of reasons that it is essential to continue to limit access to such finding or such notification to meet extraordinary circumstances affecting vital interests of the United States is submitted to the Members of Congress specified in paragraph (2).”;

(3) in subsection (d)—

(A) by striking “(d) The President” and inserting “(d)(1) The President”;

(B) in paragraph (1), as designated by subparagraph (A), by inserting “in writing” after “notified”; and

(C) by adding at the end the following new paragraph:

“(2) In determining whether an activity constitutes a significant undertaking for purposes of paragraph (1), the President shall consider whether the activity—

“(A) involves significant risk of loss of life;

“(B) requires an expansion of existing authorities, including authorities relating to research, development, or operations;

“(C) results in the expenditure of significant funds or other resources;

“(D) requires notification under section 504;

“(E) gives rise to a significant risk of disclosing intelligence sources or methods; or

“(F) presents a reasonably foreseeable risk of serious damage to the diplomatic relations of the United States if such activity were disclosed without authorization.”; and

(4) by adding at the end the following new subsection:

“(g)(1) In any case where access to a finding reported under subsection (c) or notification provided under subsection (d)(1) is not made available to all members of a congressional intelligence committee in accordance with subsection (c)(2), the President shall notify all members of such committee that such finding or such notification has been provided only to the members specified in subsection (c)(2).

“(2) In any case where access to a finding reported under subsection (c) or notification provided under subsection (d)(1) is not made available to all members of a congressional intelligence committee in accordance with subsection (c)(2), the President shall provide to all members of such committee a general description regarding the finding or notification, as applicable, consistent with the reasons for not yet fully informing all members of such committee.

“(3) The President shall maintain—

“(A) a record of the members of Congress to whom a finding is reported under subsection (c) or notification is provided under subsection (d)(1) and the date on which each member of Congress receives such finding or notification; and

“(B) each written statement provided under subsection (c)(5).”.

**SEC. 332. CERTIFICATION OF COMPLIANCE WITH OVERSIGHT REQUIREMENTS.**

(a) *IN GENERAL.*—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 325 of this Act, is further amended by adding at the end the following new section:

**“CERTIFICATION OF COMPLIANCE WITH OVERSIGHT REQUIREMENTS**

“SEC. 508. The head of each element of the intelligence community shall annually submit to the congressional intelligence committees—

“(1) a certification that, to the best of the knowledge of the head of such element—

“(A) the head of such element is in full compliance with the requirements of this title; and

“(B) any information required to be submitted by the head of such element under this Act before the date of the submission of such certification has been properly submitted; or

“(2) if the head of such element is unable to submit a certification under paragraph (1), a statement—

“(A) of the reasons the head of such element is unable to submit such a certification;

“(B) describing any information required to be submitted by the head of such element under this Act before the date of the submission of such statement that has not been properly submitted; and

“(C) that the head of such element will submit such information as soon as possible after the submission of such statement.”.

(b) *APPLICABILITY DATE.*—The first certification or statement required to be submitted by the head of each element of the intelligence community under section 508 of the National Security Act of 1947, as added by subsection (a), shall be submitted not later than 90 days after the date of the enactment of this Act.

(c) *TABLE OF CONTENTS AMENDMENT.*—The table of contents in the first section of the National Security Act of 1947, as amended by section 325 of this Act, is further amended by inserting after the item related to section 507 the following new item:

“Sec. 508. Certification of compliance with oversight requirements.”.

**SEC. 333. REPORT ON DETENTION AND INTERROGATION ACTIVITIES.**

(a) *REQUIREMENT FOR REPORT.*—Not later than December 1, 2010, the Director of National Intelligence, in coordination with the Attorney General and the Secretary of Defense, shall submit to the congressional intelligence committees a comprehensive report containing—

(1) the policies and procedures of the United States Government governing participation by an element of the intelligence community in the interrogation of individuals detained by the United States who are suspected of international terrorism with the objective, in whole or in part, of acquiring national intelligence, including such policies and procedures of each appropriate element of the intelligence community or interagency body established to carry out interrogations;

(2) the policies and procedures relating to any detention by the Central Intelligence Agency of such individuals in accordance with Executive Order 13491;

(3) the legal basis for the policies and procedures referred to in paragraphs (1) and (2);

(4) the training and research to support the policies and procedures referred to in paragraphs (1) and (2); and

(5) any action that has been taken to implement section 1004 of the Detainee Treatment Act of 2005 (42 U.S.C. 2000dd-1).

(b) *OTHER SUBMISSION OF REPORT.*—

(1) *CONGRESSIONAL ARMED SERVICES COMMITTEES.*—To the extent that the report required by subsection (a) addresses an element of the intelligence community within the Department of Defense, the Director of National Intelligence, in consultation with the Secretary of Defense, shall submit that portion of the report, and any associated material that is necessary to make that portion understandable, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives. The Director of National Intelligence may authorize redactions of the report and any associated materials submitted pursuant to this paragraph, if such redactions are consistent with the protection of sensitive intelligence sources and methods.

(2) *CONGRESSIONAL JUDICIARY COMMITTEES.*—To the extent that the report required by subsection (a) addresses an element of the intelligence community within the Department of Justice, the Director of National Intelligence, in consultation with the Attorney General, shall submit that portion of the report, and any associated material that is necessary to make that portion understandable, to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives. The Director of National Intelligence may authorize redactions of the report and any associated materials submitted pursuant to this paragraph, if such redactions are consistent with the protection of sensitive intelligence sources and methods.

(c) *FORM OF SUBMISSIONS.*—Any submission required under this section may be submitted in classified form.

**SEC. 334. SUMMARY OF INTELLIGENCE RELATING TO TERRORIST RECIDIVISM OF DETAINEES HELD AT UNITED STATES NAVAL STATION, GUANTANAMO BAY, CUBA.**

Not later than 60 days after the date of the enactment of this Act, the Director of National Intelligence, in consultation with the Director of the Central Intelligence Agency and the Director of the Defense Intelligence Agency, shall make publicly available an unclassified summary of—

(1) intelligence relating to recidivism of detainees currently or formerly held at the Naval Detention Facility at Guantanamo Bay, Cuba, by the Department of Defense; and

(2) an assessment of the likelihood that such detainees will engage in terrorism or communicate with persons in terrorist organizations.

**SEC. 335. REPORT AND STRATEGIC PLAN ON BIOLOGICAL WEAPONS.**

(a) *REQUIREMENT FOR REPORT.*—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to the congressional intelligence committees a report on—

(1) the intelligence collection efforts of the United States dedicated to assessing the threat from biological weapons from state, nonstate, or rogue actors, either foreign or domestic; and

(2) efforts to protect the biodefense knowledge and infrastructure of the United States.

(b) *CONTENT.*—The report required by subsection (a) shall include—

(1) an assessment of the intelligence collection efforts of the United States dedicated to detecting the development or use of biological weapons by state, nonstate, or rogue actors, either foreign or domestic;

(2) information on fiscal, human, technical, open-source, and other intelligence collection resources of the United States dedicated for use to detect or protect against the threat of biological weapons;

(3) an assessment of any problems that may reduce the overall effectiveness of United States intelligence collection and analysis to identify and protect biological weapons targets, including—

(A) intelligence collection gaps or inefficiencies;

(B) inadequate information sharing practices; or

(C) inadequate cooperation among departments or agencies of the United States;

(4) a strategic plan prepared by the Director of National Intelligence, in coordination with the Attorney General, the Secretary of Defense, and the Secretary of Homeland Security, that provides for actions for the appropriate elements of the intelligence community to close important intelligence gaps related to biological weapons;

(5) a description of appropriate goals, schedules, milestones, or metrics to measure the long-term effectiveness of actions implemented to carry out the plan described in paragraph (4); and

(6) any long-term resource and human capital issues related to the collection of intelligence regarding biological weapons, including any recommendations to address shortfalls of experienced and qualified staff possessing relevant scientific, language, and technical skills.

(c) *IMPLEMENTATION OF STRATEGIC PLAN.*—Not later than 30 days after the date on which the Director of National Intelligence submits the report required by subsection (a), the Director shall begin implementation of the strategic plan referred to in subsection (b)(4).

**SEC. 336. CYBERSECURITY OVERSIGHT.**

(a) *NOTIFICATION OF CYBERSECURITY PROGRAMS.*—

(1) *REQUIREMENT FOR NOTIFICATION.*—

(A) *EXISTING PROGRAMS.*—Not later than 30 days after the date of the enactment of this Act, the President shall submit to Congress a notification for each cybersecurity program in operation on such date that includes the documentation referred to in subparagraphs (A) through (F) of paragraph (2).

(B) *NEW PROGRAMS.*—Not later than 30 days after the date of the commencement of operations of a new cybersecurity program, the President shall submit to Congress a notification of such commencement that includes the documentation referred to in subparagraphs (A) through (F) of paragraph (2).

(2) *DOCUMENTATION.*—A notification required by paragraph (1) for a cybersecurity program shall include—

(A) the legal basis for the cybersecurity program;

(B) the certification, if any, made pursuant to section 2511(2)(a)(ii)(B) of title 18, United States Code, or other statutory certification of legality for the cybersecurity program;

(C) the concept for the operation of the cybersecurity program that is approved by the head of the appropriate department or agency of the United States;

(D) the assessment, if any, of the privacy impact of the cybersecurity program prepared by the privacy or civil liberties protection officer or comparable officer of such department or agency;

(E) the plan, if any, for independent audit or review of the cybersecurity program to be carried out by the head of such department or agency, in conjunction with the appropriate inspector general; and

(F) recommendations, if any, for legislation to improve the capabilities of the United States Government to protect the cybersecurity of the United States.

(b) *PROGRAM REPORTS.*—

(1) *REQUIREMENT FOR REPORTS.*—The head of a department or agency of the United States with responsibility for a cybersecurity program for which a notification was submitted under subsection (a), in consultation with the inspector general for that department or agency, shall submit to Congress and the President a report on such cybersecurity program that includes—

(A) the results of any audit or review of the cybersecurity program carried out under the plan referred to in subsection (a)(2)(E), if any; and

(B) an assessment of whether the implementation of the cybersecurity program—

(i) is in compliance with—

(I) the legal basis referred to in subsection (a)(2)(A); and

(II) an assessment referred to in subsection (a)(2)(D), if any;

(ii) is adequately described by the concept of operation referred to in subsection (a)(2)(C); and

(iii) includes an adequate independent audit or review system and whether improvements to such independent audit or review system are necessary.

(2) SCHEDULE FOR SUBMISSION OF REPORTS.—

(A) EXISTING PROGRAMS.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the head of a department or agency of the United States with responsibility for a cybersecurity program for which a notification is required to be submitted under subsection (a)(1)(A) shall submit a report required under paragraph (1).

(B) NEW PROGRAMS.—Not later than 120 days after the date on which a certification is submitted under subsection (a)(1)(B), and annually thereafter, the head of a department or agency of the United States with responsibility for the cybersecurity program for which such certification is submitted shall submit a report required under paragraph (1).

(3) COOPERATION AND COORDINATION.—

(A) COOPERATION.—The head of each department or agency of the United States required to submit a report under paragraph (1) for a particular cybersecurity program, and the inspector general of each such department or agency, shall, to the extent practicable, work in conjunction with any other such head or inspector general required to submit such a report for such cybersecurity program.

(B) COORDINATION.—The heads of all of the departments and agencies of the United States required to submit a report under paragraph (1) for a particular cybersecurity program shall designate one such head to coordinate the conduct of the reports on such program.

(C) INFORMATION SHARING REPORT.—Not later than one year after the date of the enactment of this Act, the Inspector General of the Department of Homeland Security and the Inspector General of the Intelligence Community shall jointly submit to Congress and the President a report on the status of the sharing of cyber-threat information, including—

(1) a description of how cyber-threat intelligence information, including classified information, is shared among the agencies and departments of the United States and with persons responsible for critical infrastructure;

(2) a description of the mechanisms by which classified cyber-threat information is distributed;

(3) an assessment of the effectiveness of cyber-threat information sharing and distribution; and

(4) any other matters identified by either Inspector General that would help to fully inform Congress or the President regarding the effectiveness and legality of cybersecurity programs.

(d) PERSONNEL DETAILS.—

(1) AUTHORITY TO DETAIL.—Notwithstanding any other provision of law, the head of an element of the intelligence community that is funded through the National Intelligence Program may detail an officer or employee of such element to the National Cyber Investigative Joint Task Force or to the Department of Homeland Security to assist the Task Force or the Department with cybersecurity, as jointly agreed by the head of such element and the Task Force or the Department.

(2) BASIS FOR DETAIL.—A personnel detail made under paragraph (1) may be made—

(A) for a period of not more than three years; and

(B) on a reimbursable or nonreimbursable basis.

(e) ADDITIONAL PLAN.—Not later than 180 days after the date of the enactment of this Act,

the Director of National Intelligence shall submit to Congress a plan for recruiting, retaining, and training a highly-qualified cybersecurity intelligence community workforce to secure the networks of the intelligence community. Such plan shall include—

(1) an assessment of the capabilities of the current workforce;

(2) an examination of issues of recruiting, retention, and the professional development of such workforce, including the possibility of providing retention bonuses or other forms of compensation;

(3) an assessment of the benefits of outreach and training with both private industry and academic institutions with respect to such workforce;

(4) an assessment of the impact of the establishment of the Department of Defense Cyber Command on such workforce;

(5) an examination of best practices for making the intelligence community workforce aware of cybersecurity best practices and principles; and

(6) strategies for addressing such other matters as the Director of National Intelligence considers necessary to the cybersecurity of the intelligence community.

(f) REPORT ON GUIDELINES AND LEGISLATION TO IMPROVE CYBERSECURITY OF THE UNITED STATES.—

(1) INITIAL.—Not later than one year after the date of the enactment of this Act, the Director of National Intelligence, in coordination with the Attorney General, the Director of the National Security Agency, the White House Cybersecurity Coordinator, and any other officials the Director of National Intelligence considers appropriate, shall submit to Congress a report containing guidelines or legislative recommendations, if appropriate, to improve the capabilities of the intelligence community and law enforcement agencies to protect the cybersecurity of the United States. Such report shall include guidelines or legislative recommendations on—

(A) improving the ability of the intelligence community to detect hostile actions and attribute attacks to specific parties;

(B) the need for data retention requirements to assist the intelligence community and law enforcement agencies;

(C) improving the ability of the intelligence community to anticipate nontraditional targets of foreign intelligence services; and

(D) the adequacy of existing criminal statutes to successfully deter cyber attacks, including statutes criminalizing the facilitation of criminal acts, the scope of laws for which a cyber crime constitutes a predicate offense, trespassing statutes, data breach notification requirements, and victim restitution statutes.

(2) SUBSEQUENT.—Not later than one year after the date on which the initial report is submitted under paragraph (1), and annually thereafter for two years, the Director of National Intelligence, in consultation with the Attorney General, the Director of the National Security Agency, the White House Cybersecurity Coordinator, and any other officials the Director of National Intelligence considers appropriate, shall submit to Congress an update of the report required under paragraph (1).

(g) SUNSET.—The requirements and authorities of subsections (a) through (e) shall terminate on December 31, 2013.

(h) DEFINITIONS.—In this section:

(1) CYBERSECURITY PROGRAM.—The term “cybersecurity program” means a class or collection of similar cybersecurity operations of a department or agency of the United States that involves personally identifiable data that is—

(A) screened by a cybersecurity system outside of the department or agency of the United States that was the intended recipient of the personally identifiable data;

(B) transferred, for the purpose of cybersecurity, outside the department or agency of the United States that was the intended recipient of the personally identifiable data; or

(C) transferred, for the purpose of cybersecurity, to an element of the intelligence community.

(2) NATIONAL CYBER INVESTIGATIVE JOINT TASK FORCE.—The term “National Cyber Investigative Joint Task Force” means the multiagency cyber investigation coordination organization overseen by the Director of the Federal Bureau of Investigation known as the National Cyber Investigative Joint Task Force that coordinates, integrates, and provides pertinent information related to cybersecurity investigations.

(3) CRITICAL INFRASTRUCTURE.—The term “critical infrastructure” has the meaning given that term in section 1016 of the USA PATRIOT Act (42 U.S.C. 5195c).

**SEC. 337. REPORT ON FOREIGN LANGUAGE PROFICIENCY IN THE INTELLIGENCE COMMUNITY.**

(a) REPORT.—Not later than one year after the date of the enactment of this Act, and biennially thereafter for four years, the Director of National Intelligence shall submit to the congressional intelligence committees and the Committees on Armed Services of the House of Representatives and the Senate a report on the proficiency in foreign languages and, as appropriate, in foreign dialects, of each element of the intelligence community, including—

(1) the number of positions authorized for such element that require foreign language proficiency and a description of the level of proficiency required;

(2) an estimate of the number of such positions that such element will require during the five-year period beginning on the date of the submission of the report;

(3) the number of positions authorized for such element that require foreign language proficiency that are filled by—

(A) military personnel; and

(B) civilian personnel;

(4) the number of applicants for positions in such element in the preceding fiscal year that indicated foreign language proficiency, including the foreign language indicated and the proficiency level;

(5) the number of persons hired by such element with foreign language proficiency, including the foreign language and a description of the proficiency level of such persons;

(6) the number of personnel of such element currently attending foreign language training, including the provider of such training;

(7) a description of the efforts of such element to recruit, hire, train, and retain personnel that are proficient in a foreign language;

(8) an assessment of methods and models for basic, advanced, and intensive foreign language training utilized by such element;

(9) for each foreign language and, as appropriate, dialect of a foreign language—

(A) the number of positions of such element that require proficiency in the foreign language or dialect;

(B) the number of personnel of such element that are serving in a position that requires proficiency in the foreign language or dialect to perform the primary duty of the position;

(C) the number of personnel of such element that are serving in a position that does not require proficiency in the foreign language or dialect to perform the primary duty of the position;

(D) the number of personnel of such element rated at each level of proficiency of the Interagency Language Roundtable;

(E) whether the number of personnel at each level of proficiency of the Interagency Language Roundtable meets the requirements of such element;

(F) the number of personnel serving or hired to serve as linguists for such element that are not qualified as linguists under the standards of the Interagency Language Roundtable;

(G) the number of personnel hired to serve as linguists for such element during the preceding calendar year;

(H) the number of personnel serving as linguists that discontinued serving such element during the preceding calendar year;

(I) the percentage of work requiring linguistic skills that is fulfilled by a foreign country, international organization, or other foreign entity; and

(J) the percentage of work requiring linguistic skills that is fulfilled by contractors;

(10) an assessment of the foreign language capacity and capabilities of the intelligence community as a whole;

(11) an identification of any critical gaps in foreign language proficiency with respect to such element and recommendations for eliminating such gaps;

(12) recommendations, if any, for eliminating required reports relating to foreign-language proficiency that the Director of National Intelligence considers outdated or no longer relevant; and

(13) an assessment of the feasibility of employing foreign nationals lawfully present in the United States who have previously worked as translators or interpreters for the Armed Forces or another department or agency of the United States Government in Iraq or Afghanistan to meet the critical language needs of such element.

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

**SEC. 338. REPORT ON PLANS TO INCREASE DIVERSITY WITHIN THE INTELLIGENCE COMMUNITY.**

(a) **REQUIREMENT FOR REPORT.**—Not later than one year after the date of the enactment of this Act, the Director of National Intelligence, in coordination with the head of each element of the intelligence community, shall submit to the congressional intelligence committees a report on the plans of each such element to increase diversity within the intelligence community.

(b) **CONTENT.**—The report required by subsection (a) shall include specific implementation plans to increase diversity within each element of the intelligence community, including—

(1) specific implementation plans for each such element designed to achieve the goals articulated in the strategic plan of the Director of National Intelligence on equal employment opportunity and diversity;

(2) specific plans and initiatives for each such element to increase recruiting and hiring of diverse candidates;

(3) specific plans and initiatives for each such element to improve retention of diverse Federal employees at the junior, midgrade, senior, and management levels;

(4) a description of specific diversity awareness training and education programs for senior officials and managers of each such element; and

(5) a description of performance metrics to measure the success of carrying out the plans, initiatives, and programs described in paragraphs (1) through (4).

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

**SEC. 339. REPORT ON INTELLIGENCE COMMUNITY CONTRACTORS.**

(a) **REQUIREMENT FOR REPORT.**—Not later than February 1, 2011, the Director of National Intelligence shall submit to the congressional intelligence committees and the Committees on Armed Services of the House of Representatives and the Senate a report describing the use of personal services contracts across the intelligence community, the impact of the use of such contracts on the intelligence community workforce, plans for conversion of contractor employment into United States Government employment, and the accountability mechanisms that govern the performance of such personal services contracts.

(b) **CONTENT.**—

(1) **IN GENERAL.**—The report submitted under subsection (a) shall include—

(A) a description of any relevant regulations or guidance issued by the Director of National

Intelligence or the head of an element of the intelligence community and in effect as of February 1, 2011, relating to minimum standards required regarding the hiring, training, security clearance, and assignment of contract personnel and how those standards may differ from those for United States Government employees performing substantially similar functions;

(B) an identification of contracts in effect during the preceding fiscal year under which the contractor is performing substantially similar functions to a United States Government employee;

(C) an assessment of costs incurred or savings achieved during the preceding fiscal year by awarding contracts for the performance of such functions referred to in subparagraph (B) instead of using full-time employees of the elements of the intelligence community to perform such functions;

(D) an assessment of the appropriateness of using contractors to perform the activities described in paragraph (2);

(E) an estimate of the number of contracts, and the number of personnel working under such contracts, related to the performance of activities described in paragraph (2);

(F) a comparison of the compensation of contract employees and United States Government employees performing substantially similar functions during the preceding fiscal year;

(G) an analysis of the attrition of United States Government employees for contractor positions that provide substantially similar functions during the preceding fiscal year;

(H) a description of positions that have been or will be converted from contractor employment to United States Government employment during fiscal years 2011 and 2012;

(I) an analysis of the oversight and accountability mechanisms applicable to personal services contracts awarded for intelligence activities by each element of the intelligence community during fiscal years 2009 and 2010;

(J) an analysis of procedures in use in the intelligence community as of February 1, 2011, for conducting oversight of contractors to ensure identification and prosecution of criminal violations, financial waste, fraud, or other abuses committed by contractors or contract personnel; and

(K) an identification of best practices for oversight and accountability mechanisms applicable to personal services contracts.

(2) **ACTIVITIES.**—Activities described in this paragraph are the following:

(A) Intelligence collection.

(B) Intelligence analysis.

(C) Covert actions, including rendition, detention, and interrogation activities.

**SEC. 340. STUDY ON ELECTRONIC WASTE DESTRUCTION PRACTICES OF THE INTELLIGENCE COMMUNITY.**

(a) **STUDY.**—The Inspector General of the Intelligence Community shall conduct a study on the electronic waste destruction practices of the intelligence community. Such study shall assess—

(1) the security of the electronic waste disposal practices of the intelligence community, including the potential for counterintelligence exploitation of destroyed, discarded, or recycled materials;

(2) the environmental impact of such disposal practices; and

(3) methods to improve the security and environmental impact of such disposal practices, including steps to prevent the forensic exploitation of electronic waste.

(b) **REPORT.**—Not later than one year after the date of the enactment of this Act, the Inspector General of the Intelligence Community shall submit to the congressional intelligence committees a report containing the results of the study conducted under subsection (a).

**SEC. 341. REVIEW OF RECORDS RELATING TO POTENTIAL HEALTH RISKS AMONG DESERT STORM VETERANS.**

(a) **REVIEW.**—The Director of the Central Intelligence Agency shall conduct a classification

review of the records of the Agency that are relevant to the known or potential health effects suffered by veterans of Operation Desert Storm as described in the November 2008, report by the Department of Veterans Affairs Research Advisory Committee on Gulf War Veterans' Illnesses.

(b) **REPORT.**—Not later than one year after the date of the enactment of this Act, the Director of the Central Intelligence Agency shall submit to Congress the results of the classification review conducted under subsection (a), including the total number of records of the Agency that are relevant.

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

**SEC. 342. REVIEW OF FEDERAL BUREAU OF INVESTIGATION EXERCISE OF ENFORCEMENT JURISDICTION IN FOREIGN NATIONS.**

Not later than 120 days after the date of the enactment of this Act, the Director of the Federal Bureau of Investigation, in consultation with the Secretary of State, shall submit to Congress a review of constraints under international law and the laws of foreign nations to the assertion of enforcement jurisdiction with respect to criminal investigations of terrorism offenses under the laws of the United States conducted by agents of the Federal Bureau of Investigation in foreign nations and using funds made available for the National Intelligence Program, including constraints identified in section 432 of the Restatement (Third) of the Foreign Relations Law of the United States.

**SEC. 343. PUBLIC RELEASE OF INFORMATION ON PROCEDURES USED IN NARCOTICS AIRBRIDGE DENIAL PROGRAM IN PERU.**

Not later than 30 days after the date of the enactment of this Act, the Director of the Central Intelligence Agency shall make publicly available an unclassified version of the report of the Inspector General of the Central Intelligence Agency entitled "Procedures Used in Narcotics Airbridge Denial Program in Peru, 1995–2001", dated August 25, 2008.

**SEC. 344. REPORT ON THREAT FROM DIRTY BOMBS.**

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence, in consultation with the Nuclear Regulatory Commission, shall submit to Congress a report summarizing intelligence related to the threat to the United States from weapons that use radiological materials, including highly dispersible substances such as cesium-137.

**SEC. 345. REPORT ON CREATION OF SPACE INTELLIGENCE OFFICE.**

Not later than 60 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to Congress a report on the feasibility and advisability of creating a national space intelligence office to manage space-related intelligence assets and access to such assets.

**SEC. 346. REPORT ON ATTEMPT TO DETONATE EXPLOSIVE DEVICE ON NORTHWEST AIRLINES FLIGHT 253.**

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to Congress a report on the attempt to detonate an explosive device aboard Northwest Airlines flight number 253 on December 25, 2009. Such report shall describe the failures, if any, to share or analyze intelligence or other information and the measures that the intelligence community has taken or will take to prevent such failures, including—

(1) a description of the roles and responsibilities of the counterterrorism analytic components of the intelligence community in synchronizing, correlating, and analyzing all sources of intelligence related to terrorism;

(2) an assessment of the technological capabilities of the United States Government to assess terrorist threats, including—

(A) a list of all databases used by counterterrorism analysts;

(B) a description of the steps taken by the intelligence community to integrate all relevant terrorist databases and allow for cross-database searches;

(C) a description of the steps taken by the intelligence community to correlate biographic information with terrorism-related intelligence; and

(D) a description of the improvements to information technology needed to enable the United States Government to better share information;

(3) any recommendations that the Director considers appropriate for legislation to improve the sharing of intelligence or information relating to terrorists;

(4) a description of the steps taken by the intelligence community to train analysts on watchlisting processes and procedures;

(5) a description of the manner in which watchlisting information is entered, reviewed, searched, analyzed, and acted upon by the relevant elements of the United States Government;

(6) a description of the steps the intelligence community is taking to enhance the rigor and raise the standard of tradecraft of intelligence analysis related to uncovering and preventing terrorist plots;

(7) a description of the processes and procedures by which the intelligence community prioritizes terrorism threat leads and the standards used by elements of the intelligence community to determine if follow-up action is appropriate;

(8) a description of the steps taken to enhance record information on possible terrorists in the Terrorist Identities Datamart Environment;

(9) an assessment of how to meet the challenge associated with exploiting the ever-increasing volume of information available to the intelligence community; and

(10) a description of the steps the intelligence community has taken or will take to respond to any findings and recommendations of the congressional intelligence committees, with respect to any such failures, that have been transmitted to the Director of National Intelligence.

**SEC. 347. REPEAL OR MODIFICATION OF CERTAIN REPORTING REQUIREMENTS.**

(a) ANNUAL REPORT ON INTELLIGENCE.—Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) is repealed.

(b) ANNUAL AND SPECIAL REPORTS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS.—Section 112 of the National Security Act of 1947 (50 U.S.C. 404g) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.

(c) ANNUAL REPORT ON PROGRESS IN AUDITABLE FINANCIAL STATEMENTS.—Section 114A of the National Security Act of 1947 (50 U.S.C. 404i-1) is repealed.

(d) REPORT ON FINANCIAL INTELLIGENCE ON TERRORIST ASSETS.—Section 118 of the National Security Act of 1947 (50 U.S.C. 404m) is amended—

(1) in the heading, by striking “SEMIANNUAL” and inserting “ANNUAL”;

(2) in subsection (a)—

(A) in the heading, by striking “SEMIANNUAL” and inserting “ANNUAL”;

(B) in the matter preceding paragraph (1)—

(i) by striking “semiannual basis” and inserting “annual basis”; and

(ii) by striking “preceding six-month period” and inserting “preceding one-year period”;

(C) by striking paragraph (2); and

(D) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (d)—

(A) in paragraph (1), by inserting “the Committee on Armed Services,” after “the Committee on Appropriations.”; and

(B) in paragraph (2), by inserting “the Committee on Armed Services,” after “the Committee on Appropriations.”.

(e) ANNUAL CERTIFICATION ON COUNTERINTELLIGENCE INITIATIVES.—Section 1102(b) of the Na-

tional Security Act of 1947 (50 U.S.C. 442a(b)) is amended—

(1) by striking “(1)”;

(2) by striking paragraph (2).

(f) REPORT AND CERTIFICATION UNDER TERRORIST IDENTIFICATION CLASSIFICATION SYSTEM.—Section 343 of the Intelligence Authorization Act for Fiscal Year 2003 (50 U.S.C. 404n-2) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

(g) ANNUAL REPORT ON COUNTERDRUG INTELLIGENCE MATTERS.—Section 826 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107-306; 21 U.S.C. 873 note) is repealed.

(h) BIENNIAL REPORT ON FOREIGN INDUSTRIAL ESPIONAGE.—Subsection (b) of section 809 of the Intelligence Authorization Act for Fiscal Year 1995 (50 U.S.C. App. 2170b) is amended—

(1) in the heading, by striking “ANNUAL UPDATE” and inserting “BIENNIAL REPORT”;

(2) by striking paragraphs (1) and (2) and inserting the following new paragraph:

“(1) REQUIREMENT TO SUBMIT.—Not later than February 1, 2011, and once every two years thereafter, the President shall submit to the congressional intelligence committees and congressional leadership a report updating the information referred to in subsection (a)(1)(D).”;

(3) by redesignating paragraph (3) as paragraph (2).

(i) TABLE OF CONTENTS AMENDMENTS.—

(1) NATIONAL SECURITY ACT OF 1947.—The table of contents in the first section of the National Security Act of 1947, as amended by section 332 of this Act, is further amended—

(A) by striking the item relating to section 109;

(B) by striking the item relating to section 114A; and

(C) by striking the item relating to section 118 and inserting the following new item:

“Sec. 118. Annual report on financial intelligence on terrorist assets.”.

(2) INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2003.—The table of contents in the first section of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107-306; 116 Stat. 2383) is amended by striking the item relating to section 826.

**SEC. 348. INFORMATION ACCESS BY THE COMPTROLLER GENERAL OF THE UNITED STATES.**

(a) DNI DIRECTIVE GOVERNING ACCESS.—

(1) REQUIREMENT FOR DIRECTIVE.—The Director of National Intelligence, in consultation with the Comptroller General of the United States, shall issue a written directive governing the access of the Comptroller General to information in the possession of an element of the intelligence community.

(2) AMENDMENT TO DIRECTIVE.—The Director of National Intelligence, in consultation with the Comptroller General, may issue an amendment to the directive issued under paragraph (1) at any time the Director determines such an amendment is appropriate.

(3) RELATIONSHIP TO OTHER LAWS.—The directive issued under paragraph (1) and any amendment to such directive issued under paragraph (2) shall be consistent with the provisions of—

(A) chapter 7 of title 31, United States Code; and

(B) the National Security Act of 1947 (50 U.S.C. 401 et seq.).

(b) CONFIDENTIALITY OF INFORMATION.—

(1) REQUIREMENT FOR CONFIDENTIALITY.—The Comptroller General of the United States shall ensure that the level of confidentiality of information made available to the Comptroller General pursuant to the directive issued under subsection (a)(1) or an amendment to such directive issued under subsection (a)(2) is not less than the level of confidentiality of such information required of the head of the element of the intel-

ligence community from which such information was obtained.

(2) PENALTIES FOR UNAUTHORIZED DISCLOSURE.—An officer or employee of the Government Accountability Office shall be subject to the same statutory penalties for unauthorized disclosure or use of such information as an officer or employee of the element of the intelligence community from which such information was obtained.

(c) SUBMISSION TO CONGRESS.—

(1) SUBMISSION OF DIRECTIVE.—The directive issued under subsection (a)(1) shall be submitted to Congress by the Director of National Intelligence, together with any comments of the Comptroller General of the United States, no later than May 1, 2011.

(2) SUBMISSION OF AMENDMENT.—Any amendment to such directive issued under subsection (a)(2) shall be submitted to Congress by the Director, together with any comments of the Comptroller General.

(d) EFFECTIVE DATE.—The directive issued under subsection (a)(1) and any amendment to such directive issued under subsection (a)(2) shall take effect 60 days after the date such directive or amendment is submitted to Congress under subsection (c), unless the Director determines that for reasons of national security the directive or amendment should take effect sooner.

**SEC. 349. CONFORMING AMENDMENTS FOR REPORT SUBMISSION DATES.**

Section 507 of the National Security Act of 1947 (50 U.S.C. 415b) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking subparagraphs (A), (B), and (G);

(ii) by redesignating subparagraphs (C), (D), (E), (F), (H), (I), and (N) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively; and

(iii) by adding at the end the following new subparagraphs:

“(H) The annual report on outside employment of employees of elements of the intelligence community required by section 102A(u)(2).

“(I) The annual report on financial intelligence on terrorist assets required by section 118.”; and

(B) in paragraph (2), by striking subparagraphs (C) and (D); and

(2) in subsection (b), by striking paragraph (6).

**Subtitle E—Other Matters**

**SEC. 361. EXTENSION OF AUTHORITY TO DELETE INFORMATION ABOUT RECEIPT AND DISPOSITION OF FOREIGN GIFTS AND DECORATIONS.**

Paragraph (4) of section 7342(f) of title 5, United States Code, is amended to read as follows:

“(4)(A) In transmitting such listings for an element of the intelligence community, the head of such element may delete the information described in subparagraph (A) or (C) of paragraph (2) or in subparagraph (A) or (C) of paragraph (3) if the head of such element certifies in writing to the Secretary of State that the publication of such information could adversely affect United States intelligence sources or methods.

“(B) Any information not provided to the Secretary of State pursuant to the authority in subparagraph (A) shall be transmitted to the Director of National Intelligence who shall keep a record of such information.

“(C) In this paragraph, the term ‘intelligence community’ has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).”.

**SEC. 362. MODIFICATION OF AVAILABILITY OF FUNDS FOR DIFFERENT INTELLIGENCE ACTIVITIES.**

Subparagraph (B) of section 504(a)(3) of the National Security Act of 1947 (50 U.S.C. 414(a)(3)) is amended to read as follows:

“(B) the use of such funds for such activity supports an emergent need, improves program effectiveness, or increases efficiency; and”.

**SEC. 363. PROTECTION OF CERTAIN NATIONAL SECURITY INFORMATION.**

(a) INCREASE IN PENALTIES FOR DISCLOSURE OF UNDERCOVER INTELLIGENCE OFFICERS AND AGENTS.—

(1) DISCLOSURE OF AGENT AFTER ACCESS TO INFORMATION IDENTIFYING AGENT.—Subsection (a) of section 601 of the National Security Act of 1947 (50 U.S.C. 421) is amended by striking “ten years” and inserting “15 years”.

(2) DISCLOSURE OF AGENT AFTER ACCESS TO CLASSIFIED INFORMATION.—Subsection (b) of such section is amended by striking “five years” and inserting “10 years”.

(b) MODIFICATIONS TO ANNUAL REPORT ON PROTECTION OF INTELLIGENCE IDENTITIES.—The first sentence of section 603(a) of the National Security Act of 1947 (50 U.S.C. 423(a)) is amended by inserting “including an assessment of the need, if any, for modification of this title for the purpose of improving legal protections for covert agents,” after “measures to protect the identities of covert agents.”.

**SEC. 364. NATIONAL INTELLIGENCE PROGRAM BUDGET.**

Section 601 of the Implementing Recommendations of the 9/11 Commission Act of 2007 (50 U.S.C. 415c) is amended to read as follows:

**“SEC. 601. AVAILABILITY TO PUBLIC OF CERTAIN INTELLIGENCE FUNDING INFORMATION.**

“(a) BUDGET REQUEST.—At the time that the President submits to Congress the budget for a fiscal year pursuant to section 1105 of title 31, United States Code, the President shall disclose to the public the aggregate amount of appropriations requested for that fiscal year for the National Intelligence Program.

“(b) AMOUNTS APPROPRIATED EACH FISCAL YEAR.—Not later than 30 days after the end of each fiscal year, the Director of National Intelligence shall disclose to the public the aggregate amount of funds appropriated by Congress for the National Intelligence Program for such fiscal year.

“(c) WAIVER.—

“(1) IN GENERAL.—The President may waive or postpone the disclosure required by subsection (a) or (b) for a fiscal year by submitting to the Select Committee on Intelligence of the Senate and Permanent Select Committee on Intelligence of the House of Representatives—

“(A) a statement, in unclassified form, that the disclosure required in subsection (a) or (b) for that fiscal year would damage national security; and

“(B) a statement detailing the reasons for the waiver or postponement, which may be submitted in classified form.

“(2) SUBMISSION DATES.—The President shall submit the statements required under paragraph (1)—

“(A) in the case of a waiver or postponement of a disclosure required under subsection (a), at the time of the submission of the budget for the fiscal year for which such disclosure is waived or postponed; and

“(B) in the case of a waiver or postponement of a disclosure required under subsection (b), not later than 30 days after the date of the end of the fiscal year for which such disclosure is waived or postponed.

“(d) DEFINITION.—As used in this section, the term ‘National Intelligence Program’ has the meaning given the term in section 3(6) of the National Security Act of 1947 (50 U.S.C. 401a(6)).”.

**SEC. 365. IMPROVING THE REVIEW AUTHORITY OF THE PUBLIC INTEREST DECLASSIFICATION BOARD.**

Paragraph (5) of section 703(b) of the Public Interest Declassification Act of 2000 (50 U.S.C. 435 note) is amended—

(1) by striking “jurisdiction,” and inserting “jurisdiction or by a member of the committee of jurisdiction,”; and

(2) by inserting “, to evaluate the proper classification of certain records,” after “certain records”.

**SEC. 366. AUTHORITY TO DESIGNATE UNDERCOVER OPERATIONS TO COLLECT FOREIGN INTELLIGENCE OR COUNTERINTELLIGENCE.**

Paragraph (1) of section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (Public Law 102-395; 28 U.S.C. 533 note) is amended in the flush text following subparagraph (D) by striking “(or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Assistant Attorney General for National Security)” and inserting “(or a designee of the Director who is in a position not lower than Deputy Assistant Director in the National Security Branch or a similar successor position) and the Attorney General (or a designee of the Attorney General who is in the National Security Division in a position not lower than Deputy Assistant Attorney General or a similar successor position)”.

**SEC. 367. SECURITY CLEARANCES: REPORTS; RECIPROCITY.**

(a) REPORTS RELATING TO SECURITY CLEARANCES.—

(1) QUADRENNIAL AUDIT; SECURITY CLEARANCE DETERMINATIONS.—

(A) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 325 of this Act, is further amended by inserting after section 506G, as added by section 325(a), the following new section:

**“REPORTS ON SECURITY CLEARANCES**

“SEC. 506H. (a) QUADRENNIAL AUDIT OF POSITION REQUIREMENTS.—(1) The President shall every four years conduct an audit of the manner in which the executive branch determines whether a security clearance is required for a particular position in the United States Government.

“(2) Not later than 30 days after the completion of an audit conducted under paragraph (1), the President shall submit to Congress the results of such audit.

“(b) REPORT ON SECURITY CLEARANCE DETERMINATIONS.—(1) Not later than February 1 of each year, the President shall submit to Congress a report on the security clearance process. Such report shall include, for each security clearance level—

“(A) the number of employees of the United States Government who—

“(i) held a security clearance at such level as of October 1 of the preceding year; and

“(ii) were approved for a security clearance at such level during the preceding fiscal year;

“(B) the number of contractors to the United States Government who—

“(i) held a security clearance at such level as of October 1 of the preceding year; and

“(ii) were approved for a security clearance at such level during the preceding fiscal year; and

“(C) for each element of the intelligence community—

“(i) the total amount of time it took to process the security clearance determination for such level that—

“(I) was among the 80 percent of security clearance determinations made during the preceding fiscal year that took the shortest amount of time to complete; and

“(II) took the longest amount of time to complete;

“(ii) the total amount of time it took to process the security clearance determination for such level that—

“(I) was among the 90 percent of security clearance determinations made during the preceding fiscal year that took the shortest amount of time to complete; and

“(II) took the longest amount of time to complete;

“(iii) the number of pending security clearance investigations for such level as of October 1 of the preceding year that have remained pending for—

“(I) 4 months or less;

“(II) between 4 months and 8 months;

“(III) between 8 months and one year; and

“(IV) more than one year;

“(v) the percentage of reviews during the preceding fiscal year that resulted in a denial or revocation of a security clearance;

“(v) the percentage of investigations during the preceding fiscal year that resulted in incomplete information;

“(vi) the percentage of investigations during the preceding fiscal year that did not result in enough information to make a decision on potentially adverse information; and

“(vii) for security clearance determinations completed or pending during the preceding fiscal year that have taken longer than one year to complete—

“(I) the number of security clearance determinations for positions as employees of the United States Government that required more than one year to complete;

“(II) the number of security clearance determinations for contractors that required more than one year to complete;

“(III) the agencies that investigated and adjudicated such determinations; and

“(IV) the cause of significant delays in such determinations.

“(2) For purposes of paragraph (1), the President may consider—

“(A) security clearances at the level of confidential and secret as one security clearance level; and

“(B) security clearances at the level of top secret or higher as one security clearance level.

“(c) FORM.—The results required under subsection (a)(2) and the reports required under subsection (b)(1) shall be submitted in unclassified form, but may include a classified annex.”.

(B) INITIAL AUDIT.—The first audit required to be conducted under section 506H(a)(1) of the National Security Act of 1947, as added by subparagraph (A) of this paragraph, shall be completed not later than February 1, 2011.

(C) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of such Act, as amended by section 347(i) of this Act, is further amended by inserting after the item relating to section 506G, as added by section 325 of this Act, the following new item:

“Sec. 506H. Reports on security clearances.”.

(2) REPORT ON METRICS FOR ADJUDICATION QUALITY.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on security clearance investigations and adjudications. Such report shall include—

(A) United States Government-wide adjudication guidelines and metrics for adjudication quality;

(B) a plan to improve the professional development of security clearance adjudicators;

(C) metrics to evaluate the effectiveness of interagency clearance reciprocity;

(D) United States Government-wide investigation standards and metrics for investigation quality; and

(E) the advisability, feasibility, counterintelligence risk, and cost effectiveness of—

(i) by not later than January 1, 2012, requiring the investigation and adjudication of security clearances to be conducted by not more than two Federal agencies; and

(ii) by not later than January 1, 2015, requiring the investigation and adjudication of security clearances to be conducted by not more than one Federal agency.

(b) SECURITY CLEARANCE RECIPROCITY.—

(1) AUDIT.—The Inspector General of the Intelligence Community shall conduct an audit of the reciprocity of security clearances among the elements of the intelligence community.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Intelligence Community shall submit to the congressional intelligence committees a report containing the results of the audit

conducted under paragraph (1). Such report shall include an assessment of the time required to obtain a reciprocal security clearance for—

(A) an employee of an element of the intelligence community detailed to another element of the intelligence community;

(B) an employee of an element of the intelligence community seeking permanent employment with another element of the intelligence community; and

(C) a contractor seeking permanent employment with an element of the intelligence community.

(3) FORM.—The report required under paragraph (2) shall be submitted in unclassified form, but may include a classified annex.

**SEC. 368. CORRECTING LONG-STANDING MATERIAL WEAKNESSES.**

(a) DEFINITIONS.—In this section:

(1) COVERED ELEMENT OF THE INTELLIGENCE COMMUNITY.—The term “covered element of the intelligence community” means—

(A) the Central Intelligence Agency;

(B) the Defense Intelligence Agency;

(C) the National Geospatial-Intelligence Agency;

(D) the National Reconnaissance Office; or

(E) the National Security Agency.

(2) INDEPENDENT AUDITOR.—The term “independent auditor” means an individual who—

(A)(i) is a Federal, State, or local government auditor who meets the independence standards included in generally accepted government auditing standards; or

(ii) is a public accountant who meets such independence standards; and

(B) is designated as an auditor by the Director of National Intelligence or the head of a covered element of the intelligence community, as appropriate.

(3) INDEPENDENT REVIEW.—The term “independent review” means an audit, attestation, or examination conducted by an independent auditor in accordance with generally accepted government auditing standards.

(4) LONG-STANDING, CORRECTABLE MATERIAL WEAKNESS.—The term “long-standing, correctable material weakness” means a material weakness—

(A) that was first reported in the annual financial report of a covered element of the intelligence community for a fiscal year prior to fiscal year 2007; and

(B) the correction of which is not substantially dependent on a business system that was not implemented prior to the end of fiscal year 2010.

(5) MATERIAL WEAKNESS.—The term “material weakness” has the meaning given that term under the Office of Management and Budget Circular A-123, entitled “Management’s Responsibility for Internal Control,” revised December 21, 2004.

(6) SENIOR INTELLIGENCE MANAGEMENT OFFICIAL.—The term “senior intelligence management official” means an official within a covered element of the intelligence community who is—

(A)(i) compensated under the Senior Intelligence Service pay scale; or

(ii) the head of a covered element of the intelligence community; and

(B) compensated for employment with funds appropriated pursuant to an authorization of appropriations in this Act.

(b) IDENTIFICATION OF SENIOR INTELLIGENCE MANAGEMENT OFFICIALS.—

(1) REQUIREMENT TO IDENTIFY.—Not later than 30 days after the date of the enactment of this Act, the head of a covered element of the intelligence community shall designate a senior intelligence management official of such element to be responsible for correcting each long-standing, correctable material weakness of such element.

(2) HEAD OF A COVERED ELEMENT OF THE INTELLIGENCE COMMUNITY.—The head of a covered element of the intelligence community may des-

ignate himself or herself as the senior intelligence management official responsible for correcting a long-standing, correctable material weakness under paragraph (1).

(3) REQUIREMENT TO UPDATE DESIGNATION.—If the head of a covered element of the intelligence community determines that a senior intelligence management official designated under paragraph (1) is no longer responsible for correcting a long-standing, correctable material weakness, the head of such element shall designate the successor to such official not later than 10 days after the date of such determination.

(c) NOTIFICATION.—Not later than 10 days after the date on which the head of a covered element of the intelligence community has designated a senior intelligence management official pursuant to paragraph (1) or (3) of subsection (b), the head of such element shall provide written notification of such designation to the Director of National Intelligence and to such senior intelligence management official.

(d) CORRECTION OF LONG-STANDING, MATERIAL WEAKNESS.—

(1) DETERMINATION OF CORRECTION OF DEFICIENCY.—If a long-standing, correctable material weakness is corrected, the senior intelligence management official who is responsible for correcting such long-standing, correctable material weakness shall make and issue a determination of the correction.

(2) BASIS FOR DETERMINATION.—The determination of the senior intelligence management official under paragraph (1) shall be based on the findings of an independent review.

(3) NOTIFICATION AND SUBMISSION OF FINDINGS.—A senior intelligence management official who makes a determination under paragraph (1) shall—

(A) notify the head of the appropriate covered element of the intelligence community of such determination at the time the determination is made; and

(B) ensure that the independent auditor whose findings are the basis of a determination under paragraph (1) submits to the head of the covered element of the intelligence community and the Director of National Intelligence the findings that such determination is based on not later than 5 days after the date on which such determination is made.

(e) CONGRESSIONAL OVERSIGHT.—The head of a covered element of the intelligence community shall notify the congressional intelligence committees not later than 30 days after the date—

(1) on which a senior intelligence management official is designated under paragraph (1) or (3) of subsection (b) and notified under subsection (c); or

(2) of the correction of a long-standing, correctable material weakness, as verified by an independent auditor under subsection (d)(2).

**SEC. 369. INTELLIGENCE COMMUNITY FINANCIAL IMPROVEMENT AND AUDIT READINESS.**

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall—

(1) conduct a review of the status of the auditability compliance of each element of the intelligence community; and

(2) develop a plan and schedule to achieve a full, unqualified audit of each element of the intelligence community not later than September 30, 2013.

**TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY**

**Subtitle A—Office of the Director of National Intelligence**

**SEC. 401. ACCOUNTABILITY REVIEWS BY THE DIRECTOR OF NATIONAL INTELLIGENCE.**

Subsection (f) of section 102A of the National Security Act of 1947 (50 U.S.C. 403-1) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following new paragraph:

“(7)(A) The Director of National Intelligence shall, if the Director determines it is necessary, or may, if requested by a congressional intelligence committee, conduct an accountability review of an element of the intelligence community or the personnel of such element in relation to a failure or deficiency within the intelligence community.

“(B) The Director of National Intelligence, in consultation with the Attorney General, shall establish guidelines and procedures for conducting an accountability review under subparagraph (A).

“(C)(i) The Director of National Intelligence shall provide the findings of an accountability review conducted under subparagraph (A) and the Director’s recommendations for corrective or punitive action, if any, to the head of the applicable element of the intelligence community. Such recommendations may include a recommendation for dismissal of personnel.

“(ii) If the head of such element does not implement a recommendation made by the Director under clause (i), the head of such element shall submit to the congressional intelligence committees a notice of the determination not to implement the recommendation, including the reasons for the determination.

“(D) The requirements of this paragraph shall not be construed to limit any authority of the Director of National Intelligence under subsection (m) or with respect to supervision of the Central Intelligence Agency.”

**SEC. 402. AUTHORITIES FOR INTELLIGENCE INFORMATION SHARING.**

(a) AUTHORITIES FOR INTERAGENCY FUNDING.—Section 102A(d)(2) of the National Security Act of 1947 (50 U.S.C. 403-1(d)(2)) is amended by striking “Program to another such program.” and inserting “Program—

“(A) to another such program;

“(B) to other departments or agencies of the United States Government for the development and fielding of systems of common concern related to the collection, processing, analysis, exploitation, and dissemination of intelligence information; or

“(C) to a program funded by appropriations not within the National Intelligence Program to address critical gaps in intelligence information sharing or access capabilities.”

(b) AUTHORITIES OF HEADS OF OTHER DEPARTMENTS AND AGENCIES.—Notwithstanding any other provision of law, the head of any department or agency of the United States is authorized to receive and utilize funds made available to the department or agency by the Director of National Intelligence pursuant to section 102A(d)(2) of the National Security Act of 1947 (50 U.S.C. 403-1(d)(2)), as amended by subsection (a), and receive and utilize any system referred to in such section that is made available to such department or agency.

**SEC. 403. LOCATION OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.**

Subsection (e) of section 103 of the National Security Act of 1947 (50 U.S.C. 403-3) is amended to read as follows:

“(e) LOCATION OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.—The headquarters of the Office of the Director of National Intelligence may be located in the Washington metropolitan region, as that term is defined in section 8301 of title 40, United States Code.”

**SEC. 404. TITLE AND APPOINTMENT OF CHIEF INFORMATION OFFICER OF THE INTELLIGENCE COMMUNITY.**

Section 103G of the National Security Act of 1947 (50 U.S.C. 403-3g) is amended—

(1) in subsection (a)—

(A) by inserting “of the Intelligence Community” after “Chief Information Officer”; and

(B) by striking “President,” and all that follows and inserting “President.”;

(2) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively;

(3) in subsection (b) (as so redesignated), by inserting “of the Intelligence Community” after “Chief Information Officer”; and

(4) in subsection (c) (as so redesignated), by inserting “of the Intelligence Community” before “may not”.

**SEC. 405. INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.), as amended by section 347 of this Act, is further amended by inserting after section 103G the following new section:

“INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY

“SEC. 103H. (a) OFFICE OF INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY.—There is within the Office of the Director of National Intelligence an Office of the Inspector General of the Intelligence Community.

“(b) PURPOSE.—The purpose of the Office of the Inspector General of the Intelligence Community is—

“(1) to create an objective and effective office, appropriately accountable to Congress, to initiate and conduct independent investigations, inspections, audits, and reviews on programs and activities within the responsibility and authority of the Director of National Intelligence;

“(2) to provide leadership and coordination and recommend policies for activities designed—

“(A) to promote economy, efficiency, and effectiveness in the administration and implementation of such programs and activities; and

“(B) to prevent and detect fraud and abuse in such programs and activities;

“(3) to provide a means for keeping the Director of National Intelligence fully and currently informed about—

“(A) problems and deficiencies relating to the administration of programs and activities within the responsibility and authority of the Director of National Intelligence; and

“(B) the necessity for, and the progress of, corrective actions; and

“(4) in the manner prescribed by this section, to ensure that the congressional intelligence committees are kept similarly informed of—

“(A) significant problems and deficiencies relating to programs and activities within the responsibility and authority of the Director of National Intelligence; and

“(B) the necessity for, and the progress of, corrective actions.

“(c) INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY.—(1) There is an Inspector General of the Intelligence Community, who shall be the head of the Office of the Inspector General of the Intelligence Community, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The nomination of an individual for appointment as Inspector General shall be made—

“(A) without regard to political affiliation;

“(B) on the basis of integrity, compliance with security standards of the intelligence community, and prior experience in the field of intelligence or national security; and

“(C) on the basis of demonstrated ability in accounting, financial analysis, law, management analysis, public administration, or investigations.

“(3) The Inspector General shall report directly to and be under the general supervision of the Director of National Intelligence.

“(4) The Inspector General may be removed from office only by the President. The President shall communicate in writing to the congressional intelligence committees the reasons for the removal not later than 30 days prior to the effective date of such removal. Nothing in this paragraph shall be construed to prohibit a personnel action otherwise authorized by law, other than transfer or removal.

“(d) ASSISTANT INSPECTORS GENERAL.—Subject to the policies of the Director of National Intelligence, the Inspector General of the Intelligence Community shall—

“(1) appoint an Assistant Inspector General for Audit who shall have the responsibility for supervising the performance of auditing activities relating to programs and activities within the responsibility and authority of the Director;

“(2) appoint an Assistant Inspector General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and activities; and

“(3) appoint other Assistant Inspectors General that, in the judgment of the Inspector General, are necessary to carry out the duties of the Inspector General.

“(e) DUTIES AND RESPONSIBILITIES.—It shall be the duty and responsibility of the Inspector General of the Intelligence Community—

“(1) to provide policy direction for, and to plan, conduct, supervise, and coordinate independently, the investigations, inspections, audits, and reviews relating to programs and activities within the responsibility and authority of the Director of National Intelligence;

“(2) to keep the Director of National Intelligence fully and currently informed concerning violations of law and regulations, fraud, and other serious problems, abuses, and deficiencies relating to the programs and activities within the responsibility and authority of the Director, to recommend corrective action concerning such problems, and to report on the progress made in implementing such corrective action;

“(3) to take due regard for the protection of intelligence sources and methods in the preparation of all reports issued by the Inspector General, and, to the extent consistent with the purpose and objective of such reports, take such measures as may be appropriate to minimize the disclosure of intelligence sources and methods described in such reports; and

“(4) in the execution of the duties and responsibilities under this section, to comply with generally accepted government auditing.

“(f) LIMITATIONS ON ACTIVITIES.—(1) The Director of National Intelligence may prohibit the Inspector General of the Intelligence Community from initiating, carrying out, or completing any investigation, inspection, audit, or review if the Director determines that such prohibition is necessary to protect vital national security interests of the United States.

“(2) Not later than seven days after the date on which the Director exercises the authority under paragraph (1), the Director shall submit to the congressional intelligence committees an appropriately classified statement of the reasons for the exercise of such authority.

“(3) The Director shall advise the Inspector General at the time a statement under paragraph (2) is submitted, and, to the extent consistent with the protection of intelligence sources and methods, provide the Inspector General with a copy of such statement.

“(4) The Inspector General may submit to the congressional intelligence committees any comments on the statement of which the Inspector General has notice under paragraph (3) that the Inspector General considers appropriate.

“(g) AUTHORITIES.—(1) The Inspector General of the Intelligence Community shall have direct and prompt access to the Director of National Intelligence when necessary for any purpose pertaining to the performance of the duties of the Inspector General.

“(2)(A) The Inspector General shall, subject to the limitations in subsection (f), make such investigations and reports relating to the administration of the programs and activities within the authorities and responsibilities of the Director as are, in the judgment of the Inspector General, necessary or desirable.

“(B) The Inspector General shall have access to any employee, or any employee of a contractor, of any element of the intelligence com-

munity needed for the performance of the duties of the Inspector General.

“(C) The Inspector General shall have direct access to all records, reports, audits, reviews, documents, papers, recommendations, or other materials that relate to the programs and activities with respect to which the Inspector General has responsibilities under this section.

“(D) The level of classification or compartmentation of information shall not, in and of itself, provide a sufficient rationale for denying the Inspector General access to any materials under subparagraph (C).

“(E) The Director, or on the recommendation of the Director, another appropriate official of the intelligence community, shall take appropriate administrative actions against an employee, or an employee of a contractor, of an element of the intelligence community that fails to cooperate with the Inspector General. Such administrative action may include loss of employment or the termination of an existing contractual relationship.

“(3) The Inspector General is authorized to receive and investigate, pursuant to subsection (h), complaints or information from any person concerning the existence of an activity within the authorities and responsibilities of the Director of National Intelligence constituting a violation of laws, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health and safety. Once such complaint or information has been received from an employee of the intelligence community—

“(A) the Inspector General shall not disclose the identity of the employee without the consent of the employee, unless the Inspector General determines that such disclosure is unavoidable during the course of the investigation or the disclosure is made to an official of the Department of Justice responsible for determining whether a prosecution should be undertaken; and

“(B) no action constituting a reprisal, or threat of reprisal, for making such complaint or disclosing such information to the Inspector General may be taken by any employee in a position to take such actions, unless the complaint was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

“(4) The Inspector General shall have the authority to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the duties of the Inspector General, which oath, affirmation, or affidavit when administered or taken by or before an employee of the Office of the Inspector General of the Intelligence Community designated by the Inspector General shall have the same force and effect as if administered or taken by, or before, an officer having a seal.

“(5)(A) Except as provided in subparagraph (B), the Inspector General is authorized to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data in any medium (including electronically stored information, as well as any tangible thing) and documentary evidence necessary in the performance of the duties and responsibilities of the Inspector General.

“(B) In the case of departments, agencies, and other elements of the United States Government, the Inspector General shall obtain information, documents, reports, answers, records, accounts, papers, and other data and evidence for the purpose specified in subparagraph (A) using procedures other than by subpoenas.

“(C) The Inspector General may not issue a subpoena for, or on behalf of, any component of the Office of the Director of National Intelligence or any element of the intelligence community, including the Office of the Director of National Intelligence.

“(D) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, the subpoena shall be enforceable by order of

any appropriate district court of the United States.

“(6) The Inspector General may obtain services as authorized by section 3109 of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for grade GS-15 of the General Schedule under section 5332 of title 5, United States Code.

“(7) The Inspector General may, to the extent and in such amounts as may be provided in appropriations, enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and to make such payments as may be necessary to carry out the provisions of this section.

“(h) COORDINATION AMONG INSPECTORS GENERAL.—(1)(A) In the event of a matter within the jurisdiction of the Inspector General of the Intelligence Community that may be subject to an investigation, inspection, audit, or review by both the Inspector General of the Intelligence Community and an inspector general with oversight responsibility for an element of the intelligence community, the Inspector General of the Intelligence Community and such other inspector general shall expeditiously resolve the question of which inspector general shall conduct such investigation, inspection, audit, or review to avoid unnecessary duplication of the activities of the inspectors general.

“(B) In attempting to resolve a question under subparagraph (A), the inspectors general concerned may request the assistance of the Intelligence Community Inspectors General Forum established under paragraph (2). In the event of a dispute between an inspector general within a department or agency of the United States Government and the Inspector General of the Intelligence Community that has not been resolved with the assistance of such Forum, the inspectors general shall submit the question to the Director of National Intelligence and the head of the affected department or agency for resolution.

“(2)(A) There is established the Intelligence Community Inspectors General Forum, which shall consist of all statutory or administrative inspectors general with oversight responsibility for an element of the intelligence community.

“(B) The Inspector General of the Intelligence Community shall serve as the Chair of the Forum established under subparagraph (A). The Forum shall have no administrative authority over any inspector general, but shall serve as a mechanism for informing its members of the work of individual members of the Forum that may be of common interest and discussing questions about jurisdiction or access to employees, employees of contract personnel, records, audits, reviews, documents, recommendations, or other materials that may involve or be of assistance to more than one of its members.

“(3) The inspector general conducting an investigation, inspection, audit, or review covered by paragraph (1) shall submit the results of such investigation, inspection, audit, or review to any other inspector general, including the Inspector General of the Intelligence Community, with jurisdiction to conduct such investigation, inspection, audit, or review who did not conduct such investigation, inspection, audit, or review.

“(i) COUNSEL TO THE INSPECTOR GENERAL.—(1) The Inspector General of the Intelligence Community shall—

“(A) appoint a Counsel to the Inspector General who shall report to the Inspector General; or

“(B) obtain the services of a counsel appointed by and directly reporting to another inspector general or the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis.

“(2) The counsel appointed or obtained under paragraph (1) shall perform such functions as the Inspector General may prescribe.

“(j) STAFF AND OTHER SUPPORT.—(1) The Director of National Intelligence shall provide the

Inspector General of the Intelligence Community with appropriate and adequate office space at central and field office locations, together with such equipment, office supplies, maintenance services, and communications facilities and services as may be necessary for the operation of such offices.

“(2)(A) Subject to applicable law and the policies of the Director of National Intelligence, the Inspector General shall select, appoint, and employ such officers and employees as may be necessary to carry out the functions, powers, and duties of the Inspector General. The Inspector General shall ensure that any officer or employee so selected, appointed, or employed has security clearances appropriate for the assigned duties of such officer or employee.

“(B) In making selections under subparagraph (A), the Inspector General shall ensure that such officers and employees have the requisite training and experience to enable the Inspector General to carry out the duties of the Inspector General effectively.

“(C) In meeting the requirements of this paragraph, the Inspector General shall create within the Office of the Inspector General of the Intelligence Community a career cadre of sufficient size to provide appropriate continuity and objectivity needed for the effective performance of the duties of the Inspector General.

“(3) Consistent with budgetary and personnel resources allocated by the Director of National Intelligence, the Inspector General has final approval of—

“(A) the selection of internal and external candidates for employment with the Office of the Inspector General; and

“(B) all other personnel decisions concerning personnel permanently assigned to the Office of the Inspector General, including selection and appointment to the Senior Intelligence Service, but excluding all security-based determinations that are not within the authority of a head of a component of the Office of the Director of National Intelligence.

“(4)(A) Subject to the concurrence of the Director of National Intelligence, the Inspector General may request such information or assistance as may be necessary for carrying out the duties and responsibilities of the Inspector General from any department, agency, or other element of the United States Government.

“(B) Upon request of the Inspector General for information or assistance under subparagraph (A), the head of the department, agency, or element concerned shall, insofar as is practicable and not in contravention of any existing statutory restriction or regulation of the department, agency, or element, furnish to the Inspector General, such information or assistance.

“(C) The Inspector General of the Intelligence Community may, upon reasonable notice to the head of any element of the intelligence community and in coordination with that element's inspector general pursuant to subsection (h), conduct, as authorized by this section, an investigation, inspection, audit, or review of such element and may enter into any place occupied by such element for purposes of the performance of the duties of the Inspector General.

“(k) REPORTS.—(1)(A) The Inspector General of the Intelligence Community shall, not later than January 31 and July 31 of each year, prepare and submit to the Director of National Intelligence a classified, and, as appropriate, unclassified semiannual report summarizing the activities of the Office of the Inspector General of the Intelligence Community during the immediately preceding 6-month period ending December 31 (of the preceding year) and June 30, respectively. The Inspector General of the Intelligence Community shall provide any portion of the report involving a component of a department of the United States Government to the head of that department simultaneously with submission of the report to the Director of National Intelligence.

“(B) Each report under this paragraph shall include, at a minimum, the following:

“(i) A list of the title or subject of each investigation, inspection, audit, or review conducted during the period covered by such report.

“(ii) A description of significant problems, abuses, and deficiencies relating to the administration of programs and activities of the intelligence community within the responsibility and authority of the Director of National Intelligence, and in the relationships between elements of the intelligence community, identified by the Inspector General during the period covered by such report.

“(iii) A description of the recommendations for corrective action made by the Inspector General during the period covered by such report with respect to significant problems, abuses, or deficiencies identified in clause (ii).

“(iv) A statement of whether or not corrective action has been completed on each significant recommendation described in previous semiannual reports, and, in a case where corrective action has been completed, a description of such corrective action.

“(v) A certification of whether or not the Inspector General has had full and direct access to all information relevant to the performance of the functions of the Inspector General.

“(vi) A description of the exercise of the subpoena authority under subsection (g)(5) by the Inspector General during the period covered by such report.

“(vii) Such recommendations as the Inspector General considers appropriate for legislation to promote economy, efficiency, and effectiveness in the administration and implementation of programs and activities within the responsibility and authority of the Director of National Intelligence, and to detect and eliminate fraud and abuse in such programs and activities.

“(C) Not later than 30 days after the date of receipt of a report under subparagraph (A), the Director shall transmit the report to the congressional intelligence committees together with any comments the Director considers appropriate. The Director shall transmit to the committees of the Senate and of the House of Representatives with jurisdiction over a department of the United States Government any portion of the report involving a component of such department simultaneously with submission of the report to the congressional intelligence committees.

“(2)(A) The Inspector General shall report immediately to the Director whenever the Inspector General becomes aware of particularly serious or flagrant problems, abuses, or deficiencies relating to programs and activities within the responsibility and authority of the Director of National Intelligence.

“(B) The Director shall transmit to the congressional intelligence committees each report under subparagraph (A) within 7 calendar days of receipt of such report, together with such comments as the Director considers appropriate. The Director shall transmit to the committees of the Senate and of the House of Representatives with jurisdiction over a department of the United States Government any portion of each report under subparagraph (A) that involves a problem, abuse, or deficiency related to a component of such department simultaneously with transmission of the report to the congressional intelligence committees.

“(3)(A) In the event that—

“(i) the Inspector General is unable to resolve any differences with the Director affecting the execution of the duties or responsibilities of the Inspector General;

“(ii) an investigation, inspection, audit, or review carried out by the Inspector General focuses on any current or former intelligence community official who—

“(I) holds or held a position in an element of the intelligence community that is subject to appointment by the President, whether or not by and with the advice and consent of the Senate, including such a position held on an acting basis;

“(II) holds or held a position in an element of the intelligence community, including a position

held on an acting basis, that is appointed by the Director of National Intelligence; or

“(III) holds or held a position as head of an element of the intelligence community or a position covered by subsection (b) or (c) of section 106;

“(iii) a matter requires a report by the Inspector General to the Department of Justice on possible criminal conduct by a current or former official described in clause (ii);

“(iv) the Inspector General receives notice from the Department of Justice declining or approving prosecution of possible criminal conduct of any current or former official described in clause (ii); or

“(v) the Inspector General, after exhausting all possible alternatives, is unable to obtain significant documentary information in the course of an investigation, inspection, audit, or review, the Inspector General shall immediately notify, and submit a report to, the congressional intelligence committees on such matter.

“(B) The Inspector General shall submit to the committees of the Senate and of the House of Representatives with jurisdiction over a department of the United States Government any portion of each report under subparagraph (A) that involves an investigation, inspection, audit, or review carried out by the Inspector General focused on any current or former official of a component of such department simultaneously with submission of the report to the congressional intelligence committees.

“(4) The Director shall submit to the congressional intelligence committees any report or findings and recommendations of an investigation, inspection, audit, or review conducted by the office which has been requested by the Chairman or Vice Chairman or ranking minority member of either committee.

“(5)(A) An employee of an element of the intelligence community, an employee assigned or detailed to an element of the intelligence community, or an employee of a contractor to the intelligence community who intends to report to Congress a complaint or information with respect to an urgent concern may report such complaint or information to the Inspector General.

“(B) Not later than the end of the 14-calendar-day period beginning on the date of receipt from an employee of a complaint or information under subparagraph (A), the Inspector General shall determine whether the complaint or information appears credible. Upon making such a determination, the Inspector General shall transmit to the Director a notice of that determination, together with the complaint or information.

“(C) Upon receipt of a transmittal from the Inspector General under subparagraph (B), the Director shall, within 7 calendar days of such receipt, forward such transmittal to the congressional intelligence committees, together with any comments the Director considers appropriate.

“(D)(i) If the Inspector General does not find credible under subparagraph (B) a complaint or information submitted under subparagraph (A), or does not transmit the complaint or information to the Director in accurate form under subparagraph (B), the employee (subject to clause (ii)) may submit the complaint or information to Congress by contacting either or both of the congressional intelligence committees directly.

“(ii) An employee may contact the congressional intelligence committees directly as described in clause (i) only if the employee—

“(I) before making such a contact, furnishes to the Director, through the Inspector General, a statement of the employee's complaint or information and notice of the employee's intent to contact the congressional intelligence committees directly; and

“(II) obtains and follows from the Director, through the Inspector General, direction on how to contact the congressional intelligence commit-

tees in accordance with appropriate security practices.

“(iii) A member or employee of one of the congressional intelligence committees who receives a complaint or information under this subparagraph does so in that member or employee's official capacity as a member or employee of such committee.

“(E) The Inspector General shall notify an employee who reports a complaint or information to the Inspector General under this paragraph of each action taken under this paragraph with respect to the complaint or information. Such notice shall be provided not later than 3 days after any such action is taken.

“(F) An action taken by the Director or the Inspector General under this paragraph shall not be subject to judicial review.

“(G) In this paragraph, the term ‘urgent concern’ means any of the following:

“(i) A serious or flagrant problem, abuse, violation of law or Executive order, or deficiency relating to the funding, administration, or operation of an intelligence activity within the responsibility and authority of the Director of National Intelligence involving classified information, but does not include differences of opinions concerning public policy matters.

“(ii) A false statement to Congress, or a willful withholding from Congress, on an issue of material fact relating to the funding, administration, or operation of an intelligence activity.

“(iii) An action, including a personnel action described in section 2302(a)(2)(A) of title 5, United States Code, constituting reprisal or threat of reprisal prohibited under subsection (g)(3)(B) of this section in response to an employee's reporting an urgent concern in accordance with this paragraph.

“(H) Nothing in this section shall be construed to limit the protections afforded to an employee under section 17(d) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a(d)) or section 8H of the Inspector General Act of 1978 (5 U.S.C. App.).

“(6) In accordance with section 535 of title 28, United States Code, the Inspector General shall expeditiously report to the Attorney General any information, allegation, or complaint received by the Inspector General relating to violations of Federal criminal law that involves a program or operation of an element of the intelligence community, or in the relationships between the elements of the intelligence community, consistent with such guidelines as may be issued by the Attorney General pursuant to subsection (b)(2) of such section. A copy of each such report shall be furnished to the Director.

“(I) CONSTRUCTION OF DUTIES REGARDING ELEMENTS OF INTELLIGENCE COMMUNITY.—Except as resolved pursuant to subsection (h), the performance by the Inspector General of the Intelligence Community of any duty, responsibility, or function regarding an element of the intelligence community shall not be construed to modify or affect the duties and responsibilities of any other inspector general having duties and responsibilities relating to such element.

“(m) SEPARATE BUDGET ACCOUNT.—The Director of National Intelligence shall, in accordance with procedures issued by the Director in consultation with the congressional intelligence committees, include in the National Intelligence Program budget a separate account for the Office of the Inspector General of the Intelligence Community.

“(n) BUDGET.—(1) For each fiscal year, the Inspector General of the Intelligence Community shall transmit a budget estimate and request to the Director of National Intelligence that specifies for such fiscal year—

“(A) the aggregate amount requested for the operations of the Inspector General;

“(B) the amount requested for all training requirements of the Inspector General, including a certification from the Inspector General that the amount requested is sufficient to fund all training requirements for the Office of the Inspector General; and

“(C) the amount requested to support the Council of the Inspectors General on Integrity and Efficiency, including a justification for such amount.

“(2) In transmitting a proposed budget to the President for a fiscal year, the Director of National Intelligence shall include for such fiscal year—

“(A) the aggregate amount requested for the Inspector General of the Intelligence Community;

“(B) the amount requested for Inspector General training;

“(C) the amount requested to support the Council of the Inspectors General on Integrity and Efficiency; and

“(D) the comments of the Inspector General, if any, with respect to such proposed budget.

“(3) The Director of National Intelligence shall submit to the congressional intelligence committees, the Committee on Appropriations of the Senate, and the Committee on Appropriations of the House of Representatives for each fiscal year—

“(A) a separate statement of the budget estimate transmitted pursuant to paragraph (1);

“(B) the amount requested by the Director for the Inspector General pursuant to paragraph (2)(A);

“(C) the amount requested by the Director for the training of personnel of the Office of the Inspector General pursuant to paragraph (2)(B);

“(D) the amount requested by the Director for support for the Council of the Inspectors General on Integrity and Efficiency pursuant to paragraph (2)(C); and

“(E) the comments of the Inspector General under paragraph (2)(D), if any, on the amounts requested pursuant to paragraph (2), including whether such amounts would substantially inhibit the Inspector General from performing the duties of the Office of the Inspector General.”

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the National Security Act of 1947, as amended by section 347 of this Act, is further amended by inserting after the item relating to section 103G the following new item:

“Sec. 103H. Inspector General of the Intelligence Community.”

(b) PAY OF INSPECTOR GENERAL.—Subparagraph (A) of section 4(a)(3) of the Inspector General Reform Act of 2008 (Public Law 110-409; 5 U.S.C. App. note) is amended by inserting “the Inspector General of the Intelligence Community,” after “basic pay of”.

(c) CONSTRUCTION.—Nothing in the amendment made by subsection (a)(1) shall be construed to alter the duties and responsibilities of the General Counsel of the Office of the Director of National Intelligence.

(d) REPEAL OF SUPERSEDED AUTHORITY TO ESTABLISH POSITION.—Section 8K of the Inspector General Act of 1978 (5 U.S.C. App.) shall be repealed on the date that the President appoints, with the advice and consent of the Senate, the first individual to serve as Inspector General for the Intelligence Community pursuant to section 103H of the National Security Act of 1947, as added by subsection (a), and such individual assumes the duties of the Inspector General.

#### SEC. 406. CHIEF FINANCIAL OFFICER OF THE INTELLIGENCE COMMUNITY.

(a) ESTABLISHMENT.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.), as amended by section 405 of this Act, is further amended by inserting after section 103H, as added by section 405(a)(1), the following new section:

“CHIEF FINANCIAL OFFICER OF THE INTELLIGENCE COMMUNITY

“SEC. 103I. (a) CHIEF FINANCIAL OFFICER OF THE INTELLIGENCE COMMUNITY.—To assist the Director of National Intelligence in carrying out the responsibilities of the Director under this Act and other applicable provisions of law, there is within the Office of the Director of National Intelligence a Chief Financial Officer of

the Intelligence Community who shall be appointed by the Director.

“(b) DUTIES AND RESPONSIBILITIES.—Subject to the direction of the Director of National Intelligence, the Chief Financial Officer of the Intelligence Community shall—

“(1) serve as the principal advisor to the Director of National Intelligence and the Principal Deputy Director of National Intelligence on the management and allocation of intelligence community budgetary resources;

“(2) participate in overseeing a comprehensive and integrated strategic process for resource management within the intelligence community;

“(3) ensure that the strategic plan of the Director of National Intelligence—

“(A) is based on budgetary constraints as specified in the Future Year Intelligence Plans and Long-term Budget Projections required under section 506G; and

“(B) contains specific goals and objectives to support a performance-based budget;

“(4) prior to the obligation or expenditure of funds for the acquisition of any major system pursuant to a Milestone A or Milestone B decision, receive verification from appropriate authorities that the national requirements for meeting the strategic plan of the Director have been established, and that such requirements are prioritized based on budgetary constraints as specified in the Future Year Intelligence Plans and the Long-term Budget Projections for such major system required under section 506G;

“(5) ensure that the collection architectures of the Director are based on budgetary constraints as specified in the Future Year Intelligence Plans and the Long-term Budget Projections required under section 506G;

“(6) coordinate or approve representations made to Congress by the intelligence community regarding National Intelligence Program budgetary resources;

“(7) participate in key mission requirements, acquisitions, or architectural boards formed within or by the Office of the Director of National Intelligence; and

“(8) perform such other duties as may be prescribed by the Director of National Intelligence.

“(c) OTHER LAW.—The Chief Financial Officer of the Intelligence Community shall serve as the Chief Financial Officer of the intelligence community and, to the extent applicable, shall have the duties, responsibilities, and authorities specified in chapter 9 of title 31, United States Code.

“(d) PROHIBITION ON SIMULTANEOUS SERVICE AS OTHER CHIEF FINANCIAL OFFICER.—An individual serving in the position of Chief Financial Officer of the Intelligence Community may not, while so serving, serve as the chief financial officer of any other department or agency, or component thereof, of the United States Government.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘major system’ has the meaning given that term in section 506A(e).

“(2) The term ‘Milestone A’ has the meaning given that term in section 506G(f).

“(3) The term ‘Milestone B’ has the meaning given that term in section 506C(e).”.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the National Security Act of 1947, as amended by section 405(a), is further amended by inserting after the item relating to section 103H, as added by section 405(a)(2), the following new item:

“Sec. 103I. Chief Financial Officer of the Intelligence Community.”.

**SEC. 407. LEADERSHIP AND LOCATION OF CERTAIN OFFICES AND OFFICIALS.**

(a) NATIONAL COUNTER PROLIFERATION CENTER.—Section 119A(a) of the National Security Act of 1947 (50 U.S.C. 4040–1(a)) is amended—

(1) by striking “Not later than 18 months after the date of the enactment of the National Security Intelligence Reform Act of 2004, the” and inserting “(1) The”; and

(2) by adding at the end the following new paragraphs:

“(2) The head of the National Counter Proliferation Center shall be the Director of the National Counter Proliferation Center, who shall be appointed by the Director of National Intelligence.

“(3) The National Counter Proliferation Center shall be located within the Office of the Director of National Intelligence.”.

(b) OFFICERS.—Section 103(c) of that Act (50 U.S.C. 403–3(c)) is amended—

(1) by redesignating paragraph (9) as paragraph (14); and

(2) by inserting after paragraph (8) the following new paragraphs:

“(9) The Chief Information Officer of the Intelligence Community.

“(10) The Inspector General of the Intelligence Community.

“(11) The Director of the National Counterterrorism Center.

“(12) The Director of the National Counter Proliferation Center.

“(13) The Chief Financial Officer of the Intelligence Community.”.

**SEC. 408. PROTECTION OF CERTAIN FILES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.**

(a) IN GENERAL.—Title VII of the National Security Act of 1947 (50 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

“PROTECTION OF CERTAIN FILES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

“SEC. 706. (a) INAPPLICABILITY OF FOIA TO EXEMPTED OPERATIONAL FILES PROVIDED TO ODNI.—(1) Subject to paragraph (2), the provisions of section 552 of title 5, United States Code, that require search, review, publication, or disclosure of a record shall not apply to a record provided to the Office of the Director of National Intelligence by an element of the intelligence community from the exempted operational files of such element.

“(2) Paragraph (1) shall not apply with respect to a record of the Office that—

“(A) contains information derived or disseminated from an exempted operational file, unless such record is created by the Office for the sole purpose of organizing such exempted operational file for use by the Office;

“(B) is disseminated by the Office to a person other than an officer, employee, or contractor of the Office; or

“(C) is no longer designated as an exempted operational file in accordance with this title.

“(b) EFFECT OF PROVIDING FILES TO ODNI.—Notwithstanding any other provision of this title, an exempted operational file that is provided to the Office by an element of the intelligence community shall not be subject to the provisions of section 552 of title 5, United States Code, that require search, review, publication, or disclosure of a record solely because such element provides such exempted operational file to the Office.

“(c) SEARCH AND REVIEW FOR CERTAIN PURPOSES.—Notwithstanding subsection (a) or (b), an exempted operational file shall continue to be subject to search and review for information concerning any of the following:

“(1) United States citizens or aliens lawfully admitted for permanent residence who have requested information on themselves pursuant to the provisions of section 552 or 552a of title 5, United States Code.

“(2) Any special activity the existence of which is not exempt from disclosure under the provisions of section 552 of title 5, United States Code.

“(3) The specific subject matter of an investigation for any impropriety or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity by any of the following:

“(A) The Select Committee on Intelligence of the Senate.

“(B) The Permanent Select Committee on Intelligence of the House of Representatives.

“(C) The Intelligence Oversight Board.

“(D) The Department of Justice.

“(E) The Office of the Director of National Intelligence.

“(F) The Office of the Inspector General of the Intelligence Community.

“(d) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once every 10 years, the Director of National Intelligence shall review the exemptions in force under subsection (a) to determine whether such exemptions may be removed from any category of exempted files or any portion thereof.

“(2) The review required by paragraph (1) shall include consideration of the historical value or other public interest in the subject matter of the particular category of files or portions thereof and the potential for declassifying a significant part of the information contained therein.

“(3) A complainant that alleges that the Director of National Intelligence has improperly withheld records because of failure to comply with this subsection may seek judicial review in the district court of the United States of the district in which any of the parties reside, or in the District of Columbia. In such a proceeding, the court’s review shall be limited to determining the following:

“(A) Whether the Director has conducted the review required by paragraph (1) before the expiration of the 10-year period beginning on the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2010 or before the expiration of the 10-year period beginning on the date of the most recent review.

“(B) Whether the Director of National Intelligence, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.

“(e) SUPERSEDITION OF OTHER LAWS.—The provisions of this section may not be superseded except by a provision of law that is enacted after the date of the enactment of this section and that specifically cites and repeals or modifies such provisions.

“(f) ALLEGATION; IMPROPER WITHHOLDING OF RECORDS; JUDICIAL REVIEW.—(1) Except as provided in paragraph (2), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that the Office has withheld records improperly because of failure to comply with any provision of this section, judicial review shall be available under the terms set forth in section 552(a)(4)(B) of title 5, United States Code.

“(2) Judicial review shall not be available in the manner provided for under paragraph (1) as follows:

“(A) In any case in which information specifically authorized under criteria established by an Executive order to be kept secret in the interests of national defense or foreign relations is filed with, or produced for, the court by the Office, such information shall be examined *ex parte*, in camera by the court.

“(B) The court shall determine, to the fullest extent practicable, the issues of fact based on sworn written submissions of the parties.

“(C)(i) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, the Office may meet the burden of the Office under section 552(a)(4)(B) of title 5, United States Code, by demonstrating to the court by sworn written submission that exempted files likely to contain responsive records are records provided to the Office by an element of the intelligence community from the exempted operational files of such element.

“(ii) The court may not order the Office to review the content of any exempted file in order to make the demonstration required under clause (i), unless the complainant disputes the Office’s showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

“(D) In proceedings under subparagraph (C), a party may not obtain discovery pursuant to rules 26 through 36 of the Federal Rules of Civil Procedure, except that requests for admissions may be made pursuant to rules 26 and 36 of the Federal Rules of Civil Procedure.

“(E) If the court finds under this subsection that the Office has improperly withheld requested records because of failure to comply with any provision of this section, the court shall order the Office to search and review each appropriate exempted file for the requested records and make such records, or portions thereof, available in accordance with the provisions of section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), and such order shall be the exclusive remedy for failure to comply with this section.

“(F) If at any time following the filing of a complaint pursuant to this paragraph the Office agrees to search each appropriate exempted file for the requested records, the court shall dismiss the claim based upon such complaint.

“(g) DEFINITIONS.—In this section:

“(1) The term ‘exempted operational file’ means a file of an element of the intelligence community that, in accordance with this title, is exempted from the provisions of section 552 of title 5, United States Code, that require search, review, publication, or disclosure of such file.

“(2) Except as otherwise specifically provided, the term ‘Office’ means the Office of the Director of National Intelligence.”

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the National Security Act of 1947, as amended by section 406(b) of this Act, is further amended by inserting after the item relating to section 705 the following new item:

“Sec. 706. Protection of certain files of the Office of the Director of National Intelligence.”

**SEC. 409. COUNTERINTELLIGENCE INITIATIVES FOR THE INTELLIGENCE COMMUNITY.**

Section 1102 of the National Security Act of 1947 (50 U.S.C. 442a) is amended—

(1) in subsection (a)—  
(A) by striking paragraph (2); and  
(B) by striking “(1) In” and inserting “In”; and

(2) in subsection (c)—  
(A) by striking paragraph (2); and  
(B) by striking “(1) The” and inserting “The”.

**SEC. 410. INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT TO ADVISORY COMMITTEES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.**

(a) IN GENERAL.—Section 4(b) of the Federal Advisory Committee Act (5 U.S.C. App.) is amended—

(1) in paragraph (1), by striking “or”;  
(2) in paragraph (2), by striking the period and inserting “; or”; and  
(3) by adding at the end the following new paragraph:

“(3) the Office of the Director of National Intelligence, if the Director of National Intelligence determines that for reasons of national security such advisory committee cannot comply with the requirements of this Act.”

(b) ANNUAL REPORT.—

(1) IN GENERAL.—The Director of National Intelligence and the Director of the Central Intelligence Agency shall each submit to the congressional intelligence committees an annual report on advisory committees created by each such Director. Each report shall include—

(A) a description of each such advisory committee, including the subject matter of the committee; and

(B) a list of members of each such advisory committee.

(2) REPORT ON REASONS FOR ODNI EXCLUSION OF ADVISORY COMMITTEE FROM FACA.—Each re-

port submitted by the Director of National Intelligence in accordance with paragraph (1) shall include the reasons for a determination by the Director under section 4(b)(3) of the Federal Advisory Committee Act (5 U.S.C. App.), as added by subsection (a) of this section, that an advisory committee cannot comply with the requirements of such Act.

**SEC. 411. MEMBERSHIP OF THE DIRECTOR OF NATIONAL INTELLIGENCE ON THE TRANSPORTATION SECURITY OVERSIGHT BOARD.**

Subparagraph (F) of section 115(b)(1) of title 49, United States Code, is amended to read as follows:

“(F) The Director of National Intelligence, or the Director’s designee.”

**SEC. 412. REPEAL OF CERTAIN AUTHORITIES RELATING TO THE OFFICE OF THE NATIONAL COUNTERINTELLIGENCE EXECUTIVE.**

(a) REPEAL OF CERTAIN AUTHORITIES.—Section 904 of the Counterintelligence Enhancement Act of 2002 (50 U.S.C. 402c) is amended—

(1) by striking subsections (d), (h), (i), and (j);  
(2) by redesignating subsections (e), (f), (g), (k), (l), and (m) as subsections (d), (e), (f), (g), (h), and (i), respectively; and  
(3) in subsection (j), as redesignated by paragraph (2), by striking paragraphs (3) and (4).

(b) CONFORMING AMENDMENTS.—Such section 904 is further amended—

(1) in subsection (d), as redesignated by subsection (a)(2) of this section, by striking “subsection (f)” each place it appears in paragraphs (1) and (2) and inserting “subsection (e)”; and  
(2) in subsection (e), as so redesignated—  
(A) in paragraph (1), by striking “subsection (e)(1)” and inserting “subsection (d)(1)”; and  
(B) in paragraph (2), by striking “subsection (e)(2)” and inserting “subsection (d)(2)”.

**SEC. 413. MISUSE OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE NAME, INITIALS, OR SEAL.**

(a) PROHIBITION.—Title XI of the National Security Act of 1947 (50 U.S.C. 442 et seq.) is amended by adding at the end the following new section:

“MISUSE OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE NAME, INITIALS, OR SEAL

“SEC. 1103. (a) PROHIBITED ACTS.—No person may, except with the written permission of the Director of National Intelligence, or a designee of the Director, knowingly use the words ‘Office of the Director of National Intelligence’, the initials ‘ODNI’, the seal of the Office of the Director of National Intelligence, or any colorable imitation of such words, initials, or seal in connection with any merchandise, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Director of National Intelligence.

“(b) INJUNCTION.—Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to the hearing and determination of such action and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.”

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of such Act, as amended by section 408 of this Act, is further amended by inserting after the item relating to section 1102 the following new item:

“Sec. 1103. Misuse of the Office of the Director of National Intelligence name, initials, or seal.”

**SEC. 414. PLAN TO IMPLEMENT RECOMMENDATIONS OF THE DATA CENTER ENERGY EFFICIENCY REPORTS.**

(a) PLAN.—The Director of National Intelligence shall develop a plan to implement the recommendations of the report submitted to Congress under section 1 of the Act entitled “An Act to study and promote the use of energy efficient computer servers in the United States” (Public Law 109-431; 120 Stat. 2920) across the intelligence community.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to the congressional intelligence committees a report containing the plan developed under subsection (a).

(2) FORM.—The report required under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

**SEC. 415. DIRECTOR OF NATIONAL INTELLIGENCE SUPPORT FOR REVIEWS OF INTERNATIONAL TRAFFIC IN ARMS REGULATIONS AND EXPORT ADMINISTRATION REGULATIONS.**

The Director of National Intelligence may provide support for any review conducted by a department or agency of the United States Government of the International Traffic in Arms Regulations or Export Administration Regulations, including a review of technologies and goods on the United States Munitions List and Commerce Control List that may warrant controls that are different or additional to the controls such technologies and goods are subject to at the time of such review.

**Subtitle B—Central Intelligence Agency**

**SEC. 421. ADDITIONAL FUNCTIONS AND AUTHORITIES FOR PROTECTIVE PERSONNEL OF THE CENTRAL INTELLIGENCE AGENCY.**

Section 5(a)(4) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f(a)(4)) is amended—

(1) by striking “and the protection” and inserting “the protection”; and

(2) by inserting before the semicolon the following: “, and the protection of the Director of National Intelligence and such personnel of the Office of the Director of National Intelligence as the Director of National Intelligence may designate”.

**SEC. 422. APPEALS FROM DECISIONS INVOLVING CONTRACTS OF THE CENTRAL INTELLIGENCE AGENCY.**

Section 8(d) of the Contract Disputes Act of 1978 (41 U.S.C. 607(d)) is amended by adding at the end “Notwithstanding any other provision of this section and any other provision of law, an appeal from a decision of a contracting officer of the Central Intelligence Agency relative to a contract made by that Agency may be filed with whichever of the Armed Services Board of Contract Appeals or the Civilian Board of Contract Appeals is specified by such contracting officer as the Board to which such an appeal may be made and such Board shall have jurisdiction to decide that appeal.”

**SEC. 423. DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY.**

(a) ESTABLISHMENT AND DUTIES OF DEPUTY DIRECTOR OF THE CIA.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.), as amended by section 406 of this Act, is further amended by inserting after section 104A the following new section:

“DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY

“SEC. 104B. (a) DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY.—There is a Deputy Director of the Central Intelligence Agency who shall be appointed by the President.

“(b) DUTIES.—The Deputy Director of the Central Intelligence Agency shall—

“(1) assist the Director of the Central Intelligence Agency in carrying out the duties and

responsibilities of the Director of the Central Intelligence Agency; and

“(2) during the absence or disability of the Director of the Central Intelligence Agency, or during a vacancy in the position of Director of the Central Intelligence Agency, act for and exercise the powers of the Director of the Central Intelligence Agency.”.

(b) CONFORMING AMENDMENTS.—

(1) EXECUTIVE SCHEDULE III.—Section 5314 of title 5, United States Code, is amended by striking “Deputy Directors of Central Intelligence (2)” and inserting “Deputy Director of the Central Intelligence Agency”.

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the National Security Act of 1947, as amended by section 414 of this Act, is further amended by inserting after the item relating to section 104A the following new item:

“Sec. 104B. Deputy Director of the Central Intelligence Agency.”.

(c) APPLICABILITY.—The amendments made by this section shall apply on the earlier of—

(1) the date of the appointment by the President of an individual to serve as Deputy Director of the Central Intelligence Agency pursuant to section 104B of the National Security Act of 1947, as added by subsection (a), except that the individual administratively performing the duties of the Deputy Director of the Central Intelligence Agency as of the date of the enactment of this Act may continue to perform such duties until the individual appointed to the position of Deputy Director of the Central Intelligence Agency assumes the duties of such position; or

(2) the date of the cessation of the performance of the duties of the Deputy Director of the Central Intelligence Agency by the individual administratively performing such duties as of the date of the enactment of this Act.

**SEC. 424. AUTHORITY TO AUTHORIZE TRAVEL ON A COMMON CARRIER.**

Subsection (b) of section 116 of the National Security Act of 1947 (50 U.S.C. 404k) is amended by striking the period at the end and inserting “, who may delegate such authority to other appropriate officials of the Central Intelligence Agency.”.

**SEC. 425. INSPECTOR GENERAL FOR THE CENTRAL INTELLIGENCE AGENCY.**

(a) APPOINTMENT AND QUALIFICATIONS OF THE INSPECTOR GENERAL.—Paragraph (1) of section 17(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(b)) is amended by striking the second and third sentences and inserting “This appointment shall be made without regard to political affiliation and shall be on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigation. Such appointment shall also be made on the basis of compliance with the security standards of the Agency and prior experience in the field of foreign intelligence.”.

(b) REMOVAL OF THE INSPECTOR GENERAL.—Paragraph (6) of section 17(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(b)) is amended—

(1) by striking “immediately”; and

(2) by striking the period at the end and inserting “not later than 30 days prior to the effective date of such removal. Nothing in this paragraph shall be construed to prohibit a personnel action otherwise authorized by law, other than transfer or removal.”.

(c) APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO REVIEW REPORTS.—Paragraph (1) of section 17(d) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(d)) is amended in the matter preceding subparagraph (A) by inserting “review,” after “investigation.”.

(d) PROTECTION AGAINST REPRISALS.—Subparagraph (B) of section 17(e)(3) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(e)(3)) is amended by inserting “or pro-

viding such information” after “making such complaint”.

(e) INSPECTOR GENERAL SUBPOENA POWER.—Subparagraph (A) of section 17(e)(5) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(e)(5)) is amended by inserting “in any medium (including electronically stored information or any tangible thing)” after “other data”.

(f) OTHER ADMINISTRATIVE AUTHORITIES.—

(1) IN GENERAL.—Subsection (e) of section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q), as amended by subsections (d) and (e) of this section, is further amended—

(A) by redesignating paragraph (8) as subparagraph (9);

(B) in paragraph (9), as so redesignated—

(i) by striking “Subject to the concurrence of the Director, the” and inserting “The”; and

(ii) by adding at the end the following: “Consistent with budgetary and personnel resources allocated by the Director, the Inspector General has final approval of—

“(A) the selection of internal and external candidates for employment with the Office of Inspector General; and

“(B) all other personnel decisions concerning personnel permanently assigned to the Office of Inspector General, including selection and appointment to the Senior Intelligence Service, but excluding all security-based determinations that are not within the authority of a head of other Central Intelligence Agency offices.”; and

(C) by inserting after paragraph (7) the following new paragraph:

“(8)(A) The Inspector General shall—

“(i) appoint a Counsel to the Inspector General who shall report to the Inspector General; or

“(ii) obtain the services of a counsel appointed by and directly reporting to another Inspector General or the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis.

“(B) The counsel appointed or obtained under subparagraph (A) shall perform such functions as the Inspector General may prescribe.”.

(2) CONSTRUCTION.—Nothing in the amendment made by paragraph (1)(C) shall be construed to alter the duties and responsibilities of the General Counsel of the Central Intelligence Agency.

**SEC. 426. BUDGET OF THE INSPECTOR GENERAL FOR THE CENTRAL INTELLIGENCE AGENCY.**

Subsection (f) of section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) by inserting “(1)” before “Beginning”; and

(2) by adding at the end the following new paragraph:

“(2) For each fiscal year, the Inspector General shall transmit a budget estimate and request through the Director to the Director of National Intelligence that specifies for such fiscal year—

“(A) the aggregate amount requested for the operations of the Inspector General;

“(B) the amount requested for all training requirements of the Inspector General, including a certification from the Inspector General that the amount requested is sufficient to fund all training requirements for the Office; and

“(C) the amount requested to support the Council of the Inspectors General on Integrity and Efficiency, including a justification for such amount.

“(3) In transmitting a proposed budget to the President for a fiscal year, the Director of National Intelligence shall include for such fiscal year—

“(A) the aggregate amount requested for the Inspector General of the Central Intelligence Agency;

“(B) the amount requested for Inspector General training;

“(C) the amount requested to support the Council of the Inspectors General on Integrity and Efficiency; and

“(D) the comments of the Inspector General, if any, with respect to such proposed budget.

“(4) The Director of National Intelligence shall submit to the Committee on Appropriations and the Select Committee on Intelligence of the Senate and the Committee on Appropriations and the Permanent Select Committee on Intelligence of the House of Representatives for each fiscal year—

“(A) a separate statement of the budget estimate transmitted pursuant to paragraph (2);

“(B) the amount requested by the Director of National Intelligence for the Inspector General pursuant to paragraph (3)(A);

“(C) the amount requested by the Director of National Intelligence for training of personnel of the Office of the Inspector General pursuant to paragraph (3)(B);

“(D) the amount requested by the Director of National Intelligence for support for the Council of the Inspectors General on Integrity and Efficiency pursuant to paragraph (3)(C); and

“(E) the comments of the Inspector General under paragraph (3)(D), if any, on the amounts requested pursuant to paragraph (3), including whether such amounts would substantially inhibit the Inspector General from performing the duties of the Office.”.

**SEC. 427. PUBLIC AVAILABILITY OF UNCLASSIFIED VERSIONS OF CERTAIN INTELLIGENCE PRODUCTS.**

The Director of the Central Intelligence Agency shall make publicly available an unclassified version of any memoranda or finished intelligence products assessing the—

(1) information gained from high-value detainee reporting; and

(2) dated April 3, 2003, July 15, 2004, March 2, 2005, and June 1, 2005.

**Subtitle C—Defense Intelligence Components**

**SEC. 431. INSPECTOR GENERAL MATTERS.**

(a) COVERAGE UNDER INSPECTOR GENERAL ACT OF 1978.—Subsection (a)(2) of section 8G of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) by inserting “the Defense Intelligence Agency,” after “the Corporation for Public Broadcasting,”;

(2) by inserting “the National Geospatial-Intelligence Agency,” after “the National Endowment for the Humanities,”; and

(3) by inserting “the National Reconnaissance Office, the National Security Agency,” after “the National Labor Relations Board,”.

(b) CERTAIN DESIGNATIONS UNDER INSPECTOR GENERAL ACT OF 1978.—Subsection (a) of section 8H of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following new paragraph:

“(3) The Inspectors General of the Defense Intelligence Agency, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, and the National Security Agency shall be designees of the Inspector General of the Department of Defense for purposes of this section.”.

(c) POWER OF HEADS OF ELEMENTS OVER INVESTIGATIONS.—Subsection (d) of section 8G of such Act (5 U.S.C. App.) is amended—

(1) by inserting “(1)” after “(d)”;

(2) in the second sentence of paragraph (1), as designated by paragraph (1) of this subsection, by striking “The head” and inserting “Except as provided in paragraph (2), the head”; and

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

“(2)(A) The Secretary of Defense, in consultation with the Director of National Intelligence, may prohibit the inspector general of an element of the intelligence community specified in subparagraph (D) from initiating, carrying out, or completing any audit or investigation if the Secretary determines that the prohibition is necessary to protect vital national security interests of the United States.

“(B) If the Secretary exercises the authority under subparagraph (A), the Secretary shall

submit to the committees of Congress specified in subparagraph (E) an appropriately classified statement of the reasons for the exercise of such authority not later than 7 days after the exercise of such authority.

“(C) At the same time the Secretary submits under subparagraph (B) a statement on the exercise of the authority in subparagraph (A) to the committees of Congress specified in subparagraph (E), the Secretary shall notify the inspector general of such element of the submittal of such statement and, to the extent consistent with the protection of intelligence sources and methods, provide such inspector general with a copy of such statement. Such inspector general may submit to such committees of Congress any comments on a notice or statement received by the inspector general under this subparagraph that the inspector general considers appropriate.

“(D) The elements of the intelligence community specified in this subparagraph are as follows:

- “(i) The Defense Intelligence Agency.
- “(ii) The National Geospatial-Intelligence Agency.
- “(iii) The National Reconnaissance Office.
- “(iv) The National Security Agency.
- “(E) The committees of Congress specified in this subparagraph are—
- “(i) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and
- “(ii) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.”

**SEC. 432. CLARIFICATION OF NATIONAL SECURITY MISSIONS OF NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY FOR ANALYSIS AND DISSEMINATION OF CERTAIN INTELLIGENCE INFORMATION.**

Section 442(a) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3);

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

“(2)(A) As directed by the Director of National Intelligence, the National Geospatial-Intelligence Agency shall develop a system to facilitate the analysis, dissemination, and incorporation of likenesses, videos, and presentations produced by ground-based platforms, including handheld or clandestine photography taken by or on behalf of human intelligence collection organizations or available as open-source information, into the National System for Geospatial Intelligence.

“(B) The authority provided by this paragraph does not include authority for the National Geospatial-Intelligence Agency to manage tasking of handheld or clandestine photography taken by or on behalf of human intelligence collection organizations.”; and

(3) in paragraph (3), as so redesignated, by striking “paragraph (1)” and inserting “paragraphs (1) and (2)”.

**SEC. 433. DIRECTOR OF COMPLIANCE OF THE NATIONAL SECURITY AGENCY.**

The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by inserting after the first section the following new section:

“SEC. 2. There is a Director of Compliance of the National Security Agency, who shall be appointed by the Director of the National Security Agency and who shall be responsible for the programs of compliance over mission activities of the National Security Agency.”

**Subtitle D—Other Elements**

**SEC. 441. CODIFICATION OF ADDITIONAL ELEMENTS OF THE INTELLIGENCE COMMUNITY.**

Section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)) is amended—

- (1) in subparagraph (H)—
- (A) by inserting “the Coast Guard,” after “the Marine Corps,”; and
- (B) by inserting “the Drug Enforcement Administration,” after “the Federal Bureau of Investigation,”; and

(2) in subparagraph (K), by striking “, including the Office of Intelligence of the Coast Guard”.

**SEC. 442. AUTHORIZATION OF APPROPRIATIONS FOR COAST GUARD NATIONAL TACTICAL INTEGRATION OFFICE.**

Title 14, United States Code, is amended—

(1) in paragraph (4) of section 93(a), by striking “function” and inserting “function, including research, development, test, or evaluation related to intelligence systems and capabilities.”; and

(2) in paragraph (4) of section 662, by inserting “intelligence systems and capabilities or” after “related to”.

**SEC. 443. RETENTION AND RELOCATION BONUSES FOR THE FEDERAL BUREAU OF INVESTIGATION.**

Section 5759 of title 5, United States Code, is amended—

(1) in subsection (a)(2), by striking “is transferred to a different geographic area with a higher cost of living” and inserting “is subject to a mobility agreement and is transferred to a position in a different geographical area in which there is a shortage of critical skills”;

(2) in subsection (b)(2), by striking the period at the end and inserting “, including requirements for a bonus recipient’s repayment of a bonus in circumstances determined by the Director of the Federal Bureau of Investigation.”;

(3) in subsection (c), by striking “basic pay.” and inserting “annual rate of basic pay. The bonus may be paid in a lump sum or installments linked to completion of periods of service.”; and

(4) in subsection (d), by striking “retention bonus” and inserting “bonus paid under this section”.

**SEC. 444. EXTENSION OF THE AUTHORITY OF THE FEDERAL BUREAU OF INVESTIGATION TO WAIVE MANDATORY RETIREMENT PROVISIONS.**

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Subsection (b) of section 8335 of title 5, United States Code, is amended—

(1) in the paragraph (2) enacted by section 112(a)(2) of the Department of Justice Appropriations Act, 2005 (title I of division B of Public Law 108-447; 118 Stat. 2868), by striking “2009” and inserting “2011”; and

(2) by striking the paragraph (2) enacted by section 2005(a)(2) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458; 118 Stat. 3704).

(b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—Subsection (b) of section 8425 of title 5, United States Code, is amended—

(1) in the paragraph (2) enacted by section 112(b)(2) of the Department of Justice Appropriations Act, 2005 (title I of division B of Public Law 108-447; 118 Stat. 2868), by striking “2009” and inserting “2011”; and

(2) by striking the paragraph (2) enacted by section 2005(b)(2) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458; 118 Stat. 3704).

**SEC. 445. REPORT AND ASSESSMENTS ON TRANSFORMATION OF THE INTELLIGENCE CAPABILITIES OF THE FEDERAL BUREAU OF INVESTIGATION.**

(a) REPORT.—

(1) REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Director of the Federal Bureau of Investigation, in consultation with the Director of National Intelligence, shall submit to the congressional intelligence committees, the Committee on the Judiciary of the Senate, and the Committee on the Judiciary of the House of Representatives a report describing—

- (A) a long-term vision for the intelligence capabilities of the National Security Branch of the Bureau;
- (B) a strategic plan for the National Security Branch; and
- (C) the progress made in advancing the capabilities of the National Security Branch.

(2) CONTENT.—The report required by paragraph (1) shall include—

- (A) a description of the direction, strategy, and goals for improving the intelligence capabilities of the National Security Branch;
- (B) a description of the intelligence and national security capabilities of the National Security Branch that will be fully functional within the five-year period beginning on the date on which the report is submitted;
- (C) a description—

(i) of the internal reforms that were carried out at the National Security Branch during the two-year period ending on the date on which the report is submitted; and

(ii) of the manner in which such reforms have advanced the capabilities of the National Security Branch;

(D) an assessment of the effectiveness of the National Security Branch in performing tasks that are critical to the effective functioning of the National Security Branch as an intelligence agency, including—

(i) human intelligence collection, both within and outside the parameters of an existing case file or ongoing investigation, in a manner that protects civil liberties;

(ii) intelligence analysis, including the ability of the National Security Branch to produce, and provide policymakers with, information on national security threats to the United States;

(iii) management, including the ability of the National Security Branch to manage and develop human capital and implement an organizational structure that supports the objectives and strategies of the Branch;

(iv) integration of the National Security Branch into the intelligence community, including an ability to robustly share intelligence and effectively communicate and operate with appropriate Federal, State, local, and tribal partners;

(v) implementation of an infrastructure that supports the national security and intelligence missions of the National Security Branch, including proper information technology and facilities; and

(vi) reformation of the culture of the National Security Branch, including the integration by the Branch of intelligence analysts and other professional staff into intelligence collection operations and the success of the National Security Branch in ensuring that intelligence and threat information drive the operations of the Branch;

(E) performance metrics and specific annual timetables for advancing the performance of the tasks referred to in clauses (i) through (vi) of subparagraph (D) and a description of the activities being undertaken to ensure that the performance of the National Security Branch in carrying out such tasks improves; and

(F) an assessment of the effectiveness of the field office supervisory term limit policy of the Federal Bureau of Investigation that requires the mandatory reassignment of a supervisor of the Bureau after a specific term of years.

(b) ANNUAL ASSESSMENTS.—

(1) REQUIREMENT FOR ASSESSMENTS.—Not later than 180 days after the date on which the report required by subsection (a)(1) is submitted, and annually thereafter for five years, the Director of National Intelligence, in consultation with the Director of the Federal Bureau of Investigation, shall submit to the congressional intelligence committees, the Committee on the Judiciary of the Senate, and the Committee on the Judiciary of the House of Representatives an assessment of the performance of the National Security Branch in carrying out the tasks referred to in clauses (i) through (vi) of subsection (a)(2)(D) in comparison to such performance during previous years.

(2) CONSIDERATIONS.—In conducting each assessment required by paragraph (1), the Director of National Intelligence—

(A) shall use the performance metrics and specific annual timetables for carrying out such tasks referred to in subsection (a)(2)(E); and

(B) may request the assistance of any expert that the Director considers appropriate, including an inspector general of an appropriate department or agency.

**TITLE V—REORGANIZATION OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE**

**SEC. 501. REORGANIZATION OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.**

(a) REORGANIZATION OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.—

(1) IN GENERAL.—Subtitle B of title III of the Intelligence Authorization Act for Fiscal Year 2001 (Public Law 106-567; 22 U.S.C. 7301 et seq.) is amended by striking sections 321, 322, 323, and 324, and inserting the following new sections:

**“SEC. 321. DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.**

“(a) REORGANIZATION.—The Diplomatic Telecommunications Service Program Office established pursuant to title V of Public Law 102-140 shall be reorganized in accordance with this subtitle.

“(b) DUTIES.—The duties of the DTS-PO include implementing a program for the establishment and maintenance of a DTS Network capable of providing multiple levels of service to meet the wide-ranging needs of all United States Government departments and agencies operating from diplomatic and consular facilities outside of the United States, including national security needs for secure, reliable, and robust communications capabilities.

**“SEC. 322. ESTABLISHMENT OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE GOVERNANCE BOARD.**

“(a) GOVERNANCE BOARD.—

“(1) ESTABLISHMENT.—There is established the Diplomatic Telecommunications Service Governance Board to direct and oversee the activities and performance of the DTS-PO.

“(2) EXECUTIVE AGENT.—

“(A) DESIGNATION.—The Director of the Office of Management and Budget shall designate, from among the departments and agencies of the United States Government that use the DTS Network, a department or agency as the DTS-PO Executive Agent.

“(B) DUTIES.—The Executive Agent designated under subparagraph (A) shall—

“(i) nominate a Director of the DTS-PO for approval by the Governance Board in accordance with subsection (e); and

“(ii) perform such other duties as established by the Governance Board in the determination of written implementing arrangements and other relevant and appropriate governance processes and procedures under paragraph (3).

“(3) REQUIREMENT FOR IMPLEMENTING ARRANGEMENTS.—Subject to the requirements of this subtitle, the Governance Board shall determine the written implementing arrangements and other relevant and appropriate governance processes and procedures to manage, oversee, resource, or otherwise administer the DTS-PO.

“(b) MEMBERSHIP.—

“(1) SELECTION.—The Director of the Office of Management and Budget shall designate from among the departments and agencies that use the DTS Network—

“(A) four departments and agencies to each appoint one voting member of the Governance Board from the personnel of such departments and agencies; and

“(B) any other departments and agencies that the Director considers appropriate to each appoint one nonvoting member of the Governance Board from the personnel of such departments and agencies.

“(2) VOTING AND NONVOTING MEMBERS.—The Governance Board shall consist of voting members and nonvoting members as follows:

“(A) VOTING MEMBERS.—The voting members shall consist of a Chair, who shall be designated by the Director of the Office of Management

and Budget, and the four members appointed by departments and agencies designated under paragraph (1)(A).

“(B) NONVOTING MEMBERS.—The nonvoting members shall consist of the members appointed by departments and agencies designated under paragraph (1)(B) and shall act in an advisory capacity.

“(c) CHAIR DUTIES AND AUTHORITIES.—The Chair of the Governance Board shall—

“(1) preside over all meetings and deliberations of the Governance Board;

“(2) provide the Secretariat functions of the Governance Board; and

“(3) propose bylaws governing the operation of the Governance Board.

“(d) QUORUM, DECISIONS, MEETINGS.—A quorum of the Governance Board shall consist of the presence of the Chair and four voting members. The decisions of the Governance Board shall require a majority of the voting membership. The Chair shall convene a meeting of the Governance Board not less than four times each year to carry out the functions of the Governance Board. The Chair or any voting member may convene a meeting of the Governance Board.

“(e) GOVERNANCE BOARD DUTIES.—The Governance Board shall have the following duties with respect to the DTS-PO:

“(1) To approve and monitor the plans, services, priorities, policies, and pricing methodology of the DTS-PO for bandwidth costs and projects carried out at the request of a department or agency that uses the DTS Network.

“(2) To provide to the DTS-PO Executive Agent the recommendation of the Governance Board with respect to the approval, disapproval, or modification of each annual budget request for the DTS-PO, prior to the submission of any such request by the Executive Agent.

“(3) To review the performance of the DTS-PO against plans approved under paragraph (1) and the management activities and internal controls of the DTS-PO.

“(4) To require from the DTS-PO any plans, reports, documents, and records the Governance Board considers necessary to perform its oversight responsibilities.

“(5) To conduct and evaluate independent audits of the DTS-PO.

“(6) To approve or disapprove the nomination of the Director of the DTS-PO by the Executive Agent with a majority vote of the Governance Board.

“(7) To recommend to the Executive Agent the replacement of the Director of the DTS-PO with a majority vote of the Governance Board.

“(f) NATIONAL SECURITY INTERESTS.—The Governance Board shall ensure that those enhancements of, and the provision of service for, telecommunication capabilities that involve the national security interests of the United States receive the highest prioritization.

**“SEC. 323. FUNDING OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE.**

“(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the operations, maintenance, development, enhancement, modernization, and investment costs of the DTS Network and the DTS-PO. Funds appropriated for allocation to the DTS-PO shall remain available to the DTS-PO for a period of two fiscal years.

“(b) FEES.—The DTS-PO shall charge a department or agency that uses the DTS Network for only those bandwidth costs attributable to such department or agency and for specific projects carried out at the request of such department or agency, pursuant to the pricing methodology for such bandwidth costs and such projects approved under section 322(e)(1), for which amounts have not been appropriated for allocation to the DTS-PO. The DTS-PO is authorized to directly receive payments from departments or agencies that use the DTS Network and to invoice such departments or agencies for the fees under this section either in advance of,

or upon or after, providing the bandwidth or performing such projects. Such funds received from such departments or agencies shall remain available to the DTS-PO for a period of two fiscal years.

**“SEC. 324. DEFINITIONS.**

“In this subtitle:

“(1) DTS NETWORK.—The term ‘DTS Network’ means the worldwide telecommunications network supporting all United States Government agencies and departments operating from diplomatic and consular facilities outside of the United States.

“(2) DTS-PO.—The term ‘DTS-PO’ means the Diplomatic Telecommunications Service Program Office.

“(3) GOVERNANCE BOARD.—The term ‘Governance Board’ means the Diplomatic Telecommunications Service Governance Board established under section 322(a)(1).”

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1(b) of the Intelligence Authorization Act for Fiscal Year 2001 (Public Law 106-567; 114 Stat. 2831) is amended by striking the items relating to sections 321, 322, 323, and 324 and inserting the following new items:

“Sec. 321. Diplomatic Telecommunications Service Program Office.

“Sec. 322. Establishment of the Diplomatic Telecommunications Service Governance Board.

“Sec. 323. Funding of the Diplomatic Telecommunications Service.

“Sec. 324. Definitions.”

(b) CONFORMING AMENDMENTS.—

(1) REPEAL OF SUSPENSION OF REORGANIZATION.—

(A) REPEAL.—The Intelligence Authorization Act for Fiscal Year 2002 (Public Law 107-108; 22 U.S.C. 7301 note) is amended by striking section 311.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the item relating to section 311.

(2) REPEAL OF REFORM.—

(A) REPEAL.—The Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted into law by section 1000(a)(7) of Public Law 106-113 and contained in appendix G of that Act; 113 Stat. 1501A-405) is amended by striking section 305.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 2(b) of such Act is amended by striking the item related to section 305.

(3) REPEAL OF REPORTING REQUIREMENTS.—Section 507(b) of the National Security Act of 1947 (50 U.S.C. 415b(b)), as amended by section 351 of this Act, is further amended—

(A) by striking paragraph (3); and

(B) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

**TITLE VI—FOREIGN INTELLIGENCE AND INFORMATION COMMISSION ACT**

**SEC. 601. SHORT TITLE.**

This title may be cited as the “Foreign Intelligence and Information Commission Act”.

**SEC. 602. DEFINITIONS.**

In this title:

(1) COMMISSION.—The term “Commission” means the Foreign Intelligence and Information Commission established in section 603(a).

(2) FOREIGN INTELLIGENCE; INTELLIGENCE.—The terms “foreign intelligence” and “intelligence” have the meaning given those terms in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).

(3) INFORMATION.—The term “information” includes information of relevance to the foreign policy of the United States collected and conveyed through diplomatic reporting and other reporting by personnel of the United States Government who are not employed by an element of

the intelligence community, including public and open-source information.

**SEC. 603. ESTABLISHMENT AND FUNCTIONS OF THE COMMISSION.**

(a) **ESTABLISHMENT.**—There is established in the legislative branch a Foreign Intelligence and Information Commission.

(b) **PURPOSE.**—The purpose of the Commission is to evaluate systems and processes at the strategic, interagency level and provide recommendations accordingly, and not to seek to duplicate the functions of the Director of National Intelligence.

(c) **FUNCTIONS.**—The Commission shall—

(1) evaluate the current processes or systems for the strategic integration of the intelligence community, including the Open Source Center, and other elements of the United States Government, including the Department of State, with regard to the collection, reporting, and analysis of foreign intelligence and information;

(2) provide recommendations to improve or develop such processes or systems to integrate the intelligence community with other elements of the United States Government, potentially including the development of an interagency strategy that identifies—

(A) the collection, reporting, and analysis requirements of the United States Government;

(B) the elements of the United States Government best positioned to meet collection and reporting requirements, with regard to missions, comparative institutional advantages, and any other relevant factors; and

(C) interagency budget and resource allocations necessary to achieve such collection, reporting, and analytical requirements;

(3) evaluate the extent to which current intelligence collection, reporting, and analysis strategies are intended to provide global coverage and anticipate future threats, challenges, and crises;

(4) provide recommendations on how to incorporate into the interagency strategy the means to anticipate future threats, challenges, and crises, including by identifying and supporting collection, reporting, and analytical capabilities that are global in scope and directed at emerging, long-term, and strategic targets;

(5) provide recommendations on strategies for sustaining human and budgetary resources to effect the global collection and reporting missions identified in the interagency strategy, including the repositioning of collection and reporting capabilities;

(6) provide recommendations for developing, clarifying, and, if necessary, bolstering current and future collection and reporting roles and capabilities of elements of the United States Government that are not elements of the intelligence community deployed in foreign countries;

(7) provide recommendations related to the role of individual country missions in contributing to the interagency strategy;

(8) evaluate the extent to which the establishment of new embassies and out-of-embassy posts are able to contribute to expanded global coverage and increased collection and reporting and provide recommendations related to the establishment of new embassies and out-of-embassy posts;

(9) provide recommendations on executive or legislative changes necessary to establish any new executive branch entity or to expand the authorities of any existing executive branch entity, as needed to improve the strategic integration referred to in paragraph (1) and develop and oversee the implementation of any interagency strategy;

(10) provide recommendations on processes for developing and presenting to Congress budget requests for each relevant element of the United States Government that reflect the allocations identified in the interagency strategy and for congressional oversight of the development and implementation of the strategy; and

(11) provide recommendations on any institutional reforms related to the collection and re-

porting roles of individual elements of the United States Government outside the intelligence community, as well as any budgetary, legislative, or other changes needed to achieve such reforms.

**SEC. 604. MEMBERS AND STAFF OF THE COMMISSION.**

(a) **MEMBERS OF THE COMMISSION.**—

(1) **APPOINTMENT.**—The Commission shall be composed of 10 members as follows:

(A) Two members appointed by the majority leader of the Senate.

(B) Two members appointed by the minority leader of the Senate.

(C) Two members appointed by the Speaker of the House of Representatives.

(D) Two members appointed by the minority leader of the House of Representatives.

(E) One nonvoting member appointed by the Director of National Intelligence.

(F) One nonvoting member appointed by the Secretary of State.

(2) **SELECTION.**—

(A) **IN GENERAL.**—Members of the Commission shall be individuals who—

(i) are not officers or employees of the United States Government or any State or local government; and

(ii) have knowledge and experience—

(I) in foreign information and intelligence collection, reporting, and analysis, including clandestine collection and classified analysis (such as experience in the intelligence community), diplomatic reporting and analysis, and collection of public and open-source information;

(II) in issues related to the national security and foreign policy of the United States gained by serving as a senior official of the Department of State, a member of the Foreign Service, an employee or officer of an appropriate department or agency of the United States, or an independent organization with expertise in the field of international affairs; or

(III) with foreign policy decision-making.

(B) **DIVERSITY OF EXPERIENCE.**—The individuals appointed to the Commission should be selected with a view to establishing diversity of experience with regard to various geographic regions, functions, and issues.

(3) **CONSULTATION.**—The Speaker and the minority leader of the House of Representatives, the majority leader and the minority leader of the Senate, the Director of National Intelligence, and the Secretary of State shall consult among themselves prior to the appointment of the members of the Commission in order to achieve, to the maximum extent possible, fair and equitable representation of various points of view with respect to the matters to be considered by the Commission in accordance with this title.

(4) **TIME OF APPOINTMENT.**—The appointments under subsection (a) shall be made—

(A) after the date on which funds are first appropriated for the Commission pursuant to section 609; and

(B) not later than 60 days after such date.

(5) **TERM OF APPOINTMENT.**—Members shall be appointed for the life of the Commission.

(6) **VACANCIES.**—Any vacancy of the Commission shall not affect the powers of the Commission and shall be filled in the manner in which the original appointment was made.

(7) **CHAIR.**—The voting members of the Commission shall designate one of the voting members to serve as the chair of the Commission.

(8) **QUORUM.**—Five voting members of the Commission shall constitute a quorum for purposes of transacting the business of the Commission.

(9) **MEETINGS.**—The Commission shall meet at the call of the chair and shall meet regularly, not less than once every 3 months, during the life of the Commission.

(b) **STAFF.**—

(1) **IN GENERAL.**—The chair of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and chapter 51 and sub-

chapter III of chapter 53 of that title relating to classification of positions and General Schedule pay rates, appoint and terminate an executive director and, in consultation with the executive director, appoint and terminate such other additional personnel as may be necessary to enable the Commission to perform its duties. In addition to the executive director and one full-time support staff for the executive director, there shall be additional staff with relevant intelligence and foreign policy experience to support the work of the Commission.

(2) **SELECTION OF THE EXECUTIVE DIRECTOR.**—The executive director shall be selected with the approval of a majority of the voting members of the Commission.

(3) **COMPENSATION.**—

(A) **EXECUTIVE DIRECTOR.**—The executive director shall be compensated at the maximum annual rate payable for an employee of a standing committee of the Senate under section 105(e) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61-1(e)), as adjusted by any order of the President pro tempore of the Senate.

(B) **STAFF.**—The chair of the Commission may fix the compensation of other personnel of the Commission without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the maximum annual rate payable for an employee of a standing committee of the Senate under section 105(e) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61-1(e)), as adjusted by any order of the President pro tempore of the Senate.

(c) **EXPERTS AND CONSULTANTS.**—The Commission is authorized to procure temporary or intermittent services of experts and consultants as necessary to the extent authorized by section 3109 of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable under section 5376 of such title.

(d) **STAFF AND SERVICES OF OTHER AGENCIES OR DEPARTMENTS OF THE UNITED STATES.**—Upon the request of the Commission, the head of a department or agency of the United States may detail, on a reimbursable or nonreimbursable basis, any of the personnel of that department or agency to the Commission to assist the Commission in carrying out this title. The detail of any such personnel shall be without interruption or loss of civil service or Foreign Service status or privilege.

(e) **SECURITY CLEARANCE.**—The appropriate departments or agencies of the United States shall cooperate with the Commission in expeditiously providing to the members and staff of the Commission appropriate security clearances to the extent possible pursuant to existing procedures and requirements.

(f) **REPORTS UNDER ETHICS IN GOVERNMENT ACT OF 1978.**—Notwithstanding any other provision of law, for purposes of title I of the Ethics in Government Act of 1978 (5 U.S.C. App.), each member and staff of the Commission—

(1) shall be deemed to be an officer or employee of the Congress (as defined in section 109(13) of such title); and

(2) shall file any report required to be filed by such member or such staff (including by virtue of the application of paragraph (1)) under title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) with the Secretary of the Senate.

**SEC. 605. POWERS AND DUTIES OF THE COMMISSION.**

(a) **HEARINGS AND EVIDENCE.**—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this title.

(b) **INFORMATION FROM FEDERAL AGENCIES.**—The Commission may secure directly from any department or agency of the United States such information as the Commission considers necessary to carry out this title. Upon request of

the chair of the Commission, the head of such department or agency shall furnish such information to the Commission, subject to applicable law.

(c) **POSTAL SERVICES.**—The Commission may use the United States mails in the same manner and under the same conditions as a department or agency of the United States.

(d) **ADMINISTRATIVE SUPPORT.**—The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis (or, in the discretion of the Administrator, on a nonreimbursable basis) such administrative support services as the Commission may request to carry out this title.

(e) **ADMINISTRATIVE PROCEDURES.**—The Commission may adopt such rules and regulations, relating to administrative procedure, as may be reasonably necessary to enable the Commission to carry out this title.

(f) **TRAVEL.**—

(1) **IN GENERAL.**—The members and staff of the Commission may, with the approval of the Commission, conduct such travel as is necessary to carry out this title.

(2) **EXPENSES.**—Members of the Commission shall serve without pay but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(g) **GIFTS.**—No member or staff of the Commission may receive a gift or benefit by reason of the service of such member or staff to the Commission.

#### SEC. 606. REPORT OF THE COMMISSION.

(a) **IN GENERAL.**—

(1) **INTERIM REPORT.**—Not later than 300 days after the date on which all members of the Commission are appointed under section 604(a), the Commission shall submit to the congressional intelligence committees an interim report setting forth the preliminary evaluations and recommendations of the Commission described in section 603(c).

(2) **FINAL REPORT.**—Not later than 60 days after the date of the submission of the report required by paragraph (1), the Commission shall submit a final report setting forth the final evaluations and recommendations of the Commission described in section 603(c) to each of the following:

- (A) The President.
- (B) The Director of National Intelligence.
- (C) The Secretary of State.
- (D) The congressional intelligence committees.
- (E) The Committee on Foreign Relations of the Senate.

(F) The Committee on Foreign Affairs of the House of Representatives.

(b) **INDIVIDUAL OR DISSENTING VIEWS.**—Each member of the Commission may include that member's individual or dissenting views in a report required by paragraph (1) or (2) of subsection (a).

(c) **FORM OF REPORT.**—The reports required by paragraphs (1) and (2) of subsection (a), including any finding or recommendation of such report, shall be submitted in unclassified form, but may include a classified annex.

#### SEC. 607. TERMINATION.

(a) **IN GENERAL.**—The Commission shall terminate on the date that is 60 days after the date of the submission of the report required by section 606(a)(2).

(b) **TRANSFER OF RECORDS.**—Upon the termination of the Commission under subsection (a), all records, files, documents, and other materials in the possession, custody, or control of the Commission shall be transferred to the Select Committee on Intelligence of the Senate and deemed to be records of such Committee.

#### SEC. 608. NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

#### SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There is authorized to be appropriated such sums as may be necessary to carry out this title.

(b) **AVAILABILITY.**—Amounts made available to the Commission pursuant to subsection (a) shall remain available until expended.

#### TITLE VII—OTHER MATTERS

#### SEC. 701. EXTENSION OF NATIONAL COMMISSION FOR THE REVIEW OF THE RESEARCH AND DEVELOPMENT PROGRAMS OF THE UNITED STATES INTELLIGENCE COMMUNITY.

(a) **EXTENSION.**—

(1) **IN GENERAL.**—Effective on the date on which funds are first appropriated pursuant to subsection (b)(1) and subject to paragraph (3), subsection (a) of section 1007 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107-306; 50 U.S.C. 401 note) is amended by striking “September 1, 2004,” and inserting “one year after the date on which all members of the Commission are appointed pursuant to section 701(a)(3) of the Intelligence Authorization Act for Fiscal Year 2010.”

(2) **APPLICABILITY OF AMENDMENT.**—The amendment made by paragraph (1) shall take effect as if included in the enactment of such section 1007.

(3) **COMMISSION MEMBERSHIP.**—The membership of the National Commission for the Review of the Research and Development Programs of the United States Intelligence Community established under subsection (a) of section 1002 of such Act (Public Law 107-306; 50 U.S.C. 401 note) (referred to in this section as the “Commission”) shall be considered vacant and new members shall be appointed in accordance with such section 1002, as amended by this section.

(4) **CLARIFICATION OF DUTIES.**—Section 1002(i) of such Act is amended in the matter preceding paragraph (1) by striking “including—” and inserting “including advanced research and development programs and activities. Such review shall include—”.

(b) **FUNDING.**—

(1) **IN GENERAL.**—There is authorized to be appropriated such sums as may be necessary to carry out this section.

(2) **AVAILABILITY.**—Amounts made available to the Commission pursuant to paragraph (1) shall remain available until expended.

(3) **REPEAL OF EXISTING FUNDING AUTHORITY.**—Section 1010 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107-306; 50 U.S.C. 401 note) is repealed.

(c) **TECHNICAL AMENDMENTS.**—

(1) **DIRECTOR OF CENTRAL INTELLIGENCE.**—The Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107-306) is amended by striking “Director of Central Intelligence” each place it appears and inserting “Director of National Intelligence” in the following provisions:

- (A) Section 1002(h)(2).
- (B) Section 1003(d)(1).
- (C) Section 1006(a)(1).
- (D) Section 1006(b).
- (E) Section 1007(a).
- (F) Section 1008.

(2) **DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE FOR COMMUNITY MANAGEMENT.**—Paragraph (1) of section 1002(b) of such Act is amended by striking “The Deputy Director of Central Intelligence for Community Management.” and inserting “The Principal Deputy Director of National Intelligence.”.

#### SEC. 702. CLASSIFICATION REVIEW OF EXECUTIVE BRANCH MATERIALS IN THE POSSESSION OF THE CONGRESSIONAL INTELLIGENCE COMMITTEES.

The Director of National Intelligence is authorized to conduct, at the request of one of the congressional intelligence committees and in accordance with procedures established by that committee, a classification review of materials in the possession of that committee that—

- (1) are not less than 25 years old; and

(2) were created, or provided to that committee, by an entity in the executive branch.

#### TITLE VIII—TECHNICAL AMENDMENTS

#### SEC. 801. TECHNICAL AMENDMENTS TO THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended—

(1) in section 101—

(A) in subsection (a), by moving paragraph (7) two ems to the right; and

(B) by moving subsections (b) through (p) two ems to the right;

(2) in section 103, by redesignating subsection (i) as subsection (h);

(3) in section 109(a)—

(A) in paragraph (1), by striking “section 112.” and inserting “section 112.”; and

(B) in paragraph (2), by striking the second period;

(4) in section 301(1), by striking “‘United States’” and all that follows through “and ‘State’” and inserting “‘United States’, ‘person’, ‘weapon of mass destruction’, and ‘State’”;

(5) in section 304(b), by striking “subsection (a)(3)” and inserting “subsection (a)(2)”;

(6) in section 502(a), by striking “a annual” and inserting “an annual”.

#### SEC. 802. TECHNICAL AMENDMENTS TO THE CENTRAL INTELLIGENCE AGENCY ACT OF 1949.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended—

(1) in paragraph (1) of section 5(a), by striking “authorized under paragraphs (2) and (3) of section 102(a), subsections (c)(7) and (d) of section 103, subsections (a) and (g) of section 104, and section 303 of the National Security Act of 1947 (50 U.S.C. 403(a)(2), (3), 403-3(c)(7), (d), 403-4(a), (g), and 405)” and inserting “authorized under section 104A of the National Security Act of 1947 (50 U.S.C. 403-4a).”; and

(2) in section 17(d)(3)(B)—

(A) in clause (i), by striking “advise” and inserting “advice”; and

(B) by amending clause (ii) to read as follows: “(ii) holds or held the position in the Agency, including such a position held on an acting basis, of—

- “(I) Deputy Director;
- “(II) Associate Deputy Director;
- “(III) Director of the National Clandestine Service;
- “(IV) Director of Intelligence;
- “(V) Director of Support; or
- “(VI) Director of Science and Technology.”.

#### SEC. 803. TECHNICAL AMENDMENTS TO TITLE 10, UNITED STATES CODE.

Section 528(c) of title 10, United States Code, is amended—

(1) in the heading, by striking “ASSOCIATE DIRECTOR OF CIA FOR MILITARY AFFAIRS” and inserting “ASSOCIATE DIRECTOR OF MILITARY AFFAIRS, CIA”; and

(2) by striking “Associate Director of the Central Intelligence Agency for Military Affairs” and inserting “Associate Director of Military Affairs, Central Intelligence Agency, or any successor position”.

#### SEC. 804. TECHNICAL AMENDMENTS TO THE NATIONAL SECURITY ACT OF 1947.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended—

(1) in section 3(4)(L), by striking “other” the second place it appears;

(2) in section 102A—

(A) in subsection (c)(3)(A), by striking “annual budgets for the Joint Military Intelligence Program and for Tactical Intelligence and Related Activities” and inserting “annual budget for the Military Intelligence Program or any successor program or programs”;

(B) in subsection (d)—

(i) in paragraph (1)(B), by striking “Joint Military Intelligence Program” and inserting “Military Intelligence Program or any successor program or programs”;

(ii) in paragraph (3) in the matter preceding subparagraph (A), by striking “subparagraph (A)” and inserting “paragraph (1)(A)”; and

(iii) in paragraph (5)—

(I) in subparagraph (A), by striking “or personnel” in the matter preceding clause (i); and

(II) in subparagraph (B), by striking “or agency involved” in the second sentence and inserting “involved or the Director of the Central Intelligence Agency (in the case of the Central Intelligence Agency)”;

(C) in subsection (l)(2)(B), by striking “section” and inserting “paragraph”; and

(D) in subsection (n), by inserting “AND OTHER” after “ACQUISITION”;

(3) in section 103(b), by striking “, the National Security Act of 1947 (50 U.S.C. 401 et seq.)”;

(4) in section 104A(g)(1) in the matter preceding subparagraph (A), by striking “Directorate of Operations” and inserting “National Clandestine Service”;

(5) in section 119(c)(2)(B) (50 U.S.C. 404o(c)(2)(B)), by striking “subsection (h)” and inserting “subsection (i)”;

(6) in section 701(b)(1), by striking “Directorate of Operations” and inserting “National Clandestine Service”;

(7) in section 705(e)(2)(D)(i) (50 U.S.C. 432c(e)(2)(D)(i)), by striking “responsible” and inserting “responsive”; and

(8) in section 1003(h)(2) in the matter preceding subparagraph (A), by striking “subsection (i)(2)(B)” and inserting “subsection (g)(2)(B)”.

**SEC. 805. TECHNICAL AMENDMENTS RELATING TO THE MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.**

(a) IN GENERAL.—Subsection (a) of section 1403 of the National Defense Authorization Act for Fiscal Year 1991 (50 U.S.C. 404b) is amended—

(1) in the heading, by striking “FOREIGN”; and

(2) by striking “foreign” each place it appears.

(b) RESPONSIBILITY OF DIRECTOR OF NATIONAL INTELLIGENCE.—Such section 1403, as amended by subsection (a), is further amended—

(1) in subsections (a) and (c), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(2) in subsection (b), by inserting “of National Intelligence” after “Director”.

(c) FUTURE-YEARS DEFENSE PROGRAM.—Subsection (c) of such section 1403, as amended by subsection (b), is further amended by striking “multiyear defense program submitted pursuant to section 114a of title 10, United States Code” and inserting “future-years defense program submitted pursuant to section 221 of title 10, United States Code”.

(d) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—The heading of such section 1403 is amended to read as follows:

“**SEC. 1403. MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.**”

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 2 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1485) is amended by striking the item relating to section 1403 and inserting the following new item:

“Sec. 1403. Multiyear National Intelligence Program.”.

**SEC. 806. TECHNICAL AMENDMENTS TO THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.**

(a) AMENDMENTS TO THE NATIONAL SECURITY INTELLIGENCE REFORM ACT OF 2004.—The National Security Intelligence Reform Act of 2004 (title I of Public Law 108-458; 118 Stat. 3643) is amended—

(1) in subparagraph (B) of section 1016(e)(10) (6 U.S.C. 485(e)(10)), by striking “Attorney General” the second place it appears and inserting “Department of Justice”;

(2) in subsection (e) of section 1071, by striking “(1)”; and

(3) in subsection (b) of section 1072, in the subsection heading by inserting “AGENCY” after “INTELLIGENCE”.

(b) OTHER AMENDMENTS TO THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.—The Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458; 118 Stat. 3638) is amended—

(1) in section 2001 (28 U.S.C. 532 note)—

(A) in paragraph (1) of subsection (c)—

(i) by striking “shall,” and inserting “shall”; and

(ii) by inserting “of” before “an institutional culture”;

(B) in paragraph (2) of subsection (e), by striking “the National Intelligence Director in a manner consistent with section 112(e)” and inserting “the Director of National Intelligence in a manner consistent with applicable law”; and

(C) in subsection (f), by striking “shall,” in the matter preceding paragraph (1) and inserting “shall”; and

(2) in section 2006 (28 U.S.C. 509 note)—

(A) in paragraph (2), by striking “the Federal” and inserting “Federal”; and

(B) in paragraph (3), by striking “the specific” and inserting “specific”.

**SEC. 807. TECHNICAL AMENDMENTS TO THE EXECUTIVE SCHEDULE.**

(a) EXECUTIVE SCHEDULE LEVEL II.—Section 5313 of title 5, United States Code, is amended by striking the item relating to the Director of Central Intelligence and inserting the following new item:

“Director of the Central Intelligence Agency.”.

(b) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

“General Counsel of the Office of the Director of National Intelligence.”.

**SEC. 808. TECHNICAL AMENDMENTS TO SECTION 105 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2004.**

Section 105(b) of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108-177; 117 Stat. 2603; 31 U.S.C. 311 note) is amended—

(1) by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(2) by inserting “or in section 313 of such title,” after “subsection (a),”.

**SEC. 809. TECHNICAL AMENDMENTS TO SECTION 602 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1995.**

Section 602 of the Intelligence Authorization Act for Fiscal Year 1995 (50 U.S.C. 403-2b) is amended—

(1) in subsection (a), in paragraph (2), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(2) in subsection (b)—

(A) in paragraph (1), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(ii) in subparagraph (B), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(C) in paragraph (3), by striking “Director of Central Intelligence” and inserting “Director of the Central Intelligence Agency”.

**SEC. 810. TECHNICAL AMENDMENTS TO SECTION 403 OF THE INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1992.**

(a) ROLE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.—Section 403 of the Intelligence Authorization Act, Fiscal Year 1992 (50 U.S.C. 403-

2) is amended by striking “The Director of Central Intelligence” and inserting the following:

“(a) IN GENERAL.—The Director of National Intelligence”.

(b) DEFINITION OF INTELLIGENCE COMMUNITY.—Section 403 of the Intelligence Authorization Act, Fiscal Year 1992, as amended by subsection (a), is further amended—

(1) by striking “Intelligence Community” and inserting “intelligence community”; and

(2) by striking the second sentence and inserting the following:

“(b) INTELLIGENCE COMMUNITY DEFINED.—In this section, the term ‘intelligence community’ has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).”.

MOTION TO CONCUR

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Reyes moves that the House concur in the Senate amendment.

The SPEAKER pro tempore. Pursuant to House Resolution 1674, the motion shall be debatable for 1 hour, equally divided and controlled by the Chair and ranking minority member of the Permanent Select Committee on Intelligence.

The gentleman from Texas (Mr. REYES) and the gentleman from Michigan (Mr. HOEKSTRA) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. REYES. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and include extraneous material on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. REYES. Madam Speaker, I yield myself such time as I may consume.

I am proud to rise today in support of my motion to concur in the Senate amendment to H.R. 2701, the Intelligence Authorization Act for Fiscal Year 2010.

This bill has been a long time coming. It has been almost 6 years since an intelligence authorization bill has been signed into law. Year after year, the intelligence committees have marked up authorization bills and tried to get them enacted. And year after year, these efforts have fallen short.

Authorization bills are critical to the smooth functioning of the intelligence community. We face innovative and aggressive adversaries, and the intelligence community needs the flexibility to adapt. But the authorities and institutions of the intelligence community are, to a large extent, set by statute. Only acts of Congress—traditionally in the form of authorization bills—can give the community the tools it needs to keep America safe.

Most intelligence activities are, by necessity, shielded from public scrutiny. Congress has an obligation to ensure that the activities of the intelligence community are legal, effective,

and serve the best interests of the United States. The Intelligence Authorization Act is the principal means for doing this.

The bill before us today meets this high standard. It is the product of months of bipartisan discussions between the House and Senate intelligence committees, leadership, and the White House. Let me highlight several important provisions.

First, the bill would substantially reform the process through which the President notifies the so-called Gang of Eight regarding certain sensitive covert operations. As Members may know, the National Security Act gives the President the authority to limit briefings on certain sensitive covert actions to the Gang of Eight. It has been the belief of both intelligence committees that the Gang of Eight authority has been overused, and that the entire committee membership should be informed on matters of critical importance.

For that reason, an earlier version of the bill removed the statutory authority for limiting briefings to the Gang of Eight. Last July, the administration threatened to veto the bill if it included that language. After months of tough negotiations, we have reached a compromise that substantially improves the notification process, and which the President will sign.

The bill requires that the President notify all members of the intelligence committees that a Gang of Eight briefing has occurred and give a "general description" of that notification. It requires that the full briefing be automatically made available to all members in 6 months, unless the President recertifies that the briefing must stay limited.

It also requires that all Gang of Eight briefings be in writing and that the President maintain a written record of those receiving these limited briefings. Finally, like earlier drafts, it requires that the President provide the legal basis for an intelligence activity and sets a new standard for determining when certain activities must be notified.

Second, the bill would help the General Accounting Office gain access to the intelligence community. For decades, the executive branch has prevented GAO from conducting audits or investigations into intelligence activities. This bill directs the Director of National Intelligence to come up with regulations to govern GAO access to the intelligence community.

The new DNI, General Clapper, has suggested in testimony that he would be open to working with GAO. This provision would give him the opportunity to put his words into action.

Third, the bill would put in place a number of measures to help stamp out waste, fraud, and abuse. It would create an Inspector General for the intelligence community, with authority to conduct oversight across the community and on the critical issues regard-

ing coordination and cooperation between agencies. It also requires a comprehensive assessment of contracting practices across the community, which would give Congress the tools it needs to help control contractor costs.

Fourth, the bill creates new cost-control measures for the acquisition of major systems, many of which have been subject to serious cost and schedule overruns in recent years. This includes a mechanism—based on the Department of Defense's Nunn-McCurdry provision—that requires congressional notification and program restructuring when certain cost thresholds are exceeded.

Fifth, the bill modifies various authorities to ensure the intelligence community has the tools it needs to keep the country safe. These include an exemption to certain public disclosure requirements for operational files transferred to the ODNI, a reform that the Director of the National Counterterrorism Center said was critical to information sharing.

Madam Speaker, these are vital reforms, as are others in this important bill. They have been priorities of this body, on a bipartisan basis, for a very long time. It's time we got these reforms enacted. It's time for us to pass this bill.

Therefore, I urge all my colleagues to vote "yes."

With that, Madam Speaker, I reserve the balance of my time.

Mr. HOEKSTRA. Madam Speaker, I yield myself as much time as I may consume.

The fourth time for this bill on the floor is not the charm. This continues the process of bringing badly thought through, badly formed legislation on intel to the floor of the House of Representatives.

This is the fourth rule that we've considered this year as we've gone through this process. It is interesting that this bill is titled the fiscal year 2010 authorization. It's September 29. Tomorrow is September 30. Maybe the President will sign this bill if we pass it tonight, meaning that much of the bill will be meaningless, or only in effect for 6 to 8 hours, maybe 10.

This bill, I don't believe, Mr. Chairman, even has a classified annex. It was the one thing that we agreed on, on a bipartisan basis, as to how funding for the bill, or for the intelligence community and different agencies within the intelligence community, at what level they would be funded. Again, it's one part where we had bipartisan agreement. It's gone. We're now just authorizing the expenditures as done through the appropriations committee. Members have no time to review the classified annex. There was no classified annex outlining these specific appropriations levels by different organizations within the intelligence community. Nothing for the Members to review.

The notifications, it's a fig leaf. It says the administration still shall de-

termine who shall be informed of what and when.

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We had stronger language before, accepted on a bipartisan basis. Now all the administration has to do is notify other people that the Gang of Four or the Gang of Eight has been notified of certain information, but they don't have to disclose. They have to outline why, but there is no requirement for more complete exposure.

It is a fig leaf that may serve as a justification for dealing with a complaint that was made by the Speaker of the House in May of 2009. The Speaker of this House said the CIA "misleads us all the time." You know, we've asked for more of an explanation on that. The chairman of the committee and the chairwoman of the subcommittee in October 2009 said that they were going to do a notification and a covert action investigation—as far as I can tell, it has never happened, and it is not complete after almost a year now—to find out if there were problems with notification and if it were true that, as the Speaker claimed, the CIA misleads us all the time. So, in one way, we are providing something that may serve in dealing with this allegation by the Speaker.

At the same time, we have CIA employees around the world who did what the administration asked them to do and what previous administrations notified Congress they were doing about what they were going to do to keep America safe. They notified, and took Congress through that in great detail. The people went through that notification process in great detail, understanding that, when they left, if the administration had had a problem with it, they ought to have stood up and said, "We've got issues with these, and we need to work through them." Instead, there was either silence or affirmation that what the CIA and what these individuals within the CIA were doing was appropriate, was necessary and was supported by the political leadership of this Nation as being their best intent to keep us safe.

So, while this bill may serve to provide some people with political cover, it does nothing to protect the CIA employees who now, for the third time, are under review by the Justice Department as to whether they should be prosecuted for doing what the political leadership of this country asked them to do.

Where is the equality? Where is the fairness? How does this serve our national interest by allowing these people to continue to be hung out, facing possible prosecution? It is wrong. It is inappropriate. It should have been dealt with in this bill.

I will detail a number of other issues that also need to be dealt with, but at this point in time, I reserve the balance of my time.

Mr. REYES. Madam Speaker, I yield to the gentlewoman from California

(Ms. HARMAN) for the purpose of a unanimous consent request.

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Madam Speaker, I rise in strong support of H.R. 2701. I commend the Speaker and committee majority for achieving administration support for more inclusive briefings.

Madam Speaker, during four years as Ranking Member of the House Intelligence Committee, I fought hard to expand the handful of Members briefed by the Bush administration. In my view, that administration abused the definition of covert action under the National Security Act of 1947.

Recently declassified transcripts from those briefings will show instances when serious concerns were raised regarding legal authorities for a range of policies, including "enhanced interrogation techniques."

Those were dark days, when even as Ranking Member, I struggled to get operational details about programs well within the jurisdiction of our committee.

As a member of the so-called "Gang of 8," I had no ability to consult staff or other colleagues about the information I received.

By the end of the Bush administration, more Members were briefed about sensitive programs, but the changes were not sufficient. It has taken a lot of persuasion to convince the Obama administration to agree formally to brief the entire committee, in most cases, about the government's covert action programs.

The bill before us today requires the President to provide all Members of the Intelligence Committee the same briefings delivered to the "Gang of 8" within 6 months unless he certifies "extraordinary circumstances."

And all Members of the Intelligence Committee must be notified that a Gang of 8 briefing has occurred.

The bill also requires the Director of National Intelligence to work with GAO to gain access to information within the Intelligence Community to be included in their reports.

These changes go a long way toward correcting the problems that plagued both sides of the aisle during my tenure on the House Intelligence Committee.

I am also pleased that the bill contains a provision I authored to require the DNI, in consultation with the Nuclear Regulatory Commission, to submit a report to Congress about the threat of dirty bombs (including highly dispersible substances such as cesium-137).

As an institution, Congress must exert our prerogative to monitor and rectify problems that surface in the programs that affect both our security and our liberty.

The American people deserve no less.

Mr. REYES. Madam Speaker, I yield 2 minutes to the chair of the Intelligence Community Management Subcommittee, the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, thank you for your distinguished leadership of the House Intelligence Committee.

Madam Speaker, after 5 long years, we will soon have an intelligence authorization bill enacted into law. I would have thought that the ranking member of the committee would at least acknowledge that, because it is

an accomplishment. It is an accomplishment that is worth highlighting, and it is an accomplishment that should be a source of pride to all Members of Congress, because the Congress is weighing in with its priorities.

Now, passage of this act, in my view, is going to reassert Congress' role in the oversight of our Nation's intelligence agencies. We have a very special duty to oversee intelligence activities because our Nation's security is always at stake.

As the chair of the Subcommittee on Intelligence Community Management, I've had a particular interest in congressional oversight and the tools that we need to improve it. This bill contains many provisions that will improve the congressional oversight of intelligence activities.

First, the bill requires the DNI to establish procedures to allow GAO access to intelligence community information. This provision will clarify the guidelines under which GAO may audit the intelligence community while recognizing that GAO, on behalf of the intelligence committees, has the authority to do so. The new DNI Clapper noted the value of GAO studies during his confirmation hearing, and this provision will give him the opportunity to live up to his words.

Second, the bill modifies statutory authorization for the so-called "Gang of Eight" procedure, and raises the threshold for this limited notification. This is a big change. It requires that the President inform all members of the intelligence committees that a Gang of Eight briefing has occurred and provide a general description of that briefing.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. REYES. I yield the gentlewoman an additional 30 seconds.

Ms. ESHOO. All committee members will receive a full briefing 6 months after the Gang of Eight briefing unless the President continues to certify that "extraordinary circumstances" still exist that require a limited briefing.

These were hard fought-for changes and reforms, and they were not easy to come to. I think that, regardless of whether it is a Republican administration or a Democratic administration, these reforms are tough to get. Yet they have been secured, and I think they are very important, not only for the operation and the oversight of the committees, but for the betterment of the American people and our national security.

Finally, the bill creates a statutory and independent Inspector General for the intelligence community, and I think that this is another great plus.

This bill strengthens the prerogatives of Congress, and I urge my colleagues to support it.

Mr. HOEKSTRA. Madam Speaker, at this time, I yield 1 minute to the gentleman from California (Mr. GALLEGLY).

(Mr. GALLEGLY asked and was given permission to revise and extend his remarks.)

Mr. GALLEGLY. Madam Speaker, this is my last opportunity to address the House as a member of the Permanent Select Committee on Intelligence. The past 8 years have been the opportunity of a lifetime for me.

I want to thank former Speaker Denny Hastert and Minority Leader JOHN BOEHNER for appointing me to this critically important committee.

I also want to take a minute to express my great appreciation to the most impressive staff I've ever served with, particularly Jim Lewis, our staff director. Jim is clearly a true patriot, and the service he has provided our country I will carry throughout the rest of my life.

I am going to miss the committee, but I will never forget the opportunities of the last 8 years.

Mr. REYES. Madam Speaker, I yield 2 minutes to the chairman of the Technical and Tactical Intelligence Subcommittee, the gentleman from Maryland (Mr. RUPPERSBERGER).

Mr. RUPPERSBERGER. Thank you, Mr. Chairman.

Madam Speaker, as a member of the House Intelligence Committee, as chairman of the Technical and Tactical Intelligence Subcommittee and as a proud representative of the National Security Agency, which is in my district, I rise in support of H.R. 2701.

It has been nearly 6 years since an intelligence authorization bill has been enacted into law. These bills help ensure that the intelligence community has the tools it needs to keep us safe and that Congress has the tools it needs to be effective in its oversight capacity.

□ 1850

The bill before us today does both, and I would like to highlight two provisions.

First, the bill includes significant reforms to the way the intelligence community makes major purchases. Our subcommittee has focused much of our time on helping to ensure that we buy the right kind of satellites at the right price. Just like recent reforms to our defense procurement process, this bill helps us protect tax dollars while keeping our country safe and secure.

The Nunn-McCurdy provision requires congressional notification when costs run significantly over budget and cancels programs that run 25 percent or more over budget unless we get a reasonable explanation.

Second, the bill gives the Director of National Intelligence a voice in the process as we review and update security-related export controls known as ITAR.

These regulations restrict what American companies can sell overseas, but there are prohibitions on old, simple, and widely available technologies that are putting American companies at a severe disadvantage to foreign competitors. Before the restrictions went into effect in 1998, 73 percent of the world market for commercial satellites went to U.S. companies. By 2000,

that figure had dropped to 27 percent. That's unacceptable.

Loosening these outdated restrictions is critical to more than 250,000 American jobs supported by the satellite industry, which has taken a hit with the global economic downturn. Over the past 2 years, the industry has shed about 5 percent of its workforce.

In addition to this bill under consideration today, the House has passed an ITAR provision in the Foreign Affairs authorization, and we are waiting for the Senate to act.

Mr. HOEKSTRA. At this time, I yield 5 minutes to my colleague from Texas (Mr. THORNBERRY).

Mr. THORNBERRY. I appreciate the gentleman from Michigan yielding.

Madam Speaker, I think it's important also to express my appreciation to the gentleman from Michigan who has served on this committee for the last 8 years, including as chairman of the committee and, for the last 4 years, as the ranking member of the committee. The contributions he has made in that capacity to the country will never be fully known, but those of us on the committee I think do appreciate the considerable work that he has done and the contributions he has made.

It's unfortunate that the last bill on which he will help manage time on the floor is this bill. I don't see how any Member can come and congratulate ourselves on finally getting an intelligence authorization bill to the floor that doesn't even have a classified annex to it. It doesn't seem to me to be a real bill at all. Unfortunately, and through no fault of the chairman who has been struggling to get a bill to the floor for months—years, actually, more than a year; it is not his fault—but this is not a real bill.

Madam Speaker, as a matter of fact, the history of this bill is rather pitiful. It was reported out of the committee in June of 2009, but then for 8 months you couldn't find time to bring it to the floor. Now, why was that? It wasn't like we had a lot of other pressing business for 8 months that prevented this bill from coming to the floor. It was because the Speaker set off a firestorm and controversy about when she was briefed on interrogations and what she knew and when she knew it. And then to defend herself, she charged that the CIA lies to us or misleads us all the time.

Well, then the bill could not be brought to the floor because there had to be a way found to protect the Speaker. And so 8 months later it finally comes to the floor, and then it takes two rules to get it to the floor because there was a provision added in the manager's amendment, again to prosecute CIA people, to hold them to a higher standard of accountability than all the law enforcement folks around the country. So they had to go back to the drawing board.

Now, 7 months after that, we are brought this kind of a shell bill and asked to rubber-stamp on the last day

of the session what the Senate has done. As I say, Madam Speaker, I don't think there's much to be proud of here.

On the notification provision that we've heard so much about, it does very little. And I think it is sad in a lot of ways that the majority walked away from the bipartisan, the truly bipartisan compromise of a couple years ago that would raise the bar and require any administration to give this Congress more information. Instead, we have this token language which does very little, and yet, Madam Speaker, as the Director of the National Counterterrorism Center testified last week before the Senate, we have had more attempted attacks on our homeland over the past year than at any time since the attacks of 9/11.

So I think what is particularly unfortunate is what this bill does not do. This bill does nothing to prevent Guantanamo detainees from being brought here to the mainland of the United States, and yet tomorrow, the end of the fiscal year, tomorrow, all of the existing statutory prohibitions on bringing those terrorists here to the mainland expire. This bill was an opportunity to do something about that, and yet it does nothing.

This bill says nothing about releasing detainees who end up returning to the fight and come back attacking and sometimes killing our soldiers around the world.

This bill does nothing about foreign terrorists being told that they have the right to remain silent even before we get the information we need from them to prevent the next attack. Even though this House has voted on a bipartisan basis that they are not entitled to be told they can remain silent before we get the information we need, that's not in this bill.

This bill does nothing to try to resolve the issues of whether detainees should be tried in military or civilian courts, and yet those are some of the very issues that the American people want to see resolved.

For you see, Madam Speaker, for the last several months House Republicans have been listening to people and asking them what they would like to see done in Congress, and we've heard lots of information about not letting taxes go up, about restraining spending, repealing the health care bill, but on national security, the things we heard and the things that are in the Pledge to America talk about bringing detainees to the United States and about not letting them be released prematurely so that they return to the fight and not caring more about their rights than about the rights of the lives of Americans that we try to prevent.

We could do a lot better than this bill, Madam Speaker, and it should be rejected.

Mr. REYES. Madam Speaker, I yield 2 minutes to a member of the committee, the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. I thank the chairman for yielding, and I want to compliment

him on all his hard work in bringing the bill to this point after a long, tough challenge for many years.

I rise in strong support, Madam Speaker, of H.R. 2701, the Intelligence Authorization Act for Fiscal Year 2010.

This long overdue bill is the work of a committee that has been diligently pursuing, for years, our national security. H.R. 2701 addresses many vital areas and contains critical provisions that will assist us in combating the ever-evolving and emerging threats that our Nation faces, such as those emanating from the FATA in Pakistan, Yemen, the Horn of Africa, and Somalia.

In this bill, we've sought to provide the necessary guidance and authorities for the critical intelligence and intelligence-related activities of our U.S. military and civilian personnel in Iraq and Afghanistan, and provide important support to address emerging issues in Africa, Latin America, and elsewhere.

I'm proud to say this bill also goes a long way toward bringing increased fiscal responsibility to the intelligence community. By reducing the cost overruns on our major systems acquisitions, the acquisitions provision of this bill will free up money to devote to our military and civilians combating threats and preserving our national security in Iraq, Afghanistan, Yemen, Somalia, and elsewhere.

This is a strong piece of legislation. It will make our country safer. I urge my colleagues to pass the bill and let us have an intelligence authorization act this Congress while we have so many men and women in uniform and out of uniform fighting for our safety and security.

I thank you again, Mr. Chairman, for your perseverance on this.

□ 1900

Mr. HOEKSTRA. I yield myself 1 minute.

Madam Speaker, I find it interesting that people talk about, we are bringing fiscal responsibility back to the Intelligence Committee. There's not even a classified annex which outlines the spending that this committee believes each of the agencies should have for running their operations for fiscal year 2010. As I said earlier, that's one area where we had bipartisan agreement. That's been taken out. That's gone. We are not providing any type of fiscal direction to the intelligence community by telling them what we believe our priorities are.

The other interesting thing, as we go through this process, is that in the bill 2 years ago, we had a bipartisan vote on the floor. We adopted an amendment that I offered to prohibit the use of authorized funds for earmark purposes. As you take a look here, we've authorized everything that the Appropriations Committee has done. What has the Appropriations Committee done? Lots of earmarks in the intelligence bill.

Mr. REYES. Madam Speaker, I now yield 2 minutes to a member of the committee, the gentleman from Oklahoma, who just, I might add, had a son last week, and a valued member of our committee, Mr. BOREN.

Mr. BOREN. Mr. Chairman, I thank you for all the hard work you and the entire staff have done on this legislation.

Madam Speaker, I rise today in support of H.R. 2701, the Intelligence Authorization Act of 2010. This bill is an excellent product and addresses many critical areas, including those that have previously received little attention. One of the most important provisions in the bill is the commitment to developing foreign language capability, specifically in African languages that have historically been underrepresented in the intelligence community.

The bill creates a pilot program under the National Security Education Program, or the NSEP. It expands the David L. Boren Scholars by requiring the Director of National Intelligence to identify five high-priority African languages for which language education programs do not currently exist. The NSEP would then develop intensive training programs for implementation in both the United States and in countries where the languages are spoken.

Let's not forget that 10 years ago, we didn't anticipate conflicts along the Afghanistan-Pakistan border and the need for Dari, Pashto, and Urdu speakers. When the need arose, we didn't have the capabilities to meet immediate demands, and to this day, we are still playing catchup. Similarly, we cannot predict from where the next crisis will emerge. But by recognizing the current instability in the Horn of Africa, Sudan, and Congo, we can anticipate crises that may impact U.S. national security interests in the near future. We should be training the linguists and translators in the relevant languages now so that, once again, we are not reactive in our efforts but proactive in our actions. I urge my colleagues to support this bill.

Mr. HOEKSTRA. I yield 4 minutes to my colleague from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Madam Speaker, I too want to extend my thanks and gratitude on behalf of a grateful Nation for the work and service behind closed doors, with the microphones and the cameras gone, that the gentleman from Michigan has given to the Intelligence Committee and the intelligence community, and his efforts to continue to fight for policy that keeps Americans safe.

Sir, I know America won't know of most of it, but please know that those of us that do have your back for the work that you've done. Thank you very, very much.

The face of terrorism is changing, and it's changing in a very rapid way. Years ago we sat down and we asked our intelligence officials to do very

hard things. We said to go to dangerous places and talk to dangerous people, find out the information that we need, identify those who have done horrible things to this country, and help us bring them to justice.

It was the President of the United States at the time, George Bush. It was NANCY PELOSI who was sitting in the meetings, the intelligence meetings who said, Yes, that's the right policy. That's the right thing to do. And the battlefield has changed. It isn't just overseas anymore, where we write songs about our soldiers leaving the shores of the United States. The battlefield has come to us. It has killed U.S. citizens, and they attempt again and again to do that.

This bill is a disappointment. This bill is really offensive. This is a 2010 bill that will be practically irrelevant tomorrow. We are passing a bill that will be almost irrelevant tomorrow. There is no classified annex. You can't call this an intelligence bill that sets us on the right path with no classified annex. How can we congratulate ourselves for this?

There is more political cover in this bill than there is cover for the United States to go aggressively and pursue terrorism around the world. This bill protects the Speaker of the House, but it doesn't protect the CIA officers that all of us ask to do dangerous work around the world. Instead, they have to get lawyers and answer questions, the Department of Justice, after the President and this Congress said, Go do this for your country, for our safety, for our future. That's a slap in the face for the very people we have asked to risk their lives. They're not supposed to be facing a subpoena. They should be facing a crowd of cheering Americans saying, Thank you for your service in the difficult times this country faces in the war on terror. That is abandoned in this bill.

Tomorrow we are going to allow Guantanamo detainees to be transferred to the U.S. That provision is not in the bill. We all unified, said, This is a bad idea. Don't bring the best trained terrorists to the United States. It doesn't take a rocket scientist to say, That's an awful idea. And Americans say, Don't do it. There's a better way. This bill rejects that notion and goes to the very heart of why Americans are concerned about the direction of how we pursue terrorism in these days and in the days ahead.

It now treats foreign terrorists committing acts of terrorism against the United States with the same benefits as a United States citizen. What? Most Americans, the average Americans know you don't do that. They are enemy combatants. The battlefield might not be in Afghanistan. It might be on the seat of an airplane coming to the United States of America. The battlefield is no different because the results of death and terrorism and mayhem are the same.

We reject that in this bill and say, You know what, we are turning the

page. We are going to treat those enemy combatants, those foreign terrorists, with all the benefits of a citizen of the United States.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HOEKSTRA. I yield the gentleman 30 additional seconds.

Mr. ROGERS of Michigan. Madam Speaker, I hope that we can shake ourselves out of this notion that we are going to take the war on terror and treat it like a law enforcement event. It slows things down. We had that fight, but this bill goes even further. It says that we don't care what Americans believe will keep us safe, and we care more about the politics of what's going on today than we do the policies of terrorists who seek to do us harm. This is not the direction that we need. I would strongly urge this body's rejection and let's get about the work of a 2011 budget that can serve to protect the United States of America.

Mr. REYES. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, the American people are tuned in tonight. They must be confused that we are kind of talking in parallel universes here. For instance, there are no earmarks in this bill, in H.R. 2701. There are also a host of legislative provisions in this bill that will have a permanent effect on the operations in the intelligence community. Today's date, tomorrow's date, next week's date doesn't change any of that. And it's gratifying to know that for the last few months, our colleagues on the other side of the aisle have embarked on a listening campaign. It is good that they listen, and I hope that they have also gotten back the message that the American people are sick and tired of their strategy of just saying "no" to everything.

Isn't it interesting—at least I find it interesting—that H.R. 2701 had unanimous support on the Senate side. That means both Democrats and Republicans. But somehow, some people don't understand or didn't get the memo that it is okay to agree on protecting this country. It's okay to agree to pass a piece of legislation that fundamentally does that.

□ 1910

This bill does that. Is it perfect? No. Is it a compromise? Yes. But that is the reality of legislative compromises.

They talk about Guantanamo. Tonight we are going to vote on a continuing resolution. This bill does nothing to impact on anything to do with Guantanamo. Voting on the continuing resolution, we will vote on keeping those protections in place.

Madam Speaker, I reserve the balance of my time.

Mr. HOEKSTRA. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, let's talk about what should have been in this bill and what this bill does do and what it doesn't do.

We all know that the face of terrorism is changing. We have seen Fort

Hood, we have seen the attempted attack in Detroit, we have seen the attempted attack at Times Square. We know that terrorism is changing.

This bill is based on the past. There were reports that came out after these attacks and attempted attacks on the United States outlining changes that they thought needed to be made. As terrorism changed, intelligence policies needed to change as well.

The recommendations included improving the systems that deal with information, information sharing, terrorist screening, watch lists, watch list criteria, and those types of things. That's not dealt with in this bill. It is on the sidelines, even though the threat has evolved.

My colleagues have clearly articulated that, by doing nothing, we now open the possibility for Gitmo folks to come to the United States. We open the possibility and the likelihood that once again terror suspects overseas will be Mirandized.

Where is there a provision in this bill that would regulate covert actions that may impact U.S. citizens? Where is the bipartisan part of this bill, the classified annex, the part that we did agree? It was tossed.

Why wasn't there a conference on this bill? Why couldn't we go and have a meaningful discussion and debate involving all the parties about what would make a good intelligence bill?

When did Members meet to discuss the bipartisan agreement that has been claimed in the Senate amendment? They didn't meet. This is a short-circuited process that didn't address and doesn't address the top issues that needed to be addressed to keep America safe.

Mr. REYES. Madam Speaker, I yield myself 1 minute.

There are a lot of things that aren't in this bill. There aren't any things dealing with water, there aren't any things dealing with the border, there aren't any things dealing with other aspects.

We are here to pass a piece of legislation that has the support of every Senator in the other body. We are here to pass a piece of legislation that fundamentally protects this country.

And I can certainly understand the questions that my colleague from Michigan has because for the last year he hasn't been here. He has been in Michigan doing other things.

But to criticize a piece of legislation that we have reached out, that we have worked together—and as I said in my opening statement, this is a compromise agreement that was agreed to by the House, the Senate, and the administration. It is a good piece of legislation. It deserves to be supported.

Madam Speaker, I reserve the balance of my time.

Mr. HOEKSTRA. Madam Speaker, I yield myself 1 minute.

There aren't a lot of things in this bill. The chairman is absolutely right. Lots of things that should be in this

bill. There should be a classified annex. There should be something that outlines our committee's response to what many believe are actions that are being carried out by the government through covert means that affect Americans overseas. This committee should take a stand on that position or on that issue.

This committee should take a stand on Mirandizing. This committee should take a stand on Gitmo. This committee should take a stand on the things that groups who have taken a look at what is happening to terrorism and have recommended changes that be made to keep America safe. And that is a reason why we are opposed to this bill.

We know what is in the bill, and we know what is not. The things that would keep America safe and safer in a changing environment are not in this bill.

Mr. REYES. Madam Speaker, it is my privilege now to yield 3 minutes to the gentleman from New Jersey (Mr. HOLT), a member of the committee and the chairman of the Select Intelligence Oversight Panel.

Mr. HOLT. Madam Speaker, I want to thank the distinguished chair of the House Permanent Select Committee on Intelligence, Mr. REYES, for bringing this bill to the floor today. It has required a lot of effort, some compromise and hard work.

The bill advances a number of my priorities, including a sustained emphasis on improving our foreign language capabilities, expanding the Government Accountability Office's ability to conduct investigations of intelligence community activities, and a long overdue declassification review requirement of the gulf war illness-related records at the CIA.

I think we can still do more to provide strong congressional oversight of our intelligence activities. And I am also disappointed that the other body blocked the inclusion of language that I developed that would mandate the video recording of detainee interrogations by the Central Intelligence Agency.

A similar version of this language has been law since last year and governs video recording of detainees in custody of the Defense Department. And multiple studies have documented the benefits of video recording, electronic recording of interrogations, and law enforcement organizations across the United States routinely use the practice to protect both the person being interrogated and the officer conducting the interrogations. Clearly, in the intelligence community, this would be a valuable tool as well. And of course we know that at times the intelligence community does think this is a valuable tool. Otherwise, it would not have made recordings of interrogations of high-value detainees after they were captured in the wake of the 9/11 attacks.

Should a future President direct the CIA to hold detainees for interrogation, those interrogations certainly

should be recorded. Accordingly, I hope we will be able to remedy this in next year's bill.

I also wanted to say a word about the so-called Gang of Eight briefings. Because of the importance of this issue, it can get obscured by "inside the beltway" jargon. I want to make it clear that in this legislation, we are not and we should not cede the congressional prerogative to compel the President to share information on covert action programs.

So as you read the language of this bill, as my colleagues read the language of the bill, I hope they will understand that we have a constitutional obligation, independent and separate from the executive, to oversee the activities of the executive branch in this area.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. REYES. Madam Speaker, I yield the gentleman an additional minute.

□ 1920

Mr. HOLT. I opposed the previous administration's effort to subvert congressional oversight of intelligence activities, and I am not convinced that we have struck the right compromise language in this legislation. But even so, the requirement of written notification of covert actions is an important step forward, and passing this bill will not mark the end of our reform process.

Given what is accomplished in this bill, I am pleased to vote for the bill, and I urge my colleagues to do so as well.

Mr. HOEKSTRA. I yield 2 minutes to my colleague from Texas (Mr. THORNBERRY).

Mr. THORNBERRY. Madam Speaker, let me just say that I agree with the gentleman from New Jersey that we do have an independent constitutional responsibility to obtain the information that is necessary for us to do our job, not just on covert action but on all information. That is one of the reasons I was so disappointed at this fig leaf notification provision which is in this bill.

Madam Speaker, there are all sorts of bad ideas that start coming out and can even pass one body or another unanimously at the end of a session, but this bill is not a real bill.

We have talked several times about the classified annex. What that means is a line-by-line description of the various intelligence programs and how much funding would go to each of them. That is the basic essence of an intelligence authorization bill, and yet that does not exist with this bill. That is what had bipartisan support over the last 1½ years as we have been working on it. But then, when it comes to the floor, that part suddenly gets dropped. What is left is just a rubber stamp of what the appropriators have done, and that does include the earmarks that the gentleman from Michigan talked about.

So instead of coming to fruition for the work that this committee has done for the past 1½ years, instead we get what the Senate will accept or are expected to rubber-stamp it over here and pretend we have done something. But we haven't. We haven't done the basic things that the American people want us to do to keep this country safe.

And I think it is true, as the chairman indicated, the American people do not want us to just say "no." They want us to say "no" more often to bad ideas and wish this Congress had said "no" more often to a lot of the things that had actually gotten passed. But they want us to seriously address the issues about Guantanamo detainees, about Mirandizing terrorists, about making sure that terrorists are not released prematurely, keeping this country safe; yet this bill falls short. It is a disappointment.

Mr. REYES. Madam Speaker, it is now my privilege to yield 3 minutes to a Member who has been a leader on the issue of cybersecurity, a member of our great committee and the chair of the Armed Services Subcommittee on Strategic Forces, Mr. LANGEVIN.

(Mr. LANGEVIN asked and was given permission to revise and extend his remarks.)

Mr. LANGEVIN. I want to thank the chairman for yielding and congratulate him for his outstanding work on this important intelligence authorization bill. It has been my privilege to work on the committee now for 4 years.

Let me just say, Madam Speaker, that I rise in strong support of H.R. 2701. It has been nearly 6 years since an intelligence authorization bill has become law. This bill helps to provide the intelligence community with the essential tools it needs to confront the threats posed by our adversaries, and it is vital that this bill pass today.

It takes a number of important steps toward improving congressional notification, particularly with respect to Gang of Eight issues, making sure that the Intelligence Committee is actually informed when the top Members of the Congress have been notified that an intelligence activity has occurred. It also makes sure that the President has to provide the legal basis for all intelligence activities.

Beyond that, this bill would enact a number of important reforms, but it makes particularly important strides in securing the Nation's cyberspace.

Clearly, our Nation's water, power, communications, and emergency response systems all depend on a secure, resilient information infrastructure. All are under regular threat from hackers, terrorists, and foreign intelligence agencies.

This bill includes an amendment that I proposed requiring a study of the capabilities of America's current Federal cybersecurity workforce. The administration's 60-day cyber review highlighted the government's cyber workforce as one of the areas that needs the most improvement. The government

right now simply doesn't have enough cybersecurity experts, and we have to do a better job of competing with the private sector for scarce talent.

This study that I made sure was in this bill addresses these weaknesses by examining how best to attract, retain, and develop the workforce that the United States Government needs to defend our critical infrastructure. This includes an evaluation of the benefits of outreach to industry and academia, who can be critical partners in securing our cyber networks.

Madam Speaker, more than ever the United States needs to realize that cybersecurity is an issue that requires urgent attention. The American people are depending on us. We cannot remain complacent. We can't wait until a catastrophic event happens. I look at this as a potentially pre-9/11 moment, where we know that there is a critical vulnerability in our cybersecurity infrastructure and we need to move more quickly to protect it.

I want to thank Chairman REYES for his outstanding leadership on this issue. A lot of the work you don't see that he does and the committee does behind the scenes, but it is essential, it is important, and I thank the gentleman for his leadership. I certainly urge passage of this bill.

Madam Speaker, I rise in support of H.R. 2701.

It has been nearly six years since an intelligence authorization bill has become law. These bills help provide the Intelligence Community with the tools it needs to confront the threats posed by our adversaries, and it is vital that this bill pass today.

The bill would enact a number of important reforms, but it makes particularly important strides in securing cyberspace. Our nation's water, power, communications, and emergency response systems all depend on a secure and resilient information infrastructure. All are under regular threat from hackers, terrorists, and foreign intelligence agencies.

This bill includes an amendment I proposed that requires a study of the capabilities of America's current federal cyber workforce. The Administration's 60-day cyber review highlighted the government's cyber workforce as one of the areas that needs the most improvement. The government simply does not have enough cybersecurity experts; we must do a better job competing with the private sector for scarce talent.

This study addresses these weaknesses by examining how best to attract, retain, and develop the workforce the United States government needs to defend our critical infrastructure. This includes an evaluation of the benefits of outreach to industry and academia, who can be critical partners in securing our networks.

Madam Speaker, more than ever the U.S. needs to realize that cybersecurity is an issue that requires urgent attention. We cannot remain complacent.

I strongly support this bill. I urge all my colleagues to do the same.

Mr. HOEKSTRA. I reserve the balance of my time.

Mr. REYES. Could I inquire as to the amount of time on either side?

The SPEAKER pro tempore. The gentleman from Texas has 7 minutes, and the gentleman from Michigan has 8 minutes.

Mr. REYES. Madam Speaker, it is now my privilege to yield 1 minute to the majority leader, a gentleman who has worked tirelessly the last few months to make sure that we have a good bill and a good compromise. I have been told that compromise is one where everyone feels that they didn't get everything they needed but it's at a place where we should be able to support it. No one personifies that better than our majority leader, Mr. HOYER.

Mr. HOYER. I thank the chairman for his generous remarks. More importantly, however, I thank him for his very hard, focused, untiring work on making sure that, for the first time since 2004, we pass an authorization bill for intelligence.

I want to say that all of us have been engaged in this, but no one more than the chairman, and I thank him for his work. I also thank the staff, the staff director, and members of the staff who have done an extraordinary job as well. I know that the minority staff has worked hard on this as well, and Mr. HOEKSTRA, of course, who has been on the Intelligence Committee for many, many years.

I rise, Madam Speaker, in support of this intelligence authorization bill. The passage of this legislation, as I said earlier, is the first intelligence authorization bill to be passed since 2004. On something as critically important as our national security, national intelligence, it is unfortunate that we haven't been more successful in the past in passing a bill, for whatever reasons. This is a major step to strengthen our national security.

The bill continues policies that are working to help keep America safe from terrorist attack, policies which have been supported by two administrations. It also strengthens oversight of our intelligence community.

□ 1930

In a democracy, we have recognized in a bipartisan way that intelligence is critical, but in a free and open society it is also important that the people's representatives have meaningful oversight. While this community deserves the support of Congress, and it has always had mine, it also requires oversight by the Congress and direction from the Congress as to what policies the people's representatives believe ought to be followed. In my opinion, this bill does that.

The bill creates an independent inspector general with responsibility for the entire intelligence community. It reforms the briefing process for the bipartisan leadership of both Chambers and their Intelligence Committees, ensuring that the full membership of the House and Senate Intelligence Committees are informed when briefings occur and making the briefings available to all members of the committees 6 months after the initial briefings.

It is critically important that we keep secret those matters which are important to keep secret for our national security. On the other hand, we know from history, we know from experience, that it is critically important, as I have said in the past, that the people's representatives have knowledge and briefings as to those undertakings of this community.

This bill provides for the development of a framework that will enable the Government Accountability Office to conduct proper oversight of intelligence activities and reforms the intelligence community's acquisition process to avoid waste of taxpayer money.

This bill passed the Senate with unanimous support from both parties. This is not a partisan bill. This is a bill that the Senate Republicans and the Senate Democrats believed added to the security of our country.

In fact, I agree with Senate Intelligence Committee Vice Chairman KIT BOND, who formerly was, of course, the chairman of the Intelligence Committee, with whom I worked very hard in a bipartisan fashion to pass the Foreign Intelligence Surveillance Act, with the help of my friend the chairman and the support of President Bush.

KIT BOND said this about this bill: "We can do more to protect Americans from attack, and passing the intelligence authorization bill," referring to the bill that is on the floor, "passing the intelligence authorization bill and improving congressional oversight over our spy agencies is an important first step."

That is what Senator BOND said, the Republican chair of the Intelligence Committee, and now the vice chair of the Intelligence Committee.

I want to thank the members of the House Intelligence Committee on both sides of the aisle, especially, as I have said, Chairman SILVESTRE REYES and his staff, for their very hard work in writing and securing support for this legislation. It was not an easy road. There was disagreement.

The administration, this House, the Senate, had to come to an agreement. They have come to an agreement, an agreement which I think is, as KIT BOND said, a step in the right direction, an important step, and I hope that my colleagues will support it.

This is another contribution to strong and responsible leadership of our national security. I urge my colleagues to support it so that President Obama can sign it into law.

There is no higher responsibility than we have when we raise our hands in this Chamber to support and defend the Constitution of the United States and the laws thereof. Clearly, one of our major responsibilities is to protect America from adversaries, whether they be domestic or foreign, and in that process have an intelligence community that has the capability of ferreting out those who would harm this country and its people. But we also

need to have an active, engaged, and responsible, as we do, Intelligence Committee, both in the House and in the Senate, to ensure that the values that make this country so special are honored even as we take every step that is necessary and proper to defend and protect America and Americans.

I urge the passage of this important piece of legislation.

Mr. REYES. Madam Speaker, I reserve the balance of my time to close.

Mr. HOEKSTRA. I yield myself the balance of my time.

Mr. Chairman, thank you for the opportunity to work with you on the committee. I am disappointed that we did not get to agreement on this bill and that we are at different places on what is a very important piece of legislation to keep America safe.

I wish you the best in your future in Congress, as I leave this institution and as I leave the House Intelligence Committee. It has been a great honor to serve on this committee and do the work that we have tried to do to keep America safe.

You know, there are things that I wish we would have gotten done as we structured this bill that would have enabled us to move forward in a bipartisan basis.

There have been a number of investigations, beginning in 2007 dealing with the tapes investigation, dealing with detention, dealing with interrogation. I wish those investigations had been completed and reports would have been issued, and that we would have used the findings of those reports and those investigations to improve this bill.

I wish that we would have continued to move forward in a way that, a few years ago, in a bipartisan basis, this House said we are not going to put earmarks into intelligence bills.

I wish that we as a committee would have taken a position in repudiating a position that the President of the United States took soon after he assumed office which said he was going to close Gitmo and move the detainees from Guantanamo, move them into the United States. I wish we had said in this bill that we would have continued that prohibition on moving and expending any funds for moving people from Guantanamo into the United States. That is now an open question as to whether that may or may not happen.

I wish that in this bill we would have taken a position and said that it is inappropriate to Mirandize terrorists captured overseas, in many ways, I believe, giving them more legal rights than what we give to our own employees of the CIA.

CIA employees that do face perhaps the possibility of being prosecuted, I wish we would have said in this bill, these people have been investigated twice, they did what the leadership and the political leadership of this country asked them to do, and we will now protect them and say no, no funds will be

used to prosecute them for the things that leadership in the United States of America asked them to do to keep us safe.

I wish we would have clearly said that we repudiate the policy of this administration where they for a period of time said, "We are not going to use the word 'terrorism' anymore. We are going to wipe the slate clean, and we are not going to use that language. We are now going to call terrorism 'man-made disasters.'"

We all know that if you don't correctly identify the threat that you face, you will never be able to contain it, confront it, and defeat it.

I wish that we would have taken a strong position in this bill in response to what happened at Fort Hood. Remember at Fort Hood, for months after the attack at Fort Hood, where 14 Americans were brutally murdered, this administration refused to recognize that this might be related to terrorism or the threats that we face from overseas.

We now know that in this and other terrorist attacks, as this face of terrorism changes, that in Fort Hood and other instances, Anwar al-Awlaki, associated with al Qaeda on the Arabian Peninsula, played a part. We maybe don't know exactly how big of a part, but whether it was Fort Hood, whether it was the Christmas Day attack or what happened at Times Square, al-Awlaki may have been involved in some if not all of these attacks, and we know that al-Awlaki, bin Laden and all of these individuals continue to plan attacks against the U.S., against our allies in Europe, and against other friends around the planet.

These are all things that needed to be done in this bill. These are all things that needed to be done if we were going to keep America safer.

Right now, we all see and read about the fact that there is heightened awareness of threats, a heightened threat alert in Europe and in the United States, because we sense that there is an urgency by the radical jihadists to attack the West and to attack them again. This bill needed to meet that standard of addressing a changing environment, a changing threat level.

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We see that happening. And my fear is that sometime in the future people are going to say Congress came up short. They didn't connect the dots one more time. They didn't connect the dots of threats coming out of Pakistan, coming out of Somalia, coming out of northern Africa, coming out of the Arabian peninsula. They didn't clearly understand the changing face of terrorism. They didn't learn the lessons from Fort Hood. They didn't learn the lessons from Christmas Day. They didn't learn the lessons from Times Square. Because the people who investigated those said, These are the types of things that we need to do to keep

America safe. And as we close out a fiscal year, Congress acted; but it didn't act on the lessons learned. Why didn't they act? Didn't they really have all the knowledge? Didn't they really connect the dots? I think we have the information. We could have connected the dots better. We needed to connect the dots better because each and every day the threats that we face change and adapt.

The challenge that we have as a Nation, that we have as an intelligence community is to design an intelligence community, to design an intelligence capability that is one step ahead of the challenges that we face, not one or two steps behind. The face of terrorism is changing. This bill doesn't put us out in front of dealing with those threats. It leaves us behind. That's why I am disappointed in this bill. That's why I am voting "no," and I encourage my colleagues to vote "no," because we need to do better than what is in this bill.

Having a bill with no classified annex providing no direction is not an authorization bill. Much more needs to be done. I wish and I hope that we can send this bill back, vote it down and improve it, and do what this country needs and what this country demands from us to keep America safe.

With that, I yield back the balance of my time.

Mr. REYES. I yield myself the balance of my time.

Madam Speaker, I want to take this time to thank the ranking member. Although we have disagreed many times on the way forward, we have never disagreed on the purpose that we're both here, and that is working hard to keep this country safe. As I thank the ranking member for his hard work and wish him well, knowing that he is going to be leaving Congress, I also want to assure you that we will continue to focus on the many things that I know we have in common, and that is making sure we do everything we can to continue to protect this country, continue to work together, the Senate, the House, and the administration, towards that effort.

I, too, would like to close by thanking all of the people who have worked so hard and for so long to get this bill to this point. First, I would like to thank the Speaker and the majority leader for their leadership and support during these tough negotiations. I would like to also thank Chairman FEINSTEIN and Vice Chairman BOND for their dogged commitment towards working in a bipartisan fashion to get this bill passed.

I would like to thank the members of the House intelligence committee who have all contributed valuable ideas and hard work towards this bill. Not everyone got everything that they wanted included in this bill, but I think it is a good compromise. I would also like to thank the staffs of the House and Sen-

ate Intelligence Committees on both sides, the minority and the majority side; the legislative counsels; all those who worked so very hard and many long hours. And in our case here, since we are going to have a bill for the first time in almost 6 years, it is vital and important to recognize that hard work.

This has been a monumental effort on the part of many, many people. The intelligence communities have worked for years on Intelligence authorization bills, only to see those efforts and that hard work frustrated by vetoes, by bipartisan politics, and other roadblocks. We have only been able to break through these barriers through diligence, leadership on both sides, and a commitment to national security that extends beyond partisan divisions.

The bill that we bring to the floor tonight is a product of compromise. As I said, we didn't get everything through this body. We didn't get everything that everyone wanted to be included, but I think we have got a great product that will help keep this country safe.

Finally, as I reflect back on the faces of countless men and women throughout the world in the 16 different agencies and the military working together as never before to counter the challenges and the threats that we face as a country, I am impressed by their professionalism, their dedication, their commitment, and their trust that we are going to do the right thing to give them the tools to carry out their assignments, to carry out their work, and to continue to keep us safe.

We have worked very hard, and now it is time for Members to do their part. This is the essence of what we have been sent here to do. We make difficult decisions that are in the best interest of our country. We don't always agree, but we govern. That is the American way. I am proud to have been a part of this process. I urge my colleagues to support this bipartisan product. And in the Senate, as the majority leader said, every member of the Senate supported this bill, sending a clear bipartisan statement on national security. That is what we're sent here to do.

So I hope that this evening we can send a similar message to the country that when the stakes are high, when the stakes are about the national security of our country, we can come together, set aside politics, set aside divisions and all the things that the American people have told us are not important in the realm of national security.

So it has been a great privilege and a great honor to lead this committee as chairman. This evening will be the culmination of months and months of work. And I am very appreciative of the work that has been done by both the majority and the minority and by the staffs on both sides. Certainly, I think we have a lot to be proud of; and, most of all, we can be grateful that the hard work being done by our men and women in the intelligence community through our support keeps us safe.

With that, Madam Speaker, I urge my colleagues to vote "yes."

Ms. PELOSI. Madam Speaker, every month, we take the time to pause here on the House floor and honor our men and women in uniform for their service.

Today, we have an opportunity to do the same for those who serve in our intelligence community. These officers are selflessly protecting the security of the American people. We are indebted to them for their dedication to the mission of keeping our Nation safe.

I would like to thank the distinguished Chairman of the Intelligence Committee, SILVESTRE REYES, for his leadership in bringing a bill to the floor today that has bipartisan support in Congress. It represents an agreement between Congress and the Executive Branch. And it will be signed into law by the President.

Keeping the American people safe is the first priority of every Member of Congress. One of the ways in which we do this is through the oversight of intelligence. A robust oversight framework is critical to ensuring that the intelligence community functions as effectively and efficiently as possible.

This legislation will enhance Congress's ability to perform its essential oversight role. It expands and improves congressional notification for covert action, including those currently restricted to the so-called gang of eight. It provides the framework for the Government Accountability Office to have access to intelligence community information so that it may conduct investigations, audits and evaluations when requested by Congress.

I urge my colleagues to join me in supporting this legislation, and the intelligence officers at home and abroad who keep the American people safe.

Mr. VAN HOLLEN. Madam Speaker, I rise in support of the Intelligence Authorization Act of 2010.

This measure authorizes funding for the Office of the National Intelligence Director, the Central Intelligence Agency, and the National Security Agency, as well as the foreign intelligence activities of the Defense Department, FBI, State Department and Homeland Security Department. Further, to ensure that these and other activities are conducted in a manner that is consistent with the laws of the United States, the measure increases the levels of oversight of the intelligence community in several key ways.

First, the bill modifies the processes for reporting of intelligence activities, including covert actions, to the congressional intelligence committees.

The President is required by law to keep congressional intelligence committees fully and currently informed of intelligence activities, but under extraordinary circumstances, the President can limit these communications to the Chairmen and Ranking Members of the intelligence committees, the Speaker and Minority Leader of the House, and the Majority and Minority Leaders of the Senate. The bill alters this and requires the President to notify all members of the congressional intelligence committees when the 'Gang of Eight' has been contacted and notified of a covert incident and to provide a general description of that briefing.

Second, the bill requires the Director of National Intelligence to write regulations to permit

the Government Accountability Office to audit the intelligence community. Additionally, the Director of National Intelligence is required to provide a comprehensive report on the use of contractors throughout the intelligence community.

This bill funds the U.S. national security and intelligence programs and objectives that help to keep Americans safe. The bill also helps to ensure that these activities are conducted in a manner consistent with the Constitution and laws of the United States.

I encourage my colleagues to join me today in support of this important bill.

Mr. HOEKSTRA, Madam Speaker, I would like to note for the RECORD my specific objections in several respects with the Fiscal Year 2010 Intelligence Authorization Act "agreement" that was passed by the Senate and agreed to by the Administration based on a Staff draft, and that now may come before the House just two days before the end of that fiscal year after repeated delays. The bill is completely unnecessary and moot for the purposes of authorizing intelligence activity; it instead appears intended to force through several controversial provisions as the House approaches a "lame duck" session.

While I have repeatedly raised our broader concerns with respect to this legislation in the House and in our formal Minority Views, I felt it important to memorialize what we believe are significant shortcomings and flaws in the current bill, especially with provisions that were not previously included in the House bill. I do not believe that this bill in its current form addresses a number of critical national security issues, and in many respects would fail to empower our intelligence professionals and create significant and unnecessary new bureaucracy and politicization of the intelligence community.

Most significantly, we are concerned with the absence of provisions to address the following critical issues:

**Earmarks:** The bill removes language from a previous Republican amendment to prohibit the use of funds authorized in the bill for any earmarked purpose, and effectively authorizes earmarks of the Appropriations Committee.

**Covert Action Authorities:** The bill does nothing to provide safeguards for certain covert action activities that could impact U.S. citizens.

**Intelligence Flaws Revealed After Fort Hood Shooting:** The bill contains no substantive provisions to address critical information sharing flaws brought to light in the aftermath of the Fort Hood shooting.

**Interrogation of High Value Detainees:** The bill contains no substantive provisions to make intelligence collection a priority in the interrogation of high value detainees, or to address the complete lack of coordinated decisionmaking with respect to interrogation of high value detainees.

**FISA Authorities:** The bill does nothing to provide critically needed clarification of authorities under the Foreign Intelligence Surveillance Act.

**Guantanamo Detainees:** The bill contains no outright prohibition on using intelligence funds to bring Guantanamo Bay detainees into the United States, or to prohibit secret payments to foreign countries using intelligence funds to accept Guantanamo Bay detainees. The conference agreement also omits a Republican amendment—agreed to on a bipartisan basis—to evaluate potential threats from released Uighur detainees.

**Administration of Miranda Warnings:** The bill omits a Republican amendment—supported on a bipartisan basis in the Committee and in the House—to prohibit giving Miranda warnings to foreign terrorist suspects in foreign countries in order to protect intelligence collection.

In addition, I have concerns with several provisions of the bill that we believe are seriously flawed in several different respects. A number of these provisions are inconsistent with the letter or the spirit of bipartisan agreements reached in the Intelligence Reform and Terrorism Prevention Act of 2004. I believe a number of provisions would unduly and unwisely further grow the intelligence bureaucracy. I believe that other provisions would impinge on the smooth operation of the intelligence community, and that others would interfere with efficient and centralized intelligence oversight as recommended by the 9/11 Commission. Other objectionable provisions do not appear to have been fully or adequately justified, some with potentially significant consequences. The objectionable provisions include, but are not limited to, the following:

**Contractor Conversion:** While I support appropriate review of the size and nature of the contractor workforce, Section 103 of the bill would provide unlimited authority to add an unlimited number of employees, regardless of any other statutory limitation. This is inconsistent with bipartisan agreements in the House Intelligence Committee with respect to limiting the size of the ODNI.

**"A not A" Funds:** Section 101 of the bill would deem any appropriated but unauthorized funding to be authorized. This provision fundamentally cedes the authorization prerogatives of the Intelligence Committees to the Appropriations Committees, and virtually renders moot bipartisan agreements on the funding authorizations contained in the classified annex.

**No Classified Annex:** The bill omits the classified annex that provides the specific direction to the intelligence community on the conduct of operations and the permissible uses of funds, which had been negotiated on a bipartisan basis.

**Unlimited Increases in Employee Compensation:** Section 301 of the bill would allow unlimited increases to pay and benefit authorization for any increases authorized by law. Such unrestricted authority effectively renders moot specific authorization levels elsewhere and can be used by the ODNI to circumvent such restrictions for additional unapproved growth. Similarly, Section 303 would permit the DNI to authorize technically unlimited pay for specific positions at his sole discretion. I am not aware of any demonstrated need for such extraordinary authority.

**Award of SIS Rank:** Section 304 of the bill would permit the Director of National Intelligence to recommend that the President directly award Senior Intelligence Service rank to employees across the intelligence community. This would directly involve the DNI in specific agency personnel matters contrary to the intent of the IRTPA and may foster cronyism and non-merit based promotions of intelligence community personnel.

**Temporary Personnel Authorizations for Critical Language Training:** Section 306 of the bill would exempt up to 100 ODNI personnel from personnel caps for the purposes of language training. Given the widespread prevalence of persons receiving foreign language training in the intelligence community, I believe this is a thinly veiled author-

ization to circumvent existing personnel caps, again inconsistent with the intended size and scope of the ODNI and bipartisan agreements within the House Committee on personnel levels within the ODNI.

**Education Programs:** Sections 311 through 314 of the bill would create or modify a number of education programs in the intelligence community. While I do not necessarily oppose any of these programs, I do not believe that these provisions—most of them permanent—have been adequately explained or justified. I note that previous versions of the bill would have required a study to review and justify such programs, which suggests that others share our concerns that these programs have not yet been fully reviewed. For that provision to be dropped in lieu of outright authorization makes little sense in light of the implicit acknowledgment that further study is needed.

**Business System Transformation:** Section 322 of the bill would require the DNI to "develop and implement" (rather than coordinate) an enterprise architecture to "cover all intelligence community business systems". I believe this provision is inconsistent with the role and scope of the ODNI contemplated in the IRTPA.

**IP Funded Acquisitions:** Section 326 of the bill authorizes the DNI to delegate certain acquisition authorities within the intelligence community. This provision is inconsistent with the express agreement reached in the IRTPA conference not to permit such delegation.

**Congressional Notification:** Section 331 of the bill continues to cede sole authority to the President to determine which members of the congressional intelligence committees would receive briefings on particularly sensitive intelligence matters. This provision is inconsistent with previous bipartisan agreements reached in the House Committee, and fails entirely to protect the Constitutional prerogative of the Congress to make its own rules of proceedings. It would have little meaningful effect and appears to provide political cover at the expense of real reform in this critical area.

**GAO Review:** Section 348 of the bill also contains a provision that requires the Executive Branch to promulgate guidelines for dealing with GAO reviews of intelligence community programs. I believe that this provision is unwise for a number of reasons. Most notably, it potentially cedes significant elements of the traditional oversight role of the intelligence committees to the GAO and potentially to other Committees of the Congress, and it fails to adequately protect the security and dissemination of classified work product under the same terms as the Committee rules. In addition, this specific provision cedes to the Executive Branch and the Comptroller General the determination of how to manage GAO inquiries that should be directed by Members of Congress.

**Report on Intelligence Community Contractors:** Section 339 of the bill would improperly require reports on sensitive intelligence collection matters—including covert action programs—to be provided to the Armed Services committees, contrary to the Rules of the House. Several other provisions of the bill also require reports on intelligence matters to be submitted to Committees that may not have jurisdiction over the material to be reported on.

**Reprogramming Standard:** Section 362 of the bill would modify the reprogramming standard for intelligence activities in a manner that would render it virtually meaningless. This change is contrary to the express

bipartisan agreement reached in the Intelligence Reform and Terrorism Prevention Act conference.

**Declassification of Intelligence Budget Topline:** Section 364 provides for permanent declassification of the intelligence budget topline. This provision serves no demonstrable intelligence purpose, and is contrary to the express bipartisan agreement reached in the Intelligence Reform and Terrorism Prevention Act conference.

**Review Authority of the Public Interest Declassification Board:** Section 365 would allow any individual member of certain committees to request declassification review of certain records. This provision is contrary to the express bipartisan agreement reached in the Intelligence Reform and Terrorism Prevention Act conference to restrict such requests.

**Accountability Reviews:** Section 401 of the bill would authorize the DNI or the congressional intelligence committees to directly conduct or request accountability reviews of individual intelligence community personnel. This provision would involve the DNI in individual personnel matters within intelligence agencies in a manner inconsistent with the authorities contemplated in the IRTPA.

**Inspector General of the Intelligence Community:** While I do not necessarily oppose the concept of greater coordination by the DNI of intelligence community inspectors general, Section 405 of the bill is a massive and unduly prescriptive provision that is inconsistent with the contemplated size and scope of the ODNI and in many respects duplicates existing oversight by Department inspectors general.

**Inspector General of the Central Intelligence Agency:** Similarly, I have significant concern that Section 425 of the bill is unduly prescriptive and burdensome with respect to the organization and management of the office of the Inspector General of the Central Intelligence Agency.

**Defense Inspector General Matters:** Section 431 of the bill would authorize the Secretary of Defense to prohibit certain inspector general reviews of intelligence matters within the intelligence community. I see no apparent justification for this provision, which we believe could potentially interfere with the independence of the intelligence community and may be inconsistent with the intention of the IRTPA.

**Confirmation of Heads of Certain Components of the Intelligence Community:** Section 432 of the bill would require Senate confirmation of the heads of certain IC agencies. This provision threatens to politicize such positions, which are often held by career military officers, and could impede the efficient functioning of these agencies in times of vacancy.

**FBI Relocation and Retention Bonuses:** Section 443 of the bill would provide certain authorities relating to relocation and retention bonuses for the entire Federal Bureau of Investigation—not just employees funded by the National Intelligence Program. Such a broad provision is outside the Committee's jurisdiction, has not been justified to the Committee, and has not been reviewed for consistency across the Intelligence Community and federal law enforcement. While I strongly support line personnel of the FBI, we believe that this provision must be more carefully reviewed and harmonized with personnel practices in other intelligence and law enforcement agencies. Similarly, we believe that section 444, which extends authority to delay certain FBI mandatory retirements must be better reviewed, especially for its implications for federal law enforcement retirement, which is intended to promote a young and vigorous workforce and

should be applied consistently across federal law enforcement agencies.

**Mr. THOMPSON of California.** Madam Speaker, I rise in support of H.R. 2701.

As Chairman of the Subcommittee on Terrorism, Human Intelligence, Analysis, and Counterintelligence, I am pleased that today we can discuss the merits and qualities of this much needed, and long overdue, legislation. This bill will support critical U.S. intelligence capabilities, enhance congressional oversight, and improve accountability across the Intelligence Community.

In addition to modifying congressional notification procedures for covert actions and providing a framework to allow GAO access to the Intelligence Community, this legislation also contains several important reporting requirements.

Specifically, H.R. 2701 includes a reporting requirement related to the Intelligence Community's involvement in detention and interrogation activities. This report will assist in improving the effectiveness of interrogations and prevent the repeat of past abuses by directing the Director of National Intelligence to revisit training policies and procedures for interrogators, as well as evaluate current scientific research on the conduct of interrogations.

Another provision requires the newly created Inspector General of the Intelligence Community to study the electronic waste disposal practices of the IC. This provision serves a dual purpose: to protect our environment and our national security.

The language directs the IC/IG to assess both the environmental impact of disposal practices and the steps taken to ensure that discarded devices do not contain sensitive information that can be exploited by our adversaries.

Madam Speaker, this legislation is long overdue and will enhance the capabilities of the Intelligence Community and make our nation safer. I urge my colleagues to support this bill.

**Mr. KUCINICH.** Madam Speaker, I support the dedicated public servants of our intelligence community and commend their efforts to ensure our national security. However, I must oppose the Motion to Concur in the Senate Amendment to H.R. 2701, the Intelligence Authorization Act for Fiscal Year 2010.

I continue to grow concerned that covert intelligence activities may constitute violations of the Constitution and that they severely undermine the rule of law. I am further concerned that these activities are conducted with total impunity. This legislation includes provisions to establish mechanisms of accountability over operations conducted by the intelligence community. I support those provisions. However, the compromise language included in this bill further weakens already weak disclosure requirements. More importantly, the provisions meant to address a lack of accountability included in this bill will do nothing to control intelligence activities that are tantamount to war.

It was reported in The Washington Post this week that the Central Intelligence Agency (CIA) has deployed a covert "well-armed 3,000-member Afghan paramilitary force" that is used for "surveillance, raids and combat operations in Afghanistan. The senior official quoted in the article admits that these teams are also "crucial to the United States' secret war in Pakistan." In addition to this troubling revelation, the CIA has conducted over 20

drone attacks in Pakistan just this month. Philip Alston, the UN Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions has called on the United States to comply with international rule of law and disclose the criteria for individuals that may be targeted, how the government ensures the drone attacks are legal, and the nature of the follow-up the government conducts when civilians are killed. Thus far, the Administration has failed to provide any of this information.

These actions severely undermine the rule of law and our moral standing in the world. We only stand to gain more enemies if we continue to conduct seemingly indiscriminate drone attacks in a country with whom we are not at war. We can only further diminish our national security with our war in Afghanistan, which includes significant covert intelligence operations.

This legislation will not quell the intelligence activities that urgently require reform. If this bill allows intelligence agencies to continue covert wars in Afghanistan, Pakistan and even Yemen, I cannot support this bill. I oppose this legislation and urge my colleagues to do the same.

**Mr. SMITH of Washington.** Madam Speaker, as a member of the House Permanent Select Committee on Intelligence, I support the passage of H.R. 2071, the Intelligence Authorization for Fiscal Year 2010. This important legislation addresses many critical issues for our intelligence community and provides essential resources for the men and women of the intelligence community to do the hard work to combat our ever emerging threats. It provides necessary guidance and oversight, especially in key areas of notification and accountability to Congress. I am also very pleased about the improvements made in several key areas of importance to our national security including counterterrorism, acquisition reform, cybersecurity, and satellites.

H.R. 2071 advances our counterterrorism work by strengthening the ability of the National Counterterrorism Center to share information with State and local law enforcement officials without the risk of that information being exposed. The bill also ensures that Congress continues to receive reporting on intelligence concerning terrorist financial assets.

Mirroring the crucial cost control work my colleagues and I implemented in the House Armed Services Committee, this measure includes a number of provisions that bring our Intelligence community acquisition procedures closer in line with recently enacted Department of Defense acquisition reforms. These represent significant reforms to the way the intelligence community conducts acquisitions. Among other things, the provisions would create a notification system similar to the Department of Defense's "Nunn-McCurdy" system, which requires the community to report to Congress and restructure programs when costs for major systems grow beyond established thresholds.

The bill also makes important strides toward securing our cyber resources. The Intelligence community needs the ability to stop threats posed by hackers, cyber-criminals, and hostile governments. Our Intelligence community must be able to respond to these cyber threats quickly and with our best technologies.

H.R. 2071 increases resources for critical cybersecurity programs to protect vulnerable infrastructure and requires reporting on the effectiveness of current cyber-threat information sharing and distribution.

Finally, this bill makes important investments to maintain current satellite manufacturing capabilities and encourages the Intelligence community to continue to work with the commercial imagery industry.

The Fiscal Year 2010 Intelligence Authorization Act advances a number of issues critical to protecting our national security and will improve the ability of our intelligence community to do the hard work to keep our nation safe. As the first Intelligence Authorization bill in six years, this legislation makes essential reforms and provides vital tools that apply not just to Fiscal Year 2010 but continue for years to come.

Mr. REYES. I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 2701 is postponed.

#### COIN MODERNIZATION, OVERSIGHT, AND CONTINUITY ACT OF 2010

Mr. WATT. Madam Speaker, I ask unanimous consent that the Committee on Financial Services be discharged from further consideration of the bill (H.R. 6162) to provide research and development authority for alternative coinage materials to the Secretary of the Treasury, increase congressional oversight over coin production, and ensure the continuity of certain numismatic items, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The text of the bill is as follows:

H.R. 6162

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Coin Modernization, Oversight, and Continuity Act of 2010”.

#### SEC. 2. AUTHORITY TO CONDUCT RESEARCH AND DEVELOPMENT ON ALL CIRCULATING COINS.

(a) IN GENERAL.—To accomplish the goals of this Act and the requirements of subchapter II of chapter 51 of title 31, United States Code, the Secretary of the Treasury may—

(1) conduct any appropriate testing of appropriate coinage metallic materials within or outside of the Department of the Treasury; and

(2) solicit input from or otherwise work in conjunction with entities within or outside of the Federal Government including independent research facilities or current or potential suppliers of the metallic material used in volume production of circulating coins,

to complete the report referred to in this Act and to develop, evaluate or begin the use of new metallic materials for such production.

(b) FACTORS TO BE CONSIDERED.—In the conduct of research, development, and the solicitation of input or work in conjunction with entities within and outside the Federal Government, and in reporting to the Congress with recommendations, as required by this Act, the Secretary of the Treasury shall consider the following:

(1) Factors relevant to the potential impact of any revisions to the composition of the material used in coin production on the current coinage material suppliers.

(2) Factors relevant to the ease of use and ability to co-circulate of new coinage materials, including the effect on vending machines and commercial coin processing equipment and making certain, to the greatest extent practicable, that any new coins work without interruption in existing coin acceptance equipment without modification.

(3) Such other factors that the Secretary of the Treasury, in consultation with merchants who would be affected by any change in the composition of circulating coins, vending machine and other coin acceptor manufacturers, vending machine owners and operators, transit officials, municipal parking officials, depository institutions, coin and currency handlers, armored-car operators, car wash operators, and American-owned manufacturers of commercial coin processing equipment, considers to be appropriate and in the public interest, after notice and opportunity for comment.

#### SEC. 3. BIENNIAL REPORT TO THE CONGRESS ON THE CURRENT STATUS OF COIN PRODUCTION COSTS AND ANALYSIS OF ALTERNATIVE CONTENT.

(a) REPORT REQUIRED.—Before the end of the 2-year period beginning on the date of the enactment of this Act, and at 2-year intervals following the end of such period, the Secretary of the Treasury shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate analyzing production costs for each circulating coin, cost trends for such production, and possible new metallic materials or technologies for the production of circulating coins.

(b) DETAILED RECOMMENDATIONS.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury shall include detailed recommendations for any appropriate changes to the metallic content of circulating coins in such a form that the recommendations could be enacted into law as appropriate.

(c) IMPROVED PRODUCTION EFFICIENCY.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury shall include recommendations for changes in the methods of producing coins that would further reduce the costs to produce circulating coins, and include notes on the legislative changes that are necessary to achieve such goals.

(d) MINIMIZING CONVERSION COSTS.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury, to the greatest extent possible, may not include any recommendation for new specifications for producing a circulating coin that would require any significant change to coin-accepting and coin-handling equipment to accommodate changes to all circulating coins simultaneously.

(e) FRAUD PREVENTION.—The reports required under this section shall make no recommendation for a specification change that would facilitate or allow the use of a coin with a lesser value produced, minted, or issued by another country, or the use of any token or other easily or regularly produced metal device of minimal value, in the place of a circulating coin produced by the Secretary.

(f) RULE OF CONSTRUCTION.—No provision of this Act shall be construed as requiring that additional research and development be conducted for any report under this Act but any such report shall include information on any such research and development during the period covered by the report.

#### SEC. 4. MEETING DEMAND FOR SILVER NUMISMATIC ITEMS.

Section 5112(e) of title 31, United States Code is amended by striking “quantities” and inserting “qualities and quantities that the Secretary determines are”.

#### SEC. 5. TECHNICAL CORRECTIONS.

Section 5112 of title 31, United States Code is amended—

(1) in subsection (e), by inserting “qualities and” before “quantities”;

(2) in subsection (i)(1), by inserting “qualities and” before “quantities”; and

(3) in subsection (u)(1)—

(A) by striking “exact duplicates” and inserting “likenesses”;

(B) by striking subparagraph (C);

(C) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively; and

(D) in subparagraph (A), by striking “of 3.0 inches” and inserting “determined by the Secretary that is no less than 2.5 inches and no greater than 3.0 inches”.

AMENDMENT OFFERED BY MR. WATT

Mr. WATT. Madam Speaker, I have an amendment at the desk.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Strike all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the “Coin Modernization, Oversight, and Continuity Act of 2010”.*

#### SEC. 2. AUTHORITY TO CONDUCT RESEARCH AND DEVELOPMENT ON ALL CIRCULATING COINS.

(a) IN GENERAL.—To accomplish the goals of this Act and the requirements of subchapter II of chapter 51 of title 31, United States Code, the Secretary of the Treasury may—

(1) conduct any appropriate testing of appropriate coinage metallic materials within or outside of the Department of the Treasury; and

(2) solicit input from or otherwise work in conjunction with entities within or outside of the Federal Government including independent research facilities or current or potential suppliers of the metallic material used in volume production of circulating coins, to complete the report referred to in this Act and to develop and evaluate the use of new metallic materials.

(b) FACTORS TO BE CONSIDERED.—In the conduct of research, development, and the solicitation of input or work in conjunction with entities within and outside the Federal Government, and in reporting to the Congress with recommendations, as required by this Act, the Secretary of the Treasury shall consider the following:

(1) Factors relevant to the potential impact of any revisions to the composition of the material used in coin production on the current coinage material suppliers.

(2) Factors relevant to the ease of use and ability to co-circulate of new coinage materials, including the effect on vending machines and commercial coin processing equipment and making certain, to the greatest extent practicable, that any new coins work without interruption in existing coin acceptance equipment without modification.

(3) Such other factors that the Secretary of the Treasury, in consultation with merchants