

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR
2014

NOVEMBER 25, 2013.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. ROGERS of Michigan, from the Permanent Select Committee on
Intelligence, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3381]

[Including cost estimate of the Congressional Budget Office]

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 3381) to authorize appropriations for fiscal year 2014 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, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

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 2014”.

(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—INTELLIGENCE ACTIVITIES

- Sec. 101. Authorization of appropriations.
Sec. 102. Classified Schedule of Authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Intelligence Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

- Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

- Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.

- Sec. 303. Continuous evaluation and sharing of derogatory information regarding personnel with access to classified information.
- Sec. 304. Requirements for intelligence community contractors.
- Sec. 305. Repeal or modification of certain reporting requirements.
- Sec. 306. Clarification of exemption from Freedom of Information Act of identities of employees submitting complaints to the Inspector General of the Intelligence Community.
- Sec. 307. Plans to respond to unauthorized public disclosures of covert actions.
- Sec. 308. Official representation items in support of the Coast Guard Attaché Program.
- Sec. 309. Declassification review of certain items collected during the mission that killed Osama bin Laden on May 1, 2011.
- Sec. 310. Report on electronic waste.
- Sec. 311. Plan to encourage and promote cybersecurity and computer literacy among students.

TITLE IV—TECHNICAL AMENDMENTS

- Sec. 401. Technical amendments to the Central Intelligence Agency Act of 1949.
- Sec. 402. Technical amendments to the National Security Act of 1947 relating to the past elimination of certain positions.
- Sec. 403. Technical amendments to the Intelligence Authorization Act for Fiscal Year 2013.

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. 3003(4)).

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2014 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Office of the Director of National Intelligence.
- (2) The Central Intelligence Agency.
- (3) The Department of Defense.
- (4) The Defense Intelligence Agency.
- (5) The National Security Agency.
- (6) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (7) The Coast Guard.
- (8) The Department of State.
- (9) The Department of the Treasury.
- (10) The Department of Energy.
- (11) The Department of Justice.
- (12) The Federal Bureau of Investigation.
- (13) The Drug Enforcement Administration.
- (14) The National Reconnaissance Office.
- (15) The National Geospatial-Intelligence Agency.
- (16) The Department of Homeland Security.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL LEVELS.—The amounts authorized to be appropriated under section 101 and, subject to section 103, the authorized personnel ceilings as of September 30, 2014, for the conduct of the intelligence activities of the elements listed in paragraphs (1) through (16) of section 101, are those specified in the classified Schedule of Authorizations prepared to accompany the bill H.R. 3381 of the One Hundred Thirteenth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—

(1) AVAILABILITY TO COMMITTEES OF CONGRESS.—The classified Schedule of Authorizations referred to in subsection (a) shall be made available to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and to the President.

(2) DISTRIBUTION BY THE PRESIDENT.—Subject to paragraph (3), the President shall provide for suitable distribution of the classified Schedule of Authorizations, or of appropriate portions of the Schedule, within the executive branch.

(3) LIMITS ON DISCLOSURE.—The President shall not publicly disclose the classified Schedule of Authorizations or any portion of such Schedule except—

- (A) as provided in section 601(a) of the Implementing Recommendations of the 9/11 Commission Act of 2007 (50 U.S.C. 3306(a));
- (B) to the extent necessary to implement the budget; or

(C) as otherwise required by law.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) **AUTHORITY FOR INCREASES.**—With the approval of the Director of the Office of Management and Budget, the Director of National Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2014 by the classified Schedule of Authorizations referred to in section 102(a) if the Director of National Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed 3 percent of the number of civilian personnel authorized under such Schedule for such element.

(b) **NOTICE TO CONGRESSIONAL INTELLIGENCE COMMITTEES.**—The Director of National Intelligence shall notify the congressional intelligence committees in writing at least 15 days prior to each exercise of an authority described in subsection (a).

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated for the Intelligence Community Management Account of the Director of National Intelligence for fiscal year 2014 the sum of \$600,874,157. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for advanced research and development shall remain available until September 30, 2015.

(b) **AUTHORIZED PERSONNEL LEVELS.**—The elements within the Intelligence Community Management Account of the Director of National Intelligence are authorized 837 full-time or full-time equivalent personnel as of September 30, 2014. Personnel serving in such elements may be permanent employees of the Office of the Director of National Intelligence or personnel detailed from other elements of the United States Government.

(c) **CLASSIFIED AUTHORIZATIONS.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are authorized to be appropriated for the Community Management Account for fiscal year 2014 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts for advanced research and development shall remain available until September 30, 2015.

(2) **AUTHORIZATION OF PERSONNEL.**—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2014, there are authorized such additional personnel for the Community Management Account as of that date as are specified in the classified Schedule of Authorizations referred to in section 102(a).

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2014 the sum of \$514,000,000.

TITLE III—GENERAL PROVISIONS

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. 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 which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. CONTINUOUS EVALUATION AND SHARING OF DEROGATORY INFORMATION REGARDING PERSONNEL WITH ACCESS TO CLASSIFIED INFORMATION.

Section 102A(j) of the National Security Act of 1947 (50 U.S.C. 3024(j)) is amended—

(1) in the heading, by striking “SENSITIVE COMPARTMENTED INFORMATION” and inserting “CLASSIFIED INFORMATION”;

(2) in paragraph (3), by striking “; and” and inserting a semicolon;

(3) in paragraph (4), by striking the period and inserting a semicolon; and

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

“(5) ensure that the background of each employee or officer of an element of the intelligence community, each contractor to an element of the intelligence community, and each individual employee of such a contractor who has been determined to be eligible for access to classified information is monitored on a continual basis under standards developed by the Director, including with respect to the frequency of evaluation, during the period of eligibility of such employee or officer of an element of the intelligence community, such contractor, or such individual employee to such a contractor to determine whether such employee or officer of an element of the intelligence community, such contractor, and such individual employee of such a contractor continues to meet the requirements for eligibility for access to classified information; and

“(6) develop procedures to require information sharing between elements of the intelligence community concerning potentially derogatory security information regarding an employee or officer of an element of the intelligence community, a contractor to an element of the intelligence community, or an individual employee of such a contractor that may impact the eligibility of such employee or officer of an element of the intelligence community, such contractor, or such individual employee of such a contractor for a security clearance.”.

SEC. 304. REQUIREMENTS FOR INTELLIGENCE COMMUNITY CONTRACTORS.

(a) REQUIREMENTS.—Section 102A of the National Security Act of 1947 (50 U.S.C. 3024) is amended by adding at the end the following new subsection:

“(x) REQUIREMENTS FOR INTELLIGENCE COMMUNITY CONTRACTORS.—The Director of National Intelligence, in consultation with the head of each department of the Federal Government that contains an element of the intelligence community and the Director of the Central Intelligence Agency, shall—

“(1) ensure that—

“(A) any contractor to an element of the intelligence community with access to a classified network or classified information develops and operates a security plan that is consistent with standards established by the Director of National Intelligence for intelligence community networks; and

“(B) each contract awarded by an element of the intelligence community includes provisions requiring the contractor comply with such plan and such standards;

“(2) conduct periodic assessments of each security plan required under paragraph (1)(A) to ensure such security plan complies with the requirements of such paragraph; and

“(3) ensure that the insider threat detection capabilities and insider threat policies of the intelligence community apply to facilities of contractors with access to a classified network.”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to contracts entered into or renewed after the date of the enactment of this Act.

SEC. 305. REPEAL OR MODIFICATION OF CERTAIN REPORTING REQUIREMENTS.

(a) REPEAL OF REPORT ON THE THREAT OF ATTACK ON THE UNITED STATES USING WEAPONS OF MASS DESTRUCTION.—Section 114 of the National Security Act of 1947 (50 U.S.C. 3050) is amended by striking subsection (b).

(b) MODIFICATION OF REPORTING REQUIREMENTS.—

(1) INTELLIGENCE ADVISORY COMMITTEES.—Section 410(b) of the Intelligence Authorization Act for Fiscal Year 2010 (50 U.S.C. 3309) is amended to read as follows:

“(b) NOTIFICATION OF ESTABLISHMENT OF ADVISORY COMMITTEE.—The Director of National Intelligence and the Director of the Central Intelligence Agency shall each notify the congressional intelligence committees each time each such Director creates an advisory committee. Each notification shall include—

“(1) a description of such advisory committee, including the subject matter of such committee;

“(2) a list of members of such advisory committee; and

“(3) in the case of an advisory committee created by the Director of National Intelligence, the reasons for a determination by the Director under section 4(b)(3) of the Federal Advisory Committee Act (5 U.S.C. App) that an advisory committee cannot comply with the requirements of such Act.”.

(2) INTELLIGENCE INFORMATION SHARING.—Section 102A(g)(4) of the National Security Act of 1947 (50 U.S.C. 3024(g)(4)) is amended to read as follows:

“(4) The Director of National Intelligence shall, in a timely manner, report to Congress any statute, regulation, policy, or practice that the Director believes impedes the ability of the Director to fully and effectively ensure maximum availability of

access to intelligence information within the intelligence community consistent with the protection of the national security of the United States.”.

(c) CONFORMING AMENDMENTS.—The National Security Act of 1947 (50 U.S.C. 3001 et seq.) is amended—

(1) in the table of contents in the first section, by striking the item relating to section 114 and inserting the following new item:

“Sec. 114. Annual report on hiring and retention of minority employees.”;

(2) in section 114 (50 U.S.C. 3050)—

(A) by amending the heading to read as follows: “**ANNUAL REPORT ON HIRING AND RETENTION OF MINORITY EMPLOYEES**”;

(B) by striking “(a) ANNUAL REPORT ON HIRING AND RETENTION OF MINORITY EMPLOYEES.—”;

(C) by redesignating paragraphs (1) through (5) as subsections (a) through (e), respectively;

(D) in subsection (b) (as so redesignated)—

(i) by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively; and

(ii) in paragraph (2) (as so redesignated)—

(I) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(II) in the matter preceding subparagraph (A) (as so redesignated), by striking “clauses (i) and (ii)” and inserting “subparagraphs (A) and (B)”;

(E) in subsection (e) (as redesignated by subparagraph (C) of this paragraph), by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively; and

(3) in section 507 (50 U.S.C. 3106)—

(A) in subsection (a)—

(i) by striking “(1) The date” and inserting “The date”;

(ii) by striking “subsection (c)(1)(A)” and inserting “subsection (c)(1)”;

(iii) by striking paragraph (2); and

(iv) by redesignating subparagraphs (A) through (F) as paragraphs (1) through (6), respectively;

(B) in subsection (c)(1)—

(i) by striking “(A) Except” and inserting “Except”; and

(ii) by striking subparagraph (B); and

(C) in subsection (d)(1)—

(i) in subparagraph (A)—

(I) by striking “subsection (a)(1)” and inserting “subsection (a)”;

and

(II) by inserting “and” after “March 1.”;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B).

SEC. 306. CLARIFICATION OF EXEMPTION FROM FREEDOM OF INFORMATION ACT OF IDENTITIES OF EMPLOYEES SUBMITTING COMPLAINTS TO THE INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY.

Section 103H(g)(3) of the National Security Act of 1947 (50 U.S.C. 3033(g)(3)) is amended—

(1) in subparagraph (A), by striking “; and” and inserting a semicolon;

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A), the following new subparagraph:

“(B) the identity of the employee shall be exempt from disclosure under section 552 of title 5, United States Code (commonly referred to as the ‘Freedom of Information Act’), in accordance with subsection (b)(3) of such section; and”.

SEC. 307. PLANS TO RESPOND TO UNAUTHORIZED PUBLIC DISCLOSURES OF COVERT ACTIONS.

Section 503 of the National Security Act of 1947 (50 U.S.C. 3093) is amended by adding at the end the following new subsection:

“(h) For each type of activity undertaken as part of a covert action, the President shall establish in writing a plan to respond to the unauthorized public disclosure of that type of activity.”.

SEC. 308. OFFICIAL REPRESENTATION ITEMS IN SUPPORT OF THE COAST GUARD ATTACHÉ PROGRAM.

Notwithstanding any other limitation on the amount of funds that may be used for official representation items, the Secretary of Homeland Security may use funds made available to the Secretary through the National Intelligence Program for necessary expenses for the operation and maintenance of the Coast Guard for official representation items in support of the Coast Guard Attaché Program.

SEC. 309. DECLASSIFICATION REVIEW OF CERTAIN ITEMS COLLECTED DURING THE MISSION THAT KILLED OSAMA BIN LADEN ON MAY 1, 2011.

Not later than 120 days after the date of the enactment of this Act, the Director of National Intelligence shall—

- (1) in the manner described in the classified annex to this Act, complete a declassification review of documents collected in Abbottabad, Pakistan, during the mission that killed Osama bin Laden on May 1, 2011;
- (2) make publicly available any information declassified as a result of the declassification review required under paragraph (1); and
- (3) report to the congressional intelligence committees—
 - (A) the results of the declassification review required under paragraph (1); and
 - (B) a justification for not declassifying any information required to be included in such declassification review that remains classified.

SEC. 310. REPORT ON ELECTRONIC WASTE.

(a) **REPORT.**—Not later than 90 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 the extent to which the intelligence community has implemented the recommendations of the Inspector General of the Intelligence Community contained in the report entitled “Study of Intelligence Community Electronic Waste Disposal Practices” issued in May 2013. Such report shall include an assessment of the extent to which the policies, standards, and guidelines of the intelligence community governing the proper disposal of electronic waste are applicable to covered commercial electronic waste that may contain classified information.

(b) **DEFINITIONS.**—In this section:

- (1) **COVERED COMMERCIAL ELECTRONIC WASTE.**—The term “covered commercial electronic waste” means electronic waste of a commercial entity that contracts with an element of the intelligence community.
- (2) **ELECTRONIC WASTE.**—The term “electronic waste” includes any obsolete, broken, or irreparable electronic device, including a television, copier, facsimile machine, tablet, telephone, computer, computer monitor, laptop, printer, scanner, and associated electrical wiring.

SEC. 311. PLAN TO ENCOURAGE AND PROMOTE CYBERSECURITY AND COMPUTER LITERACY AMONG STUDENTS.

(a) **PLAN.**—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 plan to establish a national program to conduct competitions and challenges and to offer internships at elements of the intelligence community to promote cybersecurity and computer literacy among students attending high schools or institutions of higher education in the United States. Such plan shall include cost estimates for carrying out the plan and strategies for conducting expedited security clearance investigations and adjudications for purposes of offering such internships.

(b) **CONSIDERATION OF EXISTING PROGRAMS.**—In developing the plan under subsection (a), the Director shall take into consideration and leverage existing programs of the intelligence community, including the education programs of the National Security Agency and the Information Assurance Scholarship Program of the Department of Defense, as appropriate.

(c) **DEFINITIONS.**—In this section:

- (1) **HIGH SCHOOL.**—The term “high school” mean a school that awards a secondary school diploma.
- (2) **INSTITUTION OF HIGHER EDUCATION.**—The term “institution of higher education” has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).
- (3) **SECONDARY SCHOOL.**—The term “secondary school” has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

TITLE IV—TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS TO THE CENTRAL INTELLIGENCE AGENCY ACT OF 1949.

Section 21 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 3521) is amended—

- (1) in subsection (b)(1)(D), by striking “section (a)” and inserting “subsection (a)”; and
- (2) in subsection (c)(2)(E), by striking “provider.” and inserting “provider”.

SEC. 402. TECHNICAL AMENDMENTS TO THE NATIONAL SECURITY ACT OF 1947 RELATING TO THE PAST ELIMINATION OF CERTAIN POSITIONS.

Section 101(a) of the National Security Act of 1947 (50 U.S.C. 3021(a)) is amended—

- (1) in paragraph (5), by striking the semicolon and inserting “; and”;
- (2) by striking paragraphs (6) and (7);
- (3) by redesignating paragraph (8) as paragraph (6); and
- (4) in paragraph (6) (as so redesignated), by striking “the Chairman of the Munitions Board, and the Chairman of the Research and Development Board,”.

SEC. 403. TECHNICAL AMENDMENTS TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2013.

(a) AMENDMENT.—Section 506 of the Intelligence Authorization Act for Fiscal Year 2013 (Public Law 112–277; 126 Stat. 2478) is amended—

- (1) by striking “Section 606(5)” and inserting “Paragraph (5) of section 605”;
- and
- (2) by inserting “, as redesignated by section 310(a)(4)(B) of this Act,” before “is amended”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of the Intelligence Authorization Act for Fiscal Year 2013 (Public Law 112–277).

PURPOSE

The purpose of H.R. 3381 is to authorize the intelligence and intelligence-related activities of the United States Government for Fiscal Year 2014. These activities enhance the national security of the United States, support and assist the armed forces of the United States, and support the President in the execution of the foreign policy of the United States.

CLASSIFIED ANNEX AND COMMITTEE INTENT

The classified annex to this report includes the classified Schedule of Authorizations and its associated explanatory language. The Committee views the classified annex as an integral part of this legislation. The classified annex contains a thorough discussion of the issues considered by the Committee underlying the funding authorizations found in the classified Schedule of Authorizations. The Committee intends that all intelligence programs discussed in the classified annex to this report will follow the guidance and limitations set forth as associated language therein. The classified Schedule of Authorizations is incorporated directly into this legislation by virtue of section 102 of the bill. The classified annex is available for review by all Members of the House of Representatives, subject to the requirements of clause 13 of rule XXIII of the Rules of the House of Representatives, and rule 14 of the Rules of Procedure for the House Permanent Select Committee on Intelligence.

SCOPE OF COMMITTEE REVIEW

The bill authorizes U.S. intelligence and intelligence-related activities within the jurisdiction of the Committee, including the National Intelligence Program (NIP) and the Military Intelligence Program (MIP). The NIP consists of all activities of the Office of the Director of National Intelligence, as well as those intelligence, intelligence-related, and counterintelligence activities conducted by: (1) the Central Intelligence Agency; (2) the Department of Defense; (3) the Defense Intelligence Agency; (4) the National Security Agency; (5) the National Reconnaissance Office; (6) the National Geospatial-Intelligence Agency; (7) the Departments of the Army, Navy, and Air Force; (8) the Department of State; (9) the Department of the Treasury; (10) the Department of Energy; (11) the De-

partment of Justice; (12) the Federal Bureau of Investigation; (13) the U.S. Coast Guard; (14) the Department of Homeland Security; and (15) the Drug Enforcement Administration. The Committee has exclusive legislative, authorizing, and oversight jurisdiction of these programs.

COMMITTEE STATEMENT AND VIEWS

The annual intelligence authorization bill funds all U.S. intelligence activities, spanning 16 separate agencies. It provides authorization for critical national security functions, including: CIA personnel and their activities worldwide; tactical intelligence support to combat units in Afghanistan; NSA's electronic surveillance and cyber defense; global monitoring of foreign militaries, weapons tests, and arms control treaties, including use of satellites and radars; real-time analysis and reporting on political and economic events, such as current events in the Middle East; and research and technology to maintain the country's technological edge, including work on code breaking, listening devices, and reconnaissance satellites.

The FY 2014 authorization bill is a critical tool for oversight of the Intelligence Community. For too many years, intelligence authorization negotiations were the victim of partisan infighting and turf battles. Over the past two and a half years, however, Congress broke out of that logjam by passing three intelligence authorization bills that the President signed into law. The FY 2014 bill follows in the path of those three bills to provide the Intelligence Community the resources it needs to accomplish its demanding mission of securing and defending America.

This bill sustains today's intelligence capabilities and provides for future capabilities while staying within the funding constraints of the Budget Control Act. In fact, the bill authorizes funding that is slightly below the President's Budget request level. Under current law, however, this funding level is subject to a sequestration of approximately 10 percent. If that sequestration is not replaced or otherwise amended, the Committee will work to ensure the IC implements the cuts as wisely as possible. In today's challenging budget environment, it is vital for the Committee to conduct close oversight and scrutinize whether every dollar authorized for intelligence is necessary and is being used as intended by the Congress.

The legislative provisions that the Committee and Congress consider each year are comprised of changes to statute that better enable the Community to conduct its important mission and strengthen oversight mechanisms where needed as a result of the Committee's oversight throughout the year.

As most of the intelligence budget involves highly classified programs, the bulk of this Committee's recommendations each year are found in the classified annex to the bill. This year's annex includes increased funding to address insider threats and improve personnel security programs. The annex also includes a five-point budget framework to: (1) curb personnel growth; (2) find major operating efficiencies; (3) make only the best value investments; (4) deliver acquisitions on cost and on schedule; and (5) protect research and technology. By following this framework, the IC can achieve maximum operational effectiveness in a flat or declining budget environment.

Personnel and Information Security Reforms

This year, massive unauthorized disclosures of classified information caused immense damage to our national security. The Intelligence Community might have been able to prevent those unauthorized disclosures if it continuously evaluated the backgrounds of employees and contractors and if IC elements had more effectively shared potentially derogatory information about employees and contractors with each other.

Section 303 of the bill requires the Director of National Intelligence to ensure that all IC elements continuously determine whether their employees and contractors are eligible for access to classified information. Continuous evaluation allows the IC to take advantage of lawfully available government and public information to detect warning signals that the current system of five-year periodic reinvestigation misses. That information might include: foreign travel; reports of foreign contacts; financial disclosure information; checks of criminal, commercial marketing, and credit databases; and other appropriate publicly available information. By adopting continuous evaluation, a smaller number of cause-based and random reinvestigations can supplement and, over the long-term, replace, arbitrary periodic reinvestigations in the IC.

An effective continuous evaluation system also requires different elements of the IC to share information with each other in a timely fashion. Section 303 therefore also directs the DNI to develop procedures that require IC elements to share information that may impact the eligibility of employees or contractors for a security clearance with each other.

Contractors pose a unique information security challenge for the IC. Section 304 of the bill addresses that challenge by requiring the DNI to ensure that all IC contractors with access to classified information develop and operate security plans that meet the DNI's information security standards. Compliance with this requirement will not be left to chance: Every contract that an IC element signs must contain a clause requiring the contractor to abide by the DNI's standards. Under Section 304, the DNI must also ensure that IC contractors with access to classified networks follow the IC's insider threat detection policies.

Declassification of bin Laden Documents

Section 309 of the bill requires the DNI to conduct a declassification review of documents collected in the May 2011 Abbottabad, Pakistan, mission that killed Osama bin Laden. That seminal moment in American history created an opportunity to improve public understanding of the threat al-Qaeda and its affiliates pose to the United States without harming national security. The cache of documents at bin Laden's compound can help the public understand the state of al-Qaeda in 2011, including the group's relationship to Pakistan and Iran, its role in past terror plots, and the strategic threat to the United States and its allies. Section 309 therefore requires the DNI to conduct a declassification review and make public any documents that are not central to current intelligence operations, sources, methods, potential criminal investigations, or other national security interests. The bill also requires the DNI to brief the Committee about this effort and to explain why any of the documents must remain classified.

COMMITTEE CONSIDERATION AND ROLLCALL VOTES

On November 21, 2013, the Committee met in open and closed session and ordered the bill H.R. 3381 favorably reported, as amended.

OPEN SESSION

In open session, the Committee considered the text of the bill H.R. 3381. Chairman Rogers offered an amendment in the nature of a substitute to H.R. 3381. The contents of the amendment in the nature of a substitute are described in the Section-by-Section analysis and the Explanation of Amendment.

Ms. Schakowsky offered an amendment to the amendment in the nature of a substitute that would require the President to create a plan to respond to the unauthorized disclosure of covert actions. The amendment was agreed to by a voice vote.

Mr. Langevin offered an amendment to the amendment in the nature of a substitute that would require the DNI to create a plan to encourage cybersecurity and computer literacy among high school and university students. The amendment was agreed to by a voice vote.

Ms. Sewell offered an amendment to the amendment in the nature of a substitute that would allow the Coast Guard to spend National Intelligence Program (NIP) funds on official representation items in support of the Coast Guard attaché program. The amendment was agreed to by a voice vote.

Ms. Schakowsky offered an amendment to the amendment in the nature of a substitute to prohibit lethal action against an individual if the U.S. Government does not know the identity of that individual with a near certainty. The Committee postponed further proceedings on the amendment.

Mr. Schiff offered an amendment to the amendment in the nature of a substitute to require the formation of an independent analysis team to evaluate the information that serves as the basis for using targeted lethal force against a U.S. person. The Committee postponed further proceedings on the amendment.

Mr. Schiff offered an amendment to the amendment in the nature of a substitute to require an annual public report on casualties from uses of targeted lethal force by remotely piloted aircraft. The Committee postponed further proceedings on the amendment.

CLOSED SESSION

Mr. Ruppertsberger moved to close the meeting for the discussion of amendments offered by Ms. Schakowsky and Mr. Schiff because national security would be endangered if the matters to be considered were disclosed. The motion was agreed to by a record vote of 20 ayes to 0 noes:

Voting aye: Mr. Rogers (chairman), Mr. Thornberry, Mr. Miller, Mr. Conaway, Mr. King, Mr. LoBiondo, Mr. Nunes, Mr. Westmoreland, Mrs. Bachmann, Mr. Rooney, Mr. Heck, Mr. Ruppertsberger, Mr. Thompson, Ms. Schakowsky, Mr. Langevin, Mr. Schiff, Mr. Gutiérrez, Mr. Pastor, Mr. Himes, Ms. Sewell.

Voting no: None.

After debate on the amendments offered by Ms. Schakowsky and Mr. Schiff, the Committee returned to open session by unanimous consent.

OPEN SESSION

The Committee rejected the amendment by Ms. Schakowsky to prohibit lethal action against an individual if the U.S. Government does not know the identity of that individual with a near certainty by a record vote of 3 ayes to 17 noes.

Voting aye: Ms. Schakowsky, Mr. Gutiérrez, Mr. Pastor.

Voting no: Mr. Rogers (chairman), Mr. Thornberry, Mr. Miller, Mr. Conaway, Mr. King, Mr. LoBiondo, Mr. Nunes, Mr. Westmoreland, Mrs. Bachmann, Mr. Rooney, Mr. Heck, Mr. Ruppertsberger, Mr. Thompson, Mr. Langevin, Mr. Schiff, Mr. Himes, Ms. Sewell.

Mr. Schiff withdrew his amendment to require the formation of an independent analysis team to evaluate the information that serves as the basis for using targeted lethal force against a U.S. person.

The Committee rejected the amendment by Mr. Schiff to require an annual public report on casualties from uses of targeted lethal force by remotely piloted aircraft by a record vote of 5 ayes to 15 noes.

Voting aye: Mr. Schiff, Ms. Schakowsky, Mr. Gutiérrez, Mr. Pastor, Mr. Himes.

Voting no: Mr. Rogers (chairman), Mr. Thornberry, Mr. Miller, Mr. Conaway, Mr. King, Mr. LoBiondo, Mr. Nunes, Mr. Westmoreland, Mrs. Bachmann, Mr. Rooney, Mr. Heck, Mr. Ruppertsberger, Mr. Thompson, Mr. Langevin, Ms. Sewell.

The amendment in the nature of a substitute as amended was agreed to by a voice vote.

CLOSED SESSION

Mr. Ruppertsberger moved to close the meeting for consideration of the classified Schedule of Authorizations because national security would be endangered if the matters to be considered were disclosed. The motion was agreed to by a record vote of 20 ayes to 0 noes:

Voting aye: Mr. Rogers (chairman), Mr. Thornberry, Mr. Miller, Mr. Conaway, Mr. King, Mr. LoBiondo, Mr. Nunes, Mr. Westmoreland, Mrs. Bachmann, Mr. Rooney, Mr. Heck, Mr. Ruppertsberger, Mr. Thompson, Ms. Schakowsky, Mr. Langevin, Mr. Schiff, Mr. Gutiérrez, Mr. Pastor, Mr. Himes, Ms. Sewell.

Voting no: None.

Mr. Rooney offered an amendment to the classified Schedule of Authorizations (annex) that was adopted by a voice vote.

Mr. Langevin offered an amendment to the classified Schedule of Authorizations (annex) that was adopted by a voice vote.

Schedule of Authorizations. The Committee then adopted the classified Schedule of Authorizations by voice vote.

OPEN SESSION

By unanimous consent, the Committee returned to open session.

The Committee then adopted a motion by the Chairman to favorably report the bill H.R. 3381 to the House, as amended, including by reference the classified schedule of authorizations. The motion was agreed to by voice vote

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF AMENDMENT
Section 1—Short Title and Table of Contents

Section 1 contains the short title for the bill and the Table of Contents.

TITLE I—INTELLIGENCE ACTIVITIES

Section 101—Authorization of Appropriations

Section 101 of the bill authorizes appropriations for the intelligence and intelligence-related activities of these elements of the United States Government: The Office of the Director of National Intelligence (including the National Counterterrorism Center), the Central Intelligence Agency, the Department of Defense, the Defense Intelligence Agency, the National Security Agency, the Departments of the Army, Navy and Air Force, the Coast Guard, the Department of State, the Department of the Treasury, the Department of Energy, the Department of Justice, the Federal Bureau of Investigation, the Drug Enforcement Administration, the National Reconnaissance Office, the National Geospatial Intelligence Agency, and the Department of Homeland Security.

Section 102—Classified Schedule of Authorizations

Section 102 provides that the amounts and personnel ceilings authorized under Section 101 shall be specified in the accompanying classified Schedule of Authorizations, which shall be made available to the Committee on Appropriations and to the President.

Section 103—Personnel Ceiling Adjustments

Section 103 authorizes the DNI to make certain increases to the authorized personnel levels for 2013 when necessary to the performance of important intelligence functions, but not to exceed three percent of the number of civilian personnel authorized.

Section 103 also authorizes the DNI to convert activities performed by contract personnel if the head of an IC element makes a determination that such duties should be performed by the employees of such element. It further requires the DNI to establish guidelines that govern the treatment of personnel levels, including exemption from levels for details, joint-duty, long-term full-time training, students, and trainee programs or similar programs.

Section 104—Intelligence Community Management Account

Section 104 authorizes appropriations for the Intelligence Community Management Account (ICMA) of the DNI and sets the authorized full-time equivalent personnel levels for the elements within the ICMA for fiscal year 2013.

Section 104 also authorizes additional classified appropriations and personnel levels for the Community Management Account as specified in the classified Schedule of Authorizations and permits the funding for advanced research and development to remain available through September 30, 2014.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND
 DISABILITY SYSTEM

Section 201—Authorization of Appropriations

Section 201 authorizes \$514,000,000 for the Central Intelligence Agency (CIA) Retirement and Disability System.

TITLE III—GENERAL PROVISIONS

Section 301—Increase in Employee Compensation and Benefits Authorized By Law

Section 301 provides that the authorized amounts may be increased by such additional or supplemental amounts as may be necessary for increases in compensation or benefits authorized by law.

Section 302—Restriction on Conduct of Intelligence Activities

Section 302 provides that the authorization of funds in this act does not constitute authority for the conduct of any intelligence activity not otherwise authorized by the Constitution or laws of the United States.

Section 303—Continuous Evaluation and Sharing of Derogatory Information Regarding Personnel with Access to Classified Information

Section 303 amends the National Security Act of 1947 to require the Director of National Intelligence to ensure that all IC elements continuously determine whether their employees and contractors meet the requirements for eligibility for access to classified information

Section 304—Requirements for Intelligence Community Contractors

Section 304 requires the DNI to ensure that contractors have in place security plans consistent with DNI standards for handling classified information. It also requires the DNI to ensure insider threat detection capabilities of the IC apply to contractors with access to classified information.

Section 305—Repeal or Modification of Certain Reporting Requirements

Section 305 repeals or modifies various intelligence community reporting requirements.

Section 306—Clarification of Exemption from Freedom of Information Act of Identities of Employees Submitting Complaints to the Inspector General of the Intelligence Community

Section 306 modifies the National Security Act of 1947 to exempt the identity of employees who submit complaints to the Inspector General of the Intelligence Community from disclosure under the Freedom of Information Act.

Section 307—Plans To Respond to Unauthorized Disclosures of Covert Actions

Section 307 requires the President to establish a written plan for how to respond to an unauthorized disclosure of each type of activity within a covert action program.

Section 308—Official Representation Items in Support of the Coast Guard Attaché Program

Section 308 allows the Coast Guard to spend National Intelligence Program (NIP) funds on official representation items in support of its attaché program.

Section 309—Declassification Review of Certain Items Collected During the Mission that Killed Osama bin Laden on May 1, 2011

Section 309 requires the Director of National Intelligence to perform a declassification review of documents collected in Abbottabad, Pakistan, during the mission that killed Osama bin Laden on May 1, 2011, and to release the declassified results of that review. It also requires the DNI to report to the congressional intelligence committees a justification for why any of those documents must remain classified.

Section 310—Report on Electronic Waste

Section 310 requires the Director of National Intelligence to prepare a report on the extent to which the Intelligence Community has implemented the recommendations of a May 2013 Inspector General of the Intelligence Community report on electronic waste disposal practices.

Section 311—Plan To Encourage and Promote Cybersecurity and Computer Literacy Among Students

Section 311 requires the Director of National Intelligence to create a plan to promote cybersecurity and computer literacy among high school and university students. The plan must include cost estimates and strategies for offering internships

TITLE IV—TECHNICAL AMENDMENTS

Section 401—Technical Amendments to the Central Intelligence Agency Act of 1949

Section 401 corrects an erroneous reference to “section a” to properly reflect “subsection a.” Section 401 also corrects a punctuation error.

Section 402—Technical Amendments to the National Security Act of 1947 Relating to the Past Elimination of Certain Positions

Section 402 removes references to two positions (the Director for Mutual Security and the Chairman of the National Security Resources Board) from the National Security Council statute because the entities no longer exist.

Section 403—Technical Amendments to the Intelligence Authorization Act for Fiscal Year 2013

Section 403 makes technical corrections to the FY 13 Intelligence Authorization Act to correctly refer to a paragraph, and to correct references that were amended in that bill.

OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee held multiple hearings on the classified budgetary issues raised by H.R. 3381. The bill, as reported by the Committee, reflects conclusions reached by the Committee in light of this oversight activity.

GENERAL PERFORMANCE GOALS AND OBJECTIVES

The goals and objectives of H.R. 3381 are to authorize the intelligence and intelligence-related activities of the United States Government for Fiscal Year 2014. These activities enhance the na-

tional security of the United States, support and assist the armed forces of the United States, and support the President in the execution of the foreign policy of the United States.

The classified annex that accompanies this report reflects in great detail the Committee's specific performance goals and objectives at the programmatic level with respect to classified programs.

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement of whether the provisions of the reported bill include unfunded mandates. In compliance with this requirement, the Committee has received a letter from the Congressional Budget Office included herein.

STATEMENT ON CONGRESSIONAL EARMARKS

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee states that the bill as reported contains no congressional earmarks, limited tax benefits, or limited tariff benefits.

DISCLOSURE OF DIRECTED RULE MAKING

H.R. 3381 does not specifically direct any rule makings within the meaning of 5 U.S.C. 551.

DUPLICATION OF FEDERAL PROGRAMS

H.R. 3381 does not duplicate or reauthorize an established program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

MICHAEL T. McCAUL, TEXAS
CHAIRMAN

RENNIE G. THOMPSON, MISSISSIPPI
RANKING MEMBER



One Hundred Thirteenth Congress
U.S. House of Representatives
Committee on Homeland Security
Washington, DC 20515

November 25, 2013

The Honorable Mike Rogers
Chairman
House Permanent Select Committee on Intelligence
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Rogers:

I write regarding H.R. 3381, the "Intelligence Authorization Act for Fiscal Year 2014," which was ordered favorably reported to the House of Representatives by the House Permanent Select Committee on Intelligence on November 21, 2013.

I greatly appreciate the work our two committees have done regarding the negotiations over provisions in H.R. 3381 and the accompanying Classified Annex that affect the Office of Intelligence and Analysis (I&A) at the Department of Homeland Security (DHS). Its mission and funding include both intelligence and information sharing functions. I remain encouraged that we could find common ground on provisions that are in the shared jurisdiction and mutual interest of our two committees. While I recognize concerns still remain over the Homeland Security Intelligence Program (HSIP), I look forward to working with you in seeking further clarification from the Department on what I&A functions are authorized to be carried out under the HSIP and what functions remain within the National Intelligence Program.

I understand the importance of advancing this legislation to the House floor in an expeditious manner and I do not, in any way, wish to impede that process. I respectfully request that we continue these dialogues as this legislation moves forward towards a conference with the Senate. I also request that this letter and your response be included in the House Permanent Select Committee on Intelligence report of this bill and in the *Congressional Record* during the consideration of H.R. 3381 on the House floor. Thank you for your attention to this matter.

Sincerely,


MICHAEL T. McCAUL
Chairman

Mike Rogers, Michigan, CHAIRMAN

Mac Thornberry, Texas
Jeff Miller, Florida
K. Michael Conaway, Texas
Peter T. King, New York
Frank A. LoBiondo, New Jersey
Devin Nunes, California
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John A. Boehner, SPEAKER OF THE HOUSE
Nancy Pelosi, DEMOCRATIC LEADER

U.S. HOUSE OF REPRESENTATIVES
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

HVC-304, THE CAPITOL
WASHINGTON, DC 20515
(202) 225-4121

Darren M. Dick
STAFF DIRECTOR

Heather M. Mulino
MAJORITY STAFF DIRECTOR

November 25, 2013

The Honorable Michael T. McCaul
131 Cannon House Office Building
Washington, DC 20515

Dear Chairman McCaul:

Thank you for your letter of November 21, 2013, concerning H.R. 3381, the Intelligence Authorization Act for Fiscal Year 2014. Specifically, you noted your interest in the Committee's authorization for the intelligence and intelligence-related activities of the Department of Homeland Security, including the authorization of the Office of Intelligence and Analysis (I&A), which is one of the many elements of the Intelligence Community and part of the National Intelligence Program, as those terms are defined in the National Security Act of 1947.

I too appreciate our discussions about the programs, projects and activities of I&A, including the Homeland Security Intelligence Program (HSIP). I look forward to continuing to discuss your interest in I&A activities and funding levels that the Permanent Select Committee on Intelligence authorizes.

I will place a copy of your letter and this response in the Committee's report on H.R. 3381 and in the Congressional Record during the consideration of H.R. 3381 on the House floor.

Sincerely

Mike Rogers M.C.
Chairman

U.S. CONGRESS,
 CONGRESSIONAL BUDGET OFFICE,
 Washington, DC, November 25, 2013.

Hon. MIKE ROGERS,
 Chairman, Permanent Select Committee on Intelligence,
 House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3381, the Intelligence Authorization Act for Fiscal Year 2014.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jason Wheelock.

Sincerely,

DOUGLAS W. ELMENDORF,
 Director.

Enclosure.

H.R. 3381—Intelligence Authorization Act for Fiscal Year 2014

H.R. 3381 would authorize appropriations for fiscal year 2014 for intelligence activities of the U.S. government. CBO does not provide estimates for classified programs; thus, this estimate addresses only the unclassified aspects of the bill. On that limited basis, and assuming appropriation of the authorized amounts, CBO estimates that implementing the unclassified provisions of H.R. 3381 would cost \$595 million over the 2014–2018 period. Pay-as-you-go procedures do not apply to this legislation because enacting it would not affect direct spending or revenues.

Section 104 would authorize the appropriation of \$601 million for the Intelligence Community Management Account, which provides the principal source of funding for the Office of the Director of National Intelligence and resources for coordinating programs, overseeing budgets, and managing the intelligence agencies. Based on historical patterns, CBO estimates that implementing this section would cost about \$400 million in 2014 and \$595 million over the 2014–2018 period, assuming the appropriation of the authorized amount.

Section 201 would authorize the appropriation of \$514 million for the Central Intelligence Agency Retirement and Disability System, which is a retirement and disability program for certain employees of the Central Intelligence Agency. The appropriation would cover various unfunded liabilities of the system and would be considered mandatory. However, because the authorization is the same as the amount assumed in the CBO baseline, CBO does not ascribe any additional cost to that provision relative to the baseline.

H.R. 3381 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Jason Wheelock. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

NATIONAL SECURITY ACT OF 1947

* * * * *

SHORT TITLE

That this Act may be cited as the "National Security Act of 1947".

TABLE OF CONTENTS

* * * * *

TITLE I—COORDINATION FOR NATIONAL SECURITY

* * * * *

Sec. 114. Additional annual reports from the Director of National Intelligence. *Sec. 114. Annual report on hiring and retention of minority employees.*

* * * * *

TITLE I—COORDINATION FOR NATIONAL SECURITY

NATIONAL SECURITY COUNCIL

SEC. 101. (a) There is hereby established a council to be known as the National Security Council (hereinafter in this section referred to as the "Council").

The President of the United States shall preside over meetings of the Council: *Provided*, That in his absence he may designate a member of the Council to preside in his place.

The function of the Council shall be to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

The Council shall be composed of

(1) * * *

* * * * *

(5) the Secretary of Energy**【;】**; *and*

【(6) the Director for Mutual Security;

【(7) the Chairman of the National Security Resources Board; and】

【(8) (6) The Secretaries and Under Secretaries of other executive departments and the military departments, 【the Chairman of the Munitions Board, and the Chairman of the Research and Development Board,】 when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure.

* * * * *

RESPONSIBILITIES AND AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE

SEC. 102A. (a) * * *

* * * * *

(g) INTELLIGENCE INFORMATION SHARING.—(1) * * *

* * * * *

[(4) Not later than February 1 of each year, the Director of National Intelligence shall submit to the President and to the Congress an annual report that identifies any statute, regulation, policy, or practice that the Director believes impedes the ability of the Director to fully and effectively implement paragraph (1).]

(4) The Director of National Intelligence shall, in a timely manner, report to Congress any statute, regulation, policy, or practice that the Director believes impedes the ability of the Director to fully and effectively ensure maximum availability of access to intelligence information within the intelligence community consistent with the protection of the national security of the United States.

* * * * *

(j) UNIFORM PROCEDURES FOR [SENSITIVE COMPARTMENTED INFORMATION] CLASSIFIED INFORMATION.—The Director of National Intelligence, subject to the direction of the President, shall—

(1) * * *

* * * * *

(3) ensure that security clearances granted by individual elements of the intelligence community are recognized by all elements of the intelligence community, and under contracts entered into by those agencies[; and];

(4) ensure that the process for investigation and adjudication of an application for access to sensitive compartmented information is performed in the most expeditious manner possible consistent with applicable standards for national security[.];

(5) ensure that the background of each employee or officer of an element of the intelligence community, each contractor to an element of the intelligence community, and each individual employee of such a contractor who has been determined to be eligible for access to classified information is monitored on a continual basis under standards developed by the Director, including with respect to the frequency of evaluation, during the period of eligibility of such employee or officer of an element of the intelligence community, such contractor, or such individual employee to such a contractor to determine whether such employee or officer of an element of the intelligence community, such contractor, and such individual employee of such a contractor continues to meet the requirements for eligibility for access to classified information; and

(6) develop procedures to require information sharing between elements of the intelligence community concerning potentially derogatory security information regarding an employee or officer of an element of the intelligence community, a contractor to an element of the intelligence community, or an individual employee of such a contractor that may impact the eligibility of such employee or officer of an element of the intelligence com-

munity, such contractor, or such individual employee of such a contractor for a security clearance.

* * * * *

(x) REQUIREMENTS FOR INTELLIGENCE COMMUNITY CONTRACTORS.—The Director of National Intelligence, in consultation with the head of each department of the Federal Government that contains an element of the intelligence community and the Director of the Central Intelligence Agency, shall—

(1) ensure that—

(A) any contractor to an element of the intelligence community with access to a classified network or classified information develops and operates a security plan that is consistent with standards established by the Director of National Intelligence for intelligence community networks; and

(B) each contract awarded by an element of the intelligence community includes provisions requiring the contractor comply with such plan and such standards;

(2) conduct periodic assessments of each security plan required under paragraph (1)(A) to ensure such security plan complies with the requirements of such paragraph; and

(3) ensure that the insider threat detection capabilities and insider threat policies of the intelligence community apply to facilities of contractors with access to a classified network.

* * * * *

INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY

SEC. 103H. (a) * * *

* * * * *

(g) AUTHORITIES.—(1) * * *

* * * * *

(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) the identity of the employee shall be exempt from disclosure under section 552 of title 5, United States Code (commonly referred to as the “Freedom of Information Act”), in accordance with subsection (b)(3) of such section; and

(B) (C) no action constituting a reprisal, or threat of reprisal, for making such complaint or disclosing such informa-

tion 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.

* * * * *

【ADDITIONAL ANNUAL REPORTS FROM THE DIRECTOR OF NATIONAL INTELLIGENCE】 ANNUAL REPORT ON HIRING AND RETENTION OF MINORITY EMPLOYEES

SEC. 114. **【(a) ANNUAL REPORT ON HIRING AND RETENTION OF MINORITY EMPLOYEES.—(1)】** (a) The Director of National Intelligence shall, on an annual basis, submit to Congress a report on the employment of covered persons within each element of the intelligence community for the preceding fiscal year.

【(2)】 (b) Each such report shall include disaggregated data by category of covered person from each element of the intelligence community on the following:

【(A)】 (1) Of all individuals employed in the element during the fiscal year involved, the aggregate percentage of such individuals who are covered persons.

【(B)】 (2) Of all individuals employed in the element during the fiscal year involved at the levels referred to in **【clauses (i) and (ii)】** *subparagraphs (A) and (B)*, the percentage of covered persons employed at such levels:

【(i)】 (A) Positions at levels 1 through 15 of the General Schedule.

【(ii)】 (B) Positions at levels above GS-15.

【(C)】 (3) Of all individuals hired by the element involved during the fiscal year involved, the percentage of such individuals who are covered persons.

【(3)】 (c) Each such report shall be submitted in unclassified form, but may contain a classified annex.

【(4)】 (d) Nothing in this subsection shall be construed as providing for the substitution of any similar report required under another provision of law.

【(5)】 (e) In this subsection, the term “covered persons” means—

【(A)】 (1) racial and ethnic minorities;

【(B)】 (2) women; and

【(C)】 (3) individuals with disabilities.

【(b) ANNUAL REPORT ON THREAT OF ATTACK ON THE UNITED STATES USING WEAPONS OF MASS DESTRUCTION.—(1)】 Not later each year than the date provided in section 507, the Director of National Intelligence shall submit to the congressional committees specified in paragraph (3) a report assessing the following:

【(A)】 The current threat of attack on the United States using ballistic missiles or cruise missiles.

【(B)】 The current threat of attack on the United States using a chemical, biological, or nuclear weapon delivered by a system other than a ballistic missile or cruise missile.

【(2)】 Each report under paragraph (1) shall be a national intelligence estimate, or have the formality of a national intelligence estimate.

【(3)】 The congressional committees referred to in paragraph (1) are the following:

[(A) The congressional intelligence committees.

[(B) The Committees on Foreign Relations and Armed Services of the Senate.

[(C) The Committees on International Relations and Armed Services of the House of Representatives.]

* * * * *

TITLE V—ACCOUNTABILITY FOR INTELLIGENCE ACTIVITIES

* * * * *

PRESIDENTIAL APPROVAL AND REPORTING OF COVERT ACTIONS

SEC. 503. (a) * * *

* * * * *

(h) *For each type of activity undertaken as part of a covert action, the President shall establish in writing a plan to respond to the unauthorized public disclosure of that type of activity.*

* * * * *

DATES FOR SUBMITTAL OF VARIOUS ANNUAL AND SEMIANNUAL REPORTS TO THE CONGRESSIONAL INTELLIGENCE COMMITTEES

SEC. 507. (a) ANNUAL REPORTS.—[(1) The date] *The date* for the submittal to the congressional intelligence committees of the following annual reports shall be the date each year provided in [subsection (c)(1)(A)] *subsection (c)(1)*:

[(A)] (1) The annual report of the Inspectors General of the intelligence community on proposed resources and activities of their offices required by section 8H(g) of the Inspector General Act of 1978.

[(B)] (2) The annual report on certifications for immunity in interdiction of aircraft engaged in illicit drug trafficking required by section 1012(c)(2) of the National Defense Authorization Act for Fiscal Year 1995 (22 U.S.C. 2291–4(c)(2)).

[(C)] (3) The annual report on activities under the David L. Boren National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1901 et seq.) required by section 806(a) of that Act (50 U.S.C. 1906(a)).

[(D)] (4) The annual report on hiring and retention of minority employees in the intelligence community required by section 114(a).

[(E)] (5) The annual report on outside employment of employees of elements of the intelligence community required by section 102A(u)(2).

[(F)] (6) The annual report on financial intelligence on terrorist assets required by section 118.

[(2) The date for the submittal to the congressional intelligence committees of the annual report on the threat of attack on the United States from weapons of mass destruction required by section 114(b) shall be the date each year provided in subsection (c)(1)(B).]

* * * * *

(c) SUBMITTAL DATES FOR REPORTS.—(1) ~~[(A) Except]~~ *Except* as provided in subsection (d), each annual report listed in subsection (a)(1) shall be submitted not later than February 1.

~~[(B) Except as provided in subsection (d), each annual report listed in subsection (a)(2) shall be submitted not later than December 1.]~~

* * * * *

(d) POSTPONEMENT OF SUBMITTAL.—(1) Subject to paragraph (3), the date for the submittal of—

(A) an annual report listed in ~~[(subsection (a)(1)]~~ *subsection (a)* may be postponed until March 1; *and*

~~[(B) an annual report listed in subsection (a)(2) may be postponed until January 1; and]~~

~~[(C)]~~ *(B)* a semiannual report listed in subsection (b) may be postponed until March 1 or September 1, as the case may be, if the official required to submit such report submits to the congressional intelligence committees a written notification of such postponement.

* * * * *

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2010

* * * * *

TITLE IV—MATTERS RELATING TO ELE- MENTS OF THE INTELLIGENCE COM- MUNITY

Subtitle A—Office of the Director of National Intelligence

* * * * *

SEC. 410. INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT TO ADVISORY COMMITTEES OF THE OFFICE OF THE DI- RECTOR OF NATIONAL INTELLIGENCE.

(a) * * *

~~[(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 FACAs.—Each report 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.】

(b) NOTIFICATION OF ESTABLISHMENT OF ADVISORY COMMITTEE.—
The Director of National Intelligence and the Director of the Central Intelligence Agency shall each notify the congressional intelligence committees each time each such Director creates an advisory committee. Each notification shall include—

- (1) a description of such advisory committee, including the subject matter of such committee;
- (2) a list of members of such advisory committee; and
- (3) in the case of an advisory committee created by the Director of National Intelligence, the reasons for a determination by the Director under section 4(b)(3) of the Federal Advisory Committee Act (5 U.S.C. App) that an advisory committee cannot comply with the requirements of such Act.

* * * * *

CENTRAL INTELLIGENCE AGENCY ACT OF 1949

* * * * *

CENTRAL SERVICES PROGRAM

SEC. 21. (a) * * *

(b) PARTICIPATION OF AGENCY ELEMENTS.—(1) In order to carry out the program, the Director shall—

(A) * * *

* * * * *

(D) authorize such providers to make known their services to the entities specified in [section (a)] subsection (a) through Government communication channels.

* * * * *

(c) CENTRAL SERVICES WORKING CAPITAL FUND.—(1) * * *

(2) There shall be deposited in the Fund the following:

(A) * * *

* * * * *

(E) Other receipts from the sale or exchange of equipment, recyclable materials, or property of a central service [provider.] provider as a result of activities under the program.

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INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2013

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TITLE V—OTHER MATTERS

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SEC. 506. TECHNICAL AMENDMENT FOR DEFINITION OF INTELLIGENCE AGENCY.

【Section 606(5)】 *paragraph (5) of section 605 of the National Security Act of 1947 (50 U.S.C. 426), as redesignated by section 310(a)(4)(B) of this act, is amended to read as follows:*

“(5) The term ‘intelligence agency’ means the elements of the intelligence community, as that term is defined in section 3(4).”.

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MINORITY VIEWS

The Intelligence Authorization Act is one of the most important bills the House passes each year. It provides U.S. intelligence professionals with the critical resources, capabilities and authorities they need to safeguard the nation, while ensuring that the Intelligence Committee can continue to conduct rigorous oversight of even the most sensitive programs on behalf of the American people.

This year's Intelligence Authorization Act is also fiscally responsible. By curbing personnel growth and achieving major operating efficiencies, the Act provides funding at levels below those which the President requested, while increasing funds for urgent priorities such as countering insider threats, prioritizing collection against our greatest security risks, and enhancing our counterintelligence programs.

Furthermore, the FY 14 Intelligence Authorization Act continues to remove barriers to competition in space; it advances technologies to enhance U.S. satellite capabilities; contains measures to improve security clearance processes and portability among agencies; and makes continuous monitoring of those with active clearances a reality.

While this Act contains no reforms to the Foreign Intelligence Surveillance Act, the Minority Members are committed to continuing to work on reforms in a separate bill to enhance transparency and privacy while retaining critical national security capabilities.

The Intelligence Committee strives to operate in a bi-partisan manner, which was again evident with this Act. Minority Members offered important provisions that were incorporated into the Chairman's mark including a provision to ensure the work at the National Gang Intelligence Center continues as well as a provision to enhance our cutting edge satellite technology. The Minority Members also offered amendments which were adopted during the mark-up, including provisions to:

- Require a written plan for each program undertaken as part of a covert action to address any potential unauthorized public disclosure of it;
- Require the Director of National Intelligence to provide the Intelligence Committees with a plan to harness ongoing efforts and establish a national program to conduct competitions and challenges in cybersecurity and information technology-related areas, as well as to offer internships at Intelligence Community agencies; and
- Authorize the U.S. Coast Guard Attaché program to use the funds made available to it by the National Intelligence Program for official representation items.

Provisions offered by Minority Members also led to vigorous and principled debate. Minority Members have and will continue to en-

sure these topics receive thorough consideration and discussion. These provisions include measures to:

- Ban so-called signature strikes;
- Require an independent alternative analysis any time the U.S. Government is contemplating taking lethal action against a U.S. person who is engaging in international terrorism against the U.S.; and
- Require an annual, unclassified report on the total number of combatants, noncombatant civilians and total number of individuals killed or injured by the use of targeted lethal force launched from unmanned aerial vehicles.

This bi-partisan bill passed out of Committee by voice vote. Ms. Schakowsky voted against the Act because of her opposition to the so-called signature strikes. She also believes the Act should have required an independent alternative analysis prior to striking a U.S. person.

If enacted, this Intelligence Authorization Act would be the fifth intelligence bill in a row signed into law.

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ED PASTOR.
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