

graph (2) shall include, in addition to the requirements of section 3101(e) of this title, 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 3101 of this title 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 3101(f) of this title; 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 3101 of this title 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 3101(a) of this title.

(July 26, 1947, ch. 343, title V, §506F, as added Pub. L. 111-259, title III, §324(a), Oct. 7, 2010, 124 Stat. 2679.)

**Editorial Notes**

**CODIFICATION**

Section was formerly classified to section 415a-8 of this title prior to editorial reclassification and renumbering as this section.

**§ 3103. Future budget projections**

**(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 section<sup>1</sup> 1105 of title 31.

#### (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 ex-

tent, 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 this section 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 3097(a)(4) of this title.

(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.

#### (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.

##### (2) Independent cost estimate; major system

The terms “independent cost estimate” and “major system” have the meaning given those terms in section 3097(e) of this title.

(July 26, 1947, ch. 343, title V, §506G, as added Pub. L. 111-259, title III, §325(a), Oct. 7, 2010, 124 Stat. 2681.)

#### Editorial Notes

##### CODIFICATION

Section was formerly classified to section 415a-9 of this title prior to editorial reclassification and renumbering as this section.

#### Statutory Notes and Related Subsidiaries

##### APPLICABILITY DATE

Pub. L. 111-259, title III, §325(b), Oct. 7, 2010, 124 Stat. 2683, provided that: “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 [50 U.S.C. 3103(a), (b)], 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.”

[For definition of “congressional intelligence committees” as used in section 325(b) of Pub. L. 111-259, set out above, see section 2 of Pub. L. 111-259, set out as a note under section 3003 of this title.]

##### FUTURE-YEARS INTELLIGENCE PROGRAM

Pub. L. 115-245, div. A, title VIII, §8089, Sept. 28, 2018, 132 Stat. 3021, provided that: “The Director of National Intelligence shall submit to Congress each year, at or about the time that the President’s budget is submitted to Congress that year under section 1105(a) of title 31, United States Code, a future-years intelligence program (including associated annexes) reflecting the estimated expenditures and proposed appropriations included in that budget. Any such future-years intelligence program shall cover the fiscal year with respect to which the budget is submitted and at least the four succeeding fiscal years.”

Similar provisions were contained in the following appropriation acts:

Pub. L. 115-141, div. C, title VIII, §8090, Mar. 23, 2018, 132 Stat. 484.

<sup>1</sup> So in original. Probably should be preceded by “to”.

Pub. L. 115-31, div. C, title VIII, § 8091, May 5, 2017, 131 Stat. 268.

Pub. L. 114-113, div. C, title VIII, § 8091, Dec. 18, 2015, 129 Stat. 2373.

Pub. L. 113-235, div. C, title VIII, § 8095, Dec. 16, 2014, 128 Stat. 2276.

Pub. L. 113-76, div. C, title VIII, § 8090, Jan. 17, 2014, 128 Stat. 126.

Pub. L. 113-6, div. C, title VIII, § 8091, Mar. 26, 2013, 127 Stat. 318.

Pub. L. 112-74, div. A, title VIII, § 8094, Dec. 23, 2011, 125 Stat. 828.

Pub. L. 112-10, div. A, title VIII, § 8094, Apr. 15, 2011, 125 Stat. 77.

Pub. L. 111-118, div. A, title VIII, § 8104, Dec. 19, 2009, 123 Stat. 3451, repealed by Pub. L. 111-259, title III, § 325(c)(2), Oct. 7, 2010, 124 Stat. 2683.

Pub. L. 110-329, div. C, title VIII, § 8112, Sept. 30, 2008, 122 Stat. 3645.

### § 3104. Reports on security clearances

#### (a) 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; and

(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.

(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.

#### (b) Intelligence community reports

(1)(A) Not later than March 1 of each year, the Director of National Intelligence shall submit a report to the congressional intelligence committees, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on Oversight and Reform of the House of Representatives regarding the security clearances processed by each element of the intelligence community during the preceding fiscal year.

(B) The Director shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives such portions of the report submitted under subparagraph (A) as the Director determines address elements of the intelligence community that are within the Department of Defense.

(C) Each report submitted under this paragraph shall separately identify security clearances processed for Federal employees and contractor employees sponsored by each such element.

(2) Each report submitted under paragraph (1)(A) shall include, for each element of the intelligence community for the fiscal year covered by the report, the following:

(A) The total number of initial security clearance background investigations sponsored for new applicants.

(B) The total number of security clearance periodic reinvestigations sponsored for existing employees.

(C) The total number of initial security clearance background investigations for new applicants that were adjudicated with notice of a determination provided to the prospective applicant, including—

(i) the total number of such adjudications that were adjudicated favorably and granted access to classified information; and

(ii) the total number of such adjudications that were adjudicated unfavorably and resulted in a denial or revocation of a security clearance.

(D) The total number of security clearance periodic background investigations that were adjudicated with notice of a determination provided to the existing employee, including—

(i) the total number of such adjudications that were adjudicated favorably; and

(ii) the total number of such adjudications that were adjudicated unfavorably and resulted in a denial or revocation of a security clearance.

(E) The total number of pending security clearance background investigations, including initial applicant investigations and periodic reinvestigations, that were not adjudicated as of the last day of such year and that remained pending, categorized as follows:

(i) For 180 days or shorter.

(ii) For longer than 180 days, but shorter than 12 months.

(iii) For 12 months or longer, but shorter than 18 months.

(iv) For 18 months or longer, but shorter than 24 months.

(v) For 24 months or longer.

(F) For any security clearance determinations completed or pending during the year preceding the year for which the report is submitted that have taken longer than 12 months to complete—

(i) an explanation of the causes for the delays incurred during the period covered by the report; and

(ii) the number of such delays involving a polygraph requirement.

(G) The percentage of security clearance investigations, including initial and periodic reinvestigations, that resulted in a denial or revocation of a security clearance.

(H) The percentage of security clearance investigations that resulted in incomplete information.

(I) The percentage of security clearance investigations that did not result in enough information to make a decision on potentially adverse information.

(3) The report required under this subsection shall be submitted in unclassified form, but may include a classified annex.