

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—118th Cong., 1st Sess.**

**S. 1868**

To require an interagency study to produce a security assessment process on adjacent space to high-security leased space to accommodate a Federal agency, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. PETERS

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Secure Adjacent Fed-  
5 eral Property Act of 2023”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) ADMINISTRATOR.—The term “Adminis-  
9 trator” means the Administrator of General Serv-  
10 ices.

11 (2) BENEFICIAL OWNER.—

1 (A) IN GENERAL.—The term “beneficial  
2 owner”, with respect to a covered entity, means  
3 each natural person who, directly or indirectly,  
4 through any contract, arrangement, under-  
5 standing, relationship, or otherwise—

6 (i) exercises substantial control over  
7 the covered entity; or

8 (ii) owns or controls not less than 25  
9 percent of the ownership interests of, or  
10 receives substantial economic benefits from  
11 the assets of, the covered entity.

12 (B) EXCLUSIONS.—The term “beneficial  
13 owner”, with respect to a covered entity, does  
14 not include—

15 (i) a minor;

16 (ii) a person acting as a nominee,  
17 intermediary, custodian, or agent on behalf  
18 of another person;

19 (iii) a person acting solely as an em-  
20 ployee of the covered entity and whose con-  
21 trol over or economic benefits from the  
22 covered entity derives solely from the em-  
23 ployment status of the person;

24 (iv) a person whose only interest in  
25 the covered entity is through a right of in-

1 heritance, unless the person also meets the  
2 requirements of subparagraph (A); or

3 (v) a creditor of the covered entity,  
4 unless the creditor also meets the require-  
5 ments of subparagraph (A).

6 (C) ANTI-ABUSE RULE.—The exclusions  
7 under subparagraph (B) shall not apply if, in  
8 the determination of the Administrator, an ex-  
9 clusion is used for the purpose of evading, cir-  
10 cumventing, or abusing the requirements of this  
11 Act.

12 (3) CONTROL.—The term “control”, with re-  
13 spect to a covered entity, means—

14 (A) having the authority or ability to de-  
15 termine how the covered entity is utilized; or

16 (B) having some decisionmaking power for  
17 the use of the covered entity.

18 (4) COVERED ENTITY.—The term “covered en-  
19 tity” means—

20 (A) a person, corporation, company, busi-  
21 ness association, partnership, society, trust, or  
22 any other nongovernmental entity, organization,  
23 or group; or

24 (B) any governmental entity or instrumen-  
25 tality of a government.

1           (5) EXECUTIVE AGENCY.—The term “Executive  
2 agency” has the meaning given the term in section  
3 105 of title 5, United States Code.

4           (6) FEDERAL AGENCY.—The term “Federal  
5 agency” means—

6                   (A) an Executive agency; and

7                   (B) any establishment in the legislative or  
8 judicial branch of the Federal Government.

9           (7) FEDERAL LESSEE.—

10           (A) IN GENERAL.—The term “Federal les-  
11 see” means—

12                   (i) the Administrator;

13                   (ii) the Architect of the Capitol; and

14                   (iii) the head of any other Federal  
15 agency that has independent statutory  
16 leasing authority.

17           (B) EXCLUSIONS.—The term “Federal les-  
18 see” does not include—

19                   (i) the head of an element of the intel-  
20 ligence community; or

21                   (ii) the Secretary of Defense.

22           (8) FEDERAL TENANT.—

23           (A) IN GENERAL.—The term “Federal ten-  
24 ant” means a Federal agency that is occupying  
25 or will occupy a high-security leased space for

1           which a lease agreement has been secured on  
2           behalf of the Federal agency.

3           (B) EXCLUSION.—The term “Federal ten-  
4           nant” does not include an element of the intel-  
5           ligence community.

6           (9) FOREIGN ENTITY.—The term “foreign enti-  
7           ty” means—

8           (A) a corporation, company, business asso-  
9           ciation, partnership, society, trust, or any other  
10          nongovernmental entity, organization, or group  
11          that is headquartered in or organized under the  
12          laws of—

13                 (i) a country that is not the United  
14                 States; or

15                 (ii) a State, unit of local government,  
16                 or Indian Tribe that is not located within  
17                 or a territory of the United States; or

18           (B) a government or governmental instru-  
19          mentality that is not—

20                 (i) the United States Government; or

21                 (ii) a State, unit of local government,  
22                 or Indian Tribe that is located within or a  
23                 territory of the United States.

1           (10) FOREIGN PERSON.—The term “foreign  
2 person” means an individual who is not a United  
3 States person.

4           (11) HIGH-SECURITY LEASED ADJACENT  
5 SPACE.—The term “high-security leased adjacent  
6 space” means a building or office space that shares  
7 a boundary with or surrounds a high-security leased  
8 space.

9           (12) HIGH-SECURITY LEASED SPACE.—The  
10 term “high-security leased space” means a space  
11 leased by a Federal lessee that—

12                   (A) will be occupied by Federal employees  
13 for nonmilitary activities; and

14                   (B) has a facility security level of III, IV,  
15 or V, as determined by the Federal tenant in  
16 consultation with the Interagency Security  
17 Committee, the Secretary of Homeland Secu-  
18 rity, and the Administrator.

19           (13) HIGHEST-LEVEL OWNER.—The term  
20 “highest-level owner” means an entity that owns or  
21 controls—

22                   (A) an immediate owner of the offeror of  
23 a lease for a high-security leased adjacent  
24 space; or

1 (B) 1 or more entities that control an im-  
2 mediate owner of the offeror of a lease de-  
3 scribed in subparagraph (A).

4 (14) IMMEDIATE OWNER.—The term “imme-  
5 diate owner” means an entity, other than the offeror  
6 of a lease for a high-security leased adjacent space,  
7 that has direct control of that offeror, including—

8 (A) ownership or interlocking management;

9 (B) identity of interests among family  
10 members;

11 (C) shared facilities and equipment; and

12 (D) the common use of employees.

13 (15) INTELLIGENCE COMMUNITY.—The term  
14 “intelligence community” has the meaning given the  
15 term in section 3 of the National Security Act of  
16 1947 (50 U.S.C. 3003).

17 (16) SUBSTANTIAL ECONOMIC BENEFITS.—The  
18 term “substantial economic benefits”, with respect  
19 to a natural person described in paragraph  
20 (2)(A)(ii), means having an entitlement to the funds  
21 or assets of a covered entity that, as a practical mat-  
22 ter, enables the person, directly or indirectly, to con-  
23 trol, manage, or direct the covered entity.

24 (17) UNITED STATES PERSON.—The term  
25 “United States person” means an individual who—

1 (A) is a citizen of the United States; or

2 (B) is an alien lawfully admitted for per-  
3 manent residence in the United States.

4 **SEC. 3. GOVERNMENT-WIDE STUDY.**

5 (a) COORDINATION STUDY.—The Administrator, in  
6 coordination with the Director of the Federal Protective  
7 Service, the Secretary of Homeland Security, the Director  
8 of the Office of Management and Budget, and any other  
9 relevant entities, as determined by the Administrator,  
10 shall carry out a Government-wide study examining op-  
11 tions to assist agencies (as defined in section 551 of title  
12 5, United States Code) to produce a security assessment  
13 process for high-security leased adjacent space before en-  
14 tering into a lease or novation agreement with a covered  
15 entity for the purposes of accommodating a Federal ten-  
16 ant located in a high-security leased space.

17 (b) CONTENTS.—The study required under sub-  
18 section (a)—

19 (1) shall evaluate how to produce a security as-  
20 sessment process that includes a process for assess-  
21 ing the threat level of each occupancy of a high-se-  
22 curity leased adjacent space, including through—

23 (A) site-visits;

24 (B) interviews; and



1 (C) any other relevant activities deter-  
2 mined necessary by the Director of the Federal  
3 Protective Service; and

4 (2) may include a process for collecting and  
5 using information on each immediate owner, highest-  
6 level owner, or beneficial owner of a covered entity  
7 that seeks to enter into a lease with a Federal lessee  
8 for a high-security leased adjacent space, includ-  
9 ing—

10 (A) name;

11 (B) current residential or business street  
12 address; and

13 (C) an identifying number or document  
14 that verifies identity as a United States person,  
15 a foreign person, or a foreign entity.

16 (c) WORKING GROUP.—

17 (1) IN GENERAL.—Not later than 90 days after  
18 the date of enactment of this Act, the Administrator,  
19 in coordination with the Director of Federal Protec-  
20 tive Service, the Secretary of Homeland Security,  
21 the Director of the Office of Management and Budg-  
22 et, and any other relevant entities, as determined by  
23 the Administrator, shall establish a working group  
24 to assist in the carrying out of the study required  
25 under subsection (a).

1           (2) NO COMPENSATION.—A member of the  
2 working group established under paragraph (1) shall  
3 receive no compensation as a result of serving on the  
4 working group.

5           (3) SUNSET.—The working group established  
6 under paragraph (1) shall terminate on the date on  
7 which the report required under subsection (f) is  
8 submitted.

9           (d) PROTECTION OF INFORMATION.—The Adminis-  
10 trator shall ensure that any information collected pursu-  
11 ant to the study required under subsection (a) shall not  
12 be made available to the public.

13          (e) LIMITATION.—Nothing in this section requires an  
14 entity located in the United States to provide information  
15 requested pursuant to the study required under subsection  
16 (a).

17          (f) REPORT.—Not later than 2 years after the date  
18 of enactment of this Act, the Administrator, in coordina-  
19 tion with the Director of Federal Protective Service, the  
20 Secretary of Homeland Security, the Director of the Office  
21 of Management and Budget, and any other relevant enti-  
22 ties, as determined by the Administrator, shall submit to  
23 the Committee on Homeland Security and Governmental  
24 Affairs of the Senate and the Committee on Transpor-

1 tation and Infrastructure of the House of Representatives  
2 a report describing—

3 (1) the results of the study required under sub-  
4 section (a); and

5 (2) how all applicable privacy laws and rights  
6 relating to the First and Fourth Amendments to the  
7 Constitution of the United States would be upheld  
8 and followed in—

9 (A) the security assessment process de-  
10 scribed in paragraph (1) of subsection (b); and

11 (B) the information collection process de-  
12 scribed in paragraph (2) of that subsection.

13 (g) LIMITATION.—Nothing in this section authorizes  
14 a Federal entity to mandate information gathering unless  
15 specifically authorized by law.

16 (h) PROHIBITION.—No information collected pursu-  
17 ant the security assessment process described in sub-  
18 section (b)(1) may be used for law enforcement purposes.

19 (i) NO ADDITIONAL FUNDING.—No additional funds  
20 are authorized to be appropriated to carry out this section.