

**AMENDMENT TO**  
**RULES COMMITTEE PRINT 119-33**  
**OFFERED BY MR. ISSA OF CALIFORNIA**

At the end of subtitle B of title II, add the following new section:

1 **SEC. 2\_\_\_ . NATIONAL SECURITY INVESTOR PERSONNEL**  
2 **CLEARANCE PILOT PROGRAM.**

3 (a) ESTABLISHMENT.—The Secretary of Defense,  
4 acting through the Defense Counterintelligence and Security Agency, shall establish a pilot program under which  
5 eligible investors may sponsor and maintain security clearances for certain personnel for the purpose of supporting  
6 investments in small- and medium-sized businesses developing technologies relevant to the national security interests of the United States.

7 (b) AUTHORITY TO SPONSOR SECURITY CLEARANCES.—

8 (1) IN GENERAL.—An eligible investor may  
9 sponsor security clearances for cleared investment professionals, subject to approval by the Secretary of  
10 Defense.

11 (2) RELATIONSHIP TO SPECIFIC CONTRACTS.—  
12 A security clearance granted under this section may

1 be maintained independent of any specific Federal  
2 Government contract, provided the sponsoring inves-  
3 tor remains eligible under this section.

4 (3) ACCESS LEVEL.—Cleared investment pro-  
5 fessionals may access classified information only  
6 pursuant to a lawful determination of need-to-know  
7 and in accordance with applicable laws, regulations,  
8 and security procedures.

9 (c) AUTHORIZED PURPOSES.—A security clearance  
10 granted under this section may be used solely for purposes  
11 of—

12 (1) conducting diligence on covered companies;

13 (2) supporting the development, scaling, and  
14 commercialization of technologies relevant to na-  
15 tional security;

16 (3) facilitating engagement between covered  
17 companies and the Department of Defense, intel-  
18 ligence community, or any other Federal agencies;

19 (4) providing strategic, operational, technical,  
20 governance, or management support to covered com-  
21 panies; and

22 (5) assisting covered companies in obtaining  
23 contracts, grants, cooperative agreements, facility  
24 clearances, personnel clearances, or other authoriza-

1 tions necessary to support national security mis-  
2 sions.

3 (d) SECURITY REQUIREMENTS.—

4 (1) FACILITY CLEARANCE.—Each eligible inves-  
5 tor participating in the pilot program shall maintain  
6 a facility clearance or such alternative security ar-  
7 rangement as the Secretary of Defense determines  
8 appropriate.

9 (2) COMPLIANCE WITH OTHER REQUIRE-  
10 MENTS.—Each eligible investor participating in the  
11 pilot program shall comply with all applicable indus-  
12 trial security requirements, insider threat require-  
13 ments, and reporting obligations.

14 (3) SUSPENSION.—The Secretary of Defense  
15 may suspend or revoke an individual's or entity's eli-  
16 gibility to participate in the pilot program for any  
17 violation of security requirements or for any foreign  
18 ownership, control, or influence concern.

19 (e) LIMITATIONS.—

20 (1) IN GENERAL.—No participant in the pilot  
21 program may use access to classified information for  
22 personal financial gain, securities trading, market  
23 manipulation, or any purpose unrelated to sup-  
24 porting covered companies and national security ob-  
25 jectives.

1           (2) FOREIGN PERSONS.—No foreign person  
2           may serve as a cleared investment professional under  
3           this section.

4           (3) NO PREFERENCE IN FEDERAL AWARDS.—  
5           Participation in the pilot program shall not confer  
6           any preference in the award of Federal contracts,  
7           grants, or other Federal assistance.

8           (f) PARTICIPATION.—

9           (1) IN GENERAL.—The Secretary may approve  
10          any eligible investor and any cleared investment pro-  
11          fessional that satisfies the requirements of this sec-  
12          tion and any regulations promulgated pursuant to  
13          this section.

14          (2) RULE OF CONSTRUCTION.—Nothing in this  
15          section shall be construed to impose a numerical lim-  
16          itation on the number of participating investors,  
17          cleared investment professionals, or covered compa-  
18          nies that may participate in the program.

19          (g) ANNUAL REPORT.—Not later than one year after  
20          the date of the enactment of this Act, and annually there-  
21          after, the Secretary of Defense shall submit to the con-  
22          gressional defense committees a report describing—

23                 (1) the number of eligible investors partici-  
24                 pating in the pilot program under this section;

1           (2) the number and type of clearances spon-  
2           sored under the program;

3           (3) the number of covered companies supported  
4           through the program;

5           (4) measurable impacts of the program on de-  
6           fense innovation, manufacturing capacity, technology  
7           transition, and the defense industrial base;

8           (5) any security incidents or counterintelligence  
9           concerns identified during implementation of the  
10          program; and

11          (6) recommendations for improving the effec-  
12          tiveness of the program.

13          (h) SUNSET.—The authority provided by this section  
14          shall terminate on the date that is five years after the date  
15          of the enactment of this Act unless subsequently reauthor-  
16          ized by law.

17          (i) DEFINITIONS.—In this section:

18               (1) The term “cleared investment professional”  
19               means an employee, partner, member, advisor, direc-  
20               tor, officer, operating partner, consultant, or other  
21               representative of an eligible investor who has been  
22               granted a security clearance under this section.

23               (2) The term “covered company” means a  
24               United States small business concern, as defined in  
25               section 3 of the Small Business Act (15 U.S.C.

1       632), or a medium-sized business designated by the  
2       Secretary, that is engaged in the development, pro-  
3       duction, or commercialization of technology, prod-  
4       ucts, or services relevant to national security.

5           (3) The term “eligible investor” means a  
6       United States person or entity that—

7           (A) provides equity, debt, strategic, oper-  
8           ational, or other investment support to United  
9           States businesses;

10          (B) is not owned, controlled, or influenced  
11         by a foreign person;

12          (C) demonstrates a history of investing in,  
13         supporting, or developing technologies, prod-  
14         ucts, or services with defense, intelligence,  
15         homeland security, or other national security  
16         applications; and

17          (D) meets such additional requirements as  
18         the Secretary of Defense may prescribe.

