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NEW FEDERAL BACKGROUND CHECK OFFICE TO TAKE OVER INVESTIGATIONS OF CLEARED CONTRACTORS

A new government bureau is being created to conduct background investigations of federal employees and contractors who require access to classified information, government officials have unexpectedly announced. In an official blog post that caught many defense and intelligence industry contractors by surprise, senior government officials announced that the Office of Personnel Management Federal Investigative Services (OPM FIS) will be absorbed by a newly established office called the National Background Investigations Bureau (NBIB). Reporting to the Director of OPM, the NBIB will concentrate on providing effective, efficient, and secure background investigations for Federal employees and contractors.

Directly related to last year's massive OPM breach, which saw the theft of millions of federal background investigation records, the NBIB's formation is being touted as a way to enhance the cybersecurity of sensitive background investigation data. The establishment of the new office is also being cited as justification for improving the information systems and networks that transmit background investigation data, as NBIB's information technology systems will be designed, built, secured, and operated by the DoD.

Industry insiders are right to worry that the time and resources necessary to establish the NBIB may cause further delay to ongoing background investigations. Although OPM's Federal Investigative Services was at times staffed by more than 8,500 skilled OPM investigators, only sparse information has been released about the staffing and funding of the new NBIB (including its FY2017 budget of \$95 million for information technology upgrades).

The attorneys and industry professionals of Armstrong Teasdale's <u>Industrial</u> <u>Security</u> group remain dedicated to assisting our clients navigate the federal government's evolving regulation of the cleared defense and intelligence industry. For more information, contact <u>Brian Kaveney</u> (314.259.4757), toll-free at 855.855.1121.

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