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Next 7 Page(s) In Document Denied

99TH CONGRESS  
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HOUSE OF REPRESENTATIVES

REPT. 99-106  
Part 1

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR  
1986

MAY 15, 1985.—Ordered to be printed

Mr. HAMILTON, from the Permanent Select Committee on  
Intelligence, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H.R. 2419]

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 2419) to authorize appropriations for fiscal year 1986 for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes, having considered the same, report favorably thereon and recommend that the bill do pass with amendments.

PURPOSE

The bill would:

- (1) Authorize appropriations for fiscal year 1986 for (a) the intelligence and intelligence-related activities of the U.S. Government, (b) the Intelligence Community Staff and (c) the Central Intelligence Agency Retirement and Disability system;
- (2) Authorize the personnel ceilings on September 30, 1986 for the intelligence and intelligence-related activities of the U.S. Government;
- (3) Permit the Director of Central Intelligence to authorize personnel ceilings in fiscal year 1986 for any intelligence elements up to 2 percent above the authorized levels;
- (4) Prohibit the use of any funds available to any agency involved in intelligence activities for military or paramilitary operations in Nicaragua;

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gun democratic resistance including arms, ammunition, or other equipment or material which could be used to inflict serious bodily harm or death, or which would have the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any group, organization, movement or individual.

On page 6, lines 24-25, strike", subject to the provisions of section 501,".

On page 7, line 2, strike "Fund" and insert in lieu thereof "Funds".

#### SECTION-BY-SECTION ANALYSIS

##### TITLE I—INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES

Section 101 lists the departments and agencies for whose intelligence and intelligence-related activities the bill authorizes appropriations for fiscal year 1986.

Section 102 makes clear that, with the exception of sections 103 and 105, details of the committee's recommendations with respect to the amounts authorized to be appropriated for intelligence and intelligence-related activities and personnel ceilings covered under this title for fiscal year 1986 are contained in a classified schedule of authorizations to the bill and the classified annex to this report. The schedule of authorizations is incorporated into H.R. 2419 by this section.

Section 103 authorizes appropriations of \$15,200,000 for the counterterrorism program of the Federal Bureau of Investigation.

Section 104 permits the Director of Central Intelligence to authorize the personnel strength of any intelligence element to exceed the fiscal year 1986 authorized personnel levels by no more than 2 percent if he determines that doing so is necessary for the performance of important intelligence functions. The Director must notify the two intelligence committees promptly of any exercise of authority under the section.

It is to be emphasized that the authority conveyed by this section is not intended to permit the wholesale raising of personnel strength in each or any intelligence component. Rather, the section provides the Director of Central Intelligence with flexibility to adjust personnel end strength temporarily for contingencies and for overages caused by an imbalance between hiring of new employees and attrition of current employees for retirement, resignation, etc. The committee does not expect the Director of Central Intelligence to allow heads of intelligence components to plan to exceed personnel levels set in the schedule of authorizations except for the satisfaction of clearly identified hiring needs which are consistent with the authorization of personnel strengths in this bill. In no case is this authority to be used to provide for positions denied by this bill.

As introduced, Section 105 would have prohibited any funds available to any agency involved in intelligence activities being used to support, directly or indirectly, military or paramilitary operations in Nicaragua. The section also had the effect of denying any funds requested for such a purpose in fiscal year 1986. It would

extend the current statutory prohibition for support to the Nicaraguan "contras" through the end of FY 1986.

An amendment was adopted by the committee to strike the original language of Section 105 so as to make clear that the prohibition that applies to supporting Nicaraguan insurgents or "contras" applies only to the provision of funds, goods, equipment, civilian or military supplies, or any other materiel, but does not include the provision of intelligence information or advice to the contras.

#### TITLE II—INTELLIGENCE COMMUNITY STAFF (ICS)

Section 201 authorizes the appropriation of \$21,900,000 for the Intelligence Community Staff [ICS], which provides the Director of Central Intelligence [DCI] with staff assistance to carry out his intelligence community responsibilities. The Staff supports the DCI in the execution of his responsibilities to develop, review, and approve the National Foreign Intelligence Program budget, to evaluate the performance of foreign intelligence activities, and to develop issues, goals, and other required guidance for the intelligence community.

Sections 202 and 203 provide certain administrative authorities for the Intelligence Community Staff. Section 202(a) authorizes 233 full-time personnel for the staff as of September 30, 1986. The Intelligence Community Staff is composed of a permanent cadre, detailed community personnel, and contract hires.

The Intelligence Community Staff is now made up of personnel who are permanent employees of the Staff and other who are detailed for several years from various intelligence elements. The purpose of section 202(b) is to authorize this staff approach and to require that detailed employees represent all appropriate elements of the Government, including those engaged in intelligence-related activities.

Section 202(c) requires that personnel be detailed on a reimbursable basis except for temporary situations. The Staff's authorized size, in the opinion of the committee, is sufficient for the duties which the Staff performs. This provision is intended to insure that its ranks are not swelled by detailees, the personnel costs for whom are not reimbursed to their parent agency.

Section 203 provides the Director of Central Intelligence with authority to manage the activities and to pay the personnel of the Intelligence Community Staff because the Staff is not otherwise authorized by law. However, it is the committee's intent that in the case of detailed personnel, the DCI's authority to discharge personnel shall only extend to discharging detailed personnel from service at the Intelligence Community Staff and not from Federal employment or military service.

#### TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Section 301 authorizes appropriations for the Central Intelligence Agency Retirement and Disability System (CIARDS) in the amount of \$101,400,000 for fiscal year 1986. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (Public law 88-643) authorized the establishment of CIARDS for a limited

H 5900

## CONGRESSIONAL RECORD — HOUSE

July 18, 1985

cedural requirements of the United States Nuclear Regulatory Commission.

I agree that the original referral was correct under the Rules of the House and that the Committee on Energy and Commerce could seek a sequential referral of the legislation. In order to permit early consideration of the bill by the Committee on Energy and Commerce, however, I have no objection to a joint referral of the measure at this time. My acquiescence is made in the interest of comity among the committees and with the express understanding that the referral in no way modifies the allocation of jurisdiction between the committees or the rules by which subsequent legislation will be referred on the same subject matter as H.R. 2743, or measures amending its text should H.R. 2743 become law.

Sincerely,

MORRIS K. UDALL,  
Chairman.

### INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1986

Mr. BEILENSEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 224 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

#### H. RES. 224

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2419) to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except the following amendments, which shall not be subject to amendment: (1) the amendments recommended by the Permanent Select Committee on Intelligence now printed in the bill, and said amendments shall be considered en bloc; and (2) the amendments printed in the Congressional Record of July 16, 1985, by, and if offered by, Representative Hamilton of Indiana, and said amendments shall be considered en bloc and shall not be subject to a demand for a division of the question in the House or in Committee of the Whole and said amendments shall be debatable for not to exceed twenty minutes, to be equally divided and controlled by Representative Hamilton and a Member opposed thereto. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1110

The SPEAKER. The gentleman from California [Mr. BEILENSEN] is recognized for 1 hour.

Mr. BEILENSEN. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 224 provides for the consideration of H.R. 2419, the Intelligence Authorization Act for fiscal year 1986. The resolution is a modified closed rule with 1 hour of general debate.

Section 402(a) of the Congressional Budget Act is waived against consideration of the bill. This section of the Budget Act prohibits consideration of authorizing legislation not reported by May 15 prior to the fiscal year to which it applies. This waiver is necessary because, as the result of a clerical error, the legislation contains an authorization for fiscal year 1985. Since the bill was not reported prior to May 15, 1984, it is in violation of section 402(a) of the Budget Act. However, since it is the intention of Chairman HAMILTON of the committee to offer an amendment that cures this Budget Act violation during the amendment process, this waiver of section 402(a) is purely a technical waiver.

The rule allows only the following amendments which are not amendable: The committee amendments printed in the bill, to be considered en bloc; and the amendments by Representative HAMILTON printed in the CONGRESSIONAL RECORD of July 16, 1985, to be considered en bloc and not subject to a division of the question in the House or in the Committee of the Whole. The Hamilton amendments are debatable for 20 minutes, equally divided and controlled by Mr. HAMILTON and a Member opposed to the amendments.

Finally, the rule provides for one motion to recommit.

Mr. Speaker, the rule recommended by the Rules Committee is somewhat unusual for an authorization bill. The Rules Committee has traditionally attempted to grant open rules to authorization bills so Members can offer amendments and express their views on the legislation. In this instance, the Rules Committee was faced with unanimous bipartisan testimony from members of the Intelligence Committee that a modified closed rule was necessary. First, the legislation is non-controversial. Second, the Intelligence Committee was advised by the leadership that a modified closed rule would lend itself to expeditious floor consideration of the legislation. Third, and most importantly, the unique relationship between the H.R. 2419, the Intelligence Authorization Act and H.R. 1872. The Department of Defense Authorization Act is such that the amendments to be offered by Mr. HAMILTON are necessary to reconcile the authorization levels contained in

the Intelligence bill, H.R. 2419, with the House-passed authorization levels contained in H.R. 1872.

For these reasons, the Rules Committee felt that a modified closed rule was appropriate for the consideration of H.R. 2419. The Rules Committee is not aware of any opposition to this proposed modified closed rule.

Mr. Speaker, H.R. 2419 authorizes appropriations for fiscal year 1986 for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Committee staff, and for the Central Intelligence Agency retirement and disability system. The legislation also amends certain administrative provisions relating to the Central Intelligence Agency and Intelligence Community Staff.

The legislation contains a provision that makes clear that the prohibition that applies to supporting Nicaraguan insurgents applies only to the provision of funds, goods, equipment, civilian or military supplies, or any other material, but does not prohibit the provision of intelligence information or advice to the Contras.

In addition, H.R. 2419 requires notification to the Intelligence and Appropriations Committees both for intelligence activities in excess of authorized amounts or transfers by an intelligence agency of military equipment or services worth more than \$1 million per item to a foreign government or group.

House Resolution 224 is, we believe, a fair rule that provides for the expeditious consideration of H.R. 2419 and I urge its adoption.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

(Mr. TAYLOR asked and was given permission to revise and extend his remarks.)

Mr. TAYLOR. Mr. Speaker, House Resolution 224 is a modified rule under which the House will consider legislation that authorizes appropriations for our Nation's foreign intelligence programs.

This rule represents the recommendation of the Committee on Rules as the best way for the House to deal with the issues contained in H.R. 2419, the Intelligence authorization bill for 1986, and the best way to facilitate House consideration of this important legislation in a timely manner.

Mr. Speaker, the rule limits the number of amendments to H.R. 2419, and this limitation is provided at the unanimous, bipartisan request of the members of the Permanent Select Committee on Intelligence.

Mr. Speaker, it was the feeling of the Committee on Rules that the request of the Permanent Select Committee on Intelligence for restrictions on amendments on H.R. 2419 ought to be allowed because of the time constraints we face in completing House action on the bill prior to completing action on the Defense authorization conference report.

July 18, 1985

## CONGRESSIONAL RECORD — HOUSE

H 5901

The rule does contain a waiver of section 402(a) of the Budget Act, to permit consideration of the bill. Due to a clerical error, the bill was printed with a fiscal year 1985 authorization date for the Central Intelligence Agency retirement and disability fund. The Intelligence Committee intended for this authorization to be effective for fiscal year 1986 appropriations, and will offer an amendment to correct the authorization date.

In this situation, the Budget Act waiver is technical in nature and is provided in the rule in order to permit the committee to correct the printing mistake.

Mr. Speaker, the rule provides for 1 hour of general debate, and for 30 minutes of debate on the amendments specifically made in order.

The two amendments specified in the rule are not subject to further amendment. The first amendment will be the committee amendments, which are printed in the bill, and which will be considered en bloc. Under the rules of the House, debate on the committee amendments is limited to 10 minutes.

The second amendment made in order by the rule is one to be offered by the distinguished chairman of the Intelligence Committee, the gentleman from Indiana [Mr. HAMILTON]. The Hamilton amendments are printed in the CONGRESSIONAL RECORD of July 16, and will be debatable for 20 minutes. These amendments will also be considered en bloc, and will not be subject to division in the House or in committee.

Finally, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 2419 provides authorization for our national foreign intelligence programs and tactical intelligence programs of the Department of Defense. The programs and dollar amounts of the authorizations are described in a classified annex to the committee report, which is available to all Members.

About 98 percent of the funds authorized in H.R. 2419 are contained in the Defense authorization bill, H.R. 1872, which passed the House on June 27. The conference committee on that bill expects to finish its work this week, and this rule is designed to accommodate the Permanent Select Committee on Intelligence prior to final action on the conference report.

Mr. Speaker, the committee amendments made in order by this rule narrow the focus of our current legal prohibition on assistance to the democratic resistance forces in Nicaragua.

The committee amendment continues the prohibition on expenditure of funds for materiel assistance to the Nicaraguan democratic resistance, including arms, ammunition, or other equipment or material. The committee amendment does allow U.S. intelligence agencies to share intelligence information or advice, and is, therefore, generally consistent with the action

H.R. 2577, the supplemental appropriations bill.

Mr. Speaker, there was no opposition to the procedure outlined in this rule during our hearing in the Committee on Rules. The members of the Permanent Select Committee on Intelligence were unanimous in their request for this type of rule.

In the interest of timely action by the House, I urge support for this rule.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP], the ranking minority member of the Intelligence Committee.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding time to me, and I rise in support of House Resolution 224.

This rule was requested by the committee and supported by both the majority and the minority, and I urge its adoption.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time on this side either, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to House Resolution 224 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2419.

□ 1120

## IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2419) to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

□ 1120

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 30 minutes and the gentleman from Arizona [Mr. STUMP] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act for Fiscal Year 1986.

As Members know well, this bill—

formation to the reader. The figures and all the details of its recommendations for the intelligence budget are to be found in the classified schedule of authorizations and the classified annex which accompanies the committee's report. Those materials are available today, as they have been since June 3, in the offices of the Intelligence Committee and I urge Members who have not done so to take the time to read them.

These documents support something we all know—that intelligence is as essential a government function as any in the United States. A great power like the United States cannot survive without good intelligence. Intelligence is receiving, and should receive, increasing priority for a whole range of tasks and targets, among which—to name only a few—are: the threat of terrorism; the counterintelligence response to hostile intelligence services acting in this country and abroad against American interests; the security of our embassies and other facilities overseas, both physical and electronic; and such traditional intelligence concerns as support to arms control negotiations. The committee members believe that U.S. intelligence agencies perform a vital service for the national security.

Members of the Intelligence Committee also believe that even intelligence, as important as it is, must be subjected to the same rigorous budget scrutiny applied to other elements of Government.

Acting in the present austere budget climate, your committee has recommended a percentage cut in the intelligence budget comparable to that recommended by the Committee on Armed Services. This is the largest cut the Intelligence Committee has ever made in the budget. It was taken with appropriate concern for the national security of the United States and with clear appreciation that cuts were necessary.

Since the committee reported out H.R. 2419, the House has passed the Defense authorization bill as amended by the Aspin amendment. The Aspin amendment freezes Defense expenditures at the fiscal year 1985 appropriation level. The Intelligence Committee recognizes that this sets a strong precedent for the intelligence budget and, accordingly, at the direction of the committee, I will offer an amendment today to limit the intelligence authorization bill to a level consistent with those Defense levels set by the Aspin amendment.

Ninety-eight percent of the intelligence programs in this bill are contained in the Defense budget. Authorization levels for most intelligence programs are contained within the various appropriation category totals in the Defense authorization bill. Adjustments which we have made to intelligence programs have been coordinated with the Armed Services Committee

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H 5902

## CONGRESSIONAL RECORD — HOUSE

July 18, 1985

and are accurately reflected in the totals contained by the Defense bill.

The amendment that I will offer at the direction of the committee recognizes that the intelligence budget is essentially a subset of the Defense budget. Moreover, it recognizes that it is the total Defense budget that we want to freeze, not its individual components. My amendment limits intelligence authorizations so that they cannot cause the Defense freeze to be breached. This is not to say that no intelligence programs have increased. They have, even after our substantial cuts. We all recognize that many components of the Defense budget have increased despite the freeze. Some components increase, some decrease. The essential feature of an overall freeze is that the total amounts not be exceeded. Consider SDI, for example. Despite cuts to the program by both House and Senate, the programs will have at least \$2.5 billion in funding next year, an increase of almost 80 percent over last year. Nevertheless, the Defense freeze is not breached. The same is true for intelligence programs.

What does this amendment do? First, it states legislatively the principle that we can't do anything in this bill to breach the Defense freeze. This could have a significant practical effect if the correspondence between the Defense and intelligence bills is lost as the legislative process continues. The amendment prevents any excess of authorization for intelligence. Second, some reductions in the Defense bill are unallocated. Some of these reductions will ultimately be allocated to intelligence programs. The amendment causes the relevant accounts in this bill to be reduced accordingly.

These are the committee's objectives and we believe they are consistent with the will of the House.

Madam Chairman, there are other important features of the bill worth mentioning. With respect to Nicaragua, the committee has amended the familiar Boland amendment language to permit the provision of CIA intelligence and advice to the Contras. It continues the prohibition on other intelligence agency support to the Contras but is consistent with the Mitter amendment to the supplemental appropriations bill adopted by the House.

In another provision, the committee has made permanent a requirement that has long appeared in intelligence authorization bills. This provision requires the Intelligence and Appropriations Committees be told of the intent to exceed the authorized amount for any intelligence or intelligence-related program.

Another provision requires that the intelligence committees receive prior notice of clandestine transfer of an item of military equipment or services where the item or service equals or exceeds \$1 million in value. This is an

area of high congressional interest and sensitivity for U.S. foreign policy. Such transfers deserve to be subject to the special notice requirements that apply to other significant anticipated intelligence activities.

Finally, Madam Chairman, the bill contains a provision which requires a report from the Director of Central Intelligence on the security of U.S. installations overseas in the face of efforts by foreign governments, electronic or otherwise, to exploit U.S. confidential communications or other activities. This is a high priority of the committee and one that I believe is shared by the intelligence community.

In closing, I pay tribute to LOU STOKES and BOB STUMP and the other members of the committee for their work and devotion to the review of the intelligence budget. They, and the excellent staff of the subcommittee, have worked hard. They have produced a result which meets the committee's tradition of full bipartisan support and they have done so in the difficult circumstances of budget austerity and increasing intelligence priorities. I believe they deserve the thanks of the House for a job very well done.

Madam Chairman, at this point, I yield to the gentleman from Ohio, the distinguished chairman of the Subcommittee on Program and Budget Authorization, Mr. STOKES.

Mr. STOKES. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I want to take a moment to express my appreciation to all of the members of my subcommittee for their tireless and conscientious committee work in producing this bill. In particular I want to commend the gentleman from Indiana (Mr. HAMILTON), the chairman of the full committee for his hard work both as full committee chairman and as a member of this subcommittee.

I also want to express my appreciation to the gentleman from Arizona (Mr. STUMP), the ranking minority member. I appreciate his cooperation and I have enjoyed working with him. I also appreciate and want to make special mention of the other subcommittee members who never missed a meeting in over 50 hours of hearings on this bill; Mr. KASTENMEIER, Mr. DANIEL, Mr. ROE, Mr. CHENEY, and Mr. LIVINGSTON.

Other members of the full intelligence committee who were not members of our subcommittee but who often attended our meetings and made a contribution were Mr. BELLESON, Mr. BROWN, Mr. McEWEN, Mr. McHUGH, and Mr. DWYER.

I also want to thank our committee staff; Marty Faga, Duane Andrews, Bob Fitch, Bob Surret, and Carol Thompson for their highly professional work.

Madam Chairman, H.R. 2419, the Intelligence Authorization Act for fiscal year 1986, is the eighth such bill in as many years reported out by the Per-

manent Select Committee on Intelligence. I am proud to say, like its predecessors, it's budget provisions were approved unanimously in committee, and was supported by the Committee on Armed Services.

This bill authorizes all the funds for the next fiscal year for the intelligence and intelligence-related activities of the U.S. Government.

The category of "intelligence activities" includes all the activities of the Central Intelligence Agency; the Defense Intelligence Agency; the National Security Agency; other intelligence components of the Department of Defense, and the Departments of the Army, Navy, and Air Force; the Bureau of Intelligence and Research of the Department of State; the intelligence divisions of the Federal Bureau of Investigation, intelligence elements of the Departments of Treasury and Energy, and the Drug Enforcement Administration; and the intelligence community staff of the Director of Central Intelligence. These activities provide intelligence for the use of the President, the Cabinet, the National Security Council and the Joint Chiefs of Staff.

Further, this bill authorizes intelligence-related activities of the Department of Defense, which are programs that are integral to the defense force structure, but which are similar to national intelligence programs and are often tasked for national intelligence purposes, particularly in peacetime.

The similarity of programs and functions between the national intelligence programs and the intelligence-related activities of the Defense Department is the reason that both are considered by the Permanent Select Committee on Intelligence and authorized in this bill. We have worked to insure that the program areas are complementary and mutually supportive but not duplicative. The referral of this bill to the Committee on Armed Services has assured that the judgments we have made from an intelligence viewpoint are equally sound from a military perspective. We have worked closely with that committee on a continuous basis and achieved a position agreeable to both committees.

Madam Chairman, most intelligence activities are classified and necessarily so. In some cases, even the very existence of the program or activity is held secret. This sensitivity limits the description we can offer here on the floor. The schedule of authorizations to accompany the bill and the classified annex to the report have been available to Members since June 3. The subject material is complex, but we have worked to make these classified reports as readable as possible.

The committee continues to recommend that the budget for intelligence not be disclosed. The disclosure of a single budget number might not itself be harmful, but some explanation of the content and meaning of the

July 18, 1985

## CONGRESSIONAL RECORD — HOUSE

H 5903

number would be essential. But such an explanation would be excessively revealing. Moreover, the committee recognizes that intelligence is inherently secret, and any disclosure is the beginning of an erosive process. In some cases, the mere awareness of an intelligence activity can easily reduce or eliminate its effectiveness, may endanger lives, and may lead to the collection of false information contrived by our adversaries to confuse or mislead us.

Madam Chairman, I would like to summarize briefly the organization of this bill.

Title I provides for the bulk of our intelligence and intelligence-related activities. As I said earlier, funds and program details are in the classified schedule of authorizations and the annex to the report. One exception is the authorization for the Domestic Counterterrorism Program of the FBI, which is unclassified. The bill provides \$15.2 million for this function.

Title II provides necessary authorities for the intelligence community staff, whose function is to assist the Director of Central Intelligence with his responsibilities for overall coordination of intelligence and preparation of the budget. The staff is made up of representatives of all elements of the intelligence community. Administratively, it is treated as though it were part of the CIA. The bill provides \$21.9 million for this purpose. An amendment will be offered reducing this amount to \$21 million.

Title III provides authorization of \$101.4 million for the Central Intelligence Agency Retirement and Disability System. This is a program established by Congress in 1964 to provide for those CIA personnel who perform hazardous duties or are in special situations, usually abroad, which may limit the length of their careers. The bill incorrectly states that the amount authorized is for fiscal year 1985. A technical amendment will correct this to read fiscal year 1986.

As Chairman HAMILTON has stated, title IV provides in section 401 that the Congress must be notified before intelligence funds are obligated or expended for a purpose other than that originally authorized. Section 401 also requires notification if defense activities or services exceeding \$1 million in value are to be transferred in conjunction with an intelligence activity. Section 402 requires a report from the Director of Central Intelligence of the vulnerability of our confidential activities abroad.

Title V provides that this bill does not authorize intelligence activities not otherwise authorized by the laws and Constitution of the United States. It also provides authorization for appropriations to pay for increased pay or benefits to Federal employees if they are enacted in other legislation.

Madam Chairman, as in the last fiscal year, this bill authorizes less than the administration requested.

Some specific proposals have been recommended for deferral, others for termination, while a few have been increased. I believe that the authorization provided is adequate to meet the country's needs.

Madam Chairman let me close by stating that, as in year's past, the committee has made, and continues to make, the classified annex to its report available to all Members of the House during business hours in the committee's rooms. I would invite Members who have not yet had an opportunity to do so to read this annex.

□ 1130

Mr. STUMP. Madam Chairman, I yield myself such time as I may consume.

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act, with the committee amendments printed in the bill and the committee freeze-type amendment printed in the CONGRESSIONAL RECORD of Tuesday, July 16.

The funding authorizations contained in this bill for intelligence and intelligence-related activities ensure that U.S. policymakers will continue to have the capability to collect needed intelligence on foreign powers, to detect and counter hostile activities by foreign powers, and to influence world events.

Because the effectiveness of intelligence programs depends in part upon their secrecy, the details of intelligence programs and the associated funding levels must remain concealed.

Consequently, I will not discuss the details of the committee's recommendations. Those details are in the classified schedule of authorizations and classified annex to the committee's report, which have been available for review by all Members of the House since June 3, 1985.

I believe that H.R. 2419 represents a balanced and effective allocation of scarce resources to U.S. intelligence programs.

The authorization levels for intelligence activities established by this bill generally represent bipartisan agreement on programs and budgets for intelligence matters of critical importance to national security.

Section 105 of this bill, relating to aid to the Nicaraguan Democratic Resistance, is not exactly what I would have preferred.

As the minority views in the Intelligence Committee report on the bill state, the minority believes that the Congress should support military aid to the resistance.

A majority of the committee did not agree with that position, but it did agree that the U.S. Government should be able to exchange intelligence and advice with the resistance.

Thus, section 105 of the bill with the committee amendments only prohibits

intelligence agencies from providing material assistance to the resistance.

The committee position on section 105 is generally consistent with the will of the House expressed in the adoption of the Michel-McCurdy language on the supplemental appropriations bill which provides for humanitarian aid to the resistance administered by an agency other than CIA or DOD, and allows the exchange of information with the resistance.

I urge the House to support the committee's authorization decisions by approving H.R. 2419.

Madam Chairman, I yield 3 minutes to the gentleman from Wyoming (Mr. CHENEY).

Mr. CHENEY. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 2419. This has been my 1st year to serve on the Intelligence Committee, and I must say I found it a fascinating experience in part because of the spirit of bipartisanship that was mentioned previously by the chairman.

It has been a privilege to serve with the gentleman from Arizona (Mr. STUMP), the ranking Republican, and the gentleman from Indiana (Mr. HAMILTON), the chairman of the full committee, and the gentleman from Ohio (Mr. STOKES), who chaired the Budget Subcommittee.

I think it is extremely important for the House and for the committee to seek bipartisan efforts and conclusions with respect to the intelligence program and I was indeed pleased that we were able to achieve that this year.

As the gentleman from Arizona (Mr. STUMP) mentioned, many of us believe that the provisions with respect to Nicaragua are inadequate; we would have preferred to support military assistance to the Democratic Resistance in Nicaragua, but we did not reach a compromise; we did agree to modify section 105 of the bill so that it does continue the prohibition of the Boland amendment against military assistance, but it does in fact make it clear that the prohibition does not prevent information sharing or advice with the Nicaraguan Democratic Resistance.

Section 105 is intended to bar the Central Intelligence Agency, the Department of Defense or any other U.S. Government agency or entity involved in intelligence activities from providing directly or indirectly arms, ammunition, or other equipment or material to support the military or paramilitary activities of the Nicaraguan insurgent forces.

It is not intended to prohibit the provision of intelligence information and advice to these groups, nor does it preclude the United States from furnishing political, administrative, or other forms of nonmilitary support for activities of the Nicaraguan Democratic Resistance.

In other words, it is consistent with the provision of humanitarian assist-



H 5904

## CONGRESSIONAL RECORD — HOUSE

July 18, 1985

ance to the armed Nicaraguan Democratic Resistance, as previously approved by the House this year on the supplemental appropriations bill.

Madam Chairman, this is a good piece of legislation. I am proud to have served on the committee that produced it, and I would urge my colleagues to approve it.

□ 1140

Mr. STUMP. Madam Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HYDE].

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. I wonder if I might ask the chairman, the gentleman from Indiana [Mr. HAMILTON], one question. First of all, I want to identify with everything that the gentleman from Arizona [Mr. STUMP] has said and what the gentleman from Wyoming [Mr. CHENY] has said, complimenting the committee on its excellent leadership and the effort to attain bipartisan consensus, which most often we do.

With reference to section 105, is it the gentleman's understanding that that section does not conflict in any way with the McCurdy-Michel-McDade amendment which we adopted in this Chamber on previous legislation?

Mr. HAMILTON. Yes, basically that is my understanding, that there is no conflict.

But let me respond in more detail. The Michel amendment appropriates \$27 million in 2 fiscal years to be distributed by an agency of Government other than the Central Intelligence Agency or the Department of Defense for humanitarian aid to the Contras. Section 105 of this bill prohibits any intelligence agency from providing assistance to the Contras, material assistance to the Contras. It does not prohibit, as the gentleman from Wyoming said, the provision of intelligence or advice to the Contras.

Now, the Michel amendment would not have restricted or does not restrict the use of the State Department in distributing aid to the Contras. Section 105 does prohibit the State Department from being the agency for that purpose.

Other than that, there is no conflict or difference between the two provisions, and I think that difference is a minor one.

Mr. HYDE. I thank the chairman very much for that explanation.

Mr. STUMP. Madam Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. LIVINGSTON. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act for Fiscal Year 1986. This bill provides classified authorizations

of appropriations for intelligence and intelligence-related programs which are essential to the security interests of the United States.

I note, however, that one section of the bill, section 105 relating to Nicaragua, in my view does not fully satisfy the security interests of the United States. As the minority views contained in the Intelligence Committee's Report make clear, the committee recommended version of section 105 is only tolerable in comparison to the alternative it replaced—the full Boland prohibition, which the House recently rejected in considering the supplemental appropriations bill.

Section 105 of H.R. 2419 as introduced would have carried forward to fiscal year 1986 the Boland prohibition on support for military or paramilitary operations in Nicaragua contained in section 8066(a) of the DOD Appropriations Act, 1985 and section 801 of the Intelligence Authorization Act for Fiscal Year 1985. The committee amendment to section 105, which is printed in the bill, more narrowly tailors the prohibition to the concerns some in the Congress have expressed in the past about U.S. policy toward Nicaragua and the armed democratic resistance in that country. Also, the committee amendment to section 105 was crafted so that it does not interfere with use of the U.S. Armed Forces consistent with the War Powers Resolution to protect U.S. citizens, or U.S. efforts to fulfill collective security treaty obligations.

Instead of the Boland prohibition, section 105 as recommended by the committee establishes two narrower prohibitions on the use of funds during fiscal year 1986 by the CIA, DOD, and other U.S. intelligence entities. First, the amendment prohibits use of funds by intelligence agencies for material assistance to the armed democratic opposition referred to as the Nicaraguan Democratic Resistance. Second, the amendment prohibits use of funds by intelligence agencies which would have the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any group, organization, movement or individual.

Although this revised section 105 does not fully meet the need to support the resistance in the fight for freedom in Nicaragua, it is better than the Boland amendment it replaced and is generally consistent with the Michel-McDade-McCurdy language the House adopted on the supplemental appropriation bill. Aside from the failure of revised section 105 to go far enough in renewing support for the Nicaraguan resistance, I believe the rest of the bill provides the support needed for the Nation's vital intelligence activities. I urge my colleagues to support the bill for that reason.

I emphasize again that the two narrow prohibitions contained in revised section 105 were carefully craft-

ed to meet both congressional concerns and the needs of U.S. foreign policy. In revised section 105, the term "material assistance" refers to any corporeal items. Thus, no goods of any type may be furnished by intelligence agencies to the resistance in Nicaragua. In contrast, the amendment does not prohibit nonmaterial, that is, noncorporeal, assistance, such as advice or intelligence information. Lest there be any confusion about it, such intelligence information or advice does not become material assistance merely because it may be physically embodied in pieces of paper.

As I interest it, amended section 105 is not intended to prohibit the sharing of intelligence and conduct of normal liaison contact, or to encumber the political, administrative or other support for nonparamilitary activities. Thus, any authority for material assistance of a political or administrative nature, such as typewriters or photocopiers, to democratic opposition elements who are not engaged in armed resistance, would not be affected.

The other prohibition contained in amended section 105 precludes use of funds by intelligence agencies which have the effect of providing arms, ammunition, or other weapons of war for military, or paramilitary operations in Nicaragua. Unlike the first prohibition, which applies only with respect to the Nicaraguan Democratic Resistance, the second prohibition applies with respect to military operations by any "group, organization, movement or individual." The deletion of the word "nation"—which appeared in the rejected Boland prohibition—from the list of sectors to whom the United States may not give aid for operations in Nicaragua, makes clear that section 105 does not prevent use of U.S. intelligence funds to support U.S. military operations in Nicaragua consistent with the War Powers resolution, should such operations become necessary, for example in rescuing U.S. Embassy personnel in an emergency. The deletion of "nation" also makes clear that, in the event of a Nicaraguan attack on any of our allies in the region, intelligence funds could be used in support of collective self-defense operations under the Rio Treaty.

Madam Chairman, I say again to my colleagues that amended section 105 is not perfect. I believe, as do many other Members of the House, that the United States should provide material aid—and every other kind of aid—to the Nicaraguan Democratic Resistance to continue the fight against Sandinista Communist tyranny in Nicaragua.

Notwithstanding the shortcomings of section 105, however, the remainder of the bill is fully satisfactory in meeting the intelligence needs of the United States, and I would urge my colleagues to support it on that basis.

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H 5905

## CONGRESSIONAL RECORD — HOUSE

July 18, 1985

H.R. 2419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1986".

## TITLE I—INTELLIGENCE ACTIVITIES

## AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1986 for the conduct of the intelligence and intelligence-related activities of the following elements (or offices, agencies or subelements thereof) of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of the Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.

## CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1986, for the conduct of the intelligence and intelligence-related activities of the elements (or offices, agencies or subelements thereof) listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Permanent Select Committee on Intelligence to accompany H.R. 2419 of the Ninety-ninth Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

## AUTHORIZATION OF APPROPRIATIONS FOR COUNTERTERRORISM ACTIVITIES OF THE FEDERAL BUREAU OF INVESTIGATION

SEC. 103. In addition to the amounts authorized to be appropriated under section 101(9), there is authorized to be appropriated for fiscal year 1986 the sum of \$15,200,000 for the conduct to the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

## PERSONNEL CEILING ADJUSTMENTS

SEC. 104. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for the fiscal year 1986 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element (or offices, agencies or subelements thereof) of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

## PROHIBITION ON COVERT ASSISTANCE TO MILITARY OPERATIONS IN NICARAGUA

SEC. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or

which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

## TITLE II—INTELLIGENCE COMMUNITY STAFF

## AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1986 the sum of \$21,900,000.

## AUTHORIZATION OF PERSONNEL END-STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two hundred and thirty-three full-time personnel as of September 30, 1986. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1986, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1986, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

## INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1986, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 409a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

## TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

## AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1985 then sum of \$101,400,000.

## TITLE IV—PROVISIONS RELATING TO INTELLIGENCE AGENCIES

SEC. 401. (a) Title V of the National Security Act of 1947 (50 U.S.C. 413), relating to accountability for intelligence activities, is amended by adding at the end thereof the following:

"NOTICE TO CONGRESS OF CERTAIN EXPENDITURES AND CERTAIN TRANSFERS OF DEFENSE ARTICLES

"Sec. 502. (a)(1) Funds available to an intelligence agency may be obligated or expended for an intelligence or intelligence-related activity only if—

"(A) those funds were specifically authorized by the Congress for use for such activity; or

"(B) in the case of funds from the Reserve for Contingencies of the Central Intelligence Agency and consistent with the provisions of section 501 of this Act concerning any significant anticipated intelligence activity, the Director of Central Intelligence has, subject to the provisions of section 501, notified the appropriate congressional com-

Mr. STUMP. Madam Chairman, I take myself such time as I may consume.

Madam Chairman, I would like to take this opportunity to commend the gentleman from Indiana, the chairman of the committee, the gentleman from Ohio [Mr. STOKES], the chairman of the Budget Subcommittee for their leadership and fairness in developing this bill. I would especially like to commend the new Members on both sides of the aisle for demonstrating their willingness to spend many hours behind closed doors to bring about this bill. And lastly, but not least, the staff, who, as usual, has done a tremendous job, and I commend them for that.

Mr. HAMILTON. Madam Chairman, I concur in all of the statements the gentleman has made, and I thank him for his expression of appreciation.

Mr. PRICE. Madam Chairman, this is the 7th year that the Permanent Select Committee on Intelligence and the Armed Services Committee worked together to report the authorization bill for intelligence and intelligence-related activities of the intelligence community.

As the Members will recall, the Armed Services Committee shares responsibility for authorizing certain elements in the intelligence authorization bill with regard principally to intelligence-related activities for the Department of Defense, and I am most pleased to report on the continued excellent working relationship with, and cooperation of, the select committee members and staff in arriving at complete agreement on all items of joint responsibility.

As part 2 of the report states, the results of our recommendations are classified and are included in the classified annex to the report H.R. 2419 prepared by the select committee.

I urge the Members to support the intelligence related activity authorizations reported in this bill.

Mr. HAMILTON. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule. No amendments are in order except the following amendments, which are not subject to amendment:

(1) The amendments recommended by the Permanent Select Committee on Intelligence now printed in the bill, which shall be considered en bloc; and (2) the amendments printed in the Congressional Record of July 16, 1985, by, and if offered by, Representative Hamilton, which shall be considered en bloc and shall be debatable for not to exceed twenty minutes, to be equally divided and controlled by Representative Hamilton and a Member opposed thereto.

The text of H.R. 2419 is as follows:

July 18, 1985

## CONGRESSIONAL RECORD — HOUSE

H 5906

mittees of the intent to make such funds available for such activity; or

"(C) in the case of funds specifically authorized by the Congress for a different activity—

"(i) the activity to be funded is a higher priority intelligence or intelligence-related activity;

"(ii) the need for funds for such activity is based on unforeseen requirements; and

"(iii) the Director of Central Intelligence or the Secretary of Defense has notified the appropriate congressional committees of the intent to make such funds available for such activity.

"(2) Fund available to an intelligence agency may not be made available for any intelligence or intelligence-related activity for which funds were denied by the Congress.

"(b)(1) The transfer of a defense article or defense service exceeding \$1,000,000 in value by an intelligence agency to a recipient outside that agency shall be considered a significant anticipated intelligence activity for the purpose of section 501 of this Act.

"(2) Paragraph (1) does not apply if—

"(A) the transfer is being made to a department, agency, or other entity of the United States (so long as there will not be a subsequent retransfer of the defense articles or defense services outside the United States Government in conjunction with an intelligence or intelligence-related activity); or

"(B) the transfer—

"(i) is being made pursuant to authorities contained in part II of the Foreign Assistance Act of 1961, the Arms Export Control Act, title 10 of the United States Code (including a law enacted pursuant to section 7307(b)(1) of that title), or the Federal Property and Administrative Services Act of 1949, and

"(ii) is not being made in conjunction with an intelligence or intelligence-related activity.

"(3) An intelligence agency may not transfer any defense articles or defense services outside the agency in conjunction with any intelligence or intelligence-related activity for which funds were denied by the Congress.

"(c) As used in this section—

"(1) the term 'intelligence agency' means any department, agency, or other entity of the United States involved in intelligence or intelligence-related activities;

"(2) the term 'appropriate congressional committees' means the intelligence committees and the Committee on Appropriations of each House;

"(3) the term 'intelligence committees' means the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate;

"(4) the term 'specifically authorized by the Congress' means that—

"(A) the activity and the amount of funds proposed to be used for that activity were identified in a formal budget request to the Congress, but funds shall be deemed to be specifically authorized for that activity only to the extent that the Congress both authorized the funds to be appropriated for that activity and appropriated the funds for that activity; or

"(B) although the funds were not formally requested, the Congress both specifically authorized the appropriation of the funds for the activity and appropriated the funds for the activity;

"(5) the terms 'defense articles' and 'defense services' mean the items on the United States Munitions List pursuant to section 38 of the Arms Export Control Act (22 CFR part 121).

"(6) the term 'transfer' means—

"(A) in the case of defense articles, the transfer of possession of those articles, and

"(B) in the case of defense services, the provision of those services; and

"(7) the term 'value' means—

"(A) in the case of defense articles, the greater of—

"(i) the original acquisition cost to the United States Government, plus the cost of improvements or other modifications made by or on behalf of the Government; or

"(ii) the replacement cost; and

"(B) in the case of defense services, the full cost to the Government of providing the services."

(b) The table of contents at the end of the first section of such Act is amended by inserting the following after the item relating to section 501:

"Sec. 502. Notice to Congress of certain expenditures and certain transfers of defense articles."

## COUNTERINTELLIGENCE VULNERABILITY REPORT

SEC. 402. (a) The Director of Central Intelligence shall review and evaluate the vulnerability of confidential United States Government activities abroad, and information concerning such activities, to efforts by foreign powers to detect, monitor or counter such activities, or to acquire such information.

(b) Within one hundred and twenty days after the date of enactment of this Act, the Director of Central Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a comprehensive report on the matters described in subsection (a), including plans for improvements which are within his authority to effectuate, and recommendations for improvements which are not within his authority to effectuate.

(c) The report described in subsection (b) of this section shall be exempt from any requirement for publication or disclosure.

TITLE V—GENERAL PROVISIONS  
RESTRICTION ON CONDUCT OF INTELLIGENCE  
ACTIVITIES

SEC. 501. 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 laws of the United States.

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED  
BY LAW

SEC. 502. 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 benefits authorized by law.

## COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 4, strike out line 14 through line 21 and insert the following:

"Sec. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency, Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended, directly or indirectly, for material assistance to the Nicaraguan democratic resistance including arms, ammunition, or other equipment or material which could be used to inflict serious bodily harm or death, or which would have the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any

group, organization, movement or individual."

Page 7, line 12, strike out", subject to the provisions of section 501."

Page 8, line 1, strike out "Fund" and insert "Funds".

Mr. HAMILTON. Madam Chairman, I urge support for the committee amendments.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

## AMENDMENT OFFERED BY MR. HAMILTON

Mr. HAMILTON. Madam Chairman, pursuant to the rule, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAMILTON: Page 5, line 11, strike out "\$21,900,000" and insert in lieu thereof "\$21,000,000".

Page 6, line 19, strike out "1985" and insert in lieu thereof "1986".

Page 12, after line 15, add the following new section:

## LIMITATION ON BUDGET AUTHORITY

SEC. 503. Notwithstanding any other provision of this Act, appropriations pursuant to authorizations in this Act for any element of the United States Government for the conduct of intelligence and intelligence-related activities for fiscal year 1986 may not be made in an amount that would cause the total amount of budget authority for the department or agency from which such element receives funds to exceed—

(1) the total amount of budget authority authorized for such department or agency for fiscal year 1986; or

(2) if there is no Act authorizing appropriations for such department or agency for fiscal year 1986, the total amount appropriated for such department or agency for fiscal year 1985.

Mr. HAMILTON (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Pursuant to House Resolution 224, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Madam Chairman, I offer this amendment at the direction of the Permanent Select Committee on Intelligence. It is a freeze-type of amendment. It is offered because the committee is aware that this House has imposed spending restraints on all spending bills to date. The committee believes that intelligence should not be immune from a fair share reduction.

The committee has made significant cuts in the fiscal year 1986 budget request of the administration. These cuts were the largest ever made by the committee. They were made in view of the fiscal restraints imposed by the deficits. We believe that all our alloca-

July 18, 1985

## CONGRESSIONAL RECORD — HOUSE

H 5907

tions were fair and have not done serious harm to any important intelligence programs, or to the national security interests of the United States.

The committee's reductions and the reasons for them are fully explained in the classified annex to the committee's report. That classified annex is available in the offices of the committee for review by any Member of the House.

In structuring the amendment before us, the committee wished to establish the principle that spending for intelligence programs should be frozen at the fiscal year 1985 appropriation level, or the authorization level for fiscal year 1986 for the departments or agencies within whose budgets intelligence funds are located.

Ninety-eight percent of the moneys authorized by this intelligence bill are contained within the Department of Defense authorization. Nearly all of them are hidden in various authorization categories for security purposes. They are, in effect, subelements of the Defense budget, even though they are separately authorized by the intelligence bill and reviewed by the Intelligence Committee.

Therefore, these intelligence programs were among those which were affected by the Aspin freeze amendment adopted by the House to the Defense authorization bill. Now, some intelligence programs—like some Defense programs within those large authorization categories—will experience real growth in fiscal year 1986. An example would be the strategic defense initiative which, despite significant cuts by both House and Senate, still exceeds the fiscal year 1985 appropriation level by 80 percent.

First, this amendment says that no intelligence program may exceed a level which would have the effect of making the combination of intelligence and nonintelligence programs exceed the level set by the Aspin amendment. This approach is the essence, I believe, of the Aspin amendment, which was to limit the total amount of Defense expenditures in fiscal year 1985. My amendment will ensure the intelligence authorization figures will not result in exceeding that fiscal year 1985 spending cap.

Second, this amendment provides that in the case of cuts to the Defense budget that are, in effect, unallocated, such as those affecting operations and maintenance, whatever allocable share is eventually determined to apply to intelligence programs will be automatically taken from those programs. The amendment ensures, in effect, an automatic adjustment of the relevant spending accounts to take account for those across-the-board unallocated cuts that were made to the Defense bill.

This amendment will not require reductions in all intelligence programs. It will only require reductions where without them defense categories would exceed the Aspin freeze levels

or where the intelligence budget's share of defense cuts can be allocated. There will be some real growth in many intelligence programs. That, however, is a function of both the committee's and the administration's belief that these subelements of the Defense budget are important and deserve priority. The committee has not given the administration all that it sought.

As I indicated earlier, we have made some significant cuts in many intelligence programs, but we believe that the total package of intelligence recommendations, combined with the effect of this amendment, results in an intelligence budget that support essential intelligence functions at defensible spending levels. I urge the adoption of the amendment.

Madam Chairman, I yield to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. I thank the gentleman for yielding.

Madam Chairman, I rise in support of the committee amendment offered by the gentleman from Indiana.

The amendment will make absolutely clear on the face of the bill that the bill will not break any overall budget ceilings which may be established by the DOD Authorization Act, in which 98 percent of intelligence funds are contained.

I emphasize to my colleagues on both sides of the aisle that this amendment does not preempt or override any authorization decisions which have been—or will be—made on other authorization bills.

The amendment simply ensures that authorization decisions made in this bill for intelligence programs of the various Government department and agencies will be fully consistent with decisions on the overall budget of those departments and agencies made in other authorization bills, such as the DOD Authorization Act.

I urge my colleagues to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HAMILTON].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H.R. 2419) to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, pursuant to House Resolution 224, she reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1150

## GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### EXTENDING AUTHORITY TO ESTABLISH AND ADMINISTER FLEXIBLE AND COMPRESSED WORK SCHEDULES FOR FEDERAL GOVERNMENT EMPLOYEES

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1455) to extend the authority to establish and administer flexible and compressed work schedules for Federal Government employees, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1455

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Federal Employees Flexible and Compressed Work Schedules Act of 1982 (96 Stat. 306; 5 U.S.C. 9101 note) is amended by striking out "three years after the date of the enactment of this Act" and inserting in lieu thereof "September 30, 1985".*

The SPEAKER pro tempore. The gentleman from New York [Mr. ACKERMAN] is recognized for 1 hour.

Mr. ACKERMAN. Mr. Speaker, S. 1455 is a noncontroversial measure, and it has been cleared with the minority. It is an emergency measure to continue alternative work schedules for Federal employees. The present authority is scheduled to expire on July 23, next Tuesday. This measure is the only way to avoid the unnecessary and costly disruption which would occur in Federal agencies if the program were to lapse.

S. 1455 is similar to a bill, H.R. 1694, which the House of Representatives

H 5762

## CONGRESSIONAL RECORD — HOUSE

July 16, 1985

tential uses of each estuary evaluated under this section; and

(4) evaluate the effectiveness of pollution abatement activities and other management measures undertaken pursuant to this section.

(i). **RULES AND REGULATIONS.**—No later than 180 days after enactment of this section, the Administrator, with the concurrence of the Secretary, shall promulgate regulations to implement this section pursuant to section 553 of title 5, United States Code.

(j). **AUTHORIZATION OF APPROPRIATIONS.**—

(1) There is authorized to be appropriated to carry out subsections (c)(5) and (d)(5) amounts not to exceed \$10,000,000 for each fiscal year within the period beginning on October 1, 1985 and ending on September 30, 1990, of which not to exceed \$2,000,000 annually shall be made available to the Secretary for the purpose of fulfilling the responsibilities outlined in subsections (b), (d), and (e).

(2) There is authorized to be appropriated to carry out subsection (f)(2) amounts not to exceed:

(A) \$10,000,000 for the fiscal year ending September 30, 1988;

(B) \$30,000,000 for the fiscal year ending September 30, 1989; and

(C) \$50,000,000 for the fiscal year ending September 30, 1990.

(3) Amounts appropriated under this subsection are to remain available until expended.

H.R. 2419

By Mr. HAMILTON:

—Page 5, line 11, strike out "\$21,900,000" and insert in lieu thereof "~~\$21,000,000~~"

Page 6, line 19, strike out "1985" and insert in lieu thereof "1986".

Page 12, after line 15, add the following new section:

**LIMITATION ON BUDGET AUTHORITY**

Sec. 303. Notwithstanding any other provision of this Act, appropriations pursuant to authorizations in this Act for any element of the United States Government for the conduct of intelligence and intelligence-related activities for Fiscal Year 1986 may not be made in an amount that would cause

the total amount of budget authority for the department or agency from which such element receives funds to exceed—

(1) the total amount of budget authority authorized for such department or agency for Fiscal Year 1986; or

(2) if there is no Act authorizing appropriations for such department or agency for Fiscal Year 1986, the total amount appropriated for such department or agency for Fiscal Year 1985.

H.R. 2965

By Mr. DORGAN of North Dakota:

—Page 23, line 20, strike out "\$4,700,000" and insert in lieu thereof "\$4,500,000".

By Mr. FRENZEL:

—At the end of Title VI, add the following new section:

"Sec. . Notwithstanding any other provision of this Act, each amount appropriated by this Act not required to be appropriated by previously enacted law shall be reduced by four percent."