

25 July 1958

MEMORANDUM FOR: Legislative Counsel

SUBJECT: National Aeronautics and Space Act of 1958

This Act declares it to be the policy of the United States that activities in space should be devoted to peaceful purposes. It delineates the responsibilities which will be exercised by the new Civilian Space Agency and those which will be exercised by the Department of Defense.

Because of the gray area between civilian and military interests, and unavoidable overlapping it was found necessary by Congress that machinery be provided at the highest level of Government to make determinations of responsibility and jurisdiction. Such provision is made by providing that the President, assisted by an Advisory Council, shall make the actual determinations in the assignment of new programs or projects. It provides that the Administrator of the National Aeronautics and Space Administration and the Secretary of Defense can seek solutions to questions of jurisdiction either directly or through a Civilian-Military Liaison Committee in order to hold to a minimum the questions referred to the President and the Council. In effect the principles for guidance in the assignment of projects is provided in the declaration of policy, while the machinery for establishing facts and for weighing the national interests is dealt with in the later sections.

NATIONAL AERONAUTICS AND SPACE COUNCIL

It is provided that the members of the Council are the President, the Secretaries of State and Defense, the National Aeronautics and Space Administrator, the Chairman of the Atomic Energy Commission, not more than one other Governmental member, and not more than three members appointed from private life. Except for Governmental members holding office in the Federal Government to which they were appointed by and with the advice and consent of the Senate, members of the Council shall be appointed and confirmed by the Senate. Government members are permitted to designate alternates in the event of their unavoidable absence.

It is the function of the Council to advise the President in the performance of the following duties: to survey all significant aeronautical and space activities including those of the United States Government; to develop a comprehensive program of such activities to be carried out by the United States Government; and, to allocate responsibility for major aeronautical and space activities and provide for effective cooperation and resolve differences among departments and agencies of the United States. Members of the Council from private life are authorized to be paid up to \$100 per day in addition to travel and per diem in lieu of subsistence. It was stated in the conference report that this authority was granted to insure that the Council would not be denied the services of outstanding citizens from private life for monetary reasons.

The Council is authorized to employ a staff to be headed by a civilian executive secretary who is given the rank equivalent of an assistant Secretary of a major department of Government, (salary of \$20,000.00 a year) who is to be appointed by the President by and with the consent of the Senate. Authority is also granted to appoint assistants under the Director of the Council at salaries up to \$19,000.00 a year for three positions. The same security clearances are to be required of this staff and of employees of the Administration because of the need to refer to classified data and to talk with cleared personnel of the Administration and other Government agencies.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The National Aeronautics and Space Administration is established to be headed by an Administrator and Deputy Administrator who are to be paid respectively \$22,500 and \$21,500, each of whom are to be appointed from civilian life and restricted from engaging in any other business, vocation or employment while serving as such. Their appointment is subject to confirmation by the Senate. Under the supervision and direction of the President the Administrator will be responsible for the conduct of the Administration.

In the performance of its functions, the Administration is authorized among other things,

(1) to appoint and fix compensation in accordance with the Civil Service laws and the Classification Act of 1949, such officers and employees as may be necessary, except that "(A) to the extent the Administrator deems such action necessary to the discharge of his responsibilities, he may appoint and fix the compensation (up to a limit of \$19,000 a year, or up to a limit of \$21,000 a year for a maximum of ten positions) of not more than two hundred and sixty of the scientific, engineering, and administrative personnel of the Adminis-

tration without regard to such laws;"

(2) to appoint such advisory committees as may be appropriate for purposes of consultation and advice to the Administration in the performance of its functions;

(3) to obtain temporary services of experts or consultants at rates not to exceed \$100 per diem for individuals;

(4) to employ retired commissioned officers of the armed forces and compensate them at the rate established for the positions occupied by them within the Administration subject only to the limitations on double salaries set forth at 5 U.S.C. 59a, (commonly referred to as the military dual compensation statute, which arose out of the Economy Act of 1932.)

(5) to consider, adjust, determine, settle and pay claims for injury, death or damage to real or personal property up to \$5000 and, where meritorious, to report the facts and circumstances of claims in excess of \$5000 to the Congress for its consideration.

SECURITY

In keeping with the security requirements levied on the Administrator to establish such security requirements, restrictions, and safeguards as he deems necessary in the interest of national security, the Administrator is authorized to direct such of the officers and employees of the Administration as he deems necessary in the public interest to carry firearms while in the conduct of their official duties and to authorize such of those employees of contractors of the Administration engaged in the protection of property owned by the United States also to carry firearms.

Authority is granted the Atomic Energy Commission to authorize any of its employees or employees of any contractor or licensee, or other person authorized to have access to Restricted Data by the Atomic Energy Commission to permit any member officer, or employees of the Council and the Administrator of any office, employee, member of an Advisory Committee, contractor, sub-contractor, or officer or employee of a contractor or sub-contractor of the Administration to have access to Restricted Data relating to aeronautics and space activities which is required in the performance of his duties and so certified by the Council or the Administrator, but only if (1) the Council or Administrator or their designee has determined that permitting such access will not endanger the common defense or security and (2) finding has been made that the established personnel and other security

procedures and standards of the Council or Administration are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission. Any individual granted access to such Restricted Data may exchange such Data with similarly cleared military personnel.

CIVILIAN-MILITARY LIAISON COMMITTEE

The Administration and the Department of Defense acting through the Liaison Committee shall advise and consult with each other on all matters within their jurisdiction having to do with aeronautics and space activities, keeping each other fully and currently informed on these activities and striving to reach agreement on differences which might arise in this area between the two agencies. In the event of failure by the Liaison Committee and their superiors, the Secretary of Defense and the Administrator, to reach an agreement then either official can refer the matter to the President for his decision, which would be final. The President, in reaching a decision, shall act under the authority invested in him as Chairman of the National Aeronautics and Space Council.

The Liaison Committee is headed by a chairman compensated at the rate of \$20,000 per year and may be either civilian or military. If military, he may serve without prejudice to his active or retired status and his compensation will be equal to the difference between \$20,000 and his pay and allowances.

An equal number of representatives from the Department of Defense and the Administration are to be assigned to the Liaison Committee.

REPORTS TO THE CONGRESS

The Act requires a semi-annual report by the Administrator to the President for transmittal to the Congress on the activities of the new Agency. It also requires the President in a report in January of each year to include a description of the activities and accomplishments of all agencies engaged in aeronautical and space activities and an evaluation of such remedial legislation as the President may consider necessary. No classified information is to be contained in the reports made to Congress.

TRANSFER OF RELATED FUNCTIONS

This Act gives the President authority to transfer any functions of any other department or agency which relate primarily to the functions, powers and duties of the Administration, for a period of four years after enactment, with the added proviso that after December 31, 1958 any proposed transfer shall be submitted to Congress. After sixty calendar days a proposal would become effective unless rejected by Congress through a Concurrent Resolution. The President is also

required to submit a complete report to Congress on transfers made prior to January 1, 1959.

ACCESS TO INFORMATION

It is required by the Act that information obtained or developed by the Administrator shall be made available for public inspection "except (A) information authorized or required by Federal Statute to be withheld and (B) information classified to protect the national security: Provided, That nothing in this Act shall authorize the withholding of information by the Administrator from the duly authorized Committees of Congress."

MISCELLANEOUS

Among others, the Act also makes detailed provision for patents and invention rights, property rights in inventions, and grants authority to the Administrator to make awards for scientific and technical contributions.

COMMENT

It is apparent that Congress has gone somewhat further in these grants of what only a few months ago might have been considered rather liberal authority and wide discretion. Some of these authorities would be of benefit to this Agency. Notable among these are --

(a) the granting of Q clearances to Administration personnel together with the right for release of information to military personnel. The authority as granted to AEC would not be available to any other agency.

(b) the authority to pay up to \$100 a day for the services of experts and consultants.

(c) authority to arm couriers and guards. With respect to this authority it is noted that the authority being utilized by the Agency is hardly worth the paper it is written on.

(d) the salary and status level established for various individuals under the Act. It is noteworthy that many of the substantive authorities and responsibilities are vested in the President. Among others it is his responsibility and duty to resolve disputes or disagreements.

It would appear that the periodic reports to Congress that are required, together with the specific request of Congress that requests

be made in such reports for any legislation which may be required not only will keep Congress informed but also will condition unwarranted criticism and attacks upon these activities by members of Congress.

Both the substance and format of this Act indicate many considerations that might be undertaken by CIA in the contemplation of our future legislative program.

[Redacted Signature Box]

Assistant General Counsel

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