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89TH CONGRESS
2D SESSION

H. R. 16306

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1966

Mr. RIVERS of South Carolina introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I

4 SEC. 101. This title may be cited as the "Central In-
5 telligence Agency Act Amendments of 1966".

6 SEC. 102. The Central Intelligence Agency Act of
7 1949, 63 Stat. 208, as amended (50 U.S.C. 403 a through
8 j), is further amended as follows:

9 (a) Section 3 of the Act (50 U.S.C. 403c) is amend-
10 ed by striking subsections (a) and (b) and substituting the
11 following:

I

1 “(a) In the performance of its functions, the Agency
2 is authorized to exercise the authorities contained in sections
3 2301; 2302 (2) and (3); 2303 (b) and (c); 2304 (a) (1),
4 (2), (3), (4), (5), (6), (10), (12), (15), and (17);
5 2305; 2306; 2307; and 2312 of title 10, United States
6 Code.

7 “(b) In the exercise of the authorities granted in sub-
8 section (a) of this section, the term ‘Agency head’ shall
9 mean the Director and the Deputy Director.”

10 (b) Subsection 3 (d) of the Act (50 U.S.C. 403c) is
11 amended by deleting the words “section 2 (c) and section
12 5 (a) of the Armed Services Procurement Act of 1947”
13 from the first sentence and substituting therefor, “section
14 2304 (a) and section 2307 of title 10, United States Code.”
15 Section 3 (d) is further amended by deleting the words
16 “section 2 (c) by section 4 or by section 5 (a) of the Armed
17 Services Procurement Act of 1947” from the second sen-
18 tence and substituting therefor, “section 2304 (a), by section
19 2306 or by section 2307 of title 10, United States Code.”.

20 SEC. 103. Section 4 of the Central Intelligence Agency
21 Act (50 U.S.C. 403e) is amended by inserting the word
22 and comma “abroad,” after the word “assigned” in the first
23 sentence, and by striking the last word of the sentence
24 “shall”, and inserting in lieu thereof the word “may”.

1 SEC. 104. Section 4 of the Central Intelligence Agency
2 Act (50 U.S.C. 403e) is amended by adding the following
3 new paragraph:

4 “(1) (G) pay the travel expenses of officers and
5 employees of the Agency and members of their families,
6 while serving at posts specifically designated by the Di-
7 rector for purposes of this paragraph, for rest and recu-
8 peration to other locations abroad having different en-
9 vironmental conditions than those at the post at which
10 such officers and employees are serving, provided that
11 such travel expenses shall be limited to the cost for each
12 officer or employee and members of his family of one
13 round trip during any continuous two-year tour unbroken
14 by home leave and two round trips during any continu-
15 ous three-year tour unbroken by home leave;”.

16 SEC. 105. Section 4 of the Central Intelligence Agency
17 Act (50 U.S.C. 403e) is amended by adding the following
18 new paragraph:

19 “(1) (H) pay the travel expenses of members of
20 the family accompanying, preceding, or following an
21 officer or employee if, while he is en route to his post of
22 assignment, he is ordered temporarily for orientation and
23 training or is given other temporary duty.”

24 SEC. 106. Section 4 (3) (A) of the Central Intelligence

1 Agency Act (50 U.S.C. 403e) is amended to read as
2 follows:

3 “(3) (A) order to any of the several States of the
4 United States of America (including the District of
5 Columbia, the Commonwealth of Puerto Rico, and any
6 territory or possession of the United States) on leave of
7 absence authorized in section 203 (f) of the Annual and
8 Sick Leave Act of 1951, as amended, each officer or
9 employee of the Agency who was a resident of the
10 United States (as described above) at the time of em-
11 ployment, upon completion of three years’ continuous
12 service abroad or as soon as possible thereafter, or may
13 so order after completion of eighteen months such serv-
14 ice without regard to the limitation contained in section
15 203 (f) of the Annual and Sick Leave Act of 1951, as
16 amended.”.

17 SEC. 107. Section 4 (5) of the Central Intelligence
18 Agency Act (50 U.S.C. 403e) is amended by striking sub-
19 sections (A) and (C) and inserting in lieu thereof the fol-
20 lowing new paragraphs (A) and (C) :

21 “(A) in the event an officer or employee of the
22 Agency, or one of his dependents, requires medical
23 care, for illness or injury not the result of vicious habits,
24 intemperance, or misconduct, while on assignment
25 abroad in a locality where there is no qualified person

1 or facility to provide such care, pay the travel expenses
2 of such officer, employee, or dependent by whatever
3 means deemed appropriate by the Agency, including
4 the furnishing of transportation, and without regard to
5 the Standardized Government Travel Regulations and
6 section 10 of the Act of March 3, 1933, as amended
7 (60 Stat. 808; 5 U.S.C. 73b), to the nearest locality
8 where suitable medical care can be obtained and on his
9 recovery pay for the travel expenses of his return to
10 his post of duty. If any such person is too ill to travel
11 unattended, or in the case of a dependent too young
12 to travel alone, the Agency may also pay the round-
13 trip travel expenses of an attendant or attendants;"

14 "(C) (i) in the event of illness or injury requiring
15 hospitalization or similar treatment incurred by an offi-
16 cer or employee of the Agency while on assignment
17 abroad, not the result of vicious habits, intemperance, or
18 misconduct on his part, pay for the cost of treatment
19 of such illness or injury;

20 "(ii) in the event a dependent of an officer or em-
21 ployee of the Agency who is assigned abroad, incurs an
22 illness or injury while such dependent is located abroad,
23 which requires hospitalization or similar treatment, and
24 which is not the result of vicious habits, intemperance,
25 or misconduct on his part, pay for that portion of the cost

1 of treatment of each such illness or injury that exceeds
2 \$35 up to a maximum limitation of one hundred and
3 twenty days of treatment for each such illness or injury,
4 except that such maximum limitaiton shall not apply
5 whenever the Agency, on the basis of professional medi-
6 cal advice, shall determine that such illness or injury
7 clearly is caused by the fact that such dependent is or
8 has been located abroad;”.

9 SEC. 108. Section 4 of the Central Intelligence Agency
10 Act (50 U.S.C. 403c) is amended by adding the following
11 new paragraph:

12 “(8) provide appropriate orientation and language
13 training to members of family of officers and employees
14 of the Agency in anticipation of the assignment abroad
15 of such officers and employees, or while abroad.”.

16 SEC. 109. Section 5 of the Central Intelligence Agency
17 Act (50 U.S.C. 403f) is amended by adding the following
18 new paragraph:

19 “(f) Appoint advisory committees and employ,
20 notwithstanding any other provisions of law, part-time
21 advisory personnel necessary to carry out the functions
22 of the Agency. Persons holding other offices or posi-
23 tions under the United States for which they receive
24 compensation, while serving as members of such com-

1 committees, shall receive no additional compensation for such
2 service. Other members of such committees and part-
3 time advisory personnel so employed may serve with-
4 out compensation or may receive compensation at rates
5 determined by the Director for the assignment or posi-
6 tion.”.

7 SEC. 110. Section 5 of the Central Intelligence Agency
8 Act (50 U.S.C. 403f) is amended by adding the following
9 new paragraph:

10 “(g) Upon the termination of the assignment of
11 an employee appointed from another Government agency
12 without a break in service for duty with the Agency
13 for a specific period of time agreed upon by both agen-
14 cies, such person will be entitled to reemployment in
15 such other Government agency in the position occupied
16 at the time of assignment, or in a position of comparable
17 salary, or, at the volition of the other Government
18 agency, to a position of higher salary. Upon reem-
19 ployment, the employee shall receive the within-grade
20 salary advancements and other salary adjustments he
21 would have been entitled to receive had he remained
22 in the position in which he was employed prior to
23 assignment to the Agency.”.

24 SEC. 111. Section 5 of the Central Intelligence Agency

1 Act (50 U.S.C. 403f) is amended by adding the following
2 new paragraph:

3 “(h) Settle and pay, whenever the District deter-
4 mines that payment will further the purposes of this
5 Act, without regard to any other provisions of law and
6 under such regulations as the Director may prescribe,
7 in an amount not exceeding \$10,000, any claim against
8 the United States for loss of or damage to real or per-
9 sonal property (including loss of occupancy or use
10 thereof), belonging to, or for personal injury or death
11 of, any person not a citizen or resident of the United
12 States, where such claim arises abroad out of the act or
13 omission of any Agency employee or out of the act or
14 omission of any person acting on behalf of the Agency
15 but only if such claim is presented in writing to the
16 Agency activity involved within one year after it ac-
17 cures.”.

18 SEC. 112. (a) Section 7 (50 U.S.C. 403h), section 8
19 (50 U.S.C. 403j), section 9 (relating to separability of
20 provisions) and section 10 (relating to short title) of the
21 Central Intelligence Agency Act are renumbered section 8,
22 section 9, section 10, and section 11, respectively.

23 (b) The Act is further amended by adding a new sec-
24 tion 7 as follows:

25 “7. (a) For the benefit of or for use in connection with
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1 the Agency or for the benefit or welfare of employees of
2 the Agency or their dependents, the Director is authorized,
3 notwithstanding any other provisions of law—

4 “(1) to receive gifts to the Agency and in his dis-
5 cretion to accept, receive, hold, administer, and expand
6 or dispose of such gifts and bequests of property from
7 individuals or others;

8 “(2) to disburse gifts, bequests of money, interest,
9 profits, income, or proceeds from sales of other property
10 received as gifts in accordance with the terms and con-
11 ditions of the acceptance of any particular gift or bequest;

12 “(3) to invest, reinvest, or retain investments of
13 the money, property, or securities and the interest,
14 profits, or proceeds accruing from such money, property,
15 or securities:

16 *Provided, however,* That the Director is not authorized as
17 a consequence of gifts or bequests of money, property, or
18 securities to the Agency, to engage in any business or to
19 exercise any voting privilege which may be incidental to
20 securities in his hands received as a gift to the Agency, nor
21 shall the Director make any investments other than securi-
22 ties of the United States or other securities guaranteed as
23 to principal and interest by the United States, except that
24 he may make any investments directly authorized by the

1 instrument of gift, and may retain any investments accepted
2 by him: *Provided further*, That gifts, bequests of money,
3 or proceeds from other property are not utilized for the
4 conduct of activities by the Agency, as authorized in section
5 4 and the following of this Act through the augmentation or
6 in lieu of appropriations by the United States Congress: *And*
7 *provided further*, That the funds represented by the gifts,
8 bequests of money, or proceeds from other property are
9 not commingled with funds appropriated by the United
10 States Congress.

11 “(b) For the purpose of Federal income, estate, and
12 gift taxes, gifts and bequests accepted by the Director shall
13 be deemed to be a gift or bequest to or for the use of the
14 United States.”.

15 TITLE II

16 SEC. 201. This title may be cited as the “Central In-
17 telligence Retirement Act Amendments of 1966.”

18 SEC. 202. The Central Intelligence Agency Retirement
19 Act of 1964 for Certain Employees (78 Stat. 1043; 50
20 U.S.C. 403 note) is amended by striking subsection 204
21 (b) (3) and inserting the following in lieu thereof:

22 “(3) ‘Child’, for the purposes of sections 221 and 232
23 of this Act, means an unmarried child, including (i) an
24 adopted child, and (ii) a stepchild or recognized natural
25 child who lived with the participant in a regular parent-child

1 relationship, under the age of eighteen years, or such un-
2 married child regardless of age who because of physical or
3 mental disability incurred before age eighteen is incapable or
4 self-support, or such unmarried child between eighteen and
5 twenty-two years of age who is a student regularly pursuing
6 a full-time course of study or training in residence in a high
7 school, trade school, technical or vocational institute, junior
8 college, college, university, or comparable recognized educa-
9 tional institution. A child whose twenty-second birthday
10 occurs prior to July 1 or after August 31 of any calendar
11 year, and while he is regularly pursuing such a course of
12 study or training, shall be deemed for the purposes of this
13 paragraph and section 221 (e) of this Act to have attained
14 the age of twenty-two on the first day of July following such
15 birthday. A child who is a student shall not be deemed to
16 have ceased to be a student during any interim between
17 school years if the interim does not exceed five months and
18 if he shows to the satisfaction of the Director that he has a
19 bona fide intention of continuing to pursue a course of study
20 or training in the same or different school during the school
21 semester (or other period in which the school year is
22 divided) immediately following the interim. The term
23 'child', for purposes of section 241, shall include an adopted
24 child and a natural child, but shall not include a stepchild.".

25 SEC. 203. Section 221 (b) of the Central Intelligence

1 Agency Retirement Act (50 U.S.C. 403 note) is amended
2 by deleting the words "or remarriage" from the first sen-
3 tence, and section 232 (b) is amended by deleting the words
4 "or remarriage" from the second sentence.

5 SEC. 204. Section 221 (e) of the Central Intelligence
6 Agency Retirement Act (50 U.S.C. 403 note) is amended
7 to read as follows:

8 "(e) The commencing date of an annuity payable to
9 a child under paragraph (c) or (d) of this section, or (c)
10 or (d) of section 232, shall be deemed to be the day after
11 the annuitant or participant dies, with payment beginning
12 on that day or beginning or resuming on the first day of
13 the month in which the child later becomes or again be-
14 comes a student as described in section 204 (b) (3), pro-
15 vided the lump-sum credit, if paid, is returned to the fund.
16 Such annuity shall terminate on the last day of the month
17 before (1) the child's attaining age eighteen unless he is
18 then a student as described or incapable of self-support,
19 (2) his becoming capable of self-support after attaining age
20 eighteen unless he is then such a student, (3) his attain-
21 ing age twenty-two if he is then such a student and not
22 incapable of self-support, (4) his ceasing to be such a stu-
23 dent after attaining age eighteen unless he is then incapable
24 of self-support, (5) his marriage, or (6) his death, which-
25 ever first occurs."

1 SEC. 205. Section 221 of the Central Intelligence
2 Agency Retirement Act (50 U.S.C. 403 note) is amended
3 by deleting the last two sentences of subsection (f), and
4 adding the following new paragraphs (g) and (h) :

5 “(g) Except as otherwise provided, the annuity of a
6 participant shall commence on the day after separation from
7 the service, or on the day after salary ceases and the par-
8 ticipant meets the service and the age or disability require-
9 ments for title thereto. The annuity of a participant under
10 section 234 shall commence on the day after the occurrence
11 of the event on which payment thereof is based. An an-
12 nuity otherwise payable from the fund allowed on or after
13 date of enactment of this provision shall commence on the
14 day after the occurrence of the event on which payment
15 thereof is based.

16 “(h) An annuity payable from the fund on or after date
17 of enactment of this provision shall terminate (1) in the
18 case of a retired participant, on the day death or any other
19 terminating event occurs, or (2) in the case of a survivor,
20 on the last day of the month before death or any other ter-
21 minating event occurs.”.

22 SEC. 206. Section 252 of the Central Intelligence
23 Agency Retirement Act (50 U.S.C. 403 note) is amended
24 by deleting subsection (c) (1) ; renumbering subsections (c)

1 (2) and (c) (3) to read (c) (3) and (c) (4) ; and insert-
2 ing the following new subsections (c) (1) and (c) (2) :

3 “(c) (1) If an officer or employee under some other
4 Government retirement system becomes a participant in the
5 system by direct transfer, the Government’s contributions
6 under such retirement system on behalf of the officer or
7 employee shall be transferred to the fund and such officer
8 or employee’s total contributions and deposits, including in-
9 terest accrued thereon, except voluntary contributions, shall
10 be transferred to his credit in the fund effective as of the date
11 such officer or employee becomes a participant in the system.
12 Each such officer or employee shall be deemed to consent
13 to the transfer of such funds and such transfer shall be a
14 complete discharge and acquittance of all claims and demands
15 against the other Government retirement fund on account of
16 service rendered prior to becoming a participant in the
17 system.

18 “(c) (2) If a participant in the system becomes an em-
19 ployee under another Government retirement system by
20 direct transfer to employment covered by such system, the
21 Government’s contributions to the fund on his behalf may be
22 transferred to the fund of the other system and his total con-
23 tributions and deposits, including interest accrued thereon,
24 except voluntary contributions, may be transferred to his
25 credit in the fund of such other retirement system at the re-

1 quest of the officer or employee effective as of the date he
2 becomes eligible to participate in such other retirement sys-
3 tem. Each such officer or employee in requesting such trans-
4 fer shall be deemed to consent to the transfer of such funds
5 and such transfer shall be a complete discharge and acquit-
6 tance of all claims and demands against the fund on account
7 of service rendered prior to his becoming eligible for partici-
8 pation in such other system.”.

9 SEC. 207. Section 273 of the Central Intelligence
10 Agency Retirement Act (50 U.S.C. 403 note) is amend-
11 ed by deleting subsection (a) ; renumbering subsection (b)
12 to read (c) ; and inserting the following new subsections (a)
13 and (b) :

14 “(a) Notwithstanding any other provision of law, any
15 annuitant who has retired under this Act and who is re-
16 employed in the Federal Government service in any ap-
17 pointive position either on a part-time or full-time basis
18 shall be entitled to receive the salary of the position in
19 which he is serving plus so much of his annuity payable
20 under this Act which when combined with such salary does
21 not exceed during any calendar year the basic salary such
22 officer or employee was entitled to receive on the date of
23 his retirement from the Agency. Any such reemployed
24 officer or employee who receives salary during any calendar
25 year in excess of the maximum amount which he may be

1 entitled to receive under this paragraph shall be entitled to
2 such salary in lieu of benefits hereunder.

3 “(b) When any such annuitant is reemployed, he shall
4 notify the Director of Central Intelligence of such reemploy-
5 ment and shall provide all pertinent information relating
6 thereto.”.

7 SEC. 208. Section 291 of the Central Intelligence
8 Agency Retirement Act (50 U.S.C. 403 note) is amended
9 to read as follows:

10 “SEC. 291. (a) On the basis of determinations made
11 by the Director pertaining to per centum change in the price
12 index, the following adjustments shall be made:

13 “(1) Effective the first day of the third month
14 which begins after the date of enactment of this amend-
15 ment each annuity payable from the fund which has
16 a commencing date not later than such effective date
17 shall be increased by (a) the per centum rise in the
18 price index, adjusted to the nearest one-tenth of 1 per
19 centum, determined by the Director on the basis of the
20 annual average price index for calendar year 1962 and
21 the price index for the month latest published on date
22 of enactment of this amendment, plus (b) $1\frac{1}{2}$ per
23 centum. The month used in determining the increase
24 based on the per centum rise in the price index under
25 this subsection shall be the base month for determining

1 the per centum change in the price index until the next
2 succeeding increase occurs.

3 “(2) Each month after the first increase under
4 this section, the Director shall determine the per centum
5 change in the price index. Effective the first day of
6 the third month which begins after the price index shall
7 have equaled a rise of at least 3 per centum for three
8 consecutive months over the price index for the base
9 month, each annuity payable from the fund which has
10 a commencing date not later than such effective date
11 shall be increased by the per centum rise in the price
12 index (calculated on the highest level of the price index
13 during the three consecutive months) adjusted to the
14 nearest one-tenth of 1 per centum.

15 “(b) Eligibility for an annuity increase under this sec-
16 tion shall be governed by the commencing date of each
17 annuity payable from the fund as of the effective date of
18 an increase, except as follows:

19 “(1) Effective from its commencing date, an an-
20 nuity payable from the fund to an annuitant's survivor
21 (other than a child entitled under section 221 (c)),
22 which annuity commences the day after annuitant's death
23 and after the effective date of the first increase under this
24 section, shall be increased by the total per centum in-

1 crease the annuitant was receiving under this section
2 at death.

3 “(2) For purposes of computing an annuity which
4 commences after the effective date of the first increase
5 under this section to a child under section 221 (c), the
6 items \$600, \$720, \$1,800, and \$2,160 appearing in sec-
7 tion 221 (c) shall be increased by the total per centum
8 increase allowed and in force under this section for em-
9 ployee annuities, and, in the case of a deceased annui-
10 tant, the items 40 per centum and 50 per centum appear-
11 ing in section 221 (c) shall be increased by the total
12 per centum increase allowed and in force under this
13 section to the annuitant at death.

14 “(c) The term ‘price index’ shall mean the Consumer
15 Price Index (all items—United States city average) pub-
16 lished monthly by the Bureau of Labor Statistics. The term
17 ‘base month’ shall mean the month for which the price index
18 showed a per centum rise forming the basis for a cost-of-
19 living annuity increase.

20 “(d) No increase in annuity provided by this section
21 shall be computed on any additional annuity purchased at
22 retirement by voluntary contributions.

23 “(e) The monthly installment of annuity after adjust-
24 ment under this section shall be fixed at the nearest dollar,

1 except that such installment shall after adjustment reflect an
2 increase of at least one dollar.”

3 TITLE III—MISCELLANEOUS

4 SEC. 301. Section 102 (b) of the Federal Employees Pay
5 Act of 1945, as amended (5 U.S.C. 902 (b)), relating to
6 exemption from coverage under the Act, is amended by strik-
7 ing out “and” immediately preceding “(7)” therein and
8 by inserting before the period at the end thereof “; and (8)
9 officers and employees of the Central Intelligence Agency”.

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By Mr. RIVERS of South Carolina

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