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19 September 1973

MEMORANDUM FOR: Legislative Counsel

SUBJECT: Hearings Before CIA Oversight Committees

1. Attached is a paper prepared by this office on the origins of CIA. We feel it might be useful as a first step in the preparations for our oversight committees' hearings on CIA. It is a perhaps oversimplified account of how we come from a situation where the Government had no centralized intelligence mechanism through OSS and CIG to the National Security Act of 1947 and the CIA Act of 1949, but I think that it sets forth the basic story. It is not classified and might be the type of thing that would be useful for preparation of a committee report.

2. I suggest that you talk about this with Mr. Braswell and Mr. Woolsey (I mentioned it to Mr. Woolsey on the telephone today), emphasizing that it is just the first step and could be a lead in to an account of how the centralized intelligence system works at the present time. I understand such an account is being worked on by Walter Elder. Mr. Slatinshek's reaction would be useful too.

STAT

LAWRENCE R. HOUSTON  
Office of General Counsel

Attachment

cc: Mr. Walter Elder

## ORIGINS OF CIA

The modern origin of the concept of central intelligence emerged during World War II. In 1940 the fortunes of Britain and France were at their lowest ebb. President Roosevelt sent Colonel William Donovan, a prominent New York attorney and winner of the Congressional Medal of Honor in World War I, abroad to assess the situation in Europe. His report indicated that Britain would hold out, but he urged that the U.S. immediately organize for global war, including the formation of a "service of strategic information" which would combine intelligence with the forces of propaganda and subversion.

### Coordinator of Information

Donovan's efforts culminated in the formation of the Office of Coordinator of Information (COI) by Presidential Order on July 11, 1941, and Donovan was named as Coordinator. The functions prescribed for the COI and those eventually enacted as duties of the CIA were quite similar:

Collect and analyze all information and data, which may bear upon national security; to correlate such information and data, and to make such information and data available to the President and to such departments and agencies as the President may determine and to carry out, when requested by the President, such supplementary activities as may facilitate the securing of information important for national security not now available to the Government.

Under this simple but broad mandate, Donovan began building a foreign intelligence service.

Office of Strategic Services

Following the Declaration of War against the AXIS powers, it was clearly desirable to provide a closer link between tested and developing capabilities of COI and the Armed Forces. On June 13, 1942 the President, as Commander in Chief, issued a military order redesignating the COI as the Office of Strategic Services (OSS) under the jurisdiction of the Joint Chiefs. Foreign information activities of COI were transferred to the newly created Office of War Information--the predecessor of the present USIA. The charge for OSS was to:

- a. Collect and analyze such strategic information as may be required by the United States Joint Chiefs of Staff.
- b. Plan and operate such special services as may be directed by the United States Joint Chiefs of Staff.

OSS was forced to adjust to a number of problems which had not faced COI. COI had received secure support in the form of funding, contracting and other services from the Executive Office. This arrangement could not be continued indefinitely. Consequently, OSS needed and was granted certain specific authority.

The President extended to OSS the same privilege to enter into contracts "...without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts...." as had been earlier granted to the War Department, the Navy Department, and the United States Maritime Commission under the First War Powers Act of 1941.

From its inception, OSS operated under two unusual rules relating to the expenditure of Government monies. One permitted latitude concerning the purpose for which funds could be expended. The other protected against the unauthorized disclosure of the purpose and details of certain expenditures. The Director of OSS enjoyed the confidence of Congress in the exercise of this broad

grant of authority and this confidence in him was sustained in subsequent appropriation acts (1945 and 1946 war appropriations acts) in which funds were specifically allocated for OSS.

Shortly after the creation of OSS, top level officials in the U. S. intelligence community began to think about a peacetime intelligence service. Donovan stated his views on the subject in October 1944 in a document presented to President Roosevelt entitled "The Basis for a Permanent United States Foreign Intelligence Service." Under Donovan's plan the service would collect, analyze and deliver intelligence on the policy or strategy level; have its own means of communication and control over its secret operations; and would not have any police function. An individual rather than a collective responsibility for national intelligence was proposed. Finally, the director of the proposed organization would be responsible directly to the President. The President returned the document to Donovan commenting that he had been advised that a better and cheaper intelligence system was possible, but also requesting that Donovan continue his work on a post-war intelligence service.

Nearly two years of study and discussion ensued, during which time the OSS was disbanded as part of the post-war demobilization. (The espionage, counterespionage and support sections of the OSS, however, were transferred as a holding action to the Department of the Army and became the Strategic Services Unit.) Although there was general agreement that a central intelligence service was needed, there were conflicting views on the mechanics, particularly whether the service should report to the Joint Chiefs, the Department of State, or to the President, and whether there should be individual or collective responsibility for national intelligence.

By late 1945 many people were urging the necessity of a central intelligence agency. The Congressional investigation of Pearl Harbor was having an evident effect upon public opinion. It seems that there was sufficient information available in diverse

parts of the government and military establishments to forewarn of the December 7, 1941, attack. But no one individual had the responsibility to correlate, analyze and report such intelligence information to the President.

### Central Intelligence Group

The end product of these two years of study and debate was the issuance on January 22, 1946 of a Presidential Order creating the Central Intelligence Group (CIG). The Order reflected much of the thinking and work that had gone on during the war. A National Intelligence Authority was created, composed of the Secretaries of State, War and Navy and the Military Chief of Staff to the President. The Director of the Central Intelligence Group was designated by the President and the responsibility for national intelligence was clearly fixed on the Director, rather than on a collective body as urged by some. The Executive Order provided for direction and control from the President's chief advisers in international and military affairs. It also provided a focal point for the correlation of foreign intelligence, its proper coordination and dissemination, and for all other needs affecting national intelligence.

From the OSS the CIG and the present day intelligence community inherited certain assets. Among these were records and some methods and means of procuring both overt and secret intelligence. There were certain basic counterespionage files developed with the advice and assistance of some foreign intelligence services, particularly the British. There was a considerable reservoir of knowledge of procedures for research and analysis of basic intelligence information. There were some skilled personnel. Finally, but far from last in importance, there were agreements with key foreign intelligence services.

A number of functions from the wartime agencies and from departments which were anticipating reductions in budget under peacetime conditions were transferred to the CIG. In particular, the nucleus of the CIG was formed by the transfer of the Strategic Services Unit from the Department of the Army. It became the Office of Special Operations--charged with the espionage and counterespionage functions. New capabilities were also quickly developing in the CIG.

With the expiration of the President's war powers, it was recognized that Congressional authorization for the CIG was necessary. Consequently, a comprehensive legislative proposal was drafted to establish a Central Intelligence Agency (CIA). The proposal contained all but a few of the provisions of the CIG Executive Order but also sought administrative authorities sufficient to the autonomy envisaged. Notably, the authority to hire personnel directly and an independent budget had been denied CIG.

The proposed draft was fully representative of a permanent authorization for a Central Intelligence Agency. However, as events transpired, provisions relating to CIA's functional responsibility as well as its structural relationship within the Executive Branch would be enacted in 1947, while administrative authorities, for the most part, would be enacted in 1949. Comprehensive enabling legislation for CIA was subordinated in early 1947 to the more pressing need of obtaining unification of the military departments.

A team for drafting the National Security Act of 1947 was assembled within the White House and on February 26, 1947, President Truman submitted draft legislation to Congress. Although unification of the military departments was considered the prime goal of the legislation, Congress was to delve into the CIA provisions at some length. In fact, during the floor discussion of the bill in the House chamber, Mr. Carter Manasco, (D., Alabama), a member of the House Committee which had marked up the bill said: "This section on central intelligence was given more study by our Subcommittee and the Full Committee than any other section of the bill."

After almost five months of deliberation, Congress enacted the National Security Act of 1947 on July 25, 1947. It was signed by President Truman the following day.

#### Central Intelligence Agency

Section 102 of the Act established the position of the Director of Central Intelligence and the Central Intelligence Agency. It also established functions and executive branch relationships for central intelligence. Congress provided the Agency with a definitive

charter which did not unduly circumscribe, curtail, or interfere with functions of other agencies and departments of Government. Because of concern for international law, there was no mention of "espionage," but the intent of Congress was clear--the U.S. was indeed in the business of peacetime espionage. The word "intelligence" was not given a specific statutory definition but was understood to encompass espionage and other activities deemed by the President to be in the interest of national security.

The Act provides that in the interest of national security the CIA will advise the National Security Council on intelligence activities of the Government, make recommendations to the National Security Council for the coordination of such activities, correlate and evaluate foreign intelligence, perform additional services of common concern and such other functions and duties relating to intelligence as the National Security Council may direct.

This latter language was designed to enable the CIA to conduct such foreign activities as the national Government may find it convenient to assign to a "secret service." These activities have always been secondary to the production of intelligence and under direct control by the executive branch.

Controversy surrounding the Agency, which was prompted primarily by a misunderstanding of the functions to be performed, was resolved for the most part to the satisfaction of all parties concerned. On a more general level the legislative history surrounding CIA bespeaks of overwhelming support for institutionalizing foreign intelligence to serve the needs of the President and his policy advisers.

#### The CIA Act of 1949

On June 20, 1949 Congress enacted the CIA Act of 1949 providing for the administration of the CIA. Important provisions of the Act include: authorization for the CIA to exercise the authorities of a number of sections of the Armed Services Procurement Act of 1947; authority to transfer monies between CIA and other



Government agencies with the approval of the Bureau of the Budget, but without regard to limitations of appropriations from which transferred; the authority to expend sums necessary to carry out CIA's function, notwithstanding any provision of law to the contrary; and last, but not least, for objects of a confidential, extraordinary, or an emergency nature expenditures could be accounted for solely on the certificate of the Director, and every such certificate shall be deemed a sufficient voucher for the amount therein certified. This certification language was taken directly from the various appropriations acts for the latter years of OSS and was deemed essential to protect the secrecy of intelligence operations. The 1949 act was drafted in support of the broadest concept of intelligence and was based mainly on the experience of OSS and the legal and legislative problems faced in the conduct of its multifaceted operations. The creation of the CIA was now complete with its roots buried in a composite of legislative and executive action.

Atts

Tab A: Presidential Order Establishing the Central Intelligence Group

Tab B: Section 102 of the National Security Act of 1947 (as amended)

Tab C: Central Intelligence Agency Act of 1949 (as amended)

COPY

THE WHITE HOUSE

WASHINGTON

January 22, 1946

To The Secretary of State,  
The Secretary of War, and  
The Secretary of the Navy.

1. It is my desire, and I hereby direct, that all Federal foreign intelligence activities be planned, developed and coordinated so as to assure the most effective accomplishment of the intelligence mission related to the national security. I hereby designate you, together with another person to be named by me as my personal representative, as the National Intelligence Authority to accomplish this purpose.

2. Within the limits of available appropriations, you shall each from time to time assign persons and facilities from your respective Departments, which persons shall collectively form a Central Intelligence Group and shall, under the direction of a Director of Central Intelligence, assist the National Intelligence Authority. The Director of Central Intelligence shall be designated by me, shall be responsible to the National Intelligence Authority, and shall sit as a non-voting member thereof.

3. Subject to the existing law, and to the direction and control of the National Intelligence Authority, the Director of Central Intelligence shall:

a. Accomplish the correlation and evaluation of intelligence relating to the national security, and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence. In so doing, full use shall be made of the staff and facilities of the intelligence agencies of your Departments.

b. Plan for the coordination of such of the activities of the intelligence agencies of your Departments as relate to the national security and recommend to the National Intelligence Authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

c. Perform, for the benefit of said intelligence agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished centrally.

d. Perform such other functions and duties related to intelligence affecting the national security as the President and the National Intelligence Authority may from time to time direct.

4. No police, law enforcement or internal security functions shall be exercised under his directive.

5. Such intelligence received by the intelligence agencies of your Departments as may be designated by the National Intelligence Authority shall be freely available to the Director of Central Intelligence for correlation, evaluation or dissemination. To the extent approved by the National Intelligence Authority, the operations of said intelligence agencies shall be open to inspection by the Director of Central Intelligence in connection with planning functions.

6. The existing intelligence agencies of your Departments shall continue to collect, evaluate, correlate and disseminate departmental intelligence.

7. The Director of Central Intelligence shall be advised by an Intelligence Advisory Board consisting of the heads (or their representatives) of the principal military and civilian intelligence agencies of the Government having functions related to national security, as determined by the National Intelligence Authority.

8. Within the scope of existing law and Presidential directives, other departments and agencies of the executive branch of the Federal Government shall furnish such intelligence information relating to the national security as is in their possession, and as the Director of Central Intelligence may from time to time request pursuant to regulations of the National Intelligence Authority.

9. Nothing herein shall be construed to authorize the making of investigations inside the continental limits of the United States and its possessions, except as provided by law and Presidential directives.

10. In the conduct of their activities the National Intelligence Authority and the Director of Central Intelligence shall be responsible for fully protecting intelligence sources and methods.

Sincerely yours,

/s/ Harry Truman

NATIONAL SECURITY ACT OF 1947,

as amended

(61 Stat. 495, P.L. 80-253, July 26, 1947;  
63 Stat. 578, P.L. 81-216, August 10, 1949;  
65 Stat. 373, P.L. 82-165, October 10, 1951;  
67 Stat. 19, P.L. 83-15, April 4, 1953;  
68 Stat. 1226, P.L. 83-779, September 3, 1954;  
70A Stat. 679, P.L. 84-1028, August 10, 1956;  
78 Stat. 484, P.L. 88-448, August 10, 1964)

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CENTRAL INTELLIGENCE AGENCY

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U.S.C.A.  
403

SEC. 102. (a) There is established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence who shall be the head thereof, and with a Deputy Director of Central Intelligence who shall act for, and exercise the powers of, the Director during his absence or disability. The Director and the Deputy Director shall be appointed by the President, by and with the advice and consent of the Senate, from among the commissioned officers of the armed services, whether in an active or retired status, or from among individuals in civilian life: *Provided, however,* That at no time shall the two positions of the Director and Deputy Director be occupied simultaneously by commissioned officers of the armed services, whether in an active or retired status.

(b)(1) If a commissioned officer of the armed services is appointed as Director, or Deputy Director, then—

(A) in the performance of his duties as Director, or Deputy Director, he shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were a civilian in no way connected with the Department of the Army, the Department of the Navy, the Department of the Air Force, or the armed services or any component thereof; and

(B) he shall not possess or exercise any supervision, control, powers, or functions (other than such as he possesses, or is authorized or directed to exercise, as Director, or Deputy Director) with respect to the armed services or any component thereof, the Department of the Army, the Department of the Navy, or the Department of the Air Force, or any branch, bureau, unit, or division thereof, or with respect to any of the personnel (military or civilian) of any of the foregoing.

(2) Except as provided in paragraph (1) of this subsection, the appointment to the office of Director, or Deputy Director, of a

commissioned officer of the armed services, and his acceptance of and service in such office, shall in no way affect any status, office, rank, or grade he may occupy or hold in the armed services, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. Any such commissioned officer shall, while serving in the office of Director, or Deputy Director, continue to hold rank and grade not lower than that in which serving at the time of his appointment and to receive the military pay and allowances (active or retired, as the case may be, including personal money allowance) payable to a commissioned officer of his grade and length of service for which the appropriate department shall be reimbursed from any funds available to defray the expenses of the Central Intelligence Agency. He also shall be paid by the Central Intelligence Agency from such funds an annual compensation at a rate equal to the amount by which the compensation established for such position exceeds the amount of his annual military pay and allowances.

(3) The rank or grade of any such commissioned officer shall, during the period in which such commissioned officer occupies the office of Director of Central Intelligence, or Deputy Director of Central Intelligence, be in addition to the numbers and percentages otherwise authorized and appropriated for the armed service of which he is a member."

(c) Notwithstanding the provisions of section 652 [now 7501] of Title 5,<sup>6</sup> or the provisions of any other law, the Director of Central Intelligence may, in his discretion, terminate the employment of any officer or employee of the Agency whenever he shall deem such termination necessary or advisable in the interests of the United States, but such termination shall not affect the right of such officer or employee to seek or accept employment in any other department or agency of the Government if declared eligible for such employment by the United States Civil Service Commission.

(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council—

(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: *Provided*, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: *Provided further*, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: *And provided further*, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

(e) To the extent recommended by the National Security Council and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: *Provided, however*, That upon the written request of the Director of Central Intelligence, the Director of the Federal Bureau of Investigation shall make available to the Director of Central

Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security.

(f) Effective when the Director first appointed under subsection (a) of this section has taken office—

(1) the National Intelligence Authority (11 Fed. Reg. 1337, 1339, February 5, 1946) shall cease to exist; and

(2) the personnel, property, and records of the Central Intelligence Group are transferred to the Central Intelligence Agency, and such Group shall cease to exist. Any unexpended balances of appropriations, allocations, or other funds available or authorized to be made available for such Group shall be available and shall be authorized to be made available in like manner for expenditure by the Agency.

CENTRAL INTELLIGENCE AGENCY ACT OF 1949,  
as amended

(63 Stat. 208, P.L. 81-110, June 20, 1949;  
64 Stat. 450, P.L. 81-697, August 16, 1950;  
65 Stat. 89, P.L. 82-53, June 26, 1951;  
68 Stat. 1105, P.L. 83-763, September 1, 1954;  
72 Stat. 327, P.L. 85-507, July 7, 1958;  
74 Stat. 792, P.L. 86-707, September 6, 1960;  
78 Stat. 484, P.L. 88-448, August 19, 1964)

AN ACT

To provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

DEFINITIONS

SECTION 1. When used in sections 403b-403j of this title, the term—

- (a) "Agency" means the Central Intelligence Agency;
- (b) "Director" means the Director of Central Intelligence;
- (c) "Government agency" means any executive department, commission, council, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, board, bureau, division, service, office, officer, authority, administration, or other establishment, in the executive branch of the Government.

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403a.

SEAL OF OFFICE

SEC. 2. The Director of Central Intelligence shall cause a seal of office to be made for the Central Intelligence Agency, of such design as the President shall approve, and judicial notice shall be taken thereof.

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403b.

PROCUREMENT AUTHORITIES

SEC. 3. (a) In the performance of its functions the Central Intelligence Agency is authorized to exercise the authorities contained in sections [2(c)(1), (2), (3), (4), (5), (6), (10), (12), (15), (17), and sections 3, 4, 5, 6, and 10 of the Armed Services

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403c.



Procurement Act of 1947 (Public Law 413, Eightieth Congress, second session)].

(b) In the exercise of the authorities granted in subsection (a) of this section, the term "Agency head" shall mean the Director, the Deputy Director, or the Executive of the Agency.

(c) The determinations and decisions provided in subsection (a) of this section to be made by the Agency head may be made with respect to individual purchases and contracts or with respect to classes of purchases or contracts, and shall be final. Except as provided in subsection (d) of this section, the Agency head is authorized to delegate his powers provided in this section, including the making of such determinations and decisions, in his discretion and subject to his direction, to any other officer or officers or officials of the Agency.

(d) The power of the Agency head to make the determinations or decisions specified in [paragraphs (12) and (15) of section 2 (c) and section 5 (a) of the Armed Services Procurement Act of 1947] shall not be delegable. Each determination or decision required by [paragraphs (12) and (15) of section 2 (c), by section 4 or by section 5 (a) of the Armed Services Procurement Act of 1947], shall be based upon written findings made by the official making such determinations, which findings shall be final and shall be available within the Agency for a period of at least six years following the date of the determination.

#### TRAVEL, ALLOWANCES, AND RELATED EXPENSES

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403e.

SEC. 4. Under such regulations as the Director may prescribe, the Agency, with respect to its officers and employees assigned to duty stations outside the several states of the United States of America, excluding Alaska and Hawaii, but including the District of Columbia, shall—

(1) (A) pay the travel expenses of officers and employees of the Agency, including expenses incurred while traveling pursuant to authorized home leave;

(B) pay the travel expenses of members of the family of an officer or employee of the Agency when proceeding to or returning from his post of duty; accompanying him on authorized home leave; or otherwise traveling in accordance with authority granted pursuant to the terms of sections 403a-403j of this title or any other Act;

(C) pay the cost of transporting the furniture and household and personal effects of an officer or employee of the Agency to his successive posts of duty and, on the termination of his services, to his

residence at time of appointment or to a point not more distant, or, upon retirement, to the place where he will reside;

(D) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

(E) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency in connection with assignment or transfer to a new post, from the date of his departure from his last post or from the date of his departure from his place of residence in the case of a new officer or employee and for not to exceed three months after arrival at the new post, or until the establishment of residence quarters, whichever shall be shorter; and in connection with separation of an officer or employee of the Agency, the cost of packing and unpacking, transporting to and from a place of storage, and storing for a period not to exceed three months, his furniture and household and personal effects; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

(F) pay the travel expenses and transportation costs incident to the removal of the members of the family of an officer or employee of the Agency and his furniture and household and personal effects, including automobiles, from a post at which, because of the prevalence of disturbed conditions, there is imminent danger to life and property, and the return of such persons, furniture, and effects to such post upon the cessation of such conditions; or to such other post as may in the meantime have become the post to which such officer or employee has been assigned.

(2) Charge expenses in connection with travel of personnel, their dependents, and transportation of their household goods and personal effects, involving a change of permanent station, to the ap-

appropriation for the fiscal year current when any part of either the travel or transportation pertaining to the transfer begins pursuant to previously issued travel and transfer orders, notwithstanding the fact that such travel or transportation may not all be effected during such fiscal year, or the travel and transfer orders may have been issued during the prior fiscal year.

(3) (A) Order to any of the several States of the United States of America (including the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States) on leave of absence each officer or employee of the Agency who was a resident of the United States (as described above) at time of employment, upon completion of two years' continuous service abroad, or as soon as possible thereafter.

(B) While in the United States (as described in paragraph (3) (A) of this section) on leave, the service of any officer or employee shall be available for work or duties in the Agency or elsewhere as the Director may prescribe; and the time of such work or duty shall not be counted as leave.

(C) Where an officer or employee on leave returns to the United States (as described in paragraph (3) (A) of this section), leave of absence granted shall be exclusive of the time actually and necessarily occupied in going to and from the United States (as so described) and such time as may be necessarily occupied in awaiting transportation.

(4) Notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Agency, a privately owned motor vehicle in any case in which it shall be determined that water, rail, or air transportation of the motor vehicle is necessary or expedient for all or any part of the distance between points of origin and destination, and pay the costs of such transportation. Not more than one motor vehicle of any officer or employee of the Agency may be transported under authority of this paragraph during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any such officer or employee may be so transported during such period upon approval, in advance, by the Director and upon a determination, in advance, by the Director that such replacement is necessary for reasons beyond the control of the officer or employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this paragraph of a privately owned motor vehicle of any officer or employee

who has remained in continuous service outside the several States of the United States of America, excluding Alaska and Hawaii, but including the District of Columbia, during such period, the transportation of a replacement for such motor vehicle for such officer or employee may be authorized by the Director in accordance with this paragraph.

(5) (A) In the event of illness or injury requiring the hospitalization of an officer or full time employee of the Agency, not the result of vicious habits, intemperance, or misconduct on his part, incurred while on assignment abroad, in a locality where there does not exist a suitable hospital or clinic, pay the travel expenses of such officer or employee by whatever means he shall deem appropriate and without regard to the Standardized Government Travel Regulations and section 73b [now section 5731 (a)] of Title 5, to the nearest locality where a suitable hospital or clinic exists and on his recovery pay for the travel expenses of his return to his post of duty. If the officer or employee is too ill to travel unattended, the Director may also pay the travel expenses of an attendant;

(B) Establish a first-aid station and provide for the services of a nurse at a post at which, in his opinion, sufficient personnel is employed to warrant such a station: *Provided*, That, in his opinion, it is not feasible to utilize an existing facility;

(C) In the event of illness or injury requiring hospitalization of an officer or full time employee of the Agency, not the result of vicious habits, intemperance, or misconduct on his part, incurred in the line of duty while such person is assigned abroad, pay for the cost of the treatment of such illness or injury at a suitable hospital or clinic;

(D) Provide for the periodic physical examination of officers and employees of the Agency and for the cost of administering inoculations or vaccinations to such officers or employees.

(6) Pay the costs of preparing and transporting the remains of an officer or employee of the Agency or a member of his family who may die while in travel status or abroad, to his home or official station, or to such other place as the Director may determine to be the appropriate place of interment, provided that in no case shall the expense payable be greater than the amount which would have been payable had the destination been the home or official station.

(7) Pay the costs of travel of new appointees and their dependents, and the transportation of their household goods and personal effects, from places of actual residence in foreign countries at time

of appointment to places of employment and return to their actual residences at the time of appointment or a point not more distant: *Provided*, That such appointees agree in writing to remain with the United States Government for a period of not less than twelve months from the time of appointment.

Violation of such agreement for personal convenience of an employee or because of separation for misconduct will bar such return payments and, if determined by the Director or his designee to be in the best interests of the United States, any money expended by the United States on account of such travel and transportation shall be considered as a debt due by the individual concerned to the United States.

#### GENERAL AUTHORITIES

SEC. 5. In the performance of its functions, the Central Intelligence Agency is authorized to:—

(a) Transfer to and receive from other Government agencies such sums as may be approved by the Bureau of the Budget, for the performance of any of the functions or activities authorized under sections 403 and 405 of this title, and any other Government agency is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Agency in accordance with this paragraph may be expended for the purposes and under the authority of sections 403a-403j of this title without regard to limitations of appropriations from which transferred;

50  
U.S.C.A.  
403f.

(b) Exchange funds without regard to section 543 of Title 31;

(c) Reimburse other Government agencies for services of personnel assigned to the Agency, and such other Government agencies are authorized, without regard to provisions of law to the contrary, so to assign or detail any officer or employee for duty with the Agency;

(d) Authorize couriers and guards designated by the Director to carry firearms when engaged in transportation of confidential documents and materials affecting the national defense and security;

(e) Make alterations, improvements, and repairs on premises rented by the Agency, and pay rent therefor without regard to limitations on expenditures contained in the Act of June 30, 1932, as amended: *Provided*, That in each case the Director shall certify that exception from such limitations is necessary to the successful

performance of the Agency's functions or to the security of its activities.

<sup>50</sup>  
U.S.C.A.  
403g.

SEC. 6. In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of section 403(d)(3) of this title that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the Agency shall be exempted from the provisions of section 654 of Title 5, and the provisions of any other law which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency: *Provided*, That in furtherance of this section, the Director of the Bureau of the Budget shall make no reports to the Congress in connection with the Agency under section 947(b) of Title 5.

<sup>50</sup>  
U.S.C.A.  
403h.

SEC. 7. Whenever the Director, the Attorney General, and the Commissioner of Immigration shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility: *Provided*, That the number of aliens and members of their immediate families entering the United States under the authority of this section shall in no case exceed one hundred persons in any one fiscal year.

#### APPROPRIATIONS

<sup>50</sup>  
U.S.C.A.  
403i.

SEC. 8. (a) Notwithstanding any other provisions of law, sums made available to the Agency by appropriation or otherwise may be expended for purposes necessary to carry out its functions, including—

(1) personal services, including personal services without regard to limitations on types of persons to be employed, and rent at the seat of government and elsewhere; health-service programs as authorized by section 150 [now section 7901] of Title 5; rental of news-reporting services; purchase or rental and operation of photographic, reproduction, cryptographic, duplication and printing machines, equipment and devices, and radio-receiving and radio-send-

ing equipment and devices, including telegraph and teletype equipment; purchase, maintenance, operation, repair, and hire of passenger motor vehicles, and aircraft, and vessels of all kinds; subject to policies established by the Director, transportation of officers and employees of the Agency in Government-owned automotive equipment between their domiciles and places of employment, where such personnel are engaged in work which makes such transportation necessary, and transportation in such equipment, to and from school, of children of Agency personnel who have quarters for themselves and their families at isolated stations outside the continental United States where adequate public or private transportation is not available; printing and binding; purchase, maintenance, and cleaning of firearms, including purchase, storage, and maintenance of ammunition; subject to policies established by the Director, expenses of travel in connection with, and expenses incident to attendance at meetings of professional, technical, scientific, and other similar organizations when such attendance would be a benefit in the conduct of the work of the Agency; association and library dues; payment of premiums or costs of surety bonds for officers or employees without regard to the provisions of section 14 of Title 6; payment of claims pursuant to Title 28; acquisition of necessary land and the clearing of such land; construction of buildings and facilities without regard to sections 259 and 267 of Title 40; repair, rental, operation, and maintenance of buildings, utilities, facilities, and appurtenances; and

(2) supplies, equipment, and personnel and contractual services otherwise authorized by law and regulations, when approved by the Director.

(b) The sums made available to the Agency may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds; and for objects of a confidential, extraordinary, or emergency nature, such expenditures to be accounted for solely on the certificate of the Director and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

#### SEPARABILITY OF PROVISIONS

SEC. 9. If any provision of this Act, or the application of such provision to any person or circumstances, is held invalid, the

remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SHORT TITLE

SEC. 10. This Act may be cited as the "Central Intelligence Agency Act of 1949."

Approved June 20, 1949.