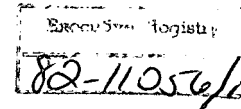


The Director of Central Intelligence

Washington, D.C. 20505



30 AUG 1982

OGC 82- 07789

Honorable Edward P. Boland, Chairman  
Permanent Select Committee  
on Intelligence  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing to thank you for your efforts in securing the exemption for the Intelligence Community which is contained in the Small Business Innovation and Development Act of 1982, P.L. 97-219.

As you know, this legislation requires federal agencies with research and development budgets over \$100 million to set aside a fixed percentage of that budget for contracts with small businesses and, in effect, to open their records to the Small Business Administration and the small business community to facilitate this set-aside. The Intelligence Community supported the goals of the legislation and, I might add, has a good record of contracting with small businesses. The Community believed, however, that the fixed set-aside and records provisions of the legislation simply were incompatible with the mission of the agencies in the Community.

You will recall that the legislation had passed the Senate overwhelmingly with no exemptions for the Community and appeared headed for similar passage in the House. When informed about the Community's concerns with the legislation, however, the Committee, under your direction, acted swiftly to obtain sequential referral. After careful review, the Committee issued a report which clearly and succinctly documented the concerns of the Intelligence Community and recommended an exemption. Later, on the House floor, through your leadership, the exemption was inserted into the House Bill and was retained through to final passage. This was accomplished despite the fact that numerous other exemptions were rejected on the floor. On behalf of the entire Intelligence Community, I would like to thank you for these efforts. I believe that the exemption they secured will be of substantial assistance in enabling the Community to continue its efforts in furtherance of the national intelligence mission.

I would also like to commend the efforts of the Committee's staff, most notably Mr. Michael J. O'Neil, the Committee's Chief Counsel. Their excellent staff work provided the firm foundation necessary for successful legislative action.

Sincerely,

/s/ William J. Casey

William J. Casey

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