

OGC Has Reviewed

15 August 1947

Loyal
CONFIDENTIAL

MEMORANDUM FOR ASSISTANT DIRECTOR FOR SPECIAL OPERATIONS

Subject: Attached File

1. The attached file indicates that there is a misunderstanding of an individual's right to recover from the Government for injuries and damage, both among individuals overseas and to some extent, in the administrative offices in Washington. For a long period employees going overseas have been informed that they must get their belongings over themselves, and take out insurance on them and that there is therefore, no recourse against the Government. This is a correct statement so far as it goes. However, until recently, some of the employees have been told that their belongings would be picked up, packed and shipped by the Government warehouse. They were also told that insurance could not be obtained as the Government warehouse could not be identified to the insurer. It appears that much of the belongings of these employees was damaged prior to arrival overseas, and it is claimed that the damage was due to negligence on the part of the warehouse. This creates a circumstance outside of the general rule cited above, since the Government has not permitted them to proceed on their own, and has prevented insurance. Prior to August 2, 1946, there was no general provision which permitted the Government to accept and settle Tort claims, i.e. claims arising out of negligence or misconduct of Government employees. The Tort Claims Act of that date, however, provides for administrative settlement of such claims against any agency up to \$1,000, and for judicial settlement of claims over that amount, in situations where the Government, were it an individual, would be liable under local law. Obviously, an individual, if he had been damaged by the act of a CIA employee, could make claim against CIA under the Act. In the specific cases herein involved, security would prevent open consideration of the claims and the facts should not go outside of OSO.

2. We suggest, as a solution to the problem, that we prepare a short explanation of the Tort Claims Act, as it is new and not widely known, and distribute it to all stations, pointing out that it is obvious, for security reasons, that any claims made under the Act, be addressed securely to OSO for consideration.

CONFIDENTIAL

- 2 -

CONFIDENTIAL

3. The law authorizes settlement of such claims by the head of the department, or his designee, and we believe it will be appropriate to have you so designated. The Act is retroactive to 1 January 1945, but a time limitation requires that a claim be presented within one (1) year after it accrues.

4. The above proposal, we believe, will serve to clear up these past warehouse cases and to establish a proper method for handling future cases.

LAWRENCE R. HOUSTON
General Counsel

CONCURRENCE:

[REDACTED]

25X1A

Attachments

LNH:caj

CONFIDENTIAL