

*DD/S (66) - 0341*

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DD / S REGISTRY  
FILE *Meetings!*

**19 JAN 1966**

**MEMORANDUM FOR: Deputy General Counsel**

**SUBJECT : Suggested Topics for Congressional Briefings**

1. Attached hereto are suggested topics for Congressional briefings on Support matters. All of these topics can be supported with illustrations and examples which should prove interesting to our Committee members.

2. Upon indication of those topics initially selected for briefing, we will develop the accompanying text for your review.

SIGNED Alan M. Warfield

*for* R. L. Bannerman  
Deputy Director  
for Support

**Attachment:  
Suggested Topics for Congressional  
Briefings**

SPA-DD/S:JHP:fms (19 Jan 66)

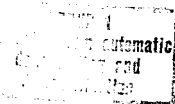
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Guess this should be held until  
all action is completed because  
of the pencil notes.

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17 JAN 1966

**MEMORANDUM FOR: Deputy Director for Support**

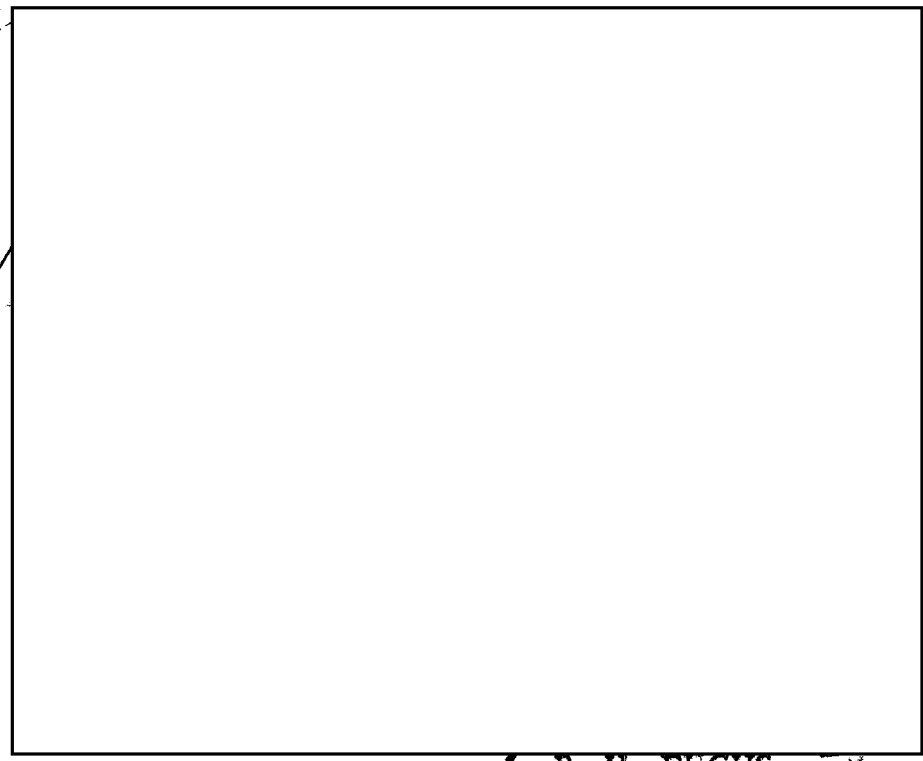
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**ATTENTION :**

**SUBJECT : Suggested Briefing Topics**

Per your request of 10 January 1966 there follows a list of topics on finance subjects which might be appropriate for use in connection with briefing Congressional committees:

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*Might be before on DOD.*

**R. H. FUCHS**  
**Director of Finance**

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**GROUP 1**  
Excluded from automatic  
downgrading and  
declassification

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12 JAN 1966

**MEMORANDUM FOR:** Deputy Director for Support

**SUBJECT:** Topics for Presentation to Members of  
Congressional Committees

**REFERENCE:** Verbal Instructions issued by SPA-DD/S  
on 10 January 1966

1. In accordance with the reference instructions, attached hereto are three logistics topics which can be developed into 15 minute presentations.

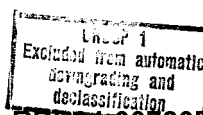
2. The use of examples from actual projects to illustrate requirements, procedures and capabilities is contemplated.

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GEORGE E. MELOON  
Director of Logistics

**Attachment:**  
OL Topics for Presentation  
to Members of Congressional  
Committees

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TAB 5

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**OL TOPICS FOR PRESENTATION TO MEMBERS  
OF CONGRESSIONAL COMMITTEES**

**SUPPORT OF FIELD OPERATIONS**

✓  
A discussion of the acquisition and stockpiling of material required to support MI and other covert operations and its timely delivery (with examples) to world-wide locations, including S. E. Asia.

**SPECIALIZED PROCUREMENT**

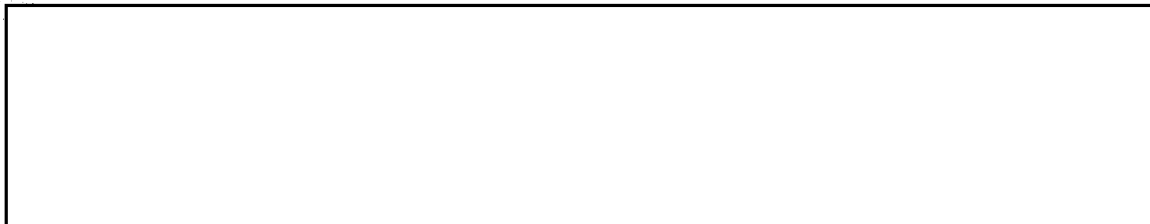
✓  
A discussion of the need for and the capability to procure on a fast reaction basis, as necessary, the non-traceable supplies, equipment and research in support of clandestine and covert operations.

**WORLD-WIDE CONSTRUCTION**

✓  
A discussion of the world-wide real property holdings and the cover means used to provide diversified facilities in all parts of the world.

*Might be a fire!*

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GROUP 1  
Excluded from automatic  
downgrading and  
declassification



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13 January 1966

MEMORANDUM FOR: Deputy Director for Support  
ATTENTION : Special Planning Assistant to the DD/S  
SUBJECT : Suggested Topics for Congressional Briefings

As requested, following are topics suggested for consideration in any Congressional briefings on the activities of the Office of Medical Services.

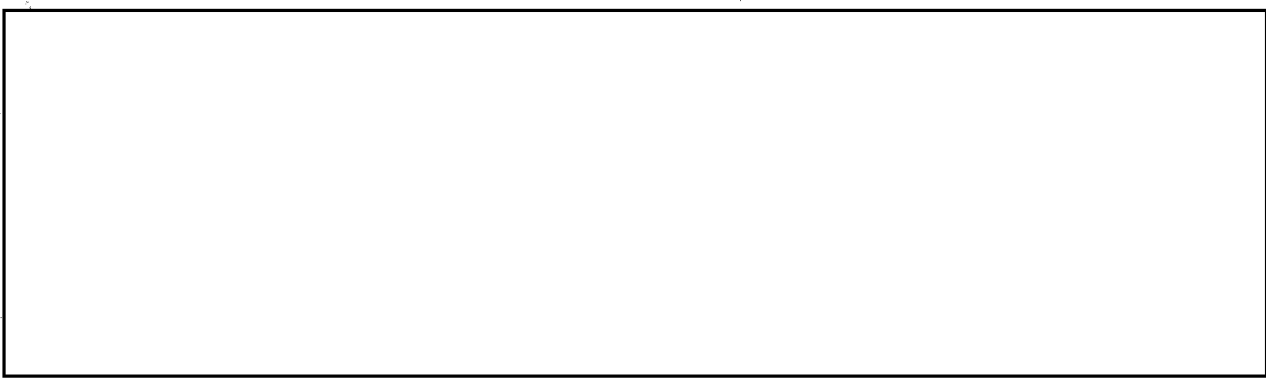
✓ 1. Executive Health Program

This program is designed to conserve highly skilled Agency manpower through the use of modern diagnostic techniques in comprehensive annual physical examinations.

2. Medical Support to Agency Operations in South Viet Nam

The exploitation of the emtre provided by medicine in Agency-sponsored action programs in South Viet Nam.

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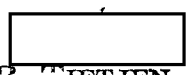


5. Guerilla Identification

The concept, development and testing of techniques whereby individuals handling and/or firing weapons can be identified in a given population group under field operating conditions; this may have its greatest application in screening out individual guerillas from a group of indigenous suspects.

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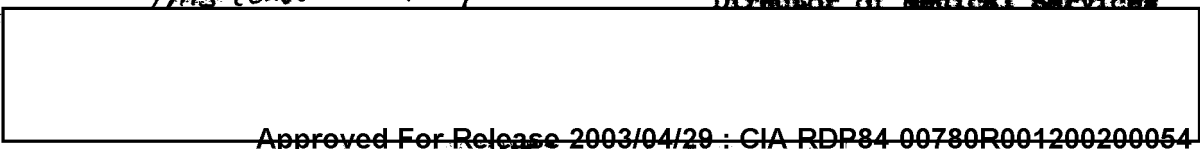
6. John T. recently mentioned fine record of health  
this 'conserves' manpower overseas.



Thou inoculations, etc.

JOHN R. TIETJEN M.D.  
JOHN R. TIETJEN, M.D.  
Director of Medical Services

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12 JAN 1968

**MEMORANDUM FOR:** Deputy Director for Support  
**ATTENTION** : Special Planning Assistant, DDS  
**SUBJECT** : Congressional Briefing Items

1. This memorandum is for your information only.
2. As requested, attached is a list of proposed topics for possible use in briefing members of Congressional committees that deal with CIA matters.

[Redacted Signature]

Howard J. Osborn  
Director of Security

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**Attachment:**  
As stated.

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✓ 8. Realities Briefings

Opposition attempts at recruitment, the methods used, and provocations on U. S. personnel visiting denied areas.

9. Security Policy for Extra Sensitive Activities

Office of Security's role in providing security policy for inter-agency collection and handling of sensitive intelligence.

10. Security Education

ILLEGIB The creation of a security environment in CIA by an intensive, personally oriented program.

11. Covert Approvals

The process, investigation, evaluation and selection of individuals to be used covertly.

12. Name Check Program

25X1 CIA's liaison arrangements with other government agencies for covert name checks. X



14. Escorts

The role of the escort in the handling of classified material and individuals. X

25X1 15. Assistance to Foreign Dignitaries

Security support rendered to foreign dignitaries on their entry to the U. S. X

16. Difficulties + problems resulting from articles in newspapers, books, etc. 2

16. Assistance to Agency Employees

The role of the Office of Security in providing compassionate assistance and support to Agency employees and their families in time of stress.

17. Liaison with Bureau of Customs

CIA's role in the arrangement for the entry of sensitive classified material and documents into the U. S.

18. State Department, I&NS and CIA Relationships

The role of the three agencies for the entry into the U. S. of covert agents

19. Briefings for Friendly Foreign Security Services

Personnel security briefings with the view of improving the security programs of friendly intelligence services.

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*17115 66-6232*

13 January 1966

**MEMORANDUM FOR:** Special Planning Assistant to the  
Deputy Director for Support

**SUBJECT :** Proposed Topics for Congressional  
Briefings

The attached list of proposed topics is in response  
to the requirement levied on 10 January 1966.



*for* John Richardson  
Director of Training

**Attachment**

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**Proposed topics for Congressional briefings:**

1. **Training Support to other USIB Agencies - Emphasis on close cordial relations achieved by rather substantial effort for the Defense Intelligence School, Special Forces, Foreign Services Institute, etc.**

*Don't believe Congress is interested in cordiality. Believe emphasis should be on CIA being considered experts and asked to give training. We do not have to sell.*

2. **CT Program - A "Career Staffing" program designed to select, train, and place individuals who possess good potential for long-term career development.**

*combined*

3. **Specialized Training for CTs - How CTs after taking "Common Core" course go into the Operations Course, the Intelligence Production Course, or Support Services Course according to directorate assignments.**

4. **Unique Character of Many Training Programs - Why the Agency must often provide in-house programs conducted by job experienced personnel rather than teachers.**

*X Not significant*

5. **Unusual Conditions Imposed by Operational Security - Why security and compartmentation necessitate more personnel and time.**

*X*

6. **Covert Training - Tailored programs for friendly foreign intelligence services and agent personnel conducted here and abroad to fit specific operational needs.**

7. **Communism: Fact and Fiction - Problems of judgment and evaluation in teaching Communism.**

*X Not significant*

[Redacted]

9. **Management Training - The introduction of the "Managerial Grid" and Pilot Project in the Office of Finance.**

*X Not significant*

10. *Language training - with statistics of no. trained in different languages.*

[Redacted]

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**CENTRAL INTELLIGENCE AGENCY**

**CONGRESSIONAL  
PROGRAM**

**1966**



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W A R N I N G

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

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CENTRAL INTELLIGENCE AGENCY

CONGRESSIONAL PROGRAM

1966

10 January 1966

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I. CIA SUBCOMMITTEES

There are four congressional committees to whom the Central Intelligence Agency is directly responsible--the Armed Services and Appropriations Committees of the Senate and the House. The chairmen of these four Committees are also the chairmen of the four Subcommittees which they have established for Central Intelligence Agency matters. Membership on the Subcommittees is generally determined on the basis of seniority on the full Committees. The membership of these Subcommittees is attached as Tab A.

The vacancy on the Senate Armed Services Subcommittee, created by the retirement of Senator Harry Flood Byrd, has been filled by the appointment of Senator Stuart Symington. Senator Symington has already demonstrated that he will be an active and enthusiastic member.

Senator Leverett Saltonstall, the sole Republican member of the Senate Armed Services Subcommittee, has announced his intention to retire from the Congress upon the expiration of his term in 1966. It will be necessary, therefore, for the Chairman to give attention to the matter of Republican representation on the Subcommittee. Senator Saltonstall is also a member of the Senate Appropriations CIA Subcom-

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mittee. His retirement will elevate Senator Milton Young to the position of ranking Republican on that CIA Subcommittee in 1967.

Consistent with past practice, the Agency will continue to meet periodically with the four CIA Subcommittees, on a weekly basis if possible. From the very beginning of his tenure as Director, Admiral Raborn announced his intention to maintain close and continuing contact with the CIA Subcommittees. In his statement at the confirmation hearings before the Senate Armed Services Committee he said:

"It is my intent to keep the CIA Subcommittee fully and currently informed of those matters under my jurisdiction. I believe it essential for a Director of Central Intelligence not only to keep the members up to date on intelligence matters but also to be fully responsive to their needs and questions.

"I am fully aware that there will be matters concerning which the members would not have the occasion to query me, either through not knowing of a particular situation or for other reasons. However, I conceive of it as my responsibility to bring to the attention of the members those matters on which I believe they should be informed. I believe that the interests of this country are served by a continuing program of the Central Intelligence Agency keeping the members informed, not only of intelligence information but also as to the activities, programs and organization of the CIA itself."

In 1965, the House Appropriations CIA Subcommittee examined the Agency budget in considerably more detail than in the past. Two members of the Subcommittee subsequently visited the Agency and over a two-day period reviewed the Agency's budgetary program and fiscal

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procedures. It is anticipated that this Subcommittee will examine the Agency's fiscal program even more thoroughly in 1966. We welcome this type of close contact and scrutiny of the Agency's fiscal activities.

It is our conviction that the more informed these and other responsible members of the Congress become, the more impressed they become with the professionalism of our people and the competence of our organization.

As in the past, Agency briefings of the CIA Subcommittees will be conducted without stenographic transcripts and under controlled security conditions. A technical security sweep is made of the Committee hearing room in advance of each hearing and security monitoring is conducted during the hearing to determine if electronic devices might be in operation in the vicinity of the briefing area.

In keeping with his confirmation statement to keep our Subcommittee members informed on the activities, programs and organization of the Agency itself, the Director has determined that agenda will be prepared for each briefing of our Subcommittee and they will include information on Agency programs and activities, organization of the Agency, its position in the intelligence community and in the Government hierarchy. He has directed that the Deputy Directorates submit suggested items for these agenda covering aspects of their respective components which will

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be informative and useful in accomplishing his stated objective. Topics will be selected and briefings will then be prepared on a phased basis. At the end of 1966, our Subcommittee members should have an improved insight of the Agency and its functions.

Thus far the House Armed Services Subcommittee is the only Subcommittee of the four which has included information regarding Agency briefings in its annual report. In 1965, the Committee report included topical statements on areas covered by the Agency in its briefings of the CIA Subcommittee. We propose to explore the possibility of having the other CIA Subcommittees also include in their annual reports information of an unclassified nature with regard to their oversight and review of the Agency.

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## HOUSE

### CIA Subcommittee of Armed Services

L. Mendel Rivers (D., S. C.), Chairman  
Philip J. Philbin (D., Mass.)                      William H. Bates (R., Mass.)  
F. Edward Hebert (D., La.)                      Leslie C. Arends (R., Ill.)  
Melvin Price (D., Ill.)                              Alvin E. O'Konski (R., Wis.)  
O.C. Fisher (D., Tex.)                              William G. Bray (R., Ind.)  
Porter Hardy, Jr. (D., Va.)  
Charles E. Bennett (D., Fla.)  
John R. Blandford - Chief Counsel

### CIA Subcommittee of Appropriations

George H. Mahon (D., Texas), Chairman  
George W. Andrews (D., Ala.)                      Glenard P. Lipscomb (R., Calif.)  
Frank T. Bow (R., Ohio)  
Robert Michaels - Staff Assistant

## SENATE

### CIA Subcommittee of Armed Services

Richard B. Russell (D., Ga.), Chairman  
John Stennis (D., Miss.)                              Leverett Saltonstall (R., Mass.)  
Stuart Symington (D., Mo.)                              Margaret Chase Smith (R., Maine)  
William H. Darden - Professional Staff Member

### CIA Subcommittee of Appropriations

Carl Hayden (D., Arizona), Chairman  
Richard B. Russell (D., Ga.)                              Leverett Saltonstall (R., Mass.)  
Milton R. Young (R., N. Dakota)

In view of the overlapping membership on the Senate Armed Services and Appropriations Subcommittees these two Subcommittees meet in joint sessions.

SECTION II  
OTHER COMMITTEES

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## II. OTHER COMMITTEES

### A. Briefings

In addition to the briefings given CIA Subcommittees, the Agency will continue to provide appropriate briefings to selected committees having a legitimate need for specific intelligence information in order to fulfill their legislative responsibilities. To this end, the Agency customarily provides the full Armed Services Committees of the House and Senate and the Defense Subcommittee of House Appropriations with substantive intelligence briefings on military programs of the Soviet Union, Communist China, and Communist Bloc countries. These briefings are provided in conjunction with the Department of Defense posture hearings conducted by these Committees. For the first time last year, special security information was fully surfaced to these Committees, with the prior approval of the three Committee chairmen and the President. These briefings were supplemented by the use of Vu-graphs and photographs from overhead reconnaissance in addition to more conventional visual aids. They were received with enthusiasm by the Committees. Several members commented that they were extremely useful in giving them a better understanding as to the scope of the Soviet threat.

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Periodic briefings will continue to be given to the Joint Committee on Atomic Energy. The briefings cover detailed intelligence on the atomic energy and missile programs of all foreign governments and includes information at the highest security levels. It is anticipated that the Joint Committee, as well as the Senate Preparedness Investigating Subcommittee will request briefings early in the congressional session. The Senate Foreign Relations Committee the Joint Committee on Atomic Energy and the Preparedness Investigating Subcommittee all have certain interests and responsibilities with respect to the nuclear test ban treaty.

The Preparedness Investigating Subcommittee has responsibility for assuring that there is a continuing review of the adequacy of the nuclear detection systems established by the United States as part of the treaty safeguards. A Special Subcommittee on Nuclear Test Ban Treaty Safeguards was designated to carry out this responsibility. Senator Henry M. Jackson, Chairman of this Subcommittee as well as the Subcommittee on Military Applications of the Joint Committee on Atomic Energy, undoubtedly will desire briefings of these two Subcommittees. Senator Jackson has been one of the most active senators in his consideration of the issues involved in the test ban treaty and

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regards CIA as the primary authority and source of information in the nuclear detection field. An all-source briefing of these combined Subcommittees was presented at a joint meeting last August and was very well received.

The Chairman of the Senate Aeronautical and Space Sciences Committee again has requested briefings on Soviet space programs and arrangements have been made for an informal meeting with selected members of this Committee in mid-January. As in the case of the Department of Defense posture briefings, these members have expressed the importance of briefings on Soviet space programs to their review of U.S. space programs. No stenographic transcript is made.

It is anticipated that the Senate Foreign Relations and House Foreign Affairs Committees will again ask the Agency for world situation briefings. Consideration of these requests will be given in consultation with the Department of State and other agencies as well as with the White House. The State Department will be alerted to the briefings and made aware of the subject matter to be covered.

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II. OTHER COMMITTEES

B. Liaison

In addition to our briefings of the foregoing Committees, close liaison will be maintained with a number of other committees and their staffs and informal assistance will be provided as appropriate. We have agreed to assist the Joint Economic Committee by providing professional studies on a number of aspects of the Soviet economy. The material, which will be included in the Committee's published survey, will be used without attribution to the Agency.

Contacts will be maintained with the Senate Internal Security Subcommittee and the House Committee on Un-American Activities. Both of these Committees are intensely interested in publishing any unclassified information which can be provided by defectors and Cuban refugees on the nature of the Communist conspiracy and the threat it poses to the free world.

Liaison will continue with a number of other selected congressional committees. In some instances, such as the House and Senate Post Office and Civil Service Committees, this will be done to ensure that Agency interests are protected in any Committee actions in the personnel and salary adjustment fields. Close contact also will be

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maintained with other committees, such as Senator Edward V. Long's Subcommittee on Constitutional Rights and Representative John E. Moss' Subcommittee on Government Information, in an effort to preclude inadvertent or other disclosure of information which would be detrimental to the Agency.

Arrangements have been made to provide Senator Henry M. Jackson's Subcommittee on National Security and International Operations with material on Soviet political considerations which might have an effect on the conduct of its nuclear testing program. This is being done at the Subcommittee's request and as a continuation of a long-standing arrangement which began with the provision of substantial studies on the Soviet and Communist Chinese policy machinery. Although written by CIA, these studies have been published under the imprimatur of the Subcommittee and have been widely acclaimed in professional circles.

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SECTION III  
CONGRESSIONAL VISITS

**SECRET**III. CONGRESSIONAL VISITS

The Agency will continue to maintain frequent contact with members of the Congress who are favorably disposed toward the Agency, many of whom are anxious to be of assistance whenever possible. We also will continue to cultivate new contacts with other members whenever a "target of opportunity" presents itself. We are particularly interested in establishing good relationships with some of the more responsible new members who will ultimately assume senior roles in the Congress. Individual members and groups will be invited to breakfast, luncheon or other sessions with the Director and other senior Agency officials. Individual members, staff personnel and informal groups such as the SOS Club, the ACORNS, the Wednesday Club and others will be included. It has been our experience that members who are adequately informed concerning our activities and mission are usually well-disposed toward the Agency. In addition, this direct contact with senior CIA officers causes these members to formulate an appreciation of the professionalism of our people. They have a better understanding of the problems which the Agency encounters and frequently offer to provide assistance and support whenever possible.

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SECTION IV  
LEGISLATION

**SECRET**IV. LEGISLATION

In the early years of the Agency's existence, there was little need for the enactment of specific legislation to amend our existing statutes or to initiate legislation to cover our specific needs. However, certain of the Agency's statutory authorities have become obsolete and unduly restrictive. Therefore, it is now necessary periodically to revise and update those statutes which set forth the authorities of the Agency and of the Director and those upon which certain Agency personnel and administrative programs and practices are founded. Five specific legislative items initiated by CIA will be considered by the Congress in 1966 (Tab B). Two proposals were approved by the Bureau of the Budget and transmitted to the Congress during the First Session. They are;

## a. An amendment to the Central Intelligence

Agency Act of 1949 which would remove Agency consultants from the \$50 per diem restrictions of the National Security Act of 1947 and permit payment of rates comparable to those paid by other agencies (Tab 1); and

## b. An amendment to the CIA Retirement Act of 1964

which would give to persons retiring under the CIA Retirement Act similar benefits to those provided under the Daniels bill

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for civil service retirees and under military pay legislation for military retirees during the First Session of the 89th Congress (Tab 2).

Another proposal introduced during the First Session of the 89th Congress, at the instance of the Agency, would provide income tax relief for disability retirees under the CIA Retirement Act (Tab 3). The Bureau of the Budget has not yet cleared the Agency's report to the Congress on this bill.

A Central Intelligence Agency legislative proposal has been prepared for submission to the Congress, upon Bureau of the Budget approval. The provisions proposed are primarily concerned with updating certain medical and travel benefits for CIA employees. Several new authorities relating to both the Central Intelligence Agency Act of 1949 and the CIA Retirement Act of 1964 are also included (Tab 4).

Action has also been initiated on a bill to make it a crime to use the name or initials of the Agency in any advertisement or in any other way without Agency approval. This bill is similar to existing provisions of law protecting the Federal Bureau of Investigation and certain other agencies (Tab 5).

The Legislative Counsel will continue to support, through

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appropriate means, several legislative proposals which were introduced in the First Session of the 89th Congress and which are still pending:



b. An amendment to the Sick and Annual Leave Act which would provide rehabilitation leave for Agency employees injured in situations such as the Saigon bombing;

c. An amendment to the Immigration and Naturalization Act which would liberalize the physical presence requirements of employees of certain Agency proprietaries;

d. An amendment to the Federal Employee Compensation Act (FECA) which would remove or increase the present dollar limitation on death and disability payments and to grant CIA Retirement Act retirees FECA benefits equivalent to those presently granted Civil Service retirees.

In addition, two draft amendments to the Immigration and Naturalization Act to authorize an unlimited re-entry period and to

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preserve the residence of an Agency employee's spouse are now being reviewed by the House Judiciary Committee. We plan to have them included by amendments to bills already before the Congress.

In the past, a number of private relief bills have been introduced at our instance and undoubtedly similar bills will be introduced during the Second Session of the 89th Congress.

In addition to pursuing the Central Intelligence Agency's legislative program, we will continue to screen all legislative proposals in the Congress to identify specific items of interest to the Agency and to bring them to the attention of Agency officials having an interest and responsibility in the particular field involved. This function is essential for the protection of Agency interests and has also been of value to various Agency officials in keeping them informed of developments in their particular substantive fields. We will also undoubtedly receive the usual number of requests from congressional committees and the Bureau of the Budget for Agency views on proposed legislation and will initiate appropriate communications and measures to protect Agency interests when it appears that proposed legislation may place them in jeopardy.

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TAB B  
Text of Five Legislative Proposals





A BILL

Be it enacted by the Senate and House of Representatives

of the United States of America in Congress assembled, That Section 5 of the Central Intelligence Agency Act of 1949, as amended (50 U.S.C. 403f) is further amended by adding a new subsection as follows:

"(f) Appoint such advisory committees and to employ, notwithstanding any other provisions of law, such part-time advisory personnel as may be necessary in carrying out the functions of the Agency."



IN THE HOUSE OF REPRESENTATIVES

A BILL

To provide certain increases in annuities payable from the Central Intelligence Agency Retirement and Disability Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 291 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees

(50 U.S.C. 403 note) is amended to read as follows:

"SEC. 291. (a) On the basis of determinations made by the Civil Service Commission pursuant to Section 18 of the Civil Service Retirement Act, as amended, pertaining to per centum change in the price index, the following adjustments shall be made:

"(1) Effective with its commencing date each annuity payable from the fund based on separation for retirement or death of a participant on or before December 30, 1965, shall be increased by (a) the per centum rise in the price index, adjusted to the nearest one-tenth of 1 per centum, determined by the Commission on the basis of the annual average price index for calendar year 1962 and

the price index for the month of July of calendar year 1965, plus (b) 1 1/2 per centum. The month of July of calendar year 1965 shall be the base month for determining the per centum change in the price index until the next succeeding increase occurs.

"(2) Effective the first day of the third month which begins after the price index shall have equaled a rise of at least 3 per centum for three consecutive months over the price index for the base month, each annuity payable from the fund which has a commencing date not later than such effective date shall be increased by the per centum rise in the price index (calculated on the highest level of the price index during the three consecutive months) adjusted to the nearest one-tenth of 1 per centum.

"(b) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows:

"(1) Effective from its commencing date, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under Section 221(c)), which annuity commences



the day after annuitant's death and after January 1, 1966 shall be increased by the total per centum increase the annuitant was receiving under this section at death.

"(2) For purposes of computing an annuity which commences after January 1, 1966 to a child under Section 221(c), the items \$600, \$720, and \$1,800, and \$2,160 appearing in Section 221(c) shall be increased by the total per centum increase allowed and in force under this section and, in case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in Section 221(c) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death.

"(c) The term 'price index' shall mean the Consumer Price Index (all items--United States city average) published monthly by the Bureau of Labor Statistics. The term 'base month' shall mean the month for which the price index showed a per centum rise forming the basis for a cost-of-living annuity increase.

"(c) No increase in annuity provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

"(d) No increase in annuity provided by this section shall be

computed on any additional annuity purchased at retirement by voluntary contributions.

"(e) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar, except that such installment shall after adjustment reflect an increase of at least \$1."

3. Exclusion of CIA Disability  
Annuities from Taxable Income

89TH CONGRESS  
1ST SESSION

# H. R. 8815

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IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 1965

Mr. MILLS introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

Relating to the income tax treatment of disability annuities payable under the Central Intelligence Agency retirement and disability system.

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

3 That (a) paragraph (4) of section 104 (a) of the Internal  
4 Revenue Code of 1954 (relating to the exclusion from gross  
5 income of compensation for injuries and sickness) is amended  
6 to read as follows:

7           “(4) amounts received as a pension, annuity, or  
8       similar allowance for personal injuries or sickness result-  
9       ing from active service in the armed forces of any  
10       country or in the Coast and Geodetic Survey or the

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1 Public Health Service, as a disability annuity payable  
2 under the provisions of section 831 of the Foreign Serv-  
3 ice Act of 1946, as amended (22 U.S.C. 1081; 60 Stat.  
4 1021), or as a disability annuity payable under title  
5 II of the Central Intelligence Agency Retirement Act  
6 of 1964 for Certain Employees (50 U.S.C. 403 note;  
7 78 Stat. 1043).”  
8 (b) The amendment made by subsection (a) shall  
9 apply with respect to taxable years beginning after Decem-  
10 ber 31, 1964.

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 Representatives of  
2 the United States of America in Congress assembled,

3 SEC. 1. The Central Intelligence Agency Act of 1949, as  
4 amended (50 U.S.C. 403(a) et seq.), is further amended as follows:

5 (1) Amend section 3 by deletion of subsections (a)  
6 and (b) and substitute therefor:

7 "(a) In the performance of its functions, the Agency  
8 is authorized to exercise the authorities contained in sections 2301;  
9 2302 (2) and (3); 2303 (b) and (c); 2304(a) (1), (2), (3), (4), (5), (6),  
10 (10), (12), (15), and (17); 2305; 2306; 2307; and 2312 of title 10,  
11 United States Code.

12 "(b) In the exercise of the authorities granted in sub-  
13 section (a) of this section, the term 'Agency head' shall mean the  
14 Director and the Deputy Director."

15 (2) Amend section 3(d) by deletion of the wording  
16 "section 2(c) and section 5(a) of the Armed Services Procurement  
17 Act of 1947" from the first sentence and substitute therefor,

1 "section 2304(a) and section 2307 of title 10, United States Code."  
2 Further amend section 3(d) by deletion of the wording "section 2(c),  
3 by section 4 or by section 5(a) of the Armed Services Procurement  
4 Act of 1947" from the second sentence and substitute therefor,  
5 "section 2304(a), by section 2306 or by section 2307 of title 10,  
6 United States Code".

7 (3) Amend section 4 by adding the following new  
8 paragraphs (1)(G) and (1)(H), and (8), and further amend section 4 by  
9 deletion of the words "Under such regulations as the Director may  
10 prescribe, the Agency, with respect to its officers and employees  
11 assigned to duty stations outside the several States of the United  
12 States of America, excluding Alaska and Hawaii, but including the  
13 District of Columbia, shall--" and substitute therefor, "Under such  
14 regulations as the Director may prescribe, the Agency, with respect  
15 to its officers and employees assigned abroad to duty stations out-  
16 side the several States of the United States of America, excluding  
17 Alaska and Hawaii, but including the District of Columbia, may--".

18 "(1)(G) Pay the travel expenses of officers and  
19 employees of the Agency and members of their families, while  
20 serving at posts specifically designated by the Director for purposes

1 of this paragraph, for rest and recuperation to other locations  
2 abroad having different environmental conditions than those at the  
3 post at which such officers and employees are serving, provided  
4 that such travel expenses shall be limited to the cost for each  
5 officer or employee and members of his family of one round trip  
6 during any continuous two-year tour unbroken by home leave and  
7 two round trips during any continuous three-year tour unbroken  
8 by home leave;

9           "(1)(H) Pay the travel expenses of members of the  
10 family accompanying, preceding, or following an officer or  
11 employee if, while he is enroute to his post of assignment, he is  
12 ordered temporarily for orientation and training or is given other  
13 temporary duty."

14           "(8) Provide appropriate orientation and language  
15 training to members of family of officers and employees of the  
16 Agency in anticipation of the assignment abroad of such officers  
17 and employees, or while abroad."

18           (4) Amend section 4(3)(A) to read as follows:

19           "(3)(A) Order to any of the several States of the  
20 United States of America (including the District of Columbia, the



1 Commonwealth of Puerto Rico, and any territory or possession  
2 of the United States) on leave of absence authorized in section 203(f)  
3 of the Annual and Sick Leave Act of 1951, as amended, each officer  
4 or employee of the Agency who was a resident of the United States  
5 (as described above) at the time of employment, upon completion of  
6 three years' continuous service abroad or as soon as possible  
7 thereafter and may so order after completion of eighteen months  
8 such service without regard to the limitation contained in section 203(f)  
9 of the Annual and Sick Leave Act of 1951, as amended."

10 (5) Amend section 4(5) by striking out subsections (A)  
11 and (C) and inserting in lieu thereof the following new paragraphs  
12 (A) and (C):

13 "(A) In the event an officer or employee of the Agency  
14 or one of his dependents, requires medical care, for illness or  
15 injury not the result of vicious habits, intemperance, or misconduct,  
16 while on assignment abroad in a locality where there is no qualified  
17 person or facility to provide such care, pay the travel expenses of  
18 such officer, employee, or dependent by whatever means deemed  
19 appropriate by the Agency, including the furnishing of transportation,  
20 and without regard to the Standardized Government Travel Regulations

1 and section 10 of the Act of March 3, 1933, as amended (60 Stat.  
2 808; 5 U.S.C. 73b), to the nearest locality where suitable medical  
3 care can be obtained and on his recovery pay for the travel expenses  
4 of his return to his post of duty. If any such person is too ill to  
5 travel unattended, or in the case of a dependent too young to travel  
6 alone, the Agency may also pay the round-trip travel expenses of  
7 an attendant or attendants;"

8           "(C)(i) In the event of illness or injury requiring  
9 hospitalization or similar treatment incurred by an officer or  
10 employee of the Agency who is assigned abroad, not the result of  
11 vicious habits, intemperance, or misconduct on his part, pay  
12 for the cost of treatment of such illness or injury;

13           "(ii) In the event a dependent of an officer or employee  
14 of the Agency who is assigned abroad, incurs an illness or injury  
15 while such dependent is located abroad, which requires hospitaliza-  
16 tion or similar treatment, and which is not the result of vicious  
17 habits, intemperance, or misconduct on his part, pay for that  
18 portion of the cost of treatment of each such illness or injury that  
19 exceeds \$35 up to a maximum limitation of one hundred and twenty  
20 days of treatment for each such illness or injury, except that such

1 maximum limitation shall not apply whenever the Agency, on the  
2 basis of professional medical advice, shall determine that such  
3 illness or injury clearly is caused by the fact that such dependent  
4 is or has been located abroad;".

5 (6) In section 5, add the following new paragraphs (g)  
6 and (h):

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

19 "(h) Settle and pay, whenever the Director determines  
20 that payment will further the purposes of this Act, without regard to

1 any other provisions of law and under such regulations as the  
2 Director may prescribe, in an amount not exceeding \$10,000, any  
3 claim against the United States for loss of or damage to real or  
4 personal property (including loss of occupancy or use thereof),  
5 belonging to, or for personal injury or death of, any person not a  
6 citizen or resident of the United States, where such claim arises  
7 abroad out of the act or omission of any Agency employee or out  
8 of the act or omission of any person acting on behalf of the Agency  
9 but only if such claim is presented in writing to the Agency  
10 activity involved within one year after it accrues."

11 (7) Renumber section 7 to read section 8. Renumber  
12 section 8 to read section 9, APPROPRIATIONS. Renumber  
13 section 9 to read section 10, SEPARABILITY OF PROVISIONS.  
14 Renumber section 10 to read section 11, SHORT TITLE. Add a  
15 new section 7 as follows:

16 "7. (a) For the benefit of or for use in connection  
17 with the Agency or for the benefit or welfare of employees of the  
18 Agency or their dependents, the Director is authorized, notwith-  
19 standing any other provisions of law--

20 "(1) to receive gifts to the Agency and in his discretion

1 to accept, receive, hold, administer, and expend or dispose  
2 of such gifts and bequests of property from individuals or  
3 others;

4 "(2) to disburse gifts, bequests of money, interest,  
5 profits, income, or proceeds from sales of other property  
6 received as gifts in accordance with the terms and conditions  
7 of the acceptance of any particular gift or bequest;

8 "(3) to invest, reinvest or retain investments of the  
9 money, property or securities and the interest, profits, or  
10 proceeds accruing from such money, property or securities;

11 Provided, however, That the Director is not authorized, as a  
12 consequence of gifts or bequests of money, property, or securities  
13 to the Agency, to engage in any business or to exercise any voting  
14 privilege which may be incidental to securities in his hands received  
15 as a gift to the Agency, nor shall the Director make any investments  
16 other than securities of the United States or other securities  
17 guaranteed as to principal and interest by the United States, except  
18 that he may make any investments directly authorized by the instru-  
19 ment of gift, and may retain any investments accepted by him;

20 Provided further, That gifts, bequests of money, or proceeds from

1 other property are not utilized for the conduct of activities by the  
2 Agency, as authorized in 50 U.S.C. 403(d) et seq. through the  
3 augmentation or in lieu of appropriations by the United States  
4 Congress; And provided further, That the funds represented by  
5 the gifts, bequests of money, or proceeds from other property  
6 are not commingled with funds appropriated by the United States  
7 Congress.

8                   "(b) For the purpose of Federal income, estate,  
9 and gift taxes, gifts and bequests accepted by the Director shall  
10 be deemed to be a gift or bequest to or for the use of the United  
11 States."

12           SEC. 2. Title II, The Central Intelligence Agency Retire-  
13 ment and Disability System, of the Central Intelligence Agency  
14 Retirement Act of 1964 for Certain Employees (50 U.S.C. 403,  
15 note) is amended as follows:

16                   (1) Amend section 221 by adding a new subsection (g)  
17 as follows:

18                   "(g) Except as otherwise provided, the annuity of  
19 a participant shall commence on the day after separation from  
20 the service, or on the day after salary ceases and the participant

1 meets the service and the age or disability requirements for title  
2 thereto. The annuity of a participant under section 234 shall  
3 commence on the day after the occurrence of the event on which  
4 payment thereof is based. An annuity otherwise payable from the  
5 fund allowed on or after date of enactment of this provision shall  
6 commence on the day after the occurrence of the event on which  
7 payment thereof is based."

8           (2) Amend section 252 by deleting subsection (c)(1);  
9 renumbering subsections (c)(2) and (c)(3) to read (c)(3) and (c)(4)  
10 and inserting the following new subsections (c)(1) and (c)(2):

11           "(c)(1) If an officer or employee under some other  
12 Government retirement system becomes a participant in the system  
13 by direct transfer, the Government's contributions under such  
14 retirement system on behalf of the officer or employee and such  
15 officer or employee's total contributions and deposits, including  
16 interest accrued thereon, except voluntary contributions, shall be  
17 transferred to the fund effective as of the date such officer or  
18 employee becomes a participant in the system. Each such officer  
19 or employee shall be deemed to consent to the transfer of such funds  
20 and such transfer shall be a complete discharge and acquittance of

1 all claims and demands against the other Government retirement  
2 fund on account of service rendered prior to becoming a participant  
3 in the system.

4           "(c)(2) If a participant in the system becomes an  
5 employee under another Government retirement system by direct  
6 transfer to employment covered by such system, the Government's  
7 contributions to the fund on his behalf and his total contributions and  
8 deposits, including interest accrued thereon, except voluntary  
9 contributions, may be transferred to the fund of such other retire-  
10 ment system at the request of the officer or employee effective as  
11 of the date he becomes eligible to participate in such other retire-  
12 ment system. Each such officer or employee in requesting such  
13 transfer shall be deemed to consent to the transfer of such funds and  
14 such transfer shall be a complete discharge and acquittance of all  
15 claims and demands against the fund on account of service rendered  
16 prior to his becoming eligible for participation in such other system."

17           (3) Amend section 273 by deletion of subsection (a);  
18 renumbering subsections (b) and (c) to read (c) and (d); and inserting  
19 the following new subsections (a) and (b):

20           "(a) Notwithstanding any other provision of law, any



1 annuitant who has retired under this Act and who is reemployed  
2 in the Federal Government service in any appointive position  
3 either on a part-time or full-time basis shall be entitled to receive  
4 the salary of the position in which he is serving plus so much of  
5 his annuity payable under this Act which when combined with such  
6 salary does not exceed during any calendar year the basic salary  
7 such officer or employee was entitled to receive on the date of his  
8 retirement from the Agency. Any such reemployed officer or  
9 employee who receives salary during any calendar year in excess of  
10 the maximum amount which he may be entitled to receive under this  
11 paragraph shall be entitled to such salary in lieu of benefits here-  
12 under.

13           "(b) When any such annuitant is reemployed, he shall  
14 notify the Director of Central Intelligence of such reemployment  
15 and shall provide all pertinent information relating thereto."

16       SEC. 3. Section 102(b) of the Federal Employees Pay Act of 1945,  
17 as amended (5 U. S. C. § 902(b)), relating to exemption from coverage  
18 under the Act, is amended by striking out "and" immediately preceding  
19 "(7)" therein and by inserting before the period at the end of thereof  
20 "; and (8) officers and employees of the Central Intelligence Agency".



~~SECRET~~

A BILL

To amend section 709 of title 18, United States Code, so as to protect the name of the Central Intelligence Agency from exploitation.

1. Be it enacted by the Senate and House of Representatives of
2. the United States of America in Congress assembled, That section 709
3. of title 18, United States Code, is amended by inserting immediately
4. after the ninth paragraph thereof a new paragraph as follows:
5. "Whoever, except with the written permission of the Director
6. of Central Intelligence, knowingly uses the words 'Central Intelligence
7. Agency' or the initials 'C. I. A.' or any colorable imitation of such
8. words or initials, in connection with any advertisement, circular,
9. book, pamphlet or other publication, play, motion picture, broadcast,
10. telecast, or other production, in a manner reasonably calculated to
11. convey the impression that such advertisement, circular, book,
12. pamphlet or other publication, play, motion picture, broadcast,
13. telecast, or other production, is approved, endorsed, or authorized
14. by the Central Intelligence Agency; or"

**SECRET**

**SECRET**

4. Adjustment of Employee  
Benefits and CIA Authorities