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3	MR. JANNEY	7 DEC 1977	<input type="checkbox"/>
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5	ADDA	7 DEC 1977	<i>[Signature]</i>
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TRANSMITTAL SLIP		DATE
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REMARKS: FYI. Notification of DCI approval/disapproval to follow.		
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5 DEC 1977

MEMORANDUM FOR: Director of Central Intelligence

FROM: John F. Blake
Acting Deputy Director of Central Intelligence

SUBJECT: Title I of Intelligence Charter Legislation

1. (U/IUO) Action Requested: It is requested that you approve the attached draft Title I as a formal working paper reflecting the position of the Director of Central Intelligence on this portion of the charter legislation. It is also requested that you indicate your views on those issue areas identified in paragraph 2 below, so that these may be reflected in the final draft. It is further requested that you raise with the President at the earliest appropriate opportunity the status of the charter drafting exercise, in order to obtain White House guidance and, as noted in paragraph 4 below, to obtain approval for establishment of a formal Executive Branch intelligence charter working group to be chaired by you.

2. (U/IUO) Background: The Office of Legislative Counsel has chaired a working group that includes officers from the Office of General Counsel, tasked with developing DCI positions on the intelligence charter legislation in response to draft papers prepared by the Senate Select Committee on Intelligence and by Deanne Siemer at DOD. Our working group has prepared a draft Title I which you reviewed and commented on recently. This draft has been reviewed by all Morning Meeting participants, including the IC Staff. A meeting on this was held last Friday, 2 December, chaired in my absence by [redacted] and attended by Morning Meeting attendees or their designates. Pursuant to that meeting, the OLC/OGC working group has produced the attached draft Title I, incorporating the following major substantive changes which you should note:

--The definition of "national intelligence" at page 4 has been amended to include, in addition to all intelligence produced under the direction of the DCI by agencies funded in the NFIP budget, all intelligence--wherever produced--primarily responsive to national policy makers. You will recall that the draft E.O. does not define "national intelligence." It is defined in this draft for statutory precision.

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--Wherever appropriate, given the somewhat different scope of this title of the charter and the unique requirements of statutory drafting, this draft Title I picks up the language of the draft Executive Order. Thus, for example, the definitions of "intelligence," "international terrorist activity," and "National Foreign Intelligence Program" correspond with the draft E.O. definitions. There are, of course, some provisions in this draft Title I that are not in the E.O. draft, such as establishing the positions of the Deputy DCI and the functional Deputies. By the same token, much of the detail and organizational matter in the draft E.O. is necessarily not included in this draft statute. However, this draft Title I is not in conflict with the E.O. as to those provisions that overlap.

--There is no provision in section 103 (pages 5-7) requiring designation of either the Deputy Director or one of the four functional Deputy Directors as primarily responsible for running the CIA. All five of these positions (DDCI and four functional Deputies) shall have such duties and perform such tasks as the Director may from time to time assign or delegate. The titles for the functional Deputies are not specified in section 103(a) at page 5.

--The Office of the Director (section 104 at page 8) is clearly and explicitly established as an independent entity under the DCI to assist him in a number of his substantive authorities (not including collection of intelligence or special activities, as these would be authorized to be carried out essentially only by the CIA), and for support. It is made explicit that the CIA will, at the Director's discretion, furnish support to the Office of the Director. As provided in section 103(a) at page 5, the Deputy Director and the four functional Deputies will be in the Office of the Director.

--The Director, like other entities of the IC, is given the general authority to engage in intelligence activities (not limited to "national intelligence") and special activities, in section 105(a) at page 8. Subsequently, in the Director's enumerated authorities and duties in section 106 (pages 9-11), the Director is given the duty (this is viewed as more assertive or directive than "authorized to") "to collect, produce, analyze, coordinate and disseminate . . . national intelligence."

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--Agencies within the IC "that are integral entities of Federal departments" are authorized, in section 105(b) at page 8, to collect and to produce departmental intelligence.

--The Director's role as the "principal adviser to the President and to the" NSC, in section 106(a) at page 9, runs to "national intelligence." Similarly, in section 106(b) at page 9, the Director is responsible for coordinating "national intelligence." Also, the Director's responsibility, in section 106(i) at page 10, for reviewing and evaluating intelligence activities to ensure their lawfulness and propriety is limited to "national intelligence." Finally, the Director's role as spokesman to the public is limited, in section 106(j) at page 10, to "national intelligence."

--Implementation of special activities (a responsibility of the DCI in section 106(e) at page 10) is limited to the CIA except in wartime or as determined by the President.

--There is no requirement, in section 108 at page 13, that the President make any "finding" on sensitive collection operations as is the case with special activities, but simply that the NSC review and make recommendations to the President on such sensitive operations (which are defined in section 102(i) at page 5 in terms of a Presidential determination as to risk of harm to national security or foreign relations if revealed).

--The IOB would be required, by section 109(a) at page 13, to keep the DCI informed of reports to it as to national intelligence activities that may be improper or unlawful. Also, the Director would play a role in developing and implementing procedures to discover and report on intelligence activities that may be improper or unlawful.

There remain two points of disagreement or uncertainty and on which your position is requested:

--Should the functional Deputies be "locked in" to certain specified areas of responsibility by identifying them by titles? The consensus of those reviewing this draft is that the statute should not so designate these Deputies which could, among other things, confuse the relationships between the functional Deputies, the CIA and the DCI.

--Should the statute provide that the Deputy DCI or one of the functional Deputies run the CIA? The consensus seems to be that the Congress will insist on this and that it would be appropriate to require that the Director designate one of the five positions of DDCI and the four functional Deputies as primarily responsible for the management of the CIA. (Incident to this matter is concern that the lines of authority between the functional Deputies and the Director not be interpreted to "go through" the DDCI.)

We received from Deanne Siener late last Friday DOD's draft of Title I and comments on the most recent SSCI version dated 18 November 1977 (which we received just last week). Ms. Siener has provided these papers to David Aaron, State, Treasury, IOB, Justice and IC Staff. The SSCI is pressing for a response. This draft of Title I, with your approval and any further changes you deem appropriate, would serve this purpose. We are also reviewing the Committee's drafts of their Titles II (individual rights), III (NSA) and IV (CIA). We are operating, however, without recent guidance from the White House, with the most recent directive being the memorandum from Dr. Brzezinski of 20 August 1977, which established the so-called David Aaron NSC Subcommittee as the coordinator for Executive Branch action on intelligence charter matters. George Cary has received indications from Sam Hoskinson that there is sentiment for transferring this responsibility to you, but we have no formal word on this.

3. (U/IUO) Staff Position: OLC and OGC concur in this memorandum. All other Morning Meeting participants present at last Friday's meeting are aware of the latest changes that have been made in this draft of Title I as well as the issue areas identified in paragraph 2 above. All agree that we should seek White House guidance and the establishment of an effective Executive Branch working group to respond to the SSCI's activities, as soon as possible. OLC and OGC believe this working group should be under your direction.

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4. (U/IUO) Recommendation: It is recommended that you review this draft Title I and provide guidance on the specific issue areas identified in paragraph 2 above, so that we can go forward to the White House with this draft as representing the recommendations of the DCI on Title I of the intelligence charter legislation. In this context, it is also recommended that you seek guidance from the President on the procedure whereby we should provide our views and responses to the SSCI on these matters. Specifically, it is recommended that you request the creation of an intelligence charter working group, under the NSC but directed by you and with Administration-wide representation, before events generated by the SSCI overtake us.

/s/John F. Blake

John F. Blake

Attachment

APPROVED:

Director of Central Intelligence

DISAPPROVED:

Director of Central Intelligence

DATE: _____

Distribution:

- Orig - Addressee, w/att
- 1 - A/DDCI, w/att
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NATIONAL INTELLIGENCE ACT OF 1978

TITLE I -- INTELLIGENCE ACTIVITIES

Monday - 5 December 1977

PRECIS--NATIONAL INTELLIGENCE ACT OF 1978

TITLE I (Intelligence Activities) will include the basic authorities according to which the IC is established and under which the DCI, the CIA and the other agencies within the Community conduct intelligence activities. The title will not address counter-intelligence nor will it contain restrictions on intelligence activities. The title, in addition, will establish the positions of DCI and DDCI, and the Office of the Director, within which will be four "functional Deputy Directors." The DCI will be granted specific authorities, among other things, to gather, collect, produce and disseminate foreign intelligence; to approve the consolidated budget for the IC; to levy collection tasks; to head the CIA; to protect sources and methods; and to ensure implementation of special activities. The title also will provide for requirements relating to appropriations for intelligence activities, reprogramming and unvouchered funds authority. Finally, there will be provisions for congressional oversight, the IOB and reporting on violations.

TITLE II (Counterintelligence) will define counterintelligence and will set forth the authorities, duties and areas of responsibilities for counterintelligence activities. Insofar as there will be restrictions exclusively applicable to counterintelligence activities, such restrictions will be included in this title.

TITLE III (CIA) will provide for the establishment of the Agency and will grant to it authority, under the direction of the DCI, to collect, analyze, produce and disseminate intelligence; to perform services of common concern; to carry out special activities; to carry out or contract for research, development and procurement of systems relating to the aforementioned functions; to protect facilities, personnel, etc. (including firearms authority); to conduct necessary support activities (including cover and proprietary authority); and to conduct liaison activities. There will be provisions for administrative authorities (e.g., leasing and purchasing); travel and other allowances; death gratuity; and provisions to protect the names, organization, etc. of the Agency and its employees. Only such restrictions as are applicable only to the CIA would be included in this title.

TITLE IV (NSA) would set forth the statutory authority for, and limitations on the National Security Agency as well as the controlling provisions for communications activities by Government entities and for the protection thereof. The title will make clear the role of the DCI as to these activities.

TITLE V (FBI)

TITLE VI (National Reconnaissance Activities), will set forth authorities, duties and responsibilities for reconnaissance activities much as Title IV for communications activities and security.

TITLE VII (Restrictions on Intelligence Activities and Individual Rights), will include whatever restrictions as apply to the IC generally or to intelligence activities generally, both foreign intelligence and foreign counterintelligence, such as restrictions on activities vis-a-vis U.S. persons, on retention of certain information, and electronic surveillance.

TITLE VIII (Conforming amendments) will operate to effect the necessary changes to existing statutes (the CIA Act, the National Security Act, etc.); both in terms of what current law will remain (e.g., the Director's alien-admission authorities, and, depending on the funding provisions as are included in Title I for the DCI, certain provisions in section 5 of the present CIA Act), and what will be repealed through enactment of the other titles of this Act. Also, this title would pick up repeal of the Hughes-Ryan amendment (in light of the congressional oversight provisions in Title I); and the title would provide statutory provisions for the protection of intelligence sources and methods if the decision is made to enact such law.

NATIONAL INTELLIGENCE ACT OF 1978

- TITLE I Intelligence Activities
- TITLE II Counterintelligence Activities
- TITLE III Central Intelligence Agency
- TITLE IV National Security Agency
- TITLE V Federal Bureau of Investigations
- TITLE VI National Reconnaissance Activities
- TITLE VII Restrictions on Intelligence Activities
- TITLE VIII Conforming Amendments

TITLE I -- Intelligence Activities

- Sec. 101. Statement of Purposes
- Sec. 102. Definitions
- Sec. 103. Director, Deputy Director of Central Intelligence and Functional Deputy Directors
- Sec. 104. Office of the Director of Central Intelligence
- Sec. 105. General Authorities and Responsibilities
- Sec. 106. Authorities and Duties of the Director of Central Intelligence
- Sec. 107. Requirements Relating to Appropriations for Intelligence Activities
- Sec. 108. Special Activities and Sensitive Collection Operations
- Sec. 109. Reporting on Violations; Intelligence Oversight Board
- Sec. 110. Reporting to the Congress

TITLE I -- INTELLIGENCE ACTIVITIES

STATEMENT OF PURPOSES

Sec. 101. It is the purpose of this title --

(a) to grant authority and assign responsibility for intelligence activities to ensure that the Government shall have the intelligence information and analysis necessary to make informed decisions regarding the national security of the United States;

(b) to ensure that intelligence activities of the United States are properly and effectively directed, regulated, coordinated, and administered;

(c) to authorize and provide effective oversight for special activities in support of national foreign policy objectives, and to ensure that such activities are properly approved and effectively directed;

(d) to provide for the effective oversight of intelligence activities of the United States, and to ensure that such activities are conducted in accordance with the Constitution and laws of the United States; and

(e) to provide for the appointment of a Director, a Deputy Director of Central Intelligence and functional Deputy Directors, and to establish the authorities and duties of the Director.

DEFINITIONS

Sec. 102. As used in this title --

(a) The term "intelligence" includes:

(1) "Foreign intelligence" which means information relating to the capabilities, intentions and activities of foreign powers, organizations or persons, or relating to international terrorist activities, but not including foreign counterintelligence; and

(2) "Foreign counterintelligence," which means information gathered and activities conducted to protect against espionage and other clandestine intelligence activities, sabotage, international terrorist activities or assassinations conducted for or on behalf of foreign powers, organizations or persons, and activities conducted abroad to protect national security information and its means of collection from detection by or disclosure to foreign powers, organizations or persons, but not including personnel, physical, document or communications security programs.

(b) The term "intelligence activity" means any activity undertaken by an agency within the Intelligence Community relating to the collection, processing, analysis, production, coordination or dissemination of intelligence, and any activity in support thereof.

(c) The term "Intelligence Community" means:

(1) The Central Intelligence Agency;

(2) The National Security Agency;

(3) The Defense Intelligence Agency;

(4) Offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) Intelligence elements of the military services;

(6) The Bureau of Intelligence and Research of the Department of State;

(7) Intelligence elements of the Federal Bureau of Investigation;

(8) Intelligence elements of the Department of the Treasury;

(9) Intelligence elements of the Department of Energy;

(10) Intelligence elements of the Drug Enforcement Administration;

(11) The Office of the Director of Central Intelligence; and

(12) Such other entities as may be engaged in intelligence activities and as designated by the President in Executive Order.

(d) The term "international terrorist activity" means any activity which:

(1) involves:

(i) killing, causing serious bodily harm to, or kidnapping one or more individuals, or

(ii) violent destruction of property, or

(iii) an attempt or credible threat to commit acts specified in subparagraphs (i) or (ii) above; and

(2) appears intended to endanger a protectee of the Secret Service or the Department of State or to further political, social or economic goals by:

(i) intimidating or coercing a civilian population or any segment thereof,

(ii) influencing the policy of a government or international organization by intimidation or coercion, or

(iii) obtaining widespread publicity for a group or its cause; and

(3) transcends national boundaries in terms of:

(i) the means by which it is accomplished,

(ii) the civilian population, government, or international organization it appears intended to coerce or intimidate, or

(iii) the locale in which its perpetrators operate or seek asylum.

(e) The term "intelligence sources and methods" means information concerning (1) methods of collecting foreign intelligence or foreign counterintelligence; (2) sources of foreign intelligence or foreign counterintelligence, whether human, technical or other; or (3) methods and techniques of analysis and evaluation of foreign intelligence or foreign counterintelligence; regardless of its origin, that is classified or designated pursuant to the provisions of a statute or Executive Order, or a regulation or a rule issued pursuant thereto, as information requiring a specific degree of protection against unauthorized disclosure for reasons of national security or in the interests of the security of the intelligence activities of the United States.

(f) The term "national intelligence" means intelligence intended primarily to be responsive to the needs of the President, the National Security Council and other Executive Branch officials engaged in the formulation and execution of national security and foreign relations policies of the United States, including but not limited to intelligence collected or produced under the direction of the Director of Central Intelligence by agencies funded in the National Foreign Intelligence Program budget.

(g) "National Foreign Intelligence Program" (hereinafter in this title referred to as "NFIP") means:

(1) The programs of the CIA;

(2) The Consolidated Cryptologic Programs, and the programs of the offices within the Department of Defense for the collection of specialized national intelligence through reconnaissance except such elements as the Director and the Secretary of Defense agree should be excluded;

(3) The elements of the General Defense Intelligence Program and other programs of agencies within the Intelligence Community designated by the Director and the head of the department as national intelligence activities; and

(4) Activities of the Office of the Director of Central Intelligence;

but not including activities to acquire the intelligence required for the planning and conduct of tactical operations by the United States military forces.

(h) The term "national security information" means official information or material designated pursuant to statute or Executive Order as requiring protection against unauthorized disclosure in the interest of the national security or foreign relations of the United States.

(i) The term "sensitive intelligence collection operation" means any intelligence collection activity or activity in support thereof which the President determines carries a significant risk of causing serious harm to the national security or foreign relations of the United States if revealed.

(j) The term "special activity in support of national foreign policy objectives" means any activity conducted outside the United States which is designed to further official United States programs and policies abroad and which is planned and executed so that the role of the United States Government is not apparent or acknowledged publicly, and functions in support of such activity, but not including intelligence activities.

DIRECTOR, DEPUTY DIRECTOR OF CENTRAL
INTELLIGENCE AND FUNCTIONAL DEPUTY DIRECTORS

Sec. 103. (a) There shall be a Director of Central Intelligence (hereinafter in this title referred to as "Director") and, within the Office of the Director, a Deputy Director of Central Intelligence and four functional Deputy Directors (hereinafter in this title referred to as "functional Deputy Directors"), all of whom shall be appointed by the President, by and with the advice and consent of the Senate; Provided, that no person may serve as Director or Deputy Director of Central Intelligence for a period of more than six years unless such person is reappointed by the President, by and with the consent of the Senate; and Provided further, that no person who has served as Director or as Deputy Director of Central Intelligence may be appointed to such position for more than one additional six-year term.

(b) The Deputy Director of Central Intelligence and the functional Deputy Directors shall assist the Director in furtherance of his authorities and duties under this Act, by performing such functions as the Director may from time to time assign or delegate. The Deputy Director of Central Intelligence shall act for, and exercise the powers of the Director in his absence or disability or in the event of a vacancy in the position of the Director. The Director shall designate the order in which the functional Deputy Directors shall act for and perform the functions of the Director or the Deputy Director of Central Intelligence during the absence or disability of either the Director or Deputy Director of Central Intelligence or in the event of vacancies in both of these offices.

(c) The positions of Director and Deputy Director of Central Intelligence shall not be occupied simultaneously by commissioned officers of the armed services, whether in an active or retired status; Provided, that at no time shall more than three of the positions of Director, Deputy Director of Central Intelligence or functional Deputy Directors be occupied by commissioned officers of the armed services, whether in an active or retired status.

(d)(1) Any commissioned officer of the armed forces appointed as Director, Deputy Director of Central Intelligence or a functional Deputy Director shall, in the performance of the duties of such position:

(i) be subject to no supervision, control, restriction or prohibition (military or otherwise) other than would be applicable if the officer were a civilian in no way connected with the Department of Defense, a military department, or the armed forces of the United States or any component thereof; and

(ii) possess or exercise no supervision, control, powers or functions (other than as Director, Deputy Director of Central Intelligence or a functional Deputy Director) with respect to the Department of Defense, a military department, or the armed forces of the United States or any component 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, Deputy Director of Central Intelligence or a functional Deputy Director of such officer and his acceptance of and service in such an office, shall in no way affect any status, office, rank or grade he may occupy or hold in the armed forces, or any emolument, perquisite, right, privilege or benefit incident to or arising out of any such status, office, rank or grade. Any such officer, while serving in the office of Director, Deputy Director of Central Intelligence or a functional Deputy Director, shall be compensated from funds appropriated to the Director, at the rate established for such position.

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

(4) The Director shall be entitled to the same compensation prescribed by section 5312 of Title 5, United States Code, for positions at level I of the Executive Schedule. If a commissioned officer of the armed forces is serving as Director, he shall be entitled to the difference, if any, between his regular military compensation (as defined in section 101(25) of Title 37, United States Code) and the compensation prescribed by section 5312 of Title 5, United States Code, for positions at level I of the Executive Schedule.

(5) The Deputy Director of Central Intelligence shall be entitled to the same compensation prescribed by section 5313 of Title 5, United States Code, for positions at level II of the Executive Schedule. If a commissioned officer of the armed forces is serving as Deputy Director of Central Intelligence, he shall be entitled to the difference, if any, between his regular military compensation (as defined in section 101(25) of Title 37, United States Code) and the compensation prescribed by section 5313 of Title 5, United States Code, for positions at level II of the Executive Schedule.

(6) A functional Deputy Director shall be entitled to the same compensation prescribed by section 5314 of Title 5, United States Code, for positions at level III of the Executive Schedule. If a commissioned officer of the armed forces is serving as a functional Deputy Director, he shall be entitled to the difference, if any, between his regular military compensation (as defined in section 101(25) of Title 37, United States Code) and the compensation prescribed by section 5314 of Title 5, United States Code, for positions at level III of the Executive Schedule.

OFFICE OF THE DIRECTOR
OF CENTRAL INTELLIGENCE

Sec. 104. (a) There is established under the Director an independent establishment to be known as the Office of the Director of Central Intelligence (hereinafter in this title referred to as the "Office of the Director") to assist the Director in performance of his authorities and duties under this Act to produce, analyze, coordinate and disseminate national intelligence, and for such other support as the Director deems appropriate.

(b) The Director is authorized to employ such persons as necessary for the Office of the Director to fulfill the duties assigned it.

(c) Support activities necessary for the effective operation of the Office of the Director may be provided by the Central Intelligence Agency, as the Director deems appropriate.

GENERAL AUTHORITIES AND RESPONSIBILITIES

Sec. 105. (a) Subject to the provisions of this Act, and as provided by this Act, the Director and the agencies within the Intelligence Community are authorized to engage in intelligence activities and special activities in support of national foreign policy objectives, under the direction of the National Security Council.

(b) The agencies within the Intelligence Community shall support the Director in carrying out his authorities and duties under this title; Provided, that agencies within the Intelligence Community that are integral entities of Federal departments also are authorized to collect and produce departmental intelligence.

(c) Appropriate senior officials of agencies within the Intelligence Community, in discharging their responsibilities, shall ensure that all activities for which they are responsible are carried out in accordance with the Constitution and laws of the United States.

AUTHORITIES AND DUTIES OF THE
DIRECTOR OF CENTRAL INTELLIGENCE

Sec. 106. (a) The Director of Central Intelligence, under the direction of the National Security Council, shall be the principal intelligence officer of the United States, shall be the principal adviser to the President and to the National Security Council on national intelligence, and shall be the principal spokesman to the Congress for the Intelligence Community.

(b) In carrying out his duties under this Act the Director, under the direction of the National Security Council, shall be responsible for the coordination of national intelligence activities of the Government.

(c) The Director shall head the Office of the Director and the Central Intelligence Agency according to the provisions of this Act.

(d) It shall be the duty of the Director to collect, produce, analyze, coordinate and disseminate, within the Government, national intelligence; Provided, that in carrying out these duties, the Director shall:

(1) have authority to levy analytical tasks on agencies within the Intelligence Community;

(2) have authority to levy collection tasks on agencies within the Intelligence Community to fulfill requirements and priorities established by the National Security Council;

(3) develop, consistent with the requirements and priorities established by the National Security Council, policies, objectives and other guidance for the Intelligence Community in anticipation of future national intelligence needs;

(4) promote and direct the development and maintenance of services of common concern to the Intelligence Community; and

(5) formulate policies with respect to intelligence arrangements with foreign governments, and coordinate intelligence relationships between the various agencies within the Intelligence Community and foreign intelligence or internal security services of foreign governments;

(6) establish, as appropriate and notwithstanding the provisions of any other law, committees or other advisory groups to assist in the execution of the foregoing responsibilities.

(e) The Director shall, under the provisions of this Act, ensure implementation of special activities in support of national foreign policy objectives and sensitive intelligence collection operations; Provided, that only the Central Intelligence Agency may conduct such special activities, except for the military services in wartime and except where the President determines the objective of such special activity is more likely to be achieved by another agency within the Intelligence Community.

(f) Notwithstanding the provisions of any other law, the Director may, in his discretion, terminate the employment of any officer or employee of the Central Intelligence Agency or of the Office of the Director, 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 any such officer or employee to seek or accept employment elsewhere in the Government if declared eligible for such employment by the United States Civil Service Commission.

(g) The Director shall have full and exclusive authority for approval of the NFIP budget submitted to the President through the Office of Management and Budget and, after approval by the President, the Director shall present the budget to the Congress.

(h) The Director shall be responsible for protecting intelligence sources and methods against unauthorized disclosure, and shall ensure the development and coordination of programs which properly protect intelligence sources and methods.

(i) The Director shall, on a continuing basis, review and evaluate all ongoing and proposed national intelligence activities and special activities in support of national foreign policy objectives in order to ensure that such activities are carried out in accordance with the Constitution and laws of the United States and with Presidential directives.

(j) The Director shall act as the principal spokesman for the Intelligence Community to the public on matters concerning national intelligence.

(k) The Director shall participate with the Attorney General and the legal officers of the agencies within the Intelligence Community in the development of procedures required by this Act and by Executive Order to be approved by the Attorney General governing the conduct of intelligence activities.

(l) To assist the Director in the fulfillment of responsibilities assigned in this section, the heads of all Executive Branch departments and agencies, in accordance with law and relevant Attorney General procedures and Executive Orders, shall give the Director access to all information relevant to the intelligence needs of the United States.

REQUIREMENTS RELATING TO APPROPRIATIONS FOR INTELLIGENCE ACTIVITIES

Sec. 107. (a) No funds may be appropriated for any fiscal year beginning after September 30, 1978, for the purpose of carrying out any intelligence activity unless such funds have been previously authorized for such activity by legislation enacted during the same fiscal year or the two fiscal years immediately preceding that for which they are appropriated, except that the foregoing limitation shall not apply to funds appropriated by any continuing resolution.

(b) The Director is authorized to:

(1) Transfer to and receive from other Government agencies such sums as may be approved by the Office of Management and Budget, for the performance of any of the authorities or duties authorized under this title, and any other Government agency is authorized to transfer to or receive from the Director such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Director in accordance with this paragraph may be expended for the purposes and under the authority of this title without regard to limitations of appropriations from which transferred;

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

(3) Reimburse other Government agencies for services or personnel assigned to the Office of the Director or to the Central Intelligence 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 such duty.

(c) The Director shall establish guidelines under which proposed reprogramming of funds in the NFIP budget shall require his prior approval; Provided, that the heads of each agency within of the Intelligence Community shall advise the Director of any proposed reprogramming falling within the guidelines; and Provided further, that the Director shall review each such proposal and his approval shall be required for any such reprogramming.

(d) The Director is authorized to maintain a fund to be known as the Reserve for Contingencies (hereinafter in this section referred to as the "Reserve") and to credit to the Reserve only such newly appropriated monies as are specifically appropriated to the Director for the Reserve. The Director is authorized to expend funds from the Reserve in any fiscal year for the payment of emergency and extraordinary expenses incurred in connection with any intelligence activity or special activity in support of national foreign policy objectives only if:

(1) the withdrawal of funds from the Reserve has been previously approved by the Office of Management and Budget; and

(2) the Appropriations Committees and the Select Committees on Intelligence of the House and the Senate are kept fully and currently informed of all withdrawals; Provided, that the foregoing shall not be construed as requiring the approval of any committee of the Congress prior to the implementation of any such activity.

(e) Any monies in the Reserve so approved for expenditure under the provisions of paragraph (d) of this section but not actually expended for the specific purpose for which approved shall remain in or revert to the Reserve.

(f) Any activity funded from the Reserve which continues after the end of the fiscal year in which such activity was initiated shall be funded thereafter through the regular budgetary process at the earliest practicable time.

(g) The Director may expend funds appropriated to him for objects of a confidential, extraordinary or emergency nature, and such expenditures shall be accounted for solely on the certificate of the Director and every such certificate shall be deemed a sufficient voucher for the amount certified therein.

SPECIAL ACTIVITIES AND SENSITIVE
COLLECTION ACTIVITIES

Sec. 108. (a) The National Security Council, in conjunction with the Director of Central Intelligence, shall review and make written recommendations to the President concerning each special activity in support of national foreign policy objectives (hereinafter in this section referred to as "special activity") and each sensitive intelligence collection operation (hereinafter in this section referred to as "sensitive collection operation") or significant proposed change thereto.

(b) No funds may be expended for any special activity, or significant change thereto, unless and until the President has made a written finding that such activity or change is important to the national security of the United States and is consistent with the foreign policy goals of the United States.

REPORTING ON VIOLATIONS; INTELLIGENCE
OVERSIGHT BOARD

Sec. 109. (a) The heads of departments and agencies within the Intelligence Community and their Inspectors General and General Counsels shall be responsible for reporting in a timely manner to the Attorney General and to the Intelligence Oversight Board established by this section, concerning any intelligence activity brought to their attention which may be improper or which may constitute a violation of the Constitution or any law of the United States, or of any Presidential directive; Provided, that the Intelligence Oversight Board shall keep the Director informed of such reporting on matters relating to national intelligence; and Provided further, that the Attorney General and the Intelligence Oversight Board shall advise the President of any such activity which, in their view, constitutes a violation of the Constitution or any law of the United States; and Provided, further, that the Attorney General, with due regard to his investigative and prosecutorial responsibilities, shall report periodically to the Select Committees on Intelligence of the House and the Senate concerning activities which have been reported to the President under this section.

(b) The heads of departments and agencies within the Intelligence Community shall formulate and implement, in consultation with the Director, the Attorney General and the Intelligence Oversight Board, procedures to discover and report on intelligence activities that may be improper or which may constitute violations of the Constitution or laws of the United States, or of any Presidential directive.

(c) Senior officials of agencies within the Intelligence Community shall report to the Attorney General evidence of possible violations of Federal criminal law by an employee of the agency, as well as evidence concerning such violations by any other person as to those Federal criminal laws specified in guidelines promulgated by the Attorney General.

(d) There shall be, under the direction of the President, an Intelligence Oversight Board (hereinafter in this Section referred to as the "Board"), consisting of three members appointed by the President from outside the Government; Provided, that no member of the Board shall have any financial or contractual relationships with any agency within the Intelligence Community; and Provided further, that one member shall be designated by the President as chairman.

(e) The Board shall receive and consider all reports by the Attorney General, the heads of any agency within the Intelligence Community, and the Inspectors General or General Counsels of any agency within the Intelligence Community submitted pursuant to paragraph (a) of this section.

(f) Nothing in this section shall prohibit any employee of any agency within the Intelligence Community from reporting any matter described in paragraph (a) of this section directly to the Attorney General or to the Intelligence Oversight Board.

(g) The Board is authorized to employ such personnel as may be necessary to carry out its function under this section; Provided, that no such person shall have any financial or contractual relationship with any agency within the Intelligence Community.

(h) The Board shall, upon the request of any member, be granted access to all information relevant to any activity covered by this section in order to carry out its duties under this Act.

REPORTING TO THE CONGRESS

Sec. 110. Consistent with all applicable authorities and duties, including those conferred by the Constitution upon the Executive and Legislative Branches, and with due consideration for the duties under law to protect intelligence sources and methods, the Director and heads of agencies within the Intelligence Community shall:

(a) Keep the Select Committees on Intelligence of the House and the Senate fully and currently informed with respect to intelligence activities, including any significant anticipated activities which are the responsibility of, or engaged in, by such agency; Provided, that the Director shall report to the Select Committees on Intelligence of the House and the Senate in a timely manner the special activities, and significant changes thereto, approved by the President; Provided further, that this does not constitute a condition precedent to the implementation of any such intelligence activity;

(b) Provide any information or document in the possession, custody or control of the agency or person paid by such department or agency, within the jurisdiction of the Select Committees on Intelligence of the House or the Senate, upon the request of such Committee; and

(c) Report in a timely fashion to the Select Committees on Intelligence of the House and the Senate information relating to intelligence activities that are illegal or improper and corrective actions that are taken or planned.