

Legislative & Regulatory Counsel, NSA

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S/CONGRESSIONAL AFFAIRS
86-4006

Enclosed herewith is the additional material you requested to support NSA's submissions to the FY-88 Intelligence Authorization Bill.

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*FY '88 Intelligence
File - 4006*

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SECTIONAL ANALYSIS

Section 2(a) amends Chapter 4 of Title 10 by adding a new section 140d - Cryptographic Security. This new section provides the Secretary of Defense, and if he delegates his authority, the Deputy Secretary of Defense and the Director, NSA, statutory authority to promulgate regulations governing the purchase, use, and disposal of cryptographic equipment in order to maintain the integrity of communications security equipment used by the United States Government, its contractors, and others granted access to such equipment by the government. Regulations issued pursuant to this authority would maintain an appropriate level of control over the introduction of foreign-manufactured cryptography into the United States Government and government-contractor inventory and regulate the access to United States Government cryptography by foreign-owned, controlled, or influenced companies.

Pursuant to National Security Decision Directive 145, the Secretary of Defense as Executive Agent is responsible for ensuring telecommunications and information systems security. This legislation provides statutory authority for the promulgation of regulations to ensure that cryptographic equipment used by the U.S. Government and its contractors is developed, manufactured, acquired, used, and disposed of in accordance with appropriate safeguards and controls. This provision provides a firm legal basis to discourage legal challenges to denials of sensitive cryptographic

information to companies that are subject to foreign ownership, control, and influence.

Subsection (b) provides that regulations issued by the Secretary of Defense will be promulgated after coordination with the heads of departments and agencies determined by the President to have a role in these matters. These regulations will be submitted to the Congressional committees enumerated in subsection (c) no later than thirty days before they are to take effect.

Subsection (e) specifically provides authority to institute civil judicial proceedings to enforce compliance with regulations issued pursuant to this Section.

Nothing in this section shall be deemed to affect or reduce the authorities conferred by the Federal Property and Administrative Services Act of 1949, as amended, on the Administrator of General Services, the Secretary of Commerce, or the Director of the Office of Management and Budget. Nor shall this section alter or affect the authorities of the Director of Central Intelligence (DCI), including his authority to protect intelligence sources, methods and activities from unauthorized disclosure or his responsibility to act as Executive Agent of the United States Government for technical security countermeasures.

JUSTIFICATION FOR PAYMENT OF EXPENSES RELATED TO THE DEATH
OF AN EMPLOYEE SERVING A ROTATIONAL FIELD ASSIGNMENT
IN THE UNITED STATES

The mission of the National Security Agency requires the Agency to maintain a structured rotational field assignment program that includes rotational tours within the United States. This program is the result of the Agency's need to develop experienced employees before assigning them to the field, and the need to reassign field employees to headquarters in order to update both their unique cryptologic skills and their other mission related information, and to take advantage of their field experience.

There have been instances where individuals serving tours of duty at field sites in the United States have died. In such circumstances, the Agency lacks authority to return the remains of the deceased, along with the family and their effects, to the intended return location. Because of this lack of authority, we anticipate increased difficulty in finding qualified, experienced employees to fill field site positions.

This humanitarian benefit is granted by 5 U.S.C. § 5742 to government employees on official travel and temporary duty within

the United States or on official temporary or permanent duty outside the United States. However, employees on permanent field duty inside the United States for a specific period and with the intent to return, are denied this benefit because of the failure of Section 5742 to provide for this type of assignment.

The proposed bill would permit any government employee who takes a field assignment inside the United States for a specified period of time with the intent to return to his official duty station to be treated in the same manner as employees inside the United States and temporarily away from their duty station, or outside the United States and on official business.

JUSTIFICATION FOR ADVANCE OF PAY FOR RELOCATIONS
WITHIN THE UNITED STATES

Employees transferred in the interests of the Government to a new post of duty within the United States cannot currently obtain the same advance of pay to assist in meeting the out-of-pocket expenses of relocation as may be available to employees transferred to a foreign area. Congress, in enacting Section 2309 of Public Law 96-465 (5 U.S.C. § 5927), recognized the expenses associated with relocation and the establishment of a new home in an overseas area and the significant burden this placed on employees. Relocation within the United States involves similar problems and expenses for Federal employees. Often expenses such as security deposits on rental units, utility hook-ups, automobile registration expenses and telephone deposits are either not reimbursable or exceed the amount permitted by 5 U.S.C. § 5724a for miscellaneous expenses. A move "within the United States" may entail relocation to the opposite side of the continent as well as to or from Alaska or Hawaii. Moves of this magnitude impose the same burdens on employees as do moves to foreign areas. The ability to advance salary to these employees would significantly ease this burden.

JUSTIFICATION FOR A CRITICAL SKILL GRADUATE TRAINING PROGRAM

The success of the National Security Agency's mission depends upon the Agency's ability to recruit and retain the most talented available mathematicians, computer scientists, engineers, and linguists. The Agency's ability to recruit and retain these critical skilled individuals has been severely challenged and diminished in recent years because of the increase in the demand for these important skills in the private industrial community. This is due in part to special incentives that industry can offer to graduating college and university seniors but which the Agency is prohibited by law from offering to its recruits. Among those special incentives is sponsorship for advanced degrees. The proposed bill would significantly aid the Agency in competing for the finest graduating talent available by permitting the Agency to match the offers of private firms to sponsor qualified individuals for advanced degrees.

It is also essential to the Agency's business that it retain its experienced employees, and that those employees, and thus the Agency, remain current in their skills. In order to foster retention and, to maintain the Agency's leadership in those skills, the Agency must have the authority provided by this bill to sponsor graduate training at the time and to the extent it determines necessary.