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OCA 88-2847
23 August 1988

MEMORANDUM FOR: Deputy Director for Administration

FROM: Congressional Affairs

SUBJECT: Legislative Watch for the Final Days of the 100th Congress

1. This memorandum provides an update on legislative measures pending in the 100th Congress which, if passed, would impinge upon Agency special authorities or adversely affect Agency administrative practices. Although I have identified most of the bills which pose problems for various DA offices, few in my judgement are likely to be enacted. All, however, merit watching during the final days of this Congress.

2. Whistleblowers Protection Act. The Senate version (S. 79) has passed. The House version (H.R. 25) is likely to come to a floor vote in September. Both as currently written contain protections against the disclosure of classified information. However, Representative Schroeder, sponsor of H.R. 25, may offer an amendment which would seem to allow for review of Agency decisions denying or revoking security clearances. OCA has submitted language to the Civil Service Subcommittee staff providing appropriate protection. OCA ACTION: Ensure our language is made part of any Schroeder amendment.

3. Truth in Government Accounting Act (H.R. 118). This bill would require the Secretary of the Treasury to make public each year consolidated financial statements for the Federal government based upon accrual-accounting procedures and require annual audits of the consolidated reports by the GAO. According to the Office of Finance, enactment would risk revealing sensitive classified information. The bill has little chance of moving; it was introduced in January 1987 and has not moved out of Committee. OCA Action: None.



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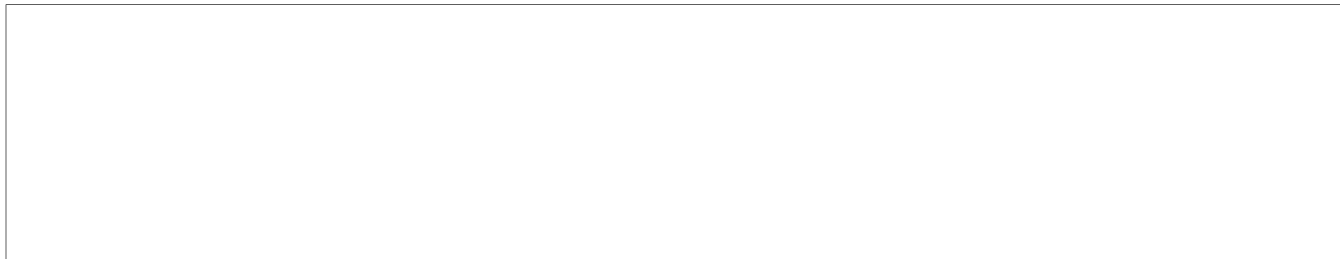
5. The Federal Accounting Practices Review Commission Act (H.R. 2287) would establish a Commission to centralize accounting reforms and to design a unified financial management system for all Federal agencies. The Commission would be empowered to secure from any Agency information needed to carry out the Act, risking release of sensitive financial records held by the Office of Finance. No Congressional action has been noted since the bill was introduced and referred to Committee in May 1987. OCA ACTION: None.

6. Federal Financial Management Improvement and Public Accountability Act (H.R. 3142) establishes a Chief Financial Officer of the United States (CFO) to consolidate Federal financial management within a single organizational structure. The bill mandates full disclosure of financial activity to the CFO. A similar, but not a companion bill, has been introduced in the Senate. Known as the Federal Financial Management Reform Act (S. 1529), the bill establishes a new Under Secretary for Financial Management to receive annual financial statements from Federal agencies and to audit such statements. No action has been noted on either bill since introduction last August. The Senate Governmental Affairs Committee did hold hearings but quickly adjourned. Sources on this Committee advise that no consensus could be reached among the Members. OCA ACTION: None.

7. Federal Equal Employment Opportunity Reporting Act (H.R. 3330) would require reporting of certain EEO related data and statistics to the EEO Commission. Such data is protected under the Director's special authorities. The HPSCI staff, following a meeting with OCA, agreed that the Agency should be exempted. The bill was favorably reported out by the House Subcommittee on Employment Opportunities but has failed to move in full Committee. OCA ACTION: Confirm HPSCI intervention for CIA relief if the bill moves in full Committee.

8. Hatch Act Reform Amendments of 1988 (H.R. 3400) grants Federal employees increased rights to engage in the political process. Despite OCA efforts to seek an Agency exemption on the House side, the bill passed unchanged. Similar, but equally ineffective efforts were made prior to Senate Committee hearings and markup in June of this year. The bill may come to a Senate floor vote, provided the sponsors can sign up at least enough votes to override a threatened Presidential veto. Through the SSCI staff, OCA has persuaded Senator Cohen to introduce a floor amendment exempting CIA employees should the bill reach the Senate floor. OCA ACTION: Verify with SSCI staff Cohen's amendment should HR 3400 be scheduled for debate.

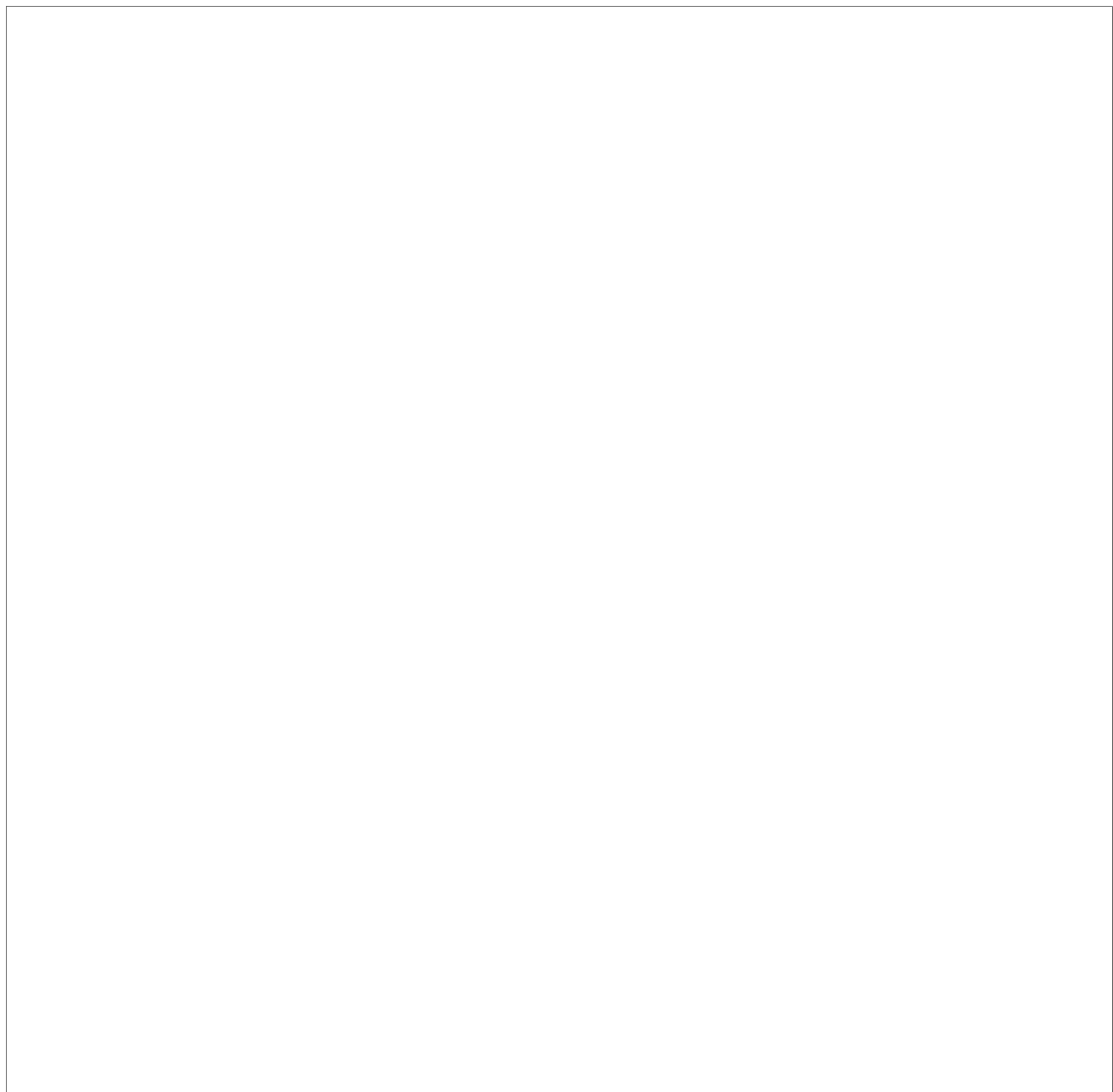
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12. Defense Consultant Reform Act (H.R. 5016) and Consultant Registration and Reform Act (HR 5158 and S. 2674 are identical.) designed, like the Pryor amendment in the Defense Appropriation Act, to ensure full disclosure of certain consulting contract information to protect the Government from conflicts of interest. While there is an exemption in all three for contracts involving sensitive foreign intelligence and counterintelligence activities or those classified under the national security classification system, there is some doubt on the part of the Office of Logistics that the exemption is sufficient. OCA ACTION:
Obtain amendment language and work changes in the bill

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through House Armed Services and Senate Committee on Governmental Affairs after gaining support from oversight committees.

13. Federal Employees Health Benefits Amendment(H.R. 5102) amends chapter 89 of title 5, U.S. Code to provide for temporary continuation of FEHBP coverage for separated employees, unmarried dependent children, and certain former spouses. Last week OCA convinced the Subcommittee on Compensation and Employee Benefits that passage could result in the disclosure of Agency employees under cover. The staff tentatively agreed to language in the Committee Report which will note that the intent of the Act is not to affect agencies which administer their own insurance programs in general and the CIA in particular. OCA ACTION: Ensure staff includes the agreed upon language in the Committee Report.

14. Federal Employee Discrimination Complaint Procedures Act (H.R. 5112) would transfer the investigation of EEO complaints from the employing Agency to the EEO Commission. Preliminary reviews by the Office of Personnel suggest an adverse impact on our handling of EEO complaints as well as risking disclosure of classified information. Sources on the Post Office and Civil Service Committee advise that the bill will at least reach markup before adjournment and could get as far as the House floor. There is, however, no Senate companion. OCA ACTION: None unless Committee moves to markup.

15. Civil Rights Protection Act (S. 2109), according to the Office of Security and OGC, could prohibit the Agency from considering homosexual activity in making security clearance determinations. Introduced last February, there seems to be little enthusiasm for enactment.

OCA ACTION: None.

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