

1 March 1976

MEMORANDUM FOR: Morning Meeting Participants

Attached for your information is a copy of the House Select Committee on Intelligence (HSC) publication entitled "Recommendations of the Final Report". Also attached for simplified reference is a summary of these recommendations, portions of which were distributed to addressees approximately two weeks ago.

The recommendations are listed on pages 1-7 of the HSC publication. The remainder of the 29 page publication, devoted to separate commentaries and recommendations of individual HSC members, is worth your perusal as it shows a wide range of opinion on the future of intelligence among the individual members.



Chief, Review Staff

Attachments: a/s

Summary Of
Recommendations Of The House Select Committee
On Intelligence

A. Form House Standing Committee:

Membership -

- Between 9 and 13
- Broad representation
- Same political ratio as House
- Speaker designate members in consultation with minority leader
- Committee member may serve no more than 3 consecutive terms -- staff member restricted to 6 years

Disclosure Penalties -

- Committee Staff who disclose classified information subject to immediate dismissal plus criminal and civil action

Subpoena Power -

- Committee to be vested with subpoena power without House authorization, provided Committee has so designated by resolution

Jurisdiction -

- Include all legislative and oversight functions relating to all U.S. Agencies and Departments engaged in foreign and domestic intelligence
- Exclusive - for all intelligence budget authorization
- Exclusive - for all covert actions
- All remaining oversight functions - concurrent with other House Committees

B. Release of Information

1. Amend House Rule XI. 2(e) (2) as follows:
"Each Committee keep complete records including testimonies in open and executive session." (Note: Amendment abridged)
2. Committee may release with or without executive consultation any classified information or documents in its possession or control by majority vote of Committee members.
3. If Committee votes against release - Committee member may apprise other House members accordingly - arrange access to information providing member signs agreement non-disclosure - with petition signed by 1/5 House for disclosure, entire House will convene in secret session to be informed and vote on release of information.
4. House Rules be revised to provide for censure and expulsion by 2/3 vote of any House member revealing classified information which jeopardizes national security.

C. Covert Action

1. Prohibit all assassination attempts and all paramilitary activities - except in wartime.
2. Within 48 hours of initial approval, following required re: covert action.
 - a. DCI notify Committee - provide detailed statement re: nature, extent, purpose, risks, probability success, costs.
 - b. President certify in writing that covert action required protect National Security.
 - c. Committee to be provided with duplicate originals of written recommendations of each 40 Committee member (or successor group).

D. NSA

- NSA - independent agency
- Civilian control
- Define role re: Monitoring U.S. citizen's communications

E. Budget Disclosure

- All intelligence related items be included as intelligence expenditure in President's budget
- Disclose total single sum budgeted for each Intelligence Agency.
- If intelligence item part of another Agency/Department budget identify separately as single item

F. Fund Transfers Prohibited

- Significant transfer funds between agencies/departments for intelligence activities.
- Significant fund reprogramming within agencies/departments for intelligence activities unless specifically approved by Intelligence and appropriate committees Congress.
- Significant expenditures of reserve or contingency funds for intelligence activities unless specifically approved by Intelligence and appropriate committees Congress.

G. Director of Central Intelligence

- DCI separated from intelligence agencies to coordinate and oversee foreign intelligence community - eliminate collection duplication - promote analysis competition.
- President nominate DCI with advice and consent Senate.
- DCI duties and powers:
 - a. Chief U.S. foreign intelligence officer - supervise and control all U.S. agencies engaged foreign intelligence.

- b. Member - National Security Council
- c. Hold no position or title in any government agency.
- d. Constitute an Office of Inspector General for all government and military branches. Having foreign intelligence functions - these report allegations of misconduct to DCI - individual organizations may maintain own Inspector General Staff.
- e. DCI to have adequate staff be responsible for NIE's and daily briefings of President.
- f. NIE preparation - supply to appropriate Congressional Committees immediately on request.
- g. Preparation of all intelligence budget requests - intelligence portions of DoD budget to be submitted as independent parts of such budgets to DCI.
- h. Coordinate functions of foreign intelligence agencies - eliminate duplication - evaluate periodically performance and efficiency of these agencies - report to Congress on this at least annually.
- i. Conduct comprehensive inquiry into causes of intelligence failures - report to committee on Intelligence within one year.

H. Full GAO Audit Authority

- GAO be empowered to conduct complete management and financial audit all intelligence agencies
- No limitation on GAO by any executive (security) classification system
- GAO audit function specifically to apply to funds presently expended on certification Agency
• Director alone.

I. Internal Financial Management

- CIA internal audit staff be increased and given complete access to CIA financial records.
- Overseas stations audited at least annually.
- All proprietary and procurement mechanisms be subjected to annual comprehensive review by CIA's internal audit staff.

J. Full Disclosure to Congress

- Amend existing legislation which restricts Directors of Foreign Intelligence Agencies from providing full information to Congress to exclude Congressional Committees having appropriate jurisdiction.

K. New Foreign Operations NSC Subcommittee

Amend 1947 Act to establish permanent Foreign Operations Subcommittee of NSC.

- a. Subcommittee to have jurisdiction over authorized activities of U.S. foreign intelligence agencies except those solely related to gathering of intelligence.
- b. Subcommittee advise President on all proposed covert or clandestine activities and on hazardous collection activities.
- c. Subcommittee member be required by law to submit individual assessment of each proposal to President including alternative ways of accomplishing goal.
- d. Subcommittee chaired by Assistant to the President for National Security Affairs -
Composition:

Assistant to President for National
Security Affairs

DCI

Secretary of State
Secretary of Defense
DDI (CIA)
Chairman, Joint Chief of Staff
Ambassador(s) and Assistant Secretaries
State for the affected countries and
areas.

L. DIA

- Abolish DIA
- Transfer functions to CIA and ASD (I)
- Assistant Secretary of Defense (Intelligence)

M. Detailees

- Disclose affiliation of detailees to other government organizations to all immediate colleagues and superiors.

N. Assistant to President For National Security Affairs

- Prohibited from holding any cabinet level position

O. Restrictions on Police Training and Relationships

- No foreign or military intelligence agency may directly or indirectly train or supply U.S. domestic police agencies.
- Such contacts to be limited to circumstances involving internal security or the normal requirements of such police agencies.

P. Media

1. U.S. intelligence agencies may not provide (financial) assistance to U.S. citizens or institutions in religious, educational, news media fields for cover purposes.
2. U.S. intelligence agencies not to covertly publish books or plant/suppress stories in U.S. news media.

Q. Restrictions on Military Intelligence

1. Armed Services prohibited from covert activities in U.S.

2. Clandestine activities against non-military citizens abroad prohibited.

R. Classification

Classification and regular declassification of information be subject of specific legislation.

S. Domestic

1. "Judicial warrant must issue", on probable cause, before FBI informant or agent infiltrate any domestic group or association.
2. FBI Director term of office no longer than two presidential terms.
3. Abolish Internal Security Branch, Intelligence Division, FBI.

Reorganize Counter-Intelligence -- increase from branch to division.

CI Division mission limited to investigating and countering foreign efforts against U.S.
4. Transfer all investigations of alleged criminal activity by domestic types to General Investigative Division.
5. Tie investigation of terrorist groups to specific violations criminal law within FBI jurisdiction.

Department of Justice determine when domestic political action group may be targeted for investigation as terrorists.

T. Inspector General For Intelligence

1. Establish independent office of Inspector General for Intelligence.
2. IGI have full authority investigate potential misconduct in intelligence agencies.
3. IGI have full access to all records and personnel.

4. Make annual report to Congress.
5. Report to Intelligence Committees or appropriate oversight committees as directed.
6. IGI appointed by President, with Senate approval for 10 year term.