

RELEASE IN PART
HISTORICAL COLLECTIONS
DIVISION
EXEMPTION: HR70-14
DATE: 04-05-2012

CIA Act of 1949

provisions of the 1949 act *the text may be in Vol. 63 Statutes -
at - Large 208-213 [CIA Hist]*

1. permitted procurement by the CIA w/out advertising under certain conditions
 2. provided for training and edu. of Agency personnel
 3. provided for special travel allowances and related expenses required by CIA *hospital + medical care for employees*
 4. made special allowances for transfer of funds bet CIA and other govtal agencies
 5. made an exception to statutory prohibitions by permitting CIA to employ up to 15 retired officers of the armed services
 6. permitted CIA to w/hold publication of personnel info-- titles, salaries, or numbers
 7. granted DCI authority to approve entry into US of certain aliens and their families, subj to concurrence of Atty Gen and Commissioner of Immi and Naturalization
 8. gave DCI authority to expend funds w/out restrictions which applied to ~~other~~ other agenceis
-

Cong. in passing the CIA act of 1949 voluntarily delegated some of its
power: to be informed by Ombudsman of the ^{personnel strength of} the ~~quality of~~ ^{for CIA;}
to know precise personnel or budget figures

SECRET

Pforzheimer Memo for the Record, 24 Jan 1952, Subj: CIA
Legislation

by this date taking of submitting bill to repeal Secs.
3 (Procurement Authorities) and 5 (Travel, Allowances, and
Related Expenses) of 1949 act.

When sections 3 and 5 were passed, they appeared all that
CIA would need in these fields. But subsequent experience
has shown that w/ new laws and new interpretations, as
well as expanded CIA operations, it would now be necessary
to amend approx. 1/3 of Sec. 5 and request major changes
in Sec. 3. These 2 sections, rather than being permissive,
as had 1st been contemplated, were now acting as limita-
tions on CIA operations.

9 Feb 1950

discussion w/ BOB re repeal or amendment of Sec. 9 of P.L.
110

enabling legislation defining the authorities of the CIA and establishing procedures for its admin.

grants CIA the authority necessary for its proper administration

a housekeeping bill to aid in the administration & operations of the CIA.

Having rec'd its functional authorities, CIA now needed administrative authorities.

functional vs. administrative authorities

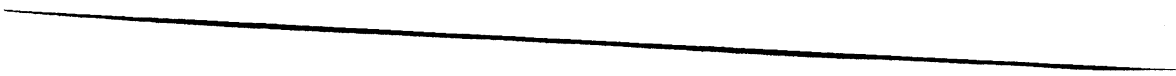
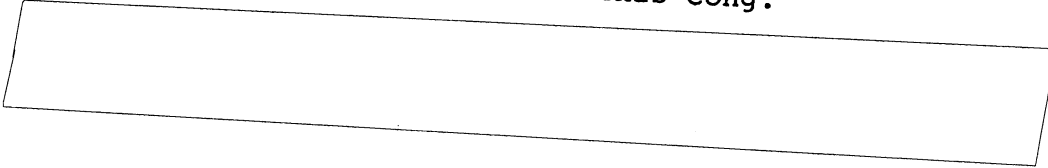
during consideration of 1947 act,
^ reps of CIG had repeatedly stated their intention of submitting
further legislation as soon as the basic charter was approved.

* in fact, drafts of the enabling legislation had been shown to
various congressmen during consideration of the 1947 act.

item # 5, OLC material
in HS vault

Hillenkoetter to Webb (Director, BOB), Mar. 1, 1948

I appeared before House Comm. on Armed Serv on 24 Feb 48. The comm. asked if we had any need for further legislation, which I answered in affirmative. They suggested that it be forwarded to them by March 1, adding that anything reaching them after 15 March would in all probability receive no consideration from this Cong.



1949 act

Job 60-321, box 1

[Pforzheimer] Memo for the Record, 15 March 1948

13 Mar 48--DCI and WLP call upon Sen. Gurney re proposed CIA bill. Gurney agreed to introduce the legislation but was irked that covering letter addressed to Pres. pro tempore Vandenberg rather than himself. Gurney later introduced the bill (S. 2306) that same day.

on 15 Mar, WLP informed that Mr. Andrews ^{of N.Y.} of House ArmServComm would introduce the bill in the House. ^{^ - this he did on Mar. 16 (HR 5871)}

also talked w/ John McCormack, Minority Whip, abt the bill. McCormack suggested it might be a good idea for DCI to request a hearing before House Comm on Expen in the Exec Depts, as a matter of tactics. This has been referred to DCI for consideration.

CIA bill - 48 agency draft

To provide administrative authorities for CIA.

The basic provisions of the Agency's draft (Mar. '48) covered areas of procurement; travel, allowances + related expenses; general authorities; + appropriations, including unexpended funds

asked for procurement procedures similar to those of armed services

" " authorities similar to those granted Foreign Service, in order to develop a career intell. staff

additional authorities sought concerning security + the DCI's req. to protect sources + methods

Walter Andrews of N. Y. - chair, House Am. Serv. Com. in
1948

H.R. 5871 was identical w/ S. 2306

item # 7, OLC materials,
HS vault

SECRET

Pforzheimer Memo to Executive Director, 30 Mar 48

in preparing for DCI's appearances before House and Senate ArmServComms, it would be useful to supply DCI w/ 2 or 3 gadgets such as trick fountain pens, trick cameras, or "other toys which would be effective as exhibits indicating the specialized nature of certain of our procurements."

[ask Pforz if these were in fact used]

XEROX OLC material, HS vault

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Houston Memo for DCI, 7 Apr 1948, Subj: Proposed Legislation

contains answers to the following Qs:

- How has CIA functioned w/out the authorization contained in the proposed legislation?
 - What features of this bill have no precedent in existing law for any other branch of the govt?
 - How does CIA proposed to obtain appropriations w/out disclosing the amt. and source?
 - What safeguards are provided in the spending of money by CIA?
-

Pforzheimer Memo, 8 Apr 1948

re appearance of DCI before Subcomm No. 3 of House ArmServComm
in connection w/ HR 5871
hearing in esecutive session

subcomm decides to delete authority for DCI to issue up to 50
visas per yr.

after further discussion, subcomm unanimously approved HR 5871
with certain textual changes

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Pforzheimer Memorandum, 13 May 1948

report on DCI's appearance before Senate ArmSerComm on 13 May

*objection to using the word "alien" in giving DCI authority to hire - but
not to the idea of allowing CIA to hire alien*

Senate Rep. 1302,
May 17, 1948

"In almost all instances, the powers and authorities contained in the bill already exist for some other branch of the Govt, and the bill merely extends similar authorities to the Central Intell A."

hearings conducted in executive session becuz of the sensitiviety of the subj.

Sec. 3, granting CIA authorities already exercised by the armed services, pertains to procurement and advertising.

Sec 4, re edu. and training, similar to Foreign Service Act of 1946.

not a single word of explanation from the Comm as to the reasons for its acceptance, except to note that it was satisfied that all provisions were justified and necessary to the efficient operation of the intell. service of the US.

XEROX 60-321

CIA Act of 1949

RESTRICTED

Pforzheimer Memo for DCI, 18 May 1948, Subj: CIA Legislation:

compares S. 2688 w/ HR 5871.

Cong freeing CIA of financial oversight item # 17, OLC material
in HS vault

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Houston Memorandum to the Files, 11 March 1949, Subj:
The Comptroller General's Views on H.F. 2663

the original CIA draft of March 1948 had proposed that BOB must approved all sums expended by CIA. the Senate in 1948 had specifically eliminated BOB control. In drawing up the 1949 draft w/in the Exec. branch, it was decided to abide by the Senate's language of 1948.

THIS IS IMPORTANT--find out more on this.

S. 2688 - Reported out ¹⁹⁴⁸ unanimously by Senate
Armed Serv. Comm. in May 1948

passed by Senate on 21 June 48 w/ little notice

unanimously reported out of House Armed Serv. Com. - ^{House Armed Serv. Com.} report nearly identical

not called up on floor of House due to lack of time over revealing
of the thinking of
its sponsors

S. 2688 substantially the same bill as CIA Act of 1949

Arthru Darling interview w/ Walter Pforzheimer, 1952
SECRET

on June 21, 1948--Repre. Marcantonio (a "communist") stopped the enabling act. Sen. Gurney had gotten the measure thru the Senate and had reached an understanding w/ Repre. Halleck that the Senate's bill would go thru the House.

but Marcan tonio delayed the bill, arguing that the US should have no spy system. And as Halleck was preoccupied w/ the nominating conventions which were due to begin soon, he decided not to tackle what could be a drawn-out and possibility controversial affairs.

reiterates that Agency very pleased with the measure as it eventually appeared in 1949; the kAgency got just abt everything that it wanted in the measure.

*Marcantonio argued that CIA trying to infiltrate labor unions, as
accusation which fueled an to excite the CIO.*

alien provision

item # 7, OLC materials
in HS vault

CONFIDENTIAL

Pforzheimer Memo to DCI, 16 Nov 1948, Subj: Proposed CIA
Law for Admission of Aliens [*Re-read - I have not seen entire document*]

compares provisions re admission of aliens in the 1948
proposal w/ the proposal now under consideration
--draft substantially the same as the 1948 one save fol-
lowing exceptions:

line 1 has been changed from "When the Director shall
determine . . ." to read "Whenever the Director and the
Attorney Gen shall determine. . ."

no. of aliens permitted raised from 50 to 100

re 1949 bill, see:

---Senate Report No. 1302, 80th Cong, 2d sess., May 17, 1948 ✓

---House Report No. 160, 81st Cong, 1st sess, Feb 24, 1949

---Senate Report No. 106, 81st Cong, 1st sess, March 10, 1949

H Report 1853, 80th Cong. ✓

House comm. hearings



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House and Senate reports do little more than repeat verbatim the provisions themselves.

House Armed Serv Comm. report frankly admitted that the report did not contain a detailed explanation of the legislation. it assured the House however, that it had received "a complete explanation of all ~~the~~ features of the ~~propes~~ed measure" and that it was "satisfied that all sections of the proposed legislation are fully justified."

[House REport No. 160, 81st Cong, 1st sess], Feb 24, 1949

"A few of the provisions [of the proposed bill] are unusual in nature, but nevertheless are essential to the successful operation of an efficient intell service."

the bill has the unanimous approval of the Comm.

"The importance and necessity for an efficient, capable intell service cannot be overemphasized." This legislation will do much toward that end.

only slightly more detailed than the one the yr before, but admits it does not contain "a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such info is of a highly confidential nature. However, the Comm on Armed Serv rec'd a complete explanation of all features of the proposed measure. The comm is satisfied that all sections of the proposed legislation are fully justified."

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Re 1949 CIA act--hearings held by both comms. on Armed Services--
hearings in executive session.
the two comms. released only skeleton reports, noting tht much
of the testimony was too sensitive to share w/ their colleagues,
but assuring the 2 houses that the legislation was fully jus-
tified.

*P. 1945 w
Cong. Rec.*

there was some protest re the comm's failure to inform the
Cong of the full implications of the bill. In hte House,
Emanuel Celler said: "Certainly if the members of the Armed *Forces*
~~Services~~ Comm can hear the detailed information to support *this bill*,
why cannot our entire membership? Are they the Brahmins and we
the untouchables?"

[already one sees the formation of a 2-class system in Cong
concerning intell. matters]

alien admission

section pertaining to admission of aliens strongly desired by CIA becuz it was felt that this would provide inducement to outstanding indivs w/ hight intell. potential to approach US officials in order to pass valuable info. W/out such a provision, these indivs might be dissuaded from ~~appx~~ cooperating w/ US becuz of the dangers the lentghty delatys would place them in

Q of aliens

Judiciary Comm in House threatened to move to strike the alien section from the bill and have the matter referred to itself.

CIA argued that the purpose of this section was intimately tied to the nat. intell. mission, and was not in any way connected w/ broad immigration Qs of quotas, displaced persons, and the like

CIA noted that State, the Displaced Persons Commission, and Immigration and Naturalization Service have all agreed to CIA request

need for bill

item # 17, OLC materials
in HS vault

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transcript of proceedings before House Rules Comm,
4 Mar 1949

as Sasscer candidly admitted, the bill would legalize
certain functions CIA had already been performing,
as well as consolidate w/in CIA certain fun s that have
been carried on in some of the other depts of the govt

Rep. Holifield sought assurances that CIA would not have any funcs relating to internal security.

Sasscer repeatedly emphasizes that w/ one or two exceptions, CIA only being granted powers already exercised by other agencies in the govt.

Marcantonio: raised 4 objections to the bill--the procedural one of asking the House to suspend its prerogatives by not being informed of the bill's explanation; the threat to civil liberties offered by the bill; the danger that CIA would infiltrate labor organizations; and the admission of undesirables thru the alien provision.

Sasscer defends the bill by remarking that a "second-best intell service is almost as bad as none at all." p 1944

Celler: warns that the bill will enable the Atty Gen and DCI to admit "Facists, [sic] C~~o~~mmunists, Hitler sadists, morons, moral perverts, syphilitics, or lepers" p. 1945 and advises the ArmSerComm "to stick to its own knitting. When immigration is involved, let the proper comm be consulted--the Judiciary Comm." - *the immigration provision indicates "how the cold war is unbending the nerves of some of our high mil authorities."*

Marcantonio: "We have gone through two world wars. We have gone through a civil war and the Cong has never been asked to vote for any legislation w/out explanation of all of the provisions of the bill and that is what this report asks the Members of this House to do. . . . If under the wave of hysteria you want to abdicate your legislative funcns to just one comm of the House, that is your privilege, but as for me I refuse to do it."

p. 1946

Short, of Missouri: admits there is some plausibility in Marcantonio's concerns. "I suppose that none of us in the Chamber at this moment likes this particular kind of legislation." But then adds that "the weakest link in our chain of nat. defense in days gone by has been in a weak intell system."

"We are engaged in a highly dangerous business. It is something I naturally abhor but sometimes you are compelled to fight fire w/ fire. There is no other way out of it so far as I can see and perhaps the less we say in public abt this bill the better off all of us will be."

p. 1947

passes House on March 7 by vote of 348 - 4.

the 4 negative votes were by Marcantonio (NY); Powell (D, NY) ,
Morris (D, Okla), and Bosone (D, Utah)

provides for the Agency's administration

role of Repr. Sasscer

item # 17, OLC
materials in HS vault

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Hillenkoetter to Rep. Lansdale G. Sasscer, 9 Mar 49

re his work w/ CIA bill, thanks him "for becoming the
'father' of the CIA legislation."

[ask abt this]

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"Historical Background of the Central Intelligence Agency,"
undated, draft, no author indicated

11 Feb 49--draft legislation sent to Cong w/ explanation
that it was substantially the same as S. 2688 and H.R. 5871,
which the 80th Cong had considered.

House debate took place on 7 March. Marcantonio provided
the major opposition to the bill, arguing that the secrecy
of the proceedings deprived Cong of necessary info; raising
the dangers to civil liberties, in appropriateness of con-
fidential funds, and the undesirability of the alien pro-
visions. Celler also objected to the alien provisions, tho
on jurisdictional grounds. Bill passed 348-4.

In the Senate the jurisdictional issue w/ respect to the alien
provision caused some concern. But after meeting w/ the DCI,
Sen. McCarren, chair of Judiciary Comm, agreed to w/draw
his objections, upon receiving assurances from DCI that the
latter would provide McCarren w/ a regular confidential
report on the no. of aliens brought in.

Senate ArmServComm reported out H.R. 2663 on 10 March. In
the debate on 27 May, Sen. Langer provided most of the ^② *services of officers*
opposition, based mainly on ^① *or clean-up from local* secrecy surrounding the bill,
and the ^② *data* alien provisions. He offered two amendments (both
accepted). Sen. Johnson also voiced concern over the sweeping OVER

powers being vested in the mil. [Johnson's comments wrong - don't mention]
Senate passed H.R. 2663 as amended by voice vote
6 June, Conf. Comm. accepts amended bill.

Tydings, the bill's sponsor in the Senate, put the matter of secrecy quite bluntly. The reason for the secrecy, he said, "is that we do not want men to lose their lives." p. 6949

Tydings, after extended exchanges w/ Langer: "I have already said much more in this debate than should be disclosed. [hogwash] I think this debate is unfortunate. I think it ought to be in executive session. . . . This is one time when there ought to be secrecy. . . . We are not serving the United S or the brave men who are going forth under all kinds of difficulties to help to place the security of our Nation beyond peradventure."

p. 6952

Tydings: ". . . this bill is carefully worked out. Every safeguard which could possibly be put into it w/out destroying its purpose has been put into it." p. 6952

perhaps surprising, neither Langer nor Marston or anyone else objected to the provision on finances

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"the '48 Act where I blew Senator McMahon out of the water."

the '49 act "was a breeze. The only prob w/ '49 was the . . . hold that Senator McCarran (our good friend) had on the legislation until certain things happened. Wehn they happened that hold disappeared and it breezed through, give or take Vito Marcantonio"

House consideration of conf. report--June 7

P. 7369 of
Cong. Rec.

again, Marcantonio raised objections to what he called "this hush-hush bill," arguing it was subversive of the Bill of Rights and undermined the nation's democratic institutions. Also claimed it was "being sold to the country by hysteria."

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CIA Act of 1949 passed in House on March 7, 1949, by vote of 348 to 4, and in Senate on May 27, by unanimous voice vote. Signed into law on June 20, 1949.

occasioned very little cong. debate.

bill sought to resolve disputes bet DCI and Defense Dept.

also granted DCI authority to maintain high degree of secrecy around CIA.

It exempted the agency from such existing fed laws that required disclosure of the organization, functions, names, titles, salaries, of numbers of employees.

specified that funds may be expended "w/out regard to the provisions of law and regulations relating to the expenditure of govt funds" and that for objects of a "confidential, extraordinary or emergency nature," expenditures would be accountable solely by a certificate of the DCI

permits CIA to transfer funds from other govt agencies for duly authorized functions.

pp. 24-25

Sen. Millard Tydings a principal sponsor--Tydings acknowledged that the bill granted the agency a degree of secrecy, even from Cong, that had no parallel in peacetime.

p. 25

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CIA Act of 1949--"measures were taken to restrict debate and public statements, w/ congressional leaders fearful that any open discussion would compromise the secret nature of the CIA's activities."

p. 87

[]

Reprs Sasscer [Cong Rec 1944] explicitly assured his House colleagues that w/ one or two exceptions, the bill granted no powers to CIA which at some time or other had not been granted to other agencies of the govt, or which other agencies were not then utilizing thru their implementing legislation.

n. 57

re the voucher method of accounting, Sen. Tydings [Cong Rec 6955] noted that under normal circumstances, such a system would be outrageous--but added that the country owed the men who were undertaking such dangerous tasks "every possible protection we can possibly give them."

n. 58

budgetary process

Sandler, 28 Yrs.

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in CIA ACT of 1949, Cong exempted CIA from all provisions of
consitutional and statutory law respecting the appropriation,
expenditure, and accounting of public funds.

p. 168

provisions

CIA given full authorization for procurement of supplies, services, and other facilities. Did not have to follow ~~the~~ usual regs re advertising in negotiating purchases.

CIA granted authority to bring certain aliens and their families into US, w/out regard to other laws. No. of such persons limited to 100.

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composed for most part of routine housekeeping provisions on procurement, training, travel allowances, and the like

but in 2 sections, marked abrupt break w/ customary practices governing relations bet legis. and execu. branches:

a. can receive from other govt agencies monies for performance of duly authorized funcs.

b. sums may be expended by Agency w/out regard to other laws and regulations relating to expenditure of govt. funds; for "objects of a confidential, extraordinary or emergency nature," expenditures to be accounted for solely on certificate of DCI.

1949 act gave statutory authorities to CIA

Arthur Darling interview w/ Lawrence Houston, 1953
SECRET

principles of the 1949 act were the same as those in the Enabling Bill of 1946. The final measure did contain refinements stemming from administrative experience since 1946

Houston not so sure abt Pforzheimer's contentions re Hallack and pol. considerations during the 1948 session [I don't yet know what this refers too--may be in the interview w/ Pforzheimer]. To Houston the truth was that Con was typically far behind and simply did not get the CIA measure.

it is — Houston did not think that the [] Report had any particular effect. The measure was by this time one of routine to which Cong. would come when it had an opportunity.

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Sandler, 28 Yrs

CIA Act of 1949 the last piece of legislation affecting CIA's day-to-day operations publically debated by Cong for nearly 25 yrs. [but Sandler makes it seem there had been little debate even here] Bet. 1947 and early 70s, CIA operated by ground rules established in legislation of 1947 and 1949, supplemented by a series of secret presidential directives

p. 26

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1974

again the troublesome Q of cong. intent arises. What precisely did Cong. mean when it exempted CIA from certain funding limitations? If Cong in subsequent legislation limits the purposes for which the funds may be spent but does not expressly state whether the CIA is bound by this limitation, does the 1949 statute automatically exempt CIA from this limitation? Or did the legislators in 1949 seek only to protect CIA from normal accounting procedures in order to ensure security? The matter is not certain. In other words, does the 1949 act supersede a subsequently voted appropriation restriction?

pp. 510-12