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MILITARY CONSTRUCTION APPROPRIATIONS FOR 1956

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HEARINGS - 1956 money

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

EIGHTY-FOURTH CONGRESS
FIRST SESSION

SUBCOMMITTEE ON DEPARTMENT OF DEFENSE APPROPRIATIONS

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CORRAT D. ORESCAN, *Staff Assistant to the Subcommittee*

GENERAL STATEMENTS

Printed for the use of the Committee on Appropriations



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Printed for the use of the Committee on Appropriations



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WASHINGTON : 1955

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(f) To provide installation-engineering and installation of designated fixed communications facilities and equipment in support of the Air Force mission worldwide.

A total of 16 bases are required to support the Air Materiel Command. One base is required for the Air Proving Ground Command facilities and the Air Research and Development Command utilizes a total of 9 bases; 6 of which are under the command of Air Research and Development Command and one which is jointly utilized with the other Commands.

That includes the ZI portion of my statement. I want to emphasize that I have covered the major base structure required to support the 137-wing Air Force. As you know, other bases are required to support the Continental Air Command; the Headquarters Command, the Air University, and the many other support functions.

The next portion of my statement deals with the overseas base structure required for the 137-wing Air Force and is classified information which will not be presented for the record.

Colonel MOORE. Sir, that concludes my briefing.

Mr. MAHON. Colonel, I would like to say for the record that you have done an excellent job of giving us the overall picture.

Colonel MOORE. Thank you, sir.

Mr. MAHON. It was a very good job.

Are there any questions, gentlemen?

Mr. SCRIVNER. Off the record.

(Discussion off the record.)

Mr. MAHON. We thank you very much, Mr. Douglas and Mr. Garlock, for your presentation.

Mr. DOUGLAS. Thank you, sir.

Mr. MAHON. The committee will be in recess until 2 o'clock this afternoon, gentlemen.

THURSDAY, JUNE 23, 1955.

CENTRAL INTELLIGENCE AGENCY

WITNESSES

ALLEN W. DULLES, DIRECTOR OF CENTRAL INTELLIGENCE
LAWRENCE K. WHITE, DEPUTY DIRECTOR
EDWARD R. SAUNDERS, COMPTROLLER
WALTER L. PFORZHEIMER, LEGISLATIVE COUNSEL
HARBIN S. CHANDLER, LOGISTICS DIVISION

CONSTRUCTION OF BUILDING IN WASHINGTON AREA

Mr. MAHON. Gentlemen, the committee will come to order.

We will consider that item in the bill having to do with a request for funds for the construction of a building in the Washington area for the Central Intelligence Agency.

The problem before us is that of whether or not we want to provide funds for the building which is being requested.

(Off the record.)

(Discussion off the record.)

BACKGROUND OF MR. DULLES

Mr. Dulles, we are pleased to have you here, and will you please identify for us the people who are with you?

Mr. DULLES. Mr. Chairman, this is Mr. Lawrence White, my Deputy Director; this is Mr. Edward Saunders, my Comptroller; this is

Mr. Harbin Chandler, who is our technical adviser in connection with the work of the building, and this is Mr. Walter Pforzheimer, my legislative counsel.

Mr. MAHON. How long have you been associated with the Central Intelligence Agency?

Mr. DULLES. For 4½ years, sir.

Mr. MAHON. How long have you been Director?

Mr. DULLES. For 2½ years.

Mr. MAHON. Who was Director when you came into the position?

Mr. DULLES. Gen. Walter Bedell Smith was Director when I came in.

Mr. MAHON. You succeeded him?

Mr. DULLES. I succeeded him; yes, sir.

Mr. MAHON. All right; proceed with your statement, and we will not interrupt you until you have made your complete statement.

Mr. FLOOD. Off the record.
(Discussion off the record.)

AUTHORIZATION

Mr. MAHON. On the record.

On page 64 of H. R. 6829, the bill which has been acted upon favorably by the House Committee on Armed Services, which has to do with military public works, is contained in title V, section 501, which is as follows:

The Director of Central Intelligence is authorized to provide for a headquarters installation for the Central Intelligence Agency by the acquisition of land at a cost of not to exceed \$6 million, and construction of buildings, facilities, appurtenances, utilities, and access roads at a cost of not to exceed \$50 million.

Mr. Dulles, you may proceed.

Mr. DULLES. In addition, Mr. Chairman, to the provision to which you have just referred, the authorization as now under consideration in the Senate is one which slightly modifies the House authorization by containing a proviso to authorize an additional \$8.5 million, which is only \$2.5, in reality, for transfer to the Department of the Interior and the National Capital Planning Commission for the extension of the George Washington Memorial Parkway from its present terminus at Spout Run to the site of the research station of the Bureau of Public Works at Langley, Va., in Fairfax County.

That is one of the several approved sites which is under consideration.

If that site should be adopted, it would be necessary to complete the road for which there is already an act of Congress, but no appropriation has been made under it. Otherwise, that site would not be available.

In case that site is used, we would not need any money whatsoever for land, but only for the road to get to that particular site.

There is no reason to conceal the fact, Mr. Chairman and gentlemen, that we are badly in need of a building.

I want to discuss certain of the reasons for that:

At the present time, Central Intelligence Agency is located in 34 separate buildings in the District of Columbia. The location of those buildings is shown on a chart that I will exhibit to you here. These buildings range from the administration building to these other buildings which are shown on the chart. Can you see that chart?

Mr. MAHON. I think you might bring it up closer.

Mr. DULLES. Our buildings range from this administration building, which is indicated there, and which is a permanent building, and which was the former naval dispensary, plus all these temporary buildings which you see along here.

Mr. MAHON. I think you might take the pointer yourself, Mr. Director; I think it might be better.

Mr. DULLES. In connection with the new Potomac Bridge construction, it is possible that these buildings will all be eliminated, depending upon the bridge location.

PRESENT LOCATION

Mr. MAHON. Point out for us the location of your main building, where your office is now located.

Mr. DULLES. My office is right here at the present time [indicating 2430 E Street NW.].

Mr. MAHON. That is the old naval hospital place.

Mr. DULLES. That is the old naval hospital dispensary quadrangle; yes, sir.

Many of our buildings are World War II temporary buildings, and they are pretty well falling to pieces, Mr. Chairman. They were constructed to fall to pieces at the end of the war, but they have been carried on, but there is no particular place to work. Furthermore, there is a strong pressure, as you know, both from the Congress and the public, to get rid of these temporary, unsightly buildings here, and here [indicating], so that this space can be otherwise used.

Mr. MAHON. I would like to say, and I hope you agree with me, that the pressure to balance the budget should take precedence over the issue of unsightliness, although the issue of unsightliness is of some importance.

Mr. DULLES. Yes, sir; I think that is really a secondary consideration.

Mr. FLOOD. I would also like to add, Mr. Chairman, that in Washington there is nothing more permanent than something that is temporary.

Mr. DULLES. That is also very true. However, these particular temporary structures are reaching the end of their life, and it is going to be very hard to hold them together.

Mr. FLOOD. Mr. Dulles, I hope they tear them all down tonight—all of them, without exception.

Mr. SCRIVNER. That is working pretty fast; it would leave them without any place at all.

Mr. FLOOD. Well, tomorrow morning at 10 o'clock would be all right.

Mr. MAHON. Let us be a little more orderly. The chairman will arrogate to himself a little privilege from time to time in this hearing.

Mr. DULLES. We might show what will happen if the present District plans are carried out with regard to approaches and new roads, throughways, bridges, and so forth. It is going to go right through our installation here. It is going to make these buildings—I mean, if you do that, we cannot stay where we are.

The pressure to move is coming upon us pretty fast from the point of view of new roadways, new approaches, new throughways, and so

forth, in order to deal with the great traffic problem in Washington today.

SECURITY PROBLEM

I would like now to deal with the question of security, which is the problem that worries me most, as a result of being in these various buildings. It is appalling when one considers the number of highly classified papers which must be circulated between these buildings in the course of a single day.

Mr. MAHON. I would like to get this clear: You say you have 34 buildings.

Mr. DULLES. Yes, sir.

Mr. DULLES. The security problem is a problem which worries me a great deal, because we have to transport documents back and forth, particularly between the headquarters, where I work with senior members of my staff, from the working level office down here, and from here and here [indicating].

We have, I believe, as secure a messenger service as possible, but there is a constant risk.

Off the record.

(Discussion off the record.)

When the Congress was debating the question of the Atomic Energy Commission headquarters, this question of security was discussed, and the importance of getting their buildings together and their work together was pretty well brought out at that time. Ours is a similar problem. There is also in connection with our buildings the fact that we live under the permanent danger of fire hazard. It is very difficult to protect, although we have a sprinkler system in some buildings in order to do what we can along that line, but the fire hazard in connection with these temporary buildings is a very serious one.

Mr. DEANE. Off the record.

(Discussion off the record.)

Mr. DULLES. There is also the question of efficiency. We lose a great many man-hours going back and forth, particularly between headquarters and these other operating buildings. The efficiency of our operations would be greatly improved in one building.

SAVINGS

I would like to show now on the chart the savings, Mr. Chairman, which we believe we would be able to realize if we had one building. (The chart is as follows:)

One new building would save the taxpayer approximately \$2,920,000 annually

| Item | Present costs | Estimated costs in 1 new building | Estimated savings in 1 new building |
|----------------------------|---------------|-----------------------------------|-------------------------------------|
| Guard service | \$1,173,000 | \$320,000 | \$853,000 |
| Reception staff | 110,000 | 30,000 | 80,000 |
| Shuttle service | 36,800 | | 36,800 |
| Couriers and messengers | 213,200 | 143,300 | 69,900 |
| Telephone mileage charges | 32,800 | | 32,800 |
| Building services officers | 125,000 | 75,000 | 50,000 |
| Rents | 133,500 | | 133,500 |
| Alterations and moving | 1,332,000 | 300,000 | 1,032,000 |
| Loss of time | 607,000 | | 607,000 |
| FWX service | 45,000 | 20,000 | 25,000 |
| Total | 3,808,300 | 888,300 | 2,920,000 |

Mr. DULLES. This indicates our present costs for various services. As a result of being in these 34 different buildings, we have to maintain guard service at an annual cost of \$1,173,000. We estimate those guard costs in one building would be \$320,000, or a savings of \$853,000.

We have to have a reception staff for people coming in all of these doors, and in all that cost is \$110,000; whereas, if we were located in one building, it would be only \$30,000, or it would represent a savings of \$80,000.

We have a shuttle bus service so our people can go back and forth between our buildings, because there is no parking space. If they have to come up to see me, they have practically no parking space. So we have a bus service. That shuttle service would be entirely eliminated, and the cost of couriers and messengers would be cut down. We would still have to have a messenger service, because a great many of our reports go from our headquarters to the Pentagon, to the State Department, and to the White House, and to various other offices, but we would have a saving there of about \$70,000.

This telephone charge would be entirely eliminated; that is, the charge for service between our various buildings. We would save \$50,000 on building-service officers. We rent a few buildings, and we would save this cost entirely.

These buildings are also in such state that we have to spend a lot of money in altering and changing them, and putting them together, and pinning them together, so that they do not fall down. We would save practically all of that. There might be a certain amount of alterations in regard to the new building, but we would save over \$1 million there.

This is only an estimate, and it might be doubled or trebled in the final analysis.

The wastage of time in going back and forth as a result of this dispersal, we estimate, is \$600,000, and that we would save that amount I think it would be nearly \$6 million, really, as far as efficiency is concerned.

We believe we would save annually in the neighborhood of \$3 million, which would mean that we would recover the cost of the building within a period of 20 years, if we had one building, but that is real hard savings. As I said, the time element is minimized, and the loss of efficiency is minimized, which, of course, does not show in this particular set of figures here.

DISTANCE OF PROPOSED SITE FROM DISTRICT OF COLUMBIA

Mr. MAHON. Of course, if you are going to go far out into the country, it is going to be more exhausting to the personnel living in Washington. I think it takes something out of you when you have to make long trips.

You are conveniently located at the present time.

Mr. DULLES. That is very true. We have an arrangement in that connection which I will come to later on.

Mr. MAHON. You may proceed.

Mr. DULLES. We have an arrangement through Mr. Arthur Fleming, Director of ODM, for an exception to the dispersal standard problem so that we do not expect, subject to the Congress, to build farther than 10 to 15 minutes away from the Pentagon, or the White

House. Now, that will mean we may be 6 or 7 miles out of Washington, but with the road network that one has, that is about the time span which we expect. So, we do not think that would be more of a burden. That will be more than compensated for by the fact that out there we will have adequate parking space for every single employee, and a great many of the employees will have to have some bus service, but a great many of the employees do have their own automobiles. Therefore, we will save the time that they now have to spend walking from the parking spaces, since they are anywhere from one-quarter of a mile to a half mile from the buildings where they work at the present time.

Mr. FLOOD. Mr. Dulles, that 15-minute time period depends entirely upon what period of the day you are moving, I am sure.

Mr. DULLES. Yes, sir; but we expect to build where we, by and large, would be moving against the trend of the traffic insofar as our employees who are residents of Washington are concerned.

Mr. FLOOD. Well, of course, that depends upon which way you are going on the employee question, but do you not have other problems of movement to the White House? Is not the nature of your business such that freedom and fluidity of movement can at a certain moment be of the essence?

Mr. DULLES. That is very true. We expect, though, with the road nets that are available for the sites that are being considered, to be able to meet that. We have traveled all those roads a good deal recently just to see how it works at different times of the day. Even today if I want to move from my office to the White House at 8:30, I do not get along very fast, even though I am only a mile or a mile and a half away.

Mr. FLOOD. As a former diplomat, you have made a complete understatement.

Mr. SIKES. Would the Government expect to provide the bus transportation which you say will be needed?

Mr. DULLES. What about that, Mr. White?

Mr. WHITE. No, sir; it would not. We would expect to negotiate with the public utilities facilities to furnish regular bus service.

Mr. SIKES. By "negotiate" you do not mean that we would compensate them for the service?

Mr. WHITE. Not in any way; no, sir. We have explored that and have been assured that if the facilities are established, the public transportation facilities will be established, in order to carry the load.

Mr. DULLES. We have been working very closely with the General Services Administration in developing our building requirements.

OFFICE SPACE REQUIREMENTS

Now, I would like to have a chart put up.

This chart shows in general what our requirements are and the estimates. This does not show the cost estimate. It shows the net office space requirement. We are trying to get our net to gross just as high as possible, and I think we have gotten it higher than any other Government building in Washington in regard to our present space estimates.

It comes to a total space requirement there of 2.3 million square feet. Is there any question on that particular chart?

Of course, that will be subject to architectural plans, but that is in general what we estimate to be our needs.

I want to keep the size of the agency down, and I can show you the charts in regard to the number of personnel on board since I have been Director. We have kept a steady line. We have not increased. There was a very rapid increase at the time of the Korean war, but since then we have held it down, although the National Security Council has been giving me new tasks to do.

Are there any questions on that particular chart?

IDENTITY OF PERSONNEL

Mr. SCRIVNER. One of the reasons we were given some time ago for the need is that we were told that you did not want them all in one building, because you did not want everyone to know who was working for CIA, but apparently that has gone out the window; is that right?

Mr. DULLES. Yes; that is right.

Mr. SCRIVNER. You have changed that position, and now you do want them all in one building, whether everyone knows your employees are working for CIA or not?

Mr. DULLES. I will go into that. I think we can work out our security much better this way.

Mr. SCRIVNER. I will agree with you on the security problem, and some of the things that you have in some of these buildings, I would just as soon you did not have them.

Mr. DULLES. Yes, sir.

NUMBER OF EMPLOYEES

Mr. SCRIVNER. One of the first reasons, when this new building was just a glimmer in the eye of CIA, and when they just had the hope, one of the reasons which was advanced for discussing the whole thing was to the effect that if you could get everything under one roof, you could cut down the number of employees by a considerable amount, but I have not seen any evidence of that.

Mr. DULLES. We can reduce the number of employees as indicated on this other chart which I showed you, but that represents the housekeeping type of employee, and not the operating type.

Mr. SCRIVNER. I have listened to this for a long time, and it was not just the custodial and guards and couriers, but it was going to enable you to do so much more work so much better with so many fewer people that the sheer savings of people alone, and not the cost of maintenance and all that, would pay for itself in just a matter of a few years.

Mr. DULLES. Well, I do not think that I have made such a statement.

Mr. SCRIVNER. You might not have made it, but some of the people did.

Mr. DULLES. I am the one who has made the cuts, Mr. Scrivner. I am the one who has held the line.

Mr. SCRIVNER. I appreciate that, but I still think you have got about 25 percent or 40 percent more employees than you really need.

Mr. DULLES. When this agency was organized, I think we had a little different outlook as to what was happening in the world. Since that time we have been assigned to other functions.

AUTHORIZATIONS

In 1951, we sought authorization for a CIA headquarters building, and you may recall, Mr. Mahon, we were authorized the sum of \$38 million. At that time the House Appropriations Committee did not authorize the funds for the construction, but the funds were restored in the Senate appropriation bill. However, due to a last-minute logjam, we did not get the appropriation that year, although we still have the authorization on the books.

REASONS FOR INCREASE IN COST

The question may be asked as to why we ought to have \$38 million in 1951, and in 1955 we are asking for more than that. One of the reasons is that we have a few more people than we had then, together with more realistic space requirements, and the other fact is that building costs have gone up 17 percent, which accounts for the difference between what we asked for at that time, and what we are asking for now.

Here is the estimate of costs, the number of square feet given on the previous chart, the approximate cost per square foot as we are advised, the cost for certain standby facilities, such as boiler plants, and so forth and so on, which accounts for our total.

(The chart referred to is as follows:)

Cost—Building with gross floor area of 2,300,000 square feet, basement, approximately 7 floors, reinforced concrete frame, air conditioning, fluorescent lighting, auditorium, shops, laboratory, and cafeteria included

ESTIMATE

| | |
|---|------------------|
| Building: 2,300,000 square feet at \$19.03 (approximately) ----- | \$43, 760, 000 |
| Elevators and escalators. | |
| Air conditioning. | |
| Contingency. | |
| General expenses. | |
| Boiler plant----- | 2, 700, 000 |
| Tunnel, boiler plant to building----- | 200, 000 |
| Roads, parking, site development, and exterior utility changes----- | 1, 200, 000 |
| Emergency generator----- | 500, 000 |
| Special requirements----- | 1, 640, 000 |
| Total building cost----- | 50, 000, 000 |

We have certain special requirements, and we will have certain particular types of laboratories and other equipment of that kind which would be necessary in our building.

SITE COST

If we go to Langley this would be our cost [indicating chart], plus the cost of the road, but we would have no cost for a site. If we do not go to Langley, we would have to pay for a site, and we estimate the cost of the site would be probably about \$1 million.

We have canvassed various possible sites, and we believe the site could be acquired within that cost, unless we should build in the District of Columbia. If we should build in the District of Columbia, then it would be substantially more than that.

Mr. SIKES. From the standpoint of going outside the District, does that come within the category of an anticipated cost of \$1 million for a site?

Mr. DULLES. It depends, sir, upon where we go. If we take the Langley site, here are the various factors, and sites which we have under consideration. This is the Langley site, which at present is owned by the Government. It is a big plot of land, and we would need only a part of it. We estimate we would need about 100 acres, which would give us all the protection from the road and which also would give us adequate parking space.

Mr. MILLER. How far is that from here, as a matter of fact?

Mr. SIKES. How far is that from the District of Columbia?

Mr. WHITE. It is about 8 miles from the White House.

ACCESS ROADS

Mr. SIKES. What is the situation in regard to access roads?

Mr. WHITE. That is the problem. This road would have to be widened. It is only a double-lane highway at the present time.

Mr. SIKES. What would be the cost of the road?

Mr. WHITE. Here [indicating] is the Langley site. This is where Chain Bridge is located. This road here would be made a four-lane road, and the county has agreed, or the State has agreed, to do that. The State has agreed to make it a four-lane road, and to join up with the George Washington Memorial Parkway extension. This [indicating] is the George Washington Memorial Parkway which is now completed to Spout Run, which is about here. The right-of-way has been acquired from Spout Run up to Chain Bridge, which is here.

So, the right-of-way remains to be acquired from here to the site. This is the proposed Cabin John Bridge, which is eventually coming across from Maryland, to connect up with the outer belt. We cannot use this site unless we have this George Washington Memorial Parkway on out to the site, in addition to whatever improvements the State will make on what is now Highway 123.

So, the funds which we are talking about provide for this entire construction, plus acquiring the right-of-way from Chain Bridge on out to the site.

Mr. SIKES. Does this include the cost of the roads?

Mr. WHITE. Yes, sir.

Mr. SIKES. How much is that?

Mr. WHITE. That is a total of \$8.5 million.

Mr. SIKES. That would make it a high-priced site, would it not?

Mr. WHITE. Well, sir, that I do not believe should be tied to the site in terms of what the building is going to cost, because this road is already approved, and funds, I presume, will certainly be appropriated.

Mr. SIKES. Are you tell us that the roads are going to be built, whether or not your building is put there?

Mr. WHITE. Yes, sir.

Mr. SIKES. But will the roads be built at this time?

Mr. WHITE. No, sir; and that is our objection. The construction of the road has been approved, but funds have not been appropriated. The Department of the Interior and, specifically, the National Park

Service, will construct the road. They do not have funds in their 1956 budget to take care of it.

Mr. SIKES. If your building goes there, you will need the road immediately.

Mr. WHITE. We must have it by the time the building is finished.

Mr. SIKES. That calls for an immediate appropriation of \$8.5 million against an indefinite appropriation at some future date?

Mr. WHITE. That is right, sir.

Mr. SIKES. You were going to talk about sites. Perhaps it would be well to tell us about some of the other sites.

Mr. DULLES. Right.

Mr. SCRIVNER. Let us see that map again. I cannot quite place that site at Langley.

Mr. DULLES. The Langley site is here [indicating]. Here [indicating] is Cabin John.

Mr. SCRIVNER. In other words the Langley site is on the other side of the Potomac, so far as the Capitol and the White House are concerned?

Mr. DULLES. That is correct. That [indicating] is Chain Bridge.

PROXIMITY OF SITE TO PENTAGON

Mr. DULLES. Our main contact, 2 to 1 or 3 to 1, is with the Pentagon. We do more work with the Pentagon—2 or 3 to 1—than we do with any other agency of the Government. Of course, we have important contact with the White House and important contact with the State Department.

Mr. SCRIVNER. All right. Go ahead.

Mr. DULLES. This site [indicating] and the site out here [indicating] which is about 5 miles beyond the Pentagon; is that right?

Mr. WHITE. Five miles from the Pentagon.

Mr. DULLES. Five miles from the Pentagon and 7 from the White House, are the 2 sites, we think.

Mr. SCRIVNER. Off the record.

(Discussion off the record.)

Mr. SCRIVNER. Are you not getting into a pretty heavy residential area there now?

Mr. DULLES. That is not built up there. It is built up over here [indicating]. We would be well protected. If we get 100 acres out there, we are well protected even if it is built up.

Is there any other question? There are certain other sites we have been considering there in Maryland. If we build in the District we would build either where we are today or over in southwest.

MARYLAND SITES CONSIDERED

Mr. MILLER. What sites, Mr. Dulles, are you looking at in Maryland? As a Marylander, I do not know whether our people would like to have you, or whether they would feel about you like infantrymen used to feel about Stokes mortars taking up positions nearby in World War I; maybe we would just as soon not have you. But I would like to have your answer anyway.

Mr. DULLES. I will ask Colonel White to answer that. He has been working on sites almost 24 hours a day.

Mr. WHITE. The various sites we have considered in Maryland are indicated here [indicating]. After screening those against our time and distance criteria we narrowed it down to two we think might possibly meet our needs in Maryland. One is the so-called Casey tract behind the Bethesda Naval Hospital, in that immediate vicinity; and the other is at Suitland, which is down here [indicating].

Mr. MILLER. Suitland?

Mr. WHITE. Yes, sir; in the area near where the Bureau of Census is now located. Those 2 sites are still on the list of 6 or 7.

Mr. MILLER. Possible sites?

Mr. WHITE. Which we are still considering.

Mr. MILLER. Thank you, sir.

Mr. DULLES. Is there anything else on the possible sites?

Mr. MAHON. Well, you just do not know what site you will finally acquire?

(Discussion off the record.)

APPROVAL OF EXECUTIVE BRANCH

Mr. DULLES. I have the support of the executive branch of the Government in the request I am making and in the general indications I am giving you as to location of site.

Mr. MAHON. It is in the budget. I guess in a sense the request for this money is presented.

Mr. DULLES. It has been approved by the Bureau of the Budget and has been approved by the executive branch of the Government.

Mr. MAHON. Surely.

Mr. DULLES. What I am saying to you about preference as to sites goes along with the views of the executive branch of the Government, with whom we have been in very close consultation.

URGENCY OF REQUEST

Mr. MAHON. If this building is so important and so needed now—

Mr. DULLES. It is vital, we think, sir.

Mr. MAHON. Why was the urgency not just as great 3 or 4 years ago?

Mr. DULLES. Well, one reason is that our buildings are temporary buildings and they are now 3 or 4 years older than they were.

Second, the new development of Washington and new bridge approaches, if they are carried through as seems likely, are going to result in tearing down our buildings, and we would have no place to go.

POSSIBLE OTHER USE OF TEMPORARY BUILDINGS

Mr. DEANE. Is it not safe to assume that if you move out of these buildings another Government agency will move in?

Mr. DULLES. No, sir; the temporary ones will go down. The few permanent ones we have certainly will be occupied. We will give up certain space and save the Government money on that.

Mr. DEANE. Executive orders have been issued to demolish and remove these buildings?

Mr. WHITE. I do not believe an actual Executive order has been issued, sir, but I know they are interested.

Mr. DEANE. I know they are interested. All of us have been interested for many years. But what I say is that if you vacate them perhaps somebody else will move in.

Mr. DULLES. If you would look at them, sir, I do not believe you would think anybody would move in.

Mr. WHITE. They would not, sir.

ARCHITECTURAL SERVICES

Mr. DEANE. I have one other question. Have you selected or discussed architectural services for these buildings?

Mr. DULLES. No, we have not as yet.

Mr. DEANE. All of these figures you have submitted to us have been developed by the General Services Administration? Where did you get the figures and the cost items?

Mr. WHITE. We have worked with the General Services Administration and the Bureau of the Budget on this, sir.

I might give you some of the things that entered into our thinking. First of all, in comparing it with other Government agencies, as to the ratio of net space to gross space, the Pentagon, for example, is 5.9 to 10.

Mr. DEANE. You are going to take the Pentagon as an example?

Mr. WHITE. No, sir; we are going to do much better than the Pentagon. The Department of State is 5.5 to 10. The Department of Interior is about that.

Mr. DEANE. Your proposed costs include architectural services?

Mr. WHITE. Yes, sir.

Mr. DEANE. What do you estimate in those cost figures for architectural services, drawings, and supervision?

Mr. WHITE. About \$1.8 million, sir.

SQUARE FOOT COST

Based upon these figures, which we believe are pretty tight, our cost is \$19.52 a square foot for the building.

If you compare that to the State Department Building, for instance, which I believe was built in 1939, and project the increased costs, we estimate that the State Department Building today would cost about \$36 per square foot. I merely cite those figures to give you some idea of what we went through.

Then in rounding out this estimate we went back and took the General Accounting Office Building, which is the last new Government office building that has been built in the District, and taking into consideration the increased-cost factors and the modification of that type of building, also from a block type to an open-court type, our figures compare very, very favorably, indeed, and were concurred in by the GSA and the Bureau of the Budget after analyzing them against the cost of the GAO Building.

Mr. DEANE. Thank you, Mr. Chairman.

METHODS OF FINANCING

Mr. DULLES. Mr. Chairman, I want to just revert to a point I mentioned before, as to the possible methods of financing the building.

According to the understanding between the Appropriations Committee, the Bureau of the Budget and the General Accounting Office, funds are currently appropriated to CIA on a fiscal-year basis, and are therefore available for obligation for only 1 year. But following general Government practice these funds are available for expenditure for a period of 2 years after the year of obligation. Therefore they do not revert to the Treasury for 2 years.

There are available to the agency unobligated balances from prior-year appropriations not yet lapsed sufficient to finance the proposed building and the site acquisition.

I should like to suggest to your committee, sir, that the possibility be considered that these funds be used as the basis for financing the proposed new building.

The General Counsel of the General Accounting Office has informed us there would be no objection from the Comptroller General if we are clearly authorized to utilize such funds for the specific purpose of carrying out the authorization before you. In view of the fact that it is possible to finance construction of this building without the appropriation of new moneys your committee might wish to adopt language to effect this particular purpose of using these appropriated but unobligated funds.

The Bureau of the Budget has approved some language here that I would like to submit for the committee's consideration.

(The language is as follows:)

For the acquisition of land and construction of a Central Intelligence Agency headquarters installation, in the District of Columbia or elsewhere, and acquisition of land for and construction to extend the George Washington Memorial Parkway, as authorized by the act of —, 1955 (Public Law —), to remain available until expended, \$59,500,000, to be derived from unobligated balances of appropriations made available to the Central Intelligence Agency for fiscal years 1953 and 1954.

Mr. MAHON. Well, we are glad to have that. This, of course, would save no money; would it?

Mr. DULLES. Actually it does not save dollars.

Mr. MAHON. To some people it might seem to be more painless to do it the way you made this suggestion, but actually it is just a matter of procedure; is it not?

Mr. Dulles. Well, it has another great advantage. It would mean we could proceed on an overall basis.

We would be rather handicapped, for example, if the authorization were only for what we expected to expend next year.

We will be working now on architectural plans. We will be working 8 months, I presume, before we get our architectural plans and are able to let contracts. If we had the funds in hand for the building we could proceed with assurance.

I do not know how the committee would propose to proceed.

Mr. MAHON. We have not received a budget estimate. As you know, the authorization bill has not passed the Congress.

Mr. DULLES. I realize that.

Mr. MAHON. So I do not know what money you would need. What money would you need in fiscal 1956?

Mr. DULLES. We have that, if it is done this way. We hope you will consider, though, possibly using these other funds.

Mr. MAHON. We could transfer, if we determined to, some of those funds; but how much of those funds would you want to transfer?

Mr. DULLES. Would you answer that.

Mr. WHITE. Yes, sir.

Sir, we would need to proceed without being held up for appropriations approximately \$7 million to obligate prior to June 30, 1956. I can break that down for you if you would like, sir.

We estimate that the architectural and engineering services and other general expenses in connection with this will run to about \$2.4 million.

The National Park Service in their estimate for the cost of this road in round figures would need about \$4 million for the first year.

There is a \$250,000 contingency item. Actually it is a \$500,000 contingency fund, but we broke it down to take half of it the first year and half of it the second year, and that would bring the total funds up to actually \$6,250,000 if we should select the Langley site; so in round figures \$7 million would be the most we would expect to obligate prior to June 30, 1956.

Mr. MAHON. Please prepare a detailed statement and submit it to the clerk covering this matter.

Mr. WHITE. Yes, sir.

Mr. MAHON. So that we may have it before us.

Mr. WHITE. Yes, sir.

(The information is as follows:)

JUNE 24, 1955.

HON. GEORGE H. MAHON,
*Chairman, Defense Subcommittee, House Appropriations Committee,
House of Representatives,
Washington 25, D. C.*

DEAR MR. CHAIRMAN: At our hearing before your subcommittee on June 23, 1955, in support of an appropriation for the construction of the CIA headquarters installation authorized by title V of H. R. 6829, we submitted proposed appropriation language which would authorize the financing of this construction by the Central Intelligence Agency through the use of unobligated balances of appropriations made available to the Agency for fiscal years 1953 and 1954. There are sufficient unobligated balances available to finance this construction, which balances will otherwise lapse and be covered into the Treasury. However, you requested that we furnish a statement as to the amount of funds which we would expect to obligate during fiscal year 1956, in the event the committee decides to make a new appropriation in lieu of the method of financing from prior year funds which we suggested.

If the Langley site, which we discussed, should be selected, it is estimated that we would require for early obligation the following amounts:

| | |
|---|-------------|
| 1. Architectural and engineering services and other miscellaneous expenses..... | \$2,400,000 |
| 2. For transfer to the NCPG to acquire the right-of-way for the extension of the George Washington Memorial Parkway..... | 200,000 |
| 3. For transfer to the Department of the Interior for the estimated first year's obligations for the construction of the extension of the George Washington Memorial Parkway..... | 4,000,000 |
| 4. Contingencies..... | 400,000 |
| Total..... | 7,000,000 |

If the Langley site is not selected, we would need an estimated \$1 million to acquire a site elsewhere. However, in this event no funds would be needed for the extension of the George Washington Memorial Parkway and, hence, \$7 million would be adequate in either case. We would appreciate having the appropriations language sufficiently broad to cover either contingency.

If the Congress approves of this construction, we plan to get on with the work as quickly as possible. We expect to complete our drawings and specifica-

tions and to award a contract within about 9 months after Congress gives its approval. If the Congress authorizes a new appropriation and appropriates only those funds which we expect to obligate during fiscal year 1956, it would be necessary for the Agency to request a supplemental appropriation early next year, since we could not award a contract until such additional funds were appropriated. For this reason, we would greatly prefer the appropriation of the entire amount requested through the use of unobligated funds made available to the Agency for fiscal years 1953 and 1954.

I sincerely hope that your committee will give this matter favorable consideration.

With kind regards,
Sincerely,

ALLEN W. DULLES, *Director.*

Mr. MILLER. Mr. Chairman, I notice that in H. R. 6829, which I assume is the authorization for this if, as, and when it passes, that there is included an authorization for \$6 million for acquisition of land.

Mr. DULLES. Yes.

Mr. MILLER. And \$50 million for access roads and so on, and buildings.

The language you suggest here would carry with it the George Washington Parkway. Is it to be assumed that this language might be asked to be changed before it goes through?

Mr. DULLES. We have asked the Senate Armed Services Committee to make the change, and they are now considering it.

Mr. MILLER. Perhaps that was discussed before I got in.

Mr. DULLES. It was just mentioned before you came in; yes, sir.

Mr. MILLER. Excuse me, Mr. Chairman. It is evidently in the record.

Mr. DULLES. That is now being considered, and the language has been presented also to the House committee, but the House committee has already acted. If the Senate committee approves it, we hope it would be worked out in conference.

Mr. MILLER. Actually if this language suggested here is taken on, it would make it possible for you to select the Langley site?

Mr. DULLES. Yes, sir.

Mr. MAHON. Let me ask you a question.

Mr. DULLES. Yes, sir.

STATUS OF AUTHORIZATION

Mr. MAHON. There has been a lot in the papers about the proposed new building over a period of months. I believe some representative of the CIA said in my presence some time ago that you already had authorization for a CIA building. Clarify the picture with respect to authorization for us, will you?

Mr. DULLES. I mentioned we received an authorization while you were out of the room, I think, Mr. Chairman. In 1951 there was an authorization in the amount of \$38 million for the construction of a building. I explained that the reason we are now asking for \$50 million rather than \$38 million is that we have a few more people and building costs have gone up 17 percent over the period 1951-55. That is the reason for the increase.

Mr. MAHON. All right. Proceed, please.

Mr. DULLES. Are there any other questions, gentlemen? That finishes my direct presentation, but I would be glad to answer any questions.

Mr. MAHON. Mr. Scrivner, do you have any questions?

Mr. SCRIVNER. I have none.

Mr. MAHON. Mr. Sheppard?

Mr. SHEPPARD. No questions.

Mr. MAHON. Mr. Dulles, thank you very much for your appearance. We will give this whole matter our best attention at the time we take action.

Mr. DULLES. Thank you, Mr. Chairman. I appreciate this.

I really do want to emphasize the really vital need for this building. We are in a very difficult and a dangerous world. We have got to improve the standard of our intelligence. We have got to improve our efficiency. We have got to be able better to compete with what we are faced. We cannot do it without better intelligence, as recent events have shown.

I am convinced we can increase our own efficiency and our ability to meet the needs of this country 10 or 20 percent if we have adequate facilities in the form of a building so that we can be together, and I can give the proper direction to an enterprise that is not easy to run, but which I can assure you is improving in efficiency year by year.

(Discussion off the record.)

Mr. MAHON. Mr. Deane.

Mr. DEANE. My only observation, Mr. Chairman and Mr. Dulles, is purely from the standpoint of economics. It seems practical that this building should be erected if your cost savings firm up to be absolutely right. You are absolutely satisfied that those cost savings are within the range of possibility?

Mr. DULLES. I am convinced of that, Mr. Deane.

Mr. DEANE. You further feel that the type of building that you conceive would fall within the authorization and that you would not come back to the Congress for more money?

Mr. DULLES. No, sir; short of a vast change in building costs. If there were a tremendous increase in building costs, that is something which I cannot predict.

Mr. DEANE. I appreciate that, sir. That is all, Mr. Chairman.

ARCHITECTURAL DESIGN

Mr. MAHON. I should like to utter a word of caution. I am sure the Congress would not want to be associated with some sort of architectural monstrosity. I feel that you undoubtedly would have the same sentiment with respect to that. At times, architects, I think, have a feeling that they would like to build some sort of a monument to themselves, and they have entirely too much gingerbread and too little utility in their buildings. Some of these old buildings are fabulous in some respects, but from the standpoint of being utilitarian they are not. Undoubtedly you would want a down-to-earth, minimum-type building and not a show place.

And you are going to assure us now that you personally, if the building is constructed, will see to it that we have a practical-type construction that leans toward utilitarian aspects rather than toward decorative aspects?

Mr. DULLES. I will assure you of that. I have no interest in the decorative side, except that it be dignified.

Mr. SCRIVNER. Let me follow that one step further. We have had some discussion before some of our committees on what I consider absolutely unrealistic requirements placed upon some governmental agencies by civilian defense. Are they going to tell you what kind of a building you have to build, and whether you have to make it H-bomb-proof and so on; or are you going to draw your own designs?

Mr. DULLES. I will be responsible for that, Mr. Scrivner.

Mr. SCRIVNER. Of course you have a certain amount of security involved, and all of that.

Mr. DULLES. Yes.

Mr. SCRIVNER. Some of the requirements that Civilian Defense has put on are so silly it is not even funny, and they have added anything from 15 to 35 percent to the cost of the building.

Mr. DULLES. I do not know of any such requirements.

Mr. SCRIVNER. As a matter of fact 1 of our subcommittees turned down 2 requests for buildings, and said in so many words, "If they are going to be built they are to be built without regard to Civil Defense specifications."

Mr. MILLER. Off the record.
(Discussion off the record.)

Mr. MAHON. Mr. Riley?

Mr. RILEY. I have no questions, Mr. Chairman.

Mr. MAHON. Thank you very much, Mr. Dulles.

Mr. DULLES. Thank you, Mr. Chairman.