

MEMORANDUM FOR LEGISLATIVE LIAISON OFFICER

Subject: Preposed Provision for insertion in  
Sec. 102 of Merger Bill for Appoint-  
ment of Admiral Hillenkoetter as Director

1. Delete present 102(b) and substitute the following:

"(b) Notwithstanding the provisions of paragraph (a) above and of the Act of July 31, 1924 as amended <sup>5</sup> U.S.C.A. 627 or any other provisions of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Rear Admiral Roscoe H. Hillenkoetter, USN, as Director of Central Intelligence for a term of fourteen (14) years, and Admiral Hillenkoetter's appointment to, acceptance of and service in that office shall in no way affect any status, office, rank or grade he may occupy or hold in the United States Navy or any component thereof, or any emolument, perquisite, right, privilege, eligibility for promotion, or benefit incident to or arising out of any such status, office, rank, or grade;

"PROVIDED, That so long as he remains Director all pay and allowances to which Admiral Hillenkoetter may be entitled by reason of his Naval status shall be paid from funds available to the Central Intelligence Agency, and in addition that agency is authorized to pay to Admiral Hillenkoetter any difference between such pay and allowances and the salary authorized for the Director of Central Intelligence, and

"PROVIDED FURTHER, That in the performance of his duties as Director of Central Intelligence Admiral Hillenkoetter shall be subject to no supervision, control, restriction or prohibition (Naval or otherwise) other than would be operative with respect to him if he were in no way connected with the United States Navy or any component thereof."

OGC Has Reviewed

LAWRENCE R. HOUSTON  
General Counsel

ILLEGIB

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House of Representatives

COMMITTEE ON  
EXPENDITURES IN THE EXECUTIVE DEPARTMENTS  
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ANNABEL ZUP, CLERK

PRESS RELEASE

July 2, 1947

As authorized and directed by the Committee at the meeting held on Wednesday, June 25, the individuals named below are designated as a Subcommittee to mark-up a Bill, providing for a National Defense establishment, to be submitted to the Committee for action:

- Clare E. Hoffman
- George H. Bender
- Henry J. Latham
- James W. Wadsworth
- Carter Manasco
- John W. McCormack
- Chet Holifield

The hearings are being printed.

The Chairman has available a comparative outline of Bills introduced, and the first meeting of the Subcommittee will be held in the Committee Room at 10:00 A.M. on Monday, July 7.

*Tuesday*

*Clare E. Hoffman*

CLARE E. HOFFMAN, Chairman

2 July 1947

MEMORANDUM FOR LEGISLATIVE LIAISON OFFICER

Subject: Explanatory Notes on Statutes Cited for  
Proposed Legislation - Draft of 9 June 1947

The proposed bill is considered by sections and notes made on statutes cited therein.

SECTION 2(b)(2):

1. 10 U.S.C. 576 provides that any Army officer who accepts a civil office shall cease to be an officer of the Army, and his commission vacated. This statute is explicit, and specific exception should be made in the proposed legislation. Note that there is no such blanket prohibition on Navy officers, and consequently no statute is cited for them.

2. The Foreign Service Act of 1946 permits assignment of Foreign Service officers to other agencies, but makes special provision for assignment to the Department of State, which to our mind makes unclear the individual's status when assigned to another agency; consequently, specific exception was again made to prevent confusion.

SECTION 2(b)(3):

This section is intended to permit employment of any retired officer of the named services. For this purpose it is necessary to make exception to the provisions of:

1. 5 U.S.C. 58, which prohibits more than one salary from appropriated funds when the combined amount exceeds \$2000;

2. 5 U.S.C. 59 which qualifies 58 by certain exceptions;

3. 5 U.S.C. 59(a) which prohibits retired officers from receiving retired pay if the combined civilian and retired pay exceeds \$3000 per annum except as to officers retired for combat disability or disabilities resulting from explosion of instrumentality of war