

The Director.

9 May 1947.

Chief, Legislative Liaison Division.

CIO Enabling Legislation.

1. CIO enabling legislation should be drafted to meet one of the three alternatives set forth below:

a. If the Senate Armed Services Committee or the House Committee on Expenditures in the Executive Departments specifically demands detailed CIO enabling legislation prior to reaching an affirmative decision on Section 202 of the National Security Act of 1947, (S. 758 and H.R. 2319).

b. If definite indications are received that there is no possibility that unification legislation (S. 758 and H.R. 2319) will be enacted into law at this session, or

c. If the National Security Act of 1947 is enacted into law.

2. If situation "a" occurs, the legislation will include no preamble. The first section will amend Section 202 of the National Security Act of 1947 as presently drafted, to enumerate the duties of the National Security Council in the language of the President's Executive Directive regarding the powers of the National Intelligence Authority. The Act should be further amended to include provision for a Deputy Director, and to allow the Director to appoint retired officers of the armed services without regard to those provisions of the Law regarding dual compensation. This will permit retired officers to accept civilian employment at CIO without loss of retired pay while on duty here. The functions of the agency should be more clearly delineated in line with the President's Executive Directive. There should also be included those general authorities and appropriation language which it is considered necessary to have over and beyond normal procedures. This includes special language regarding the transfer of funds by the Departments, permission for use of unvouchered funds, and absolute right of the Director to terminate the employment of any member of the organization.

3. If situation "b" occurs, it will be necessary to have a short preamble setting forth the purpose of the legislation. It will also be necessary specifically to establish the National Intelligence Authority with the same terms of reference as presently set forth in the President's Executive Directive. It will also be necessary to establish the office of Director of Central Intelligence and the agency itself. The remaining functions are the same as in situation "a", as set forth above.

4. If situation "c" occurs, it will require the same provisions as situation "a" above.

It is understood that situation "c" is preferable and in accordance with our present agreement with the Bureau of the Budget.

MEMORANDUM FOR THE DIRECTOR

You are hereby directed to prepare drafts of enabling legislation for the Central Intelligence Group. This legislation should be drafted in order to meet one of the three alternatives set forth below:

a. If the Senate Armed Services Committee or the House Committee on Expenditures in the Executive Departments specifically demands detailed CIG enabling legislation prior to reaching an affirmative decision on Section 202 of the National Security Act of 1947, (S. 758 and HR. 2319).

b. If definite indications are received that there is no possibility that unification legislation (S. 758 and H.R. 2319) will be enacted into law at this session, and

c. If the National Security Act of 1947 is enacted into law

Upon completion of these drafts, they should be presented to the Intelligence Advisory Board for concurrence. They should then be submitted to the National Intelligence Authority. Upon approval of the drafts by the Authority, they will be submitted to the President with the recommendation that the drafts be forwarded to the Director of the Bureau of the Budget for formal comment and approval.

EXCERPTS FROM TESTIMONY OF GENERAL DWIGHT D. EISENHOWER IN RESPONSE TO QUESTIONS FROM REP. JOHN W. McCORMACK, (D., MASS.) DURING HEARINGS OF THE HOUSE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS ON H.R. 2319 -- THURSDAY 8 MAY 1947.

McCORMACK: I was interested in your statement, in response to a question from Mr. Dorn, that the Central Intelligence Agency is one of the most important features of this bill -- or it will be. I noticed that General Vandenberg -- who made a very favorable impression on me when he testified here recently, and who had been there only a short while -- is going back to the Air Forces. Have you any views to express as to the desirability of having a civilian at the head of the Central Intelligence Agency and being there for an indeterminate period?

EISENHOWER: I should certainly like to make an agreement with the other services that when we put a man there he should stay there at least three years. I believe that some permanency is absolutely essential. We have discussed the matter of giving the job to a civilian. One of the difficulties is that the man who is going to understand intelligence must have had experience and has got to show a bent for it. He must be trained along the way. We believe that the man going up there must have very considerable training in the intelligence business, and we have been searching and trying to find exactly the right man. There are arguments on both sides. If we could get the right civilian, I would be content to put him in and keep him there indefinitely, and give him technical assistance.

McCORMACK: ...The basic premise of a man there who, with continuity of service, would assure stability of leadership, and not the uncertainty of a man going there for a short while and then being transferred.

EISENHOWER: I agree that we must achieve greater stability.

McCORMACK: I understand that General Vandenberg has been replaced by a Rear Admiral of the Navy. Is that correct?

EISENHOWER: Yes.

McCORMACK: The matter of putting a civilian in the job has been considered?

EISENHOWER: Yes, it has.

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