

24 January 1947

MEMORANDUM FOR THE RECORD

By agreement between Mr. Charles Murphy, Administrative Assistant to the President, and the undersigned, the following paragraph is being added to the draft of the "National Defense Act of 1947," submitted to Mr. Murphy on 23 January 1947:

() When the Director first appointed under Section 102(a) has taken office, the National Intelligence Authority and the Central Intelligence Group (established by directive of the President dated January 22, 1946) shall cease to exist, and the personnel, property, and records of such Group shall be transferred to the Agency. Any unexpended balances of appropriations, allocations or other funds available or authorized to be made available for such Group shall be available and shall be authorized to be made available in like manner for expenditure by the Agency.

WALTER L. PFORZHEIMER
Chief, Legislative Liaison Division

John House,
25 Jan 47

CENTRAL INTELLIGENCE AGENCY

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SEC. 302, (a) There is hereby established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence, who shall be the head thereof, to be appointed from civilian or military life by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$15,000 per annum.

(b) Subject to existing law, and to the direction and control of the National Security Council, the Central Intelligence Agency shall perform foreign intelligence functions related to the national security.

(c) Effective when the Director first appointed under subsection (a) has taken office -

(1) The functions of the National Intelligence Authority (established by directive of the President, dated January 22, 1946) are transferred to the National Security Council, and such Authority shall cease to exist.

(2) The functions of the Director of Central Intelligence, and the functions, personnel, property, and records of the Central Intelligence Group, established under such directive are transferred to the Director of Central Intelligence appointed under this Act and to the Central Intelligence Agency, and such Group shall cease to exist. Any unexpended balances of appropriations, allocations, or other funds available or authorized to be made available for such Group shall be available and shall be authorized to be made available in like manner for expenditure by the Agency.