

Calendar No. 90

81st CONGRESS }
1st Session }

SENATE

{ REPORT
No. 106

*First - Last
Page copied*

PROVIDING FOR THE ADMINISTRATION OF THE CENTRAL INTELLIGENCE AGENCY, ESTABLISHED PURSUANT TO SECTION 102, NATIONAL SECURITY ACT OF 1947

MARCH 10 (legislative day, FEBRUARY 21), 1949.—Ordered to be printed

Mr. TYDINGS, from the Committee on Armed Services, submitted the following

REPORT

[To accompany H. R. 2663]

The Committee on Armed Services, to whom was referred the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, having considered the same report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill is to grant to the Central Intelligence Agency the authorities necessary for its proper administration. The bill deals with procurement, travel, allowances and related expenses, general authorities, and methods of expenditures of appropriated funds. Further, it protects the confidential nature of the Agency's functions and makes provisions for the overseas administration of the Agency.

SECTION-BY-SECTION ANALYSIS

Section 1 comprises definitions of certain terms used in the act.

Section 2 provides for a seal of office. Intelligence records contain information that is sometimes required for official use either in other departments or as evidence in legal proceedings. Unless proper authentication of copies can be made, original documents would have to be produced.

Subsection 3 (a) provides for the extension to the Agency of certain provisions of the Armed Services Procurement Act of 1947 (Public Law 413, 80th Cong.). These provisions authorize negotiation on purchases and contracts for supplies without advertising if—

There is a national emergency (sec. 2 (c) (1));

The public exigency will not admit a delay (sec. 2 (c) (2));

MORI/CDF Pages 1, 3, 4

ADMINISTRATION OF CENTRAL INTELLIGENCE AGENCY

5

Section 9 provides authorization for the establishment of three positions in the scientific and the professional service of the Agency. These three positions are established for the employment of outstanding men in the scientific field of foreign scientific intelligence. Similar legislation was passed by the Eightieth Congress for comparable positions in the National Military Establishment. The section establishes a salary minimum of \$10,000 and a maximum of \$15,000 per annum.

Subsection 10 (a) establishes a point of reference to which the administrative and fiscal officers of the Agency and other appropriate officers of the Government may look to determine what expenditures are authorized for the activities of the Agency. It permits sums made available to the Agency to be expended for the purposes set forth in the section. This section is necessary in view of the requirements of existing law or Comptroller General's decisions, which specify that such expenditures are not permissible unless authorized by law.

Subsection 10 (b) permits the Agency to expend sums made available to it without regard to provisions of law. It also permits the expenditure of funds for confidential purposes, to be accounted for solely by certification of the Director.

Sections 11 and 12 are the usual separability and short-title sections.

By letter to the chairman, Committee on Armed Services, the Director, Central Intelligence Agency, requested legislation similar to H. R. 2663, and later, on March 10, 1949, in an executive session of the committee, he concurred with this bill in its present form. His letter, dated February 11, 1949, in which this legislation was requested, is appended hereto, and is made a part of this report.

CENTRAL INTELLIGENCE AGENCY,
Washington 25, D. C., February 11, 1949.

HON. MILLARD E. TYDINGS,
Chairman, Committee on Armed Services,
United States Senate, Washington 25, D. C.

DEAR MR. CHAIRMAN: There is submitted herewith the draft of a proposed bill to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

This bill is substantially the same bill which was reported out unanimously as S. 2688 by the Senate Armed Services Committee in May 1948. It passed the Senate on June 21, 1948. Due to lack of time, this bill was not called up on the floor of the House, although it had been unanimously reported out of the House Armed Services Committee.

The purpose of the bill, as set forth in the Senate Armed Services Committee report of last year (Rept. No. 1302) is: "to grant to the Central Intelligence Agency the authorities necessary for its proper administration. The bill deals with procurement, travel, allowances and related expenses, general authorities, and methods of expenditures of appropriated funds. Further, it protects the confidential nature of the Agency's functions and makes provisions for the internal administration of the Agency. In almost all instances, the powers and authorities contained in the bill already exist for some other branch of the Government, and the bill merely extends similar authorities to the Central Intelligence Agency."

This proposed bill has been resubmitted to the Bureau of the Budget, and we have been advised that they have no objection to its presentation to the Congress in its present form.

Sincerely yours,

R. H. HILLENKOETTER,
Rear Admiral, United States Navy,
Director of Central Intelligence.

○

15
First + Last
Page Copied

[PUBLIC LAW 110—81ST CONGRESS]

[CHAPTER 227—1ST SESSION]

[H. R. 2663]

AN ACT

To provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. That when used in this Act, the term—

- (a) "Agency" means the Central Intelligence Agency;
- (b) "Director" means the Director of Central Intelligence;
- (c) "Government agency" means any executive department, commission, council, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, board, bureau, division, service, office, officer, authority, administration, or other establishment, in the executive branch of the Government; and
- (d) "Continental United States" means the States and the District of Columbia.

SEAL OF OFFICE

SEC. 2. The Director of Central Intelligence shall cause a seal of office to be made for the Central Intelligence Agency, of such design as the President shall approve, and judicial notice shall be taken thereof.

PROCUREMENT AUTHORITIES

SEC. 3. (a) In the performance of its functions the Central Intelligence Agency is authorized to exercise the authorities contained in sections 2 (c) (1), (2), (3), (4), (5), (6), (10), (12), (15), (17), and sections 3, 4, 5, 6, and 10 of the Armed Services Procurement Act of 1947 (Public Law 413, Eightieth Congress, second session).

(b) In the exercise of the authorities granted in subsection (a) of this section, the term "Agency head" shall mean the Director, the Deputy Director, or the Executive of the Agency.

(c) The determinations and decisions provided in subsection (a) of this section to be made by the Agency head may be made with respect to individual purchases and contracts or with respect to classes of purchases or contracts, and shall be final. Except as provided in subsection (d) of this section, the Agency head is authorized to delegate his powers provided in this section, including the making of such determinations and decisions, in his discretion and subject to his direction, to any other officer or officers or officials of the Agency.

(d) The power of the Agency head to make the determinations or decisions specified in paragraphs (12) and (15) of section 2 (c) and section 5 (a) of the Armed Services Procurement Act of 1947 shall

SEPARABILITY OF PROVISIONS

SEC. 11. If any provision of this Act, or the application of such provision to any person or circumstances, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SHORT TITLE

SEC. 12. This Act may be cited as the "Central Intelligence Agency Act of 1949".

Approved June 20, 1949.