

19 July 1975

OLC 75-1673

Honorable John O. Marsh  
Counsellor to the President  
The White House  
Washington, D. C.

Dear Jack:

As George Cary mentioned to you the other day, we are becoming increasingly concerned over the number of House committees which, under various assertions of jurisdiction, are pressing us for information and are demanding various documents having to do with matters currently under investigation by the Senate Select Committee on Intelligence Operations and the Department of Justice and which, of course, will be looked into by the newly reconstituted House Select Committee on Intelligence. (I am enclosing copies of correspondence we have received from the various House committees.)

As I believe you know, I am attempting to cooperate to the fullest extent possible with our regular oversight Subcommittees and with the Select Committees of the Congress in these matters. A fractionalization of these inquiries, however, among a number of congressional committees will proliferate much sensitive information under conditions which will preclude any reasonable security control.

I have made initial contact with Chairman Pike, of the new House Select Committee and hope to have further discussions with him at an early date at which time I will express the hope that he will be able to assert the jurisdiction of the Select Committee in these areas and convince his colleagues that they should defer other inquiries at least



until the Select Committee has completed its work and filed a report. This would not only serve to minimize the dissemination of sensitive intelligence information, but would also eliminate duplicative efforts within the Congress and conserve the time of Executive Branch personnel who are necessarily the subjects of these inquiries.

I would appreciate whatever efforts the President and you feel appropriate with the leadership of the Congress and with the Chairmen of the Committees concerned in order to assure a thorough, yet responsible, approach to this situation on the part of the Congress.

George Cary will continue to keep you posted on this problem and I would appreciate your letting him know of any efforts that you feel can be exerted in this direction from the White House.

Sincerely,

  
W. E. Colby  
Director

Enclosures

cc:

General Scowcroft

Mr. Rod Hills

Distribution:

Original - Addressee

1 - General Scowcroft

1 - Mr. Hills

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OLC/GLC:jmd (19 July 1975)

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WILLIAM G. MILLER, STAFF DIRECTOR

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United States Senate

SELECT COMMITTEE TO  
STUDY GOVERNMENTAL OPERATIONS WITH  
RESPECT TO INTELLIGENCE ACTIVITIES

(PURSUANT TO S. RES. 21, 94TH CONGRESS)

WASHINGTON, D.C. 20510

July 16, 1975

Mr. William Colby  
Director of Central Intelligence  
Central Intelligence Agency  
Langley, Virginia

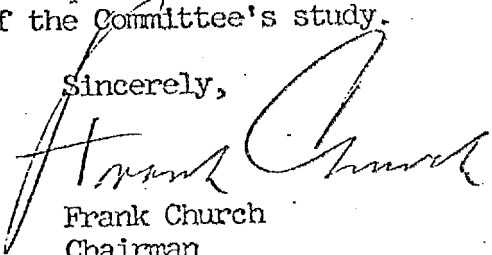
Dear Mr. Colby:

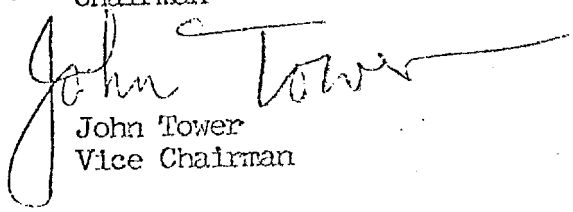
Further review by the Select Committee has led to the identification of additional materials on the budgeting and management of intelligence programs needed in the Committee's study. Attached is a list of such materials, together with a listing of materials requested in earlier letters from this Committee and not yet delivered.

We have also included a statement of general issues which have guided selection of these requested materials, together with a set of specific questions to which written responses are needed. Accordingly, we would expect that materials which you deem pertinent to the listed issues and questions will be supplied, even if they have not been specifically requested. The issue statements also should prove useful to your staff in responding to ongoing interviews by the Committee staff.

Your early response to this request will be greatly appreciated in expediting the next phase of the Committee's study.

Sincerely,

  
Frank Church  
Chairman

  
John Tower  
Vice Chairman

I. SUBJECT: ORGANIZATION AND BUDGET OF INTELLIGENCE ACTIVITIES

A. General Issues

As one aspect of its responsibilities under S. Res. 21, the Committee will undertake a broad review of the organizational functions and budgetary planning and programming for intelligence. The inquiry will address the following issues:

1. Is there unnecessary duplication of expenditure and effort in the collection and processing of intelligence information by United States agencies?
2. What is the nature and extent of Executive Branch oversight on the budget, plans, and programs of intelligence activities?
3. What should be the nature and extent of Congressional financial oversight? For example, what budgetary information should be presented to Congress on a regular basis?
4. To what degree should budget and financial data for the intelligence agencies be disclosed to the public?

B. Questions on the General Issues

The Committee has already received considerable information on these issues from the Central Intelligence Agency in the form of briefings, meetings, and documents. Hence, the Committee has only a few specific questions at present on which written responses are expected. (The first three sets of questions pertain both to the managerial roles of the Director of Central Intelligence with respect to the intelligence community, and with respect to CIA.)

1. What is the process by which intelligence collection and production requirements are generated? Once established, how do such requirements affect major operational and resource allocation decisions within the intelligence community, considering overall budgetary constraints?
2. What specific measures has the DCI taken in implementing the community resource management role of the Director of Central Intelligence? What is the history of development of these management arrangements? What kinds of planning inputs and outputs are involved? To what extent is the DCI and intelligence community subject to an annual OMB ceiling on outlays, as are other federal agencies and programs in implementation of the President's budget? What recommendations has the Agency made with regard to identifying strengths and weaknesses of the DCI resource management role and desired improvements?

3. What are the recommendations of the Director of Central Intelligence with respect to such matters as organization of the intelligence community, budgetary procedures, and Executive and Congressional oversight?

4. To what extent has the Central Intelligence Agency developed, for its own programs, a performance budget which relates proposed outlays to specific goals, measures of accomplishment, and analysis of cost-effectiveness? In the clandestine service budget, how does top management assure itself of a complete picture of covert action conducted in foreign areas and periodically assess results in terms of costs and risks? How does this process compare with top managerial review of covert collection? To what extent is the CIA's experience applicable to the intelligence community?

C. Document Request

In conducting its review, the Committee requests the following documents:

1. The Central Intelligence Agency's 1976 budget request to the Congress. CIA budget submissions to the President for each of the years 1965-1976.

2. The Central Intelligence Agency's budgetary planning projections for its programs in the outyears 1977-1980, in support of the President's 1976 budget request to the Congress. The projection should include whatever backup detail has been developed — e.g., by program activity, geographic area, covert action, covert collection, etc.

3. Intelligence Resources Advisory Committee (IRAC) planning documents, produced in each of the years since 1972, showing past, current, and future budget outlays for programs of the U.S. intelligence community.

4. The annual Consolidated Intelligence Budget for the years since 1972, and any similar documents produced in the 1963-1972 period by such agencies as the National Intelligence Resources Board (NIRB) and the National Intelligence Program Evaluation (NIPE) staff.

5. The 1976 budget allowance letter to the DCI from CMB specifying dollar and manpower ceilings upon intelligence community programs. Any similar documents imposing annual Presidential dollar or manpower ceilings upon CIA and/or the intelligence community in the 1965-1975 period.

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F. Committee Staff

In addition to the Committee's senior staff, the staff members and consultants currently working on this subject are: James Tschirgi, William White, James Vance, Martin Binkin, Lynn Davis, and Elliot Maxwell.

JACK BROOKS, TEX., CHAIRMAN  
JOHN E. MOSS, CALIF.  
BENJAMIN S. ROSENTHAL, N.Y.  
JIM WRIGHT, TEX.  
DON FUQUA, FLA.  
WILLIAM S. MOORHEAD, PA.  
JAMES V. STANTON, OHIO  
MICHAEL HARRINGTON, MASS.

EXCLUSIVE REQUEST

FRANK HORTON, N.Y.  
JOHN N. ERLENDSON, ILL.  
JOEL PRITCHARD, WASH.

225-5147

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# Congress of the United States

## House of Representatives

LEGISLATION AND NATIONAL SECURITY SUBCOMMITTEE

OF THE

COMMITTEE ON GOVERNMENT OPERATIONS

RAYBURN HOUSE OFFICE BUILDING, ROOM B-373

WASHINGTON, D.C. 20515

file 75-1601

July 8, 1975

Honorable William E. Colby  
Director  
Central Intelligence Agency  
Washington, D. C. 20505

Dear Mr. Colby:

According to recent news accounts, CIA plans to retain the services of Arnold and Porter, or counsel associated with that law firm, to advise or otherwise represent the CIA.

In order to assist the Legislation and National Security Subcommittee to exercise its oversight responsibilities, it is requested that the following information be supplied:

1. A copy of the agreement (or terms thereof, if oral) entered into between the CIA and Arnold and Porter, and/or counsel associated with that firm.
2. The estimated costs of such services, if not included in the above.
3. The reasons and purposes for which outside counsel is to be retained.
4. The legal authority under which such counsel is to be retained.
5. The extent, if any, under which such counsel will advise or represent officers or employees in their individual capacity (official or private) as opposed to the agency as a legal entity.



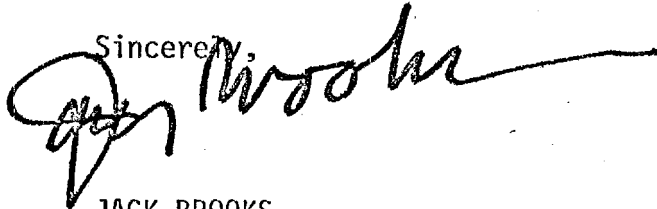
Honorable William E. Colby  
July 8, 1975  
Page Two

6. A description of the previous occasions on which the CIA has engaged the services of private counsel which was compensated by the Federal Government; the purposes for such services; and the costs thereof.

7. The number of lawyers presently employed as Federal employees by the CIA to serve the agency in a legal capacity; and the total estimated annual salaries to be paid such lawyers for Fiscal Year 1976.

In order that the Subcommittee may evaluate this matter as soon as possible, responses to the above items would be appreciated by July 15th.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jack Brooks", with a long, sweeping horizontal line extending to the right.

JACK BROOKS  
Chairman

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**House of Representatives**

**GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS  
SUBCOMMITTEE**

OF THE

**COMMITTEE ON GOVERNMENT OPERATIONS**

RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-B-C  
WASHINGTON, D.C. 20515

July 18, 1975

Mr. John Warner  
General Counsel  
Central Intelligence Agency  
Washington, D.C. 20505

Dear Mr. Warner:

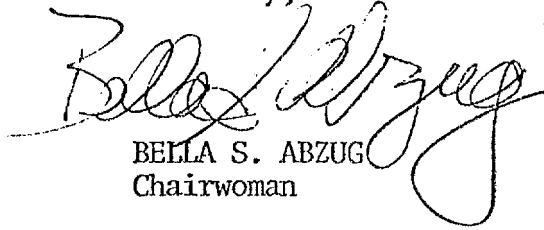
Pursuant to our letter of July 16, 1975, requesting your appearance before the Subcommittee on Wednesday, July 23, 1975, at 9:00 a.m., we would request that in addition to the items enumerated in our earlier letter you also supply to the Subcommittee prior to the date of the hearing the following documents:

1. A copy of any memoranda, minutes, or notes for the record prepared by yourself, CIA Director William Colby, or anyone else at your direction based on a meeting on or about December 19, 1974 at the Department of Justice between yourself; CIA Director, William Colby; acting Attorney General, Laurence H. Silberman; and Associate Deputy Attorney General, James A. Wilderotter.
2. Pages of the log book listing telephone conversations between a.) yourself, and b.) CIA Director, William Colby with acting Attorney General, Laurence Silberman; Associate Deputy Attorney General, James Wilderotter; Attorney General, William Saxbe; or any other Department of Justice official during the weeks of December 16 and December 23, 1974. Also, those pages of your calendar, log book, or appointment book listing any meetings between yourself, Director Colby, and any official of the Department of Justice.
3. The original memorandum of 23 February 1954, addressed to the Director of the Central Intelligence Agency and signed by you covering the subject of reports of criminal violations to the Department of Justice. A retyped version of this memorandum was supplied to the Subcommittee by Director Colby; however, we would request that we be in receipt of the original document.

Mr. John Warner  
Page Two  
July 18, 1975

With best regards,

Sincerely,

A handwritten signature in cursive script, appearing to read "Bella S. Abzug". The signature is fluid and somewhat stylized, with the first name "Bella" being more prominent than the last name "Abzug".

BELLA S. ABZUG  
Chairwoman

BELLA S. ABZUG, N.Y., CHAIRWOMAN  
WILLIAM WRIGHT, TEX.  
LEO J. RYAN, CALIF.  
JOHN CONYERS, JR., MICH.  
TORBERT H. MACDONALD, MASS.  
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MICHAEL HARRINGTON, MASS.  
ANDREW MACQUIRE, N.J.

CLARENCE J. BROWN, OHIO  
PAUL N. McCLOSKEY, JR., CALIF.

225-3741

NINETY-FOURTH CONGRESS

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# Congress of the United States

## House of Representatives

### GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS SUBCOMMITTEE

OF THE

### COMMITTEE ON GOVERNMENT OPERATIONS

RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-B-C  
WASHINGTON, D.C. 20515

July 16, 1975

Mr. John Warner  
General Counsel  
Central Intelligence Agency  
Washington, D.C. 20505

Dear Mr. Warner:

This Subcommittee has oversight jurisdiction over the Department of Justice, and has been looking into the scope and content of a purported agreement between the Department and the Central Intelligence Agency regarding the forwarding to Justice of evidence of possible illegal acts by CIA employees.

At our last Subcommittee hearing on June 25, CIA Director William Colby was asked about a 1954 memorandum signed by then CIA General Counsel Lawrence Houston and addressed to Deputy Attorney General William Rogers. The memorandum purports to summarize an understanding reached at a session between Mr. Houston and Mr. Rogers. Mr. Colby testified that this understanding relating to the circumstances under which the CIA would forward to Justice cases for possible prosecution involving agency personnel remained in effect until December of last year.

We understand that the 1954 agreement was recently brought to the attention of the Justice Department at a meeting in the office of acting Attorney General Laurence H. Silberman. Present at that meeting were Mr. Silberman; Associate Deputy Attorney General, James A. Wilderotter; Director Colby; and yourself. Mr. Colby told the Subcommittee at its June 25 hearing that the 1954 agreement was terminated at that meeting. However, the details of that determination and remedial action to be taken were left unclear.

In order to more fully explore the background, extent, and duration of this purported arrangement, we would appreciate your personal testimony at a hearing before the Subcommittee on Wednesday, July 23, 1975, at 9:00 a.m. in the Rayburn House Office Building.

Mr. John Warner

Page Two

July 16, 1975

Broadly, the purpose of this hearing is to determine the nature of any agreements between the Justice Department and member agencies of the intelligence community--with special reference to the CIA--regarding decisions by Justice to investigate and prosecute alleged criminal activities or civil violations by employees of such agencies. We would request your testimony on any and all such understandings of which you have personal knowledge.

We request that you bring with you to this hearing copies of all letters, memoranda, directives, or other written notations bearing on the above matter which are in your possession, whether or not such items were originated by the Central Intelligence Agency. If possible, such memoranda should also include any minutes, transcripts or notes of meetings, telephone conversations, or other communications between the CIA and the Justice Department and the Federal Bureau of Investigation which concern questions of investigation and possible prosecution, or non-prosecution, of CIA employees.

Witnesses are requested to limit their initial oral statements to ten minutes, which will be followed by questions from the Subcommittee Members. More detailed written statements will be accepted from witnesses, and those statements in their entirety will be made part of the hearing record.

As required under the Committee rules, it will be necessary for you to provide 50 advance copies of your prepared statement to Mr. Timothy Ingram, Subcommittee Staff Director, in Room B-349C, Rayburn House Office Building, Washington, D.C. 20515, by 10:00 a.m. on Tuesday, July 22, 1975. If you wish additional information, please contact Mr. Ingram at 225-3741.

With best regards,

Sincerely,

A handwritten signature in cursive script, reading "Bella S. Abzug".

BELLA S. ABZUG  
Chairwoman