The Director of Central Intelligence

Washington, D. C. 20505

Brecuive Registry

81-4661/A

7 October 1981

Honorable Richard Bolling, Chairman Committee on Rules House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your request for my views on H.R. 2 and H.R. 58, the "Sunset Act of 1981" and the "Sunset Review Act of 1981" respectively. Since the proposed legislation affects my responsibilities as Director of Central Intelligence and as the manager of the National Foreign Intelligence Program, I am responding in my capacity as head of the Intelligence Community.

Both bills would require reauthorizations of budget authority for government programs at least every ten years and would establish as part of the rules of the House of Representatives and Senate a procedure for periodic congressional review. H.R. 58 provides for the study and evaluation of programs with a view to determining whether continuation of such programs is justified or to what extent they should be modifed or terminated. H.R. 2 is similar in its approach.

The National Foreign Intelligence Program (NFIP) is one of the few programs in government that is now subject to the requirements which would be applied generally under the terms of the proposed legislation. The Intelligence Community cooperates fully in the oversight process carried out by the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence. During the annual authorization and appropriations processes, moreover, NFIP intelligence programs are carefully scrutinized by the Intelligence, Armed Services, and Appropriations Committees. By virtue of the oversight work of the Intelligence Committees and the annual authorization and appropriations review, all NFIP programs are already in compliance with the spirit of the sunset concept.

Additionally, I must emphasize that NFIP programs are of necessity classified, extremely sensitive, and intimately concerned with intelligence sources and methods. It is clearly the established policy of both the Executive Branch and the Congress to limit the proliferation of sensitive information concerning intelligence activities, programs,

and budget. While both Bills attempt to take cognizance of intelligence equities, H.R. 2 in section 502 and H.R. 58 in paragraphs 9(c)(l) and (2), neither provides the kind and degree of protection dictated by the nature of the foreign intelligence activities involved. As drafted, H.R. 2 and H.R. 58 raise the possibility of unnecessary proliferation of information with regard to the most sensitive activities conducted by the Intelligence Community.

Given the sensitivities involved and the effective legislative oversight mechanisms already in place, it is my opinion that the Intelligence Community's National Foreign Intelligence Programs should be exempt from the provisions of the proposed Sunset Act.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

7s/ William J. Casey

William J. Casey