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19 May 1986

DCI STATEMENT ON REFERRING NBC NEWS ITEM TO JUSTICE

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Director of Central Intelligence William J. Casey today released the following statement:

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"We believe that the assertions, if true, made by James Polk on the NBC 'Today' show this morning violate the prohibitions in 18 USC 798 against publishing any classified information concerning the communications activities of the United States.

My statutory obligation to protect intelligence sources and methods requires me to refer this matter to the Department of Justice."

--end--

1/ The full statute reads:

**§ 798 Disclosure of Classified Information**

(a) Whoever knowingly and willfully communicates, furnishes, transmits, or otherwise makes available to an unauthorized person, or publishes, or uses in any manner prejudicial to the safety or interest of the United States or for the benefit of any foreign government to the detriment of the United States any classified information --

- (1) concerning the nature, preparation, or use of any code, cipher, or cryptographic system of the United States or any foreign government; or
- (2) concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States or any foreign government for cryptographic or communication intelligence purposes; or
- (3) concerning the communication intelligence activities of the United States or any foreign government; or

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Footnote Continued:

- (4) obtained by the processes of communication intelligence from the communications of any foreign government knowing the same to have been obtained by such processes --

Shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

(b) As used in subsection (a) of this section --

The term "classified information" means information which, at the time of a violation of this section, is, for reasons of national security, specifically designated by a United States Government Agency for limited or restricted dissemination or distribution;

The terms "code," "cipher," and "cryptographic system" include in their meanings, in addition to their usual meanings, any method of secret writing and any mechanical or electrical device or method used for the purpose of disguising or concealing the contents, significance, or meanings of communications;

The term "foreign government" includes in its meaning any person or persons acting or purporting to act for or on behalf of any faction, party, department, agency, bureau, or military force of or within a foreign country, or for or on behalf of any government or any person or persons purporting to act as a government within a foreign country, whether or not such government is recognized by the United States;

The term "communication intelligence" means all procedures and methods used in the interception of communications and the obtaining of information from such communications by other than the intended recipients;

The term "unauthorized person" means any person who, or agency which, is not authorized to receive information of the categories set forth in subsection (a) of this section, by the President, or by the head of a department or agency of the United States Government which is expressly designated by the President to engage in communication intelligence activities for the United States.

(c) Nothing in this section shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America, or joint committee thereof.

TRANSCRIPT OF NBC TODAY SHOW NEWS ITEM ON PELTON CASE  
(Monday, 19 May 1986)

ANNOUNCER: In this country jury selection begins today in one of the most important espionage trials in years. James Polk has this report.

J POLK: In the National Security Agency's super secret world of electronic spying and eavesdropping on the Soviet union, no ex-employee may ever have done greater damage than Ronald Pelton in selling secrets to the Russian KGB. A man described as a brilliant but broke, Pelton is accused of telephoning the Soviet embassy in 1980, a phone conversation wiretapped by the FBI who never knew who the caller was until the KGB agent on the other end of the line--flipflop defector Vitaly Yurchenko--tipped them off five years later.

Meanwhile, prosecutors say Pelton flew twice to Vienna, Austria, staying inside the Soviet ambassador's private residence, telling the KGB what he knew.

Pelton apparently gave away one of the National Security Agency's most sensitive secrets--a project with the codename IVY BELLS, believed to be a top secret underwater eavesdropping operation by American submarines inside Russian harbors. If convicted, Pelton will face life in prison. His trial should last about one and one-half weeks. James Polk, NBC News, Baltimore.