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21 February 1947

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

Subject: Enabling Legislation for the Central Intelligence Group

Reference: (a) Draft entitled "A Bill for the Establishment of a National Intelligence Authority and a Central Intelligence Agency."

Enclosures: (A) Proposed redraft of Section 1.(a).
(B) Proposed redraft of Section 2.

1. Based upon a study of reference (a), the Chief of Naval Intelligence desires to comment thereon as follows:

- (a) It is suggested that consideration be given to substituting Enclosure (A) for Section 1.(a) of the draft. It is believed that Enclosure (A) more effectively accomplishes the purpose of this section.
- (b) It is suggested that sub-paragraph (h) of Section 1.(a) be revised by substituting "effective and expeditious processing" for "evaluating, correlating, and interpretation".
- (c) It is suggested that consideration be given to substituting Enclosure (B) for Section 2 of the draft. Enclosure (B) conforms more closely to long established usage in CIG.
- (d) Section 3.(a) (1) deviates materially from the provisions of the Presidential directive pertaining to members of the N.I.A. It is suggested that it be revised to achieve the following:

- (1) N.I.A. membership to consist of four: Secretaries of State, War and Navy and a fourth member appointed by the President.
- (2) The Director of Central Intelligence to sit with the membership but to not have a vote.
- (3) The Director of Central Intelligence, although appointed by the President, to be responsible to the N.I.A. and to the J.C.S. within the field of their responsibilities and in conformance with over-all policy established by the N.I.A.

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Responsibility to the J.C.S. is considered

- (a) It is essential if the J.C.S. is to be incorporated into the C.I.G. that the reasons for its creation be clear.
- (b) If Congress approves unification legislation providing for a Council of National Defense, it is considered that the J.C.S. should be established as an advisory body to the President and the Secretary of Defense.
- (c) Section 3(a) (2) - It is suggested that the Presidential representative on the J.C.S. be the President.
- (d) Section 3(a) (7) - This section is considered too broad. Intelligence is a function of command and the military commanders must maintain control over operational intelligence. It is suggested that this section be eliminated.
- (e) Section 3(a) (8) - This section is similarly considered too broad. It is suggested that it be amended by adding the following: "except for operational (combat) intelligence in time of emergency or war".
- (f) Section 3(b) (1) - It is suggested that the following be an independent committee reporting to the President: "It is considered important that the J.C.S. be established as an interdepartmental committee which is to perform its full functions in the formulation of national policy, secure coordinated support from the departments, and be of maximum assistance to the departments in developing common war plans."
- (g) Section 3(b) (2) and (3) - It is recommended that these be amended to include the following provision: "That in time of emergency or war at least one of these two posts be filled by a person from military life and that if both are so filled one shall be from the Army or Army Air Force and one from the Navy or Marine Corps."
- (h) Section 3(b) (4) - It is suggested that consideration be given to amending the first part of this paragraph as follows: "Officers of the Department of State or the Foreign Service of the U.S. Army, the U.S. Navy or the U.S. Air Force, in such numbers as may be determined and approved by the authority, shall be assigned."

It is considered important that adequate representation from the departments having functions relating to the national defense be maintained in the Central Intelligence Group. It is suggested that the J.C.S. be exempted from C.I.G. reporting requirements.

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- (k) Section 3.(b) (4), line 16 - Before "State Department" insert "War and Navy". This for reasons of clarity.
- (l) Section 3.(c) (1), line 2 - It is suggested that all after "Board," be reworded as "consisting of the heads (or their representatives) of the intelligence agencies of the State, War, Navy and Air Departments as permanent members and of such other intelligence agencies of the government having functions related to the national defense and security, as determined from time to time by the authority."
- (m) Section 4.(n) (3) - It is suggested that this section be revised by adding the following: "and necessary as determined and authorized by the authority."
- (n) Section 4.(a) (4) - It is recommended that this section be rewritten as follows: "Conduct timely processing of foreign intelligence information."
- (o) Section 4.(a) (10) - It is considered essential for the Army and Navy to control security of classified naval/military information. This involves the responsibility of ONI (ONI) pertaining to classified naval information and to the release of such information to foreign governments. It also impinges upon and could adversely affect the authority of the Joint Security Control and the Security Advisory Board. It is believed that such security functions should remain with the Army and Navy Departments, the JCS (JSC) and SECDEF (SAB).
- (p) Section 4.(b), line 2 - It is suggested that "process" be substituted for "evaluate, correlate, interpret". This corresponds more with usage in ONI.
- (q) Section 6. (5) - This reads as though C.I.G. intended to reimburse the War and Navy Departments for officers assigned to duty with the C.I.G. No advantage can be seen to such procedure. It has the disadvantage of needlessly using C.I.G. funds since the pay of such officers would already have been appropriated and available to the War and Navy Departments.
- (r) Section 6. (9) - Investigations as authorized here might conflict with the responsibility of F.B.I. Investigations within the continental limits of the U.S. and its possessions were specifically excepted from the President's letter of 22 January 1946. It is believed that they should continue to be so excepted from C.I.G. responsibility.

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2. The Chief of Naval Intelligence would be pleased to discuss this matter with you at any time or to render any further assistance of which he may be capable in connection with the drafting of this important legislation.

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1. In enacting this legislation it is the intent of Congress (a) to provide for and insure the effective execution of the foreign intelligence mission of the United States in order to enable the President of the United States, the Secretaries of State, War and Navy and other appropriate government officers and officials to formulate, promulgate and execute national policy and plans for the general welfare for the common defense and for the security of the United States and to avert future armed conflicts; (b) to achieve this purpose by (1) establishing the National Intelligence Authority and the Central Intelligence Agency as the agencies to coordinate foreign intelligence effort of all departments and offices of the Federal Government, to operate such intelligence activities as can be most effectively and economically or exclusively performed centrally, to utilize such departmental intelligence as may be necessary to provide the President of the United States with completely integrated foreign intelligence and to provide the appropriate federal departments and offices with such foreign intelligence service as is performed by the Central Intelligence Agency; and (2) supporting the specialized and technical foreign intelligence activities required by the State, War and Navy Departments and other federal agencies as are required for these agencies to adequately discharge their responsibilities in support of national policy, the general welfare, the common defense and security of the United States.

2. For the purposes of this Act and the administration thereof the foreign intelligence mission of the United States is defined as the collection and processing of information and data about or concerning foreign governments, groups, activities or areas into intelligence revealing the meaning and significance in relation to the United States and the subsequent dissemination of that intelligence to the President of the United States, the Secretaries of State, War and Navy and to other appropriate government officers and officials for guidance in policy, planning and operation of their respective responsibilities.

ENCLOSURE (A)

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DEFINITIONS

Sec. 2. As used in this Act:

(1) The Term "foreign intelligence" shall be construed to mean that intelligence produced from information and data about foreign governments, groups, activities or areas which reveals the meaning and significance of the situation or trend as affecting the United States, and which is needed for formulation, promulgation and effective execution of national policy of the United States.

(2) The word "information" shall be construed as meaning the facts, reports or data received or obtained before being processed into intelligence.

(3) The word "process" shall be construed as meaning the application of factors of evaluation, correlation, analysis, research and synthesis to the information received or obtained to determine its meaning and significance.

ENCLOSURE (B)

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