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The Director.

Chief, Legislative Liaison Division.

CIO Enabling Legislation.

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INT 746/11

9 May 1947.

1. CIO enabling legislation should be drafted to meet one of the three alternatives set forth below:

a. If the Senate Armed Services Committee or the House Committee on Expenditures in the Executive Departments specifically demands detailed CIO enabling legislation prior to reaching an affirmative decision on Section 202 of the National Security Act of 1947, (S. 758 and H.R. 2319).

b. If definite indications are received that there is no possibility that unification legislation (S. 758 and H.R. 2319) will be enacted into law at this session, or

c. If the National Security Act of 1947 is enacted into law.

2. If situation "a" occurs, the legislation will include no preamble. The first section will amend Section 202 of the National Security Act of 1947 as presently drafted, to enumerate the duties of the National Security Council in the language of the President's Executive Directive regarding the powers of the National Intelligence Authority. The Act should be further amended to include provision for a Deputy Director, and to allow the Director to appoint retired officers of the armed services without regard to those provisions of the law regarding dual compensation. This will permit retired officers to accept civilian employment at CIO without loss of retired pay while on duty here. The functions of the agency should be more clearly delineated in line with the President's Executive Directive. There should also be included those general authorities and appropriation language which it is considered necessary to have over and beyond normal procedures. This includes special language regarding the transfer of funds by the Departments, permission for use of unvouchered funds, and absolute right of the Director to terminate the employment of any member of the organization.

3. If situation "b" occurs, it will be necessary to have a short preamble setting forth the purpose of the legislation. It will also be necessary specifically to establish the National Intelligence Authority with the same terms of reference as presently set forth in the President's Executive Directive. It will also be necessary to establish the office of Director of Central Intelligence and the agency itself. The remaining functions are the same as in situation "a", as set forth above.

4. If situation "c" occurs, it will require the same provisions as situation "a" above.

It is understood that situation "c" is preferable and in accordance with our present agreement with the Bureau of the Budget.

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MEMORANDUM FOR THE DIRECTOR

INT 746/2

You are hereby directed to prepare drafts of enabling legislation for the Central Intelligence Group. This legislation should be drafted in order to meet one of the three alternatives set forth below:

a. If the Senate Armed Services Committee or the House Committee on Expenditures in the Executive Departments specifically demands detailed CIG enabling legislation prior to reaching an affirmative decision on Section 202 of the National Security Act of 1947, (S. 758 and H.R. 2319).

b. If definite indications are received that there is no possibility that unification legislation (S. 758 and H.R. 2319) will be enacted into law at this session, and

c. If the National Security Act of 1947 is enacted into law.

Upon completion of these drafts, they should be presented to the Intelligence Advisory Board for concurrence. They should then be submitted to the National Intelligence Authority. Upon approval of the drafts by the Authority, they will be submitted to the President with the recommendation that the drafts be forwarded to the Director of the Bureau of the Budget for formal comment and approval.

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