

INTELLIGENCE AUTHORIZATION  
ACT FOR FISCAL YEAR 1997

Mr. SPECTER. Mr. President, at the outset of my comments, I asked unanimous consent that I might proceed on the 1997 intelligence authorization bill. I had not intended to comment on this subject when coming to the floor, but when I arrived here, I was advised that this issue is ripe for consideration, and I was asked by the staff if I would handle it in a leadership capacity, since I am the only Senator in the Chamber. I would like to proceed to do that at this point.

From the script prepared by the staff, I now ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 543, S. 1718, which is entitled the Intelligence authorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1718) to authorize appropriations for fiscal year 1997 for intelligence and intelligence related activities of the United States Government, the Community Management Account, and for the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1718

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 1997”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—INTELLIGENCE ACTIVITIES**

Sec. 101. Authorization of appropriations.  
Sec. 102. Classified schedule of authorizations.  
Sec. 103. Personnel ceiling adjustments.  
Sec. 104. Community Management Account.

**TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM**

Sec. 201. Authorization of appropriations.

**TITLE III—GENERAL PROVISIONS**

Sec. 301. Increase in employee compensation and benefits authorized by law.  
Sec. 302. Restriction on conduct of intelligence activities.  
Sec. 303. Postponement of applicability of sanctions laws to intelligence activities.  
Sec. 304. Post-employment restrictions.  
Sec. 305. Executive branch oversight of budgets of elements of the intelligence community.

**TITLE IV—FEDERAL BUREAU OF INVESTIGATION**

Sec. 401. Access to telephone records.

**TITLE V—ECONOMIC ESPIONAGE**

Sec. 501. Short title.  
Sec. 502. Prevention of economic espionage and protection of proprietary economic information.

**TITLE VI—COMBATTING PROLIFERATION**

Sec. 601. Short title.  
Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation  
Sec. 611. Establishment of commission.  
Sec. 612. Duties of commission.  
Sec. 613. Powers of commission.  
Sec. 614. Commission personnel matters.  
Sec. 615. Termination of commission.  
Sec. 616. Definition.  
Sec. 617. Authorization of appropriations.  
Subtitle B—Other Matters  
Sec. 621. Reports on acquisition of technology relating to weapons of mass destruction and advanced conventional munitions.

**TITLE VII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES**

Sec. 701. Short title.  
Sec. 702. Committee on Foreign Intelligence.  
Sec. 703. Annual reports on intelligence.  
Sec. 704. Transnational threats.  
Sec. 705. Office of the Director of Central Intelligence.  
Sec. 706. National Intelligence Council.  
Sec. 707. Enhancement of authority of Director of Central Intelligence to manage budget, personnel, and activities of intelligence community.

**[Sec. 708. Reallocation of responsibilities of Director of Central Intelligence and Secretary of Defense for intelligence activities under National Foreign Intelligence Program.]**

*Sec. 708. Responsibilities of Secretary of Defense pertaining to the National Foreign Intelligence Program.*

Sec. 709. Improvement of intelligence collection.  
Sec. 710. Improvement of analysis and production of intelligence.  
Sec. 711. Improvement of administration of intelligence activities.  
Sec. 712. Pay level of Assistant Directors of Central Intelligence.  
Sec. 713. General Counsel of the Central Intelligence Agency.  
Sec. 714. Office of Congressional Affairs of **[the Intelligence Community.]** *the Director of Central Intelligence.*

Sec. 715. Assistance for law enforcement agencies by intelligence community.

Sec. 716. Appointment and evaluation of officials responsible for intelligence-related activities.

**[Sec. 717. Intelligence Community Senior Executive Service.]**

Sec. **[718.]** *717. Requirements for submittal of budget information on intelligence activities.*

Sec. **[719.]** *718. Terms of service for members of Select Committee on Intelligence of the Senate.*

Sec. **[720.]** *719. Report on intelligence community policy on protecting the national information infrastructure against strategic attacks.*

**TITLE VIII—NATIONAL IMAGERY AND MAPPING AGENCY**

**[Sec. 801. Establishment.**  
**Sec. 802. Effective date.]**  
*Sec. 801. National mission and collection tasking authority for the National Imagery and Mapping Agency.*

**TITLE I—INTELLIGENCE ACTIVITIES**

**SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

Funds are hereby authorized to be appropriated for fiscal year 1997 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.
- (11) The National Reconnaissance Office.
- (12) The Central Imagery Office.

**SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.**

(a) **SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.**—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1997, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill \_\_\_ of the One Hundred Fourth Congress.

(b) **AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.**—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

**SEC. 103. PERSONNEL CEILING ADJUSTMENTS.**

(a) **AUTHORITY FOR ADJUSTMENTS.**—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1997 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) **NOTICE TO INTELLIGENCE COMMITTEES.**—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

**SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.**

(a) **AUTHORIZATIONS OF APPROPRIATIONS.**—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1997 the sum of \$95,526,000. Within such amounts authorized, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Task Force shall remain available until September 30, 1998.

(b) **AUTHORIZED PERSONNEL LEVELS.**—The staff of the Community Management Account of the Director of Central Intelligence is authorized 265 full-time personnel as of September 30, 1997. Such personnel of the Community Management Staff may be permanent employees of the Community Management Staff or personnel detailed from

other elements of the United States Government.

(c) REIMBURSEMENT.—During fiscal year 1997, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a non-reimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

## TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

### SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1997 the sum of \$184,200,000.

## TITLE III—GENERAL PROVISIONS

### SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

### SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

### SEC. 303. POSTPONEMENT OF APPLICABILITY OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking “the date which is one year after the date of the enactment of this title” and inserting “January 6, 1998”.

### SEC. 304. POST-EMPLOYMENT RESTRICTIONS.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Director of Central Intelligence shall prescribe regulations requiring each new and current employee of the Central Intelligence Agency to sign a written agreement restricting the activities of that employee upon ceasing employment with the Central Intelligence Agency.

(b) AGREEMENT ELEMENTS.—The regulations shall provide that an agreement contain provisions specifying that the employee concerned not represent or advise the government, or any political party, of a foreign country during the five-year period beginning on the termination of the employee's employment with the Central Intelligence Agency.

(c) DISCIPLINARY ACTIONS.—The regulations shall specify appropriate disciplinary actions (including loss of retirement benefits) to be taken against any employee determined by the Director of Central Intelligence to have violated the agreement of the employee under this section.

### SEC. 305. EXECUTIVE BRANCH OVERSIGHT OF BUDGETS OF ELEMENTS OF THE INTELLIGENCE COMMUNITY.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the congressional intelligence committees a report setting forth the actions that have been taken to ensure adequate oversight by the executive branch of the budget of the National Reconnaissance Office and the budgets of other elements of the intelligence community within the Department of Defense.

(b) REPORT ELEMENTS.—The report required by subsection (a) shall—

(1) describe the extent to which the elements of the intelligence community carrying out programs and activities in the National Foreign Intelligence Program are subject to requirements imposed on other elements and components of the Department of Defense under the Chief Financial Officers Act of 1990 (Public Law 101-576), and the amendments made by that Act, and the Federal Financial Management Act of 1994 (title IV of Public Law 103-356), and the amendments made by that Act;

(2) describe the extent to which such elements submit to the Office of Management and Budget budget justification materials and execution reports similar to the budget justification materials and execution reports submitted to the Office of Management and Budget by the non-intelligence components of the Department of Defense;

(3) describe the extent to which the National Reconnaissance Office submits to the Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense—

(A) complete information on the cost, schedule, performance, and requirements for any new major acquisition before initiating the acquisition;

(B) yearly reports (including baseline cost and schedule information) on major acquisitions;

(C) planned and actual expenditures in connection with major acquisitions; and

(D) variances from any cost baselines for major acquisitions (including explanations of such variances); and

(4) assess the extent to which the National Reconnaissance Office has submitted to Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense on a monthly basis a detailed budget execution report similar to the budget execution report prepared for Department of Defense programs.

(c) DEFINITIONS.—For purposes of this section:

(1) The term “congressional intelligence committees” shall mean the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) The term “National Foreign Intelligence Program” has the meaning given such term in section 3(6) of the National Security Act of 1947 (50 U.S.C. 401a(6)).

## TITLE IV—FEDERAL BUREAU OF INVESTIGATION

### SEC. 401. ACCESS TO TELEPHONE RECORDS.

(a) ACCESS FOR COUNTERINTELLIGENCE PURPOSES.—Section 2709(b)(1) of title 18, United States Code, is amended by inserting “local and long distance” before “toll billing records”.

(b) CONFORMING AMENDMENT.—Section 2703(c)(1)(C) of such title is amended by inserting “local and long distance” after “address.”

(c) CIVIL REMEDY.—Section 2707 of such title is amended—

(1) in subsection (a), by striking “customer” and inserting “other person”;

(2) in subsection (c), by adding at the end the following: “If the violation is willful or intentional, the court may assess punitive damages. In the case of a successful action to enforce liability under this section, the court may assess the costs of the action, together with reasonable attorney fees determined by the court.”;

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(4) by inserting after subsection (c) the following new subsection (d):

“(d) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agen-

cy or department of the United States has violated this chapter and the court finds that the circumstances surrounding the violation raise the question whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department concerned shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee.”.

## TITLE V—ECONOMIC ESPIONAGE

### SEC. 501. SHORT TITLE.

This title may be cited as the “Economic Espionage Act of 1996”.

### SEC. 502. PREVENTION OF ECONOMIC ESPIONAGE AND PROTECTION OF PROPRIETARY ECONOMIC INFORMATION.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 27 the following new chapter:

#### “CHAPTER 28—ECONOMIC ESPIONAGE

“Sec.

“571. Definitions.

“572. Economic espionage.

“573. Criminal forfeiture.

“574. Import and export sanctions.

“575. Scope of extraterritorial jurisdiction.

“576. Construction with other laws.

“577. Preservation of confidentiality.

“578. Law enforcement and intelligence activities.

#### “§ 571. Definitions

“For purposes of this chapter, the following definitions shall apply:

“(1) FOREIGN AGENT.—The term ‘foreign agent’ means any officer, employee, proxy, servant, delegate, or representative of a foreign nation or government.

“(2) FOREIGN INSTRUMENTALITY.—The term ‘foreign instrumentality’ means any agency, bureau, ministry, component, institution, association, or any legal, commercial, or business organization, corporation, firm, or entity that is substantially owned, controlled, sponsored, commanded, managed, or dominated by a foreign government or any political subdivision, instrumentality, or other authority thereof.

“(3) OWNER.—The term ‘owner’ means the person or persons in whom, or the United States Government component, department, or agency in which, rightful legal, beneficial, or equitable title to, or license in, proprietary economic information is reposed.

“(4) PROPRIETARY ECONOMIC INFORMATION.—The term ‘proprietary economic information’ means all forms and types of financial, business, scientific, technical, economic, or engineering information (including data, plans, tools, mechanisms, compounds, formulas, designs, prototypes, processes, procedures, programs, codes, or commercial strategies, whether tangible or intangible, and whether stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing), if—

“(A) the owner thereof has taken reasonable measures to keep such information confidential; and

“(B) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, the public.

“(5) UNITED STATES PERSON.—The term ‘United States person’ means—

“(A) in the case of a natural person, a citizen of the United States or a permanent resident alien of the United States; and

“(B) in the case of an organization (as that term is defined in section 18 of this title), an entity substantially owned or controlled by citizens of the United States or permanent resident aliens of the United States, or incorporated in the United States.

**§ 572. Economic espionage**

“(a) IN GENERAL.—Any person who, with knowledge or reason to believe that he or she is acting on behalf of, or with the intent to benefit, any foreign nation, government, instrumentality, or agent, knowingly—

“(1) steals, wrongfully appropriates, takes, carries away, or conceals, or by fraud, artifice, or deception obtains proprietary economic information;

“(2) wrongfully copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys proprietary economic information;

“(3) being entrusted with, or having lawful possession or control of, or access to, proprietary economic information, wrongfully copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys the same;

“(4) receives, buys, or possesses proprietary economic information, knowing the same to have been stolen or wrongfully appropriated, obtained, or converted;

“(5) attempts to commit any offense described in any of paragraphs (1) through (4);

“(6) wrongfully solicits another to commit any offense described in any of paragraphs (1) through (4); or

“(7) conspires with one or more other persons to commit any offense described in any of paragraphs (1) through (4), and one or more of such persons do any act to effect the object of the conspiracy,

shall, except as provided in subsection (b), be fined not more than \$500,000 or imprisoned not more than 25 years, or both.

“(b) ORGANIZATIONS.—Any organization that commits any offense described in subsection (a) shall be fined not more than \$10,000,000.

“(c) EXCEPTION.—It shall not be a violation of this section to disclose proprietary economic information in the case of—

“(1) appropriate disclosures to Congress; or

“(2) disclosures to an authorized official of an executive agency that are deemed essential to reporting a violation of United States law.

**§ 573. Criminal forfeiture**

“(a) IN GENERAL.—Notwithstanding any provision of State law to the contrary, any person convicted of a violation under this chapter shall forfeit to the United States—

“(1) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as the result of such violation; and

“(2) any of the property of that person used, or intended to be used, in any manner or part, to commit or facilitate the commission of such violation.

“(b) COURT ACTION.—The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this chapter, that the person forfeit to the United States all property described in this section.

“(c) APPLICABILITY OF OTHER LAW.—Property subject to forfeiture under this section, any seizure and disposition thereof, and any administrative or judicial proceeding in relation thereto, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), other than subsection (d) of that section.

**§ 574. Import and export sanctions**

“(a) ACTION BY THE PRESIDENT.—The President may, to the extent consistent with international agreements to which the United States is a party, prohibit, for a pe-

riod of not longer than 5 years, the importation into, or exportation from, the United States, whether by carriage of tangible items or by transmission, any merchandise produced, made, assembled, or manufactured by a person convicted of any offense described in section 572 of this title, or in the case of an organization convicted of any offense described in such section, its successor entity or entities.

“(b) ACTION BY THE SECRETARY OF THE TREASURY.—

“(1) CIVIL PENALTY.—The Secretary of the Treasury may impose on any person who knowingly violates any order of the President issued under the authority of this section, a civil penalty equal to not more than 5 times the value of the exports or imports involved, or \$100,000, whichever is greater.

“(2) SEIZURE AND FORFEITURE.—Any merchandise imported or exported in violation of an order of the President issued under this section shall be subject to seizure and forfeiture in accordance with sections 602 through 619 of the Tariff Act of 1930.

“(3) APPLICABILITY OF OTHER PROVISIONS.—The provisions of law relating to seizure, summary and judicial forfeiture, and condemnation of property for violation of the United States customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeiture, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred under this section to the extent that they are applicable and not inconsistent with the provisions of this chapter.

**§ 575. Scope of extraterritorial jurisdiction**

“This chapter applies—

“(1) to conduct occurring within the United States; and

“(2) to conduct occurring outside the United States if—

“(A) the offender is a United States person; or

“(B) the act in furtherance of the offense was committed in the United States.

**§ 576. Construction with other laws**

“This chapter shall not be construed to preempt or displace any other remedies, whether civil or criminal, provided by Federal, State, commonwealth, possession, or territorial laws that are applicable to the misappropriation of proprietary economic information.

**§ 577. Preservation of confidentiality**

“In any prosecution or other proceeding under this chapter, the court shall enter such orders and take such other action as may be necessary and appropriate to preserve the confidentiality of proprietary economic information, consistent with the requirements of the Federal Rules of Criminal Procedure, the Federal Rules of Civil Procedure, the Federal Rules of Evidence, and all other applicable laws. An interlocutory appeal by the United States shall lie from a decision or order of a district court authorizing or directing the disclosure of proprietary economic information.

**§ 578. Law enforcement and intelligence activities**

“This chapter does not prohibit, and shall not impair, any lawful activity conducted by a law enforcement or regulatory agency of the United States, a State, or a political subdivision of a State, or an intelligence agency of the United States.”

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 27 the following new item:

“28. Economic espionage ..... 571”.

(c) CONFORMING AMENDMENT.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting “chapter 28 (relating to economic espionage),” after “or under the following chapters of this title:”.

**TITLE VI—COMBATTING PROLIFERATION****SEC. 601. SHORT TITLE.**

This title may be cited as the “Combating Proliferation of Weapons of Mass Destruction Act of 1996”.

**Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation****SEC. 611. ESTABLISHMENT OF COMMISSION.**

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction (in this subtitle referred to as the “Commission”).

(b) MEMBERSHIP.—The Commission shall be composed of eight members of whom—

(1) four shall be appointed by the President;

(2) one shall be appointed by the Majority Leader of the Senate;

(3) one shall be appointed by the Minority Leader of the Senate;

(4) one shall be appointed by the Speaker of the House of Representatives; and

(5) one shall be appointed by the Minority Leader of the House of Representatives.

(c) QUALIFICATIONS OF MEMBERS.—(1) To the maximum extent practicable, the individuals appointed as members of the Commission shall be individuals who are nationally recognized for expertise regarding—

(A) the nonproliferation of weapons of mass destruction;

(B) the efficient and effective implementation of United States nonproliferation policy; or

(C) the implementation, funding, or oversight of the national security policies of the United States.

(2) An official who appoints members of the Commission may not appoint an individual as a member if, in the judgment of the official, the individual possesses any personal or financial interest in the discharge of any of the duties of the Commission.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a Chairman and Vice Chairman from among its members.

(h) MEETINGS.—The Commission shall meet at the call of the Chairman.

**SEC. 612. DUTIES OF COMMISSION.**

(a) STUDY.—

(1) IN GENERAL.—The Commission shall carry out a thorough study of the organization of the Federal Government, including the elements of the intelligence community, with respect to combatting the proliferation of weapons of mass destruction.

(2) SPECIFIC REQUIREMENTS.—In carrying out the study, the Commission shall—

(A) assess the current structure and organization of the departments and agencies of the Federal Government having responsibilities for combatting the proliferation of weapons of mass destruction; and

(B) assess the effectiveness of United States cooperation with foreign governments

with respect to nonproliferation activities, including cooperation—

(i) between elements of the intelligence community and elements of the intelligence-gathering services of foreign governments;

(ii) between other departments and agencies of the Federal Government and the counterparts to such departments and agencies in foreign governments; and

(iii) between the Federal Government and international organizations.

(3) ASSESSMENTS.—In making the assessments under paragraph (2), the Commission should address—

(A) the organization of the export control activities (including licensing and enforcement activities) of the Federal Government relating to the proliferation of weapons of mass destruction;

(B) arrangements for coordinating the funding of United States nonproliferation activities;

(C) existing arrangements governing the flow of information among departments and agencies of the Federal Government responsible for nonproliferation activities;

(D) the effectiveness of the organization and function of interagency groups in ensuring implementation of United States treaty obligations, laws, and policies with respect to nonproliferation;

(E) the administration of sanctions for purposes of nonproliferation, including the measures taken by departments and agencies of the Federal Government to implement, assess, and enhance the effectiveness of such sanctions;

(F) the organization, management, and oversight of United States counterproliferation activities;

(G) the recruitment, training, morale, expertise, retention, and advancement of Federal Government personnel responsible for the nonproliferation functions of the Federal Government, including any problems in such activities;

(H) the role in United States nonproliferation activities of the National Security Council, the Office of Management and Budget, the Office of Science and Technology Policy, and other offices in the Executive Office of the President having responsibilities for such activities;

(I) the organization of the activities of the Federal Government to verify government-to-government assurances and commitments with respect to nonproliferation, including assurances regarding the future use of commodities exported from the United States; and

(J) the costs and benefits to the United States of increased centralization and of decreased centralization in the administration of the nonproliferation activities of the Federal Government.

(b) RECOMMENDATIONS.—In conducting the study, the Commission shall develop recommendations on means of improving the effectiveness of the organization of the departments and agencies of the Federal Government in meeting the national security interests of the United States with respect to the proliferation of weapons of mass destruction. Such recommendations shall include specific recommendations to eliminate duplications of effort, and other inefficiencies, in and among such departments and agencies.

(c) REPORT.—(1) Not later than 18 months after the date of the enactment of this Act, the Commission shall submit to Congress a report containing a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(2) The report shall be submitted in unclassified form, but may include a classified annex.

#### SEC. 613. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(2) CLASSIFIED INFORMATION.—A department or agency may furnish the Commission classified information under this subsection. The Commission shall take appropriate actions to safeguard classified information furnished to the Commission under this paragraph.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

#### SEC. 614. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and

intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

#### SEC. 615. TERMINATION OF COMMISSION.

The Commission shall terminate 60 days after the date on which the Commission submits its report under section 612(c).

#### SEC. 616. DEFINITION.

For purposes of this subtitle, the term "intelligence community" shall have the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

#### SEC. 617. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for the Commission for fiscal year 1997 such sums as may be necessary for the Commission to carry out its duties under this subtitle.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available for expenditure until the termination of the Commission under section 615.

#### Subtitle B—Other Matters

#### SEC. 621. REPORTS ON ACQUISITION OF TECHNOLOGY RELATING TO WEAPONS OF MASS DESTRUCTION AND ADVANCED CONVENTIONAL MUNITIONS.

(a) REPORTS.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Director of Central Intelligence shall submit to Congress a report on—

(1) the acquisition by foreign countries during the preceding 6 months of dual-use and other technology useful for the development or production of weapons of mass destruction (including nuclear weapons, chemical weapons, and biological weapons) and advanced conventional munitions; and

(2) trends in the acquisition of such technology by such countries.

(b) FORM OF REPORTS.—The reports submitted under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

#### TITLE VII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES

##### SEC. 701. SHORT TITLE.

This title may be cited as the "Intelligence Activities Renewal and Reform Act of 1996".

##### SEC. 702. COMMITTEE ON FOREIGN INTELLIGENCE.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended—

(1) by redesignating subsection (h) as subsection (j); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) There is established within the National Security Council a committee to be known as the 'Committee on Foreign Intelligence'.

"(2) The Committee shall be composed of the following:

"(A) The Director of Central Intelligence.

"(B) The Secretary of State.

"(C) The Secretary of Defense.

"(D) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

"(E) Such other members as the President may designate.

"(3) The function of the Committee shall be to assist the Council in its activities by—

"(A) identifying the intelligence required to address the national security interests of the United States as specified by the President;

"(B) establishing priorities (including funding priorities) among the programs, projects, and activities that address such interests and requirements; and

“(C) establishing policies relating to the conduct of intelligence activities of the United States, including appropriate roles and missions for the elements of the intelligence community and appropriate targets of intelligence collection activities.

“(4) In carrying out its function, the Committee shall—

“(A) conduct an annual review of the national security interests of the United States;

“(B) identify on an annual basis, and at such other times as the Council may require, the intelligence required to meet such interests and establish an order of priority for the collection and analysis of such intelligence; and

“(C) conduct an annual review of the elements of the intelligence community in order to determine the success of such elements in collecting, analyzing, and disseminating the intelligence identified under subparagraph (B).

“(5) The Committee shall submit each year to the Council and to the Director of Central Intelligence a comprehensive report on its activities during the preceding year, including its activities under paragraphs (3) and (4).”

#### SEC. 703. ANNUAL REPORTS ON INTELLIGENCE.

(a) IN GENERAL.—Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

“SEC. 109. (a) IN GENERAL.—(1) Not later than January 31 each year, the President shall submit to the appropriate congressional committees a report on the requirements of the United States for intelligence and the activities of the intelligence community.

“(2) The purpose of the report is to facilitate an assessment of the activities of the intelligence community during the preceding fiscal year and to assist in the development of a mission and a budget for the intelligence community for the fiscal year beginning in the year in which the report is submitted.

“(3) The report shall be submitted in unclassified form, but may include a classified annex.

“(b) MATTERS COVERED.—(1) Each report under subsection (a) shall—

“(A) specify the intelligence required to meet the national security interests of the United States, and set forth an order of priority for the collection and analysis of intelligence required to meet such interests, for the fiscal year beginning in the year in which the report is submitted; and

“(B) evaluate the performance of the intelligence community in collecting and analyzing intelligence required to meet such interests during the fiscal year ending in the year preceding the year in which the report is submitted, including a description of the significant successes and significant failures of the intelligence community in such collection and analysis during that fiscal year.

“(2) The report shall specify matters under paragraph (1)(A) in sufficient detail to assist Congress in making decisions with respect to the allocation of resources for the matters specified.

“(c) DEFINITION.—In this section, the term ‘appropriate congressional committees’ means the following:

“(1) The Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Armed Services of the Senate.

“(2) The Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on National Security of the House of Representatives.”

(b) CONFORMING AMENDMENTS.—(1) The section heading of such section is amended to read as follows:

“ANNUAL REPORT ON INTELLIGENCE”.

(2) The table of contents in the first section of that Act is amended by striking the item relating to section 109 and inserting the following new item:

“Sec. 109. Annual report on intelligence.”.

#### SEC. 704. TRANSNATIONAL THREATS.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by inserting after subsection (h), as amended by section 702 of this Act, the following new subsection:

“(i)(1) There is established within the National Security Council a committee to be known as the ‘Committee on Transnational Threats’.

“(2) The Committee shall include the following members:

“(A) The Director of Central Intelligence.

“(B) The Secretary of State.

“(C) The Secretary of Defense.

“(D) The Attorney General.

“(E) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

“(F) Such other members as the President may designate.

“(3) The function of the Committee shall be to coordinate and direct the activities of the United States Government relating to combatting transnational threats.

“(4) In carrying out its function, the Committee shall—

“(A) identify transnational threats;

“(B) develop strategies to enable the United States Government to respond to transnational threats identified under subparagraph (A);

“(C) monitor implementation of such strategies;

“(D) make recommendations as to appropriate responses to specific transnational threats;

“(E) assist in the resolution of operational and policy differences among Federal departments and agencies in their responses to transnational threats;

“(F) develop policies and procedures to ensure the effective sharing of information about transnational threats among Federal departments and agencies, including law enforcement agencies and the elements of the intelligence community; and

“(G) develop guidelines to enhance and improve the coordination of activities of Federal law enforcement agencies and elements of the intelligence community outside the United States with respect to transnational threats.

“(5) For purposes of this subsection, the term ‘transnational threat’ means the following:

“(A) Any transnational activity (including international terrorism, narcotics trafficking, the proliferation of weapons of mass destruction and the delivery systems for such weapons, and organized crime) that threatens the national security of the United States.

“(B) Any individual or group that engages in an activity referred to in subparagraph (A).”

#### SEC. 705. OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.

(a) IN GENERAL.—Title I of The National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended—

(1) in section 102 (50 U.S.C. 403)—

(A) by striking the section heading and all that follows through paragraph (1) of subsection (a) and inserting the following:

“OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE

“SEC. 102.”;

(B) by redesignating paragraph (2) of subsection (a) as subsection (a) and in such subsection (a), as so redesignated, by redesignating subparagraphs (A), (B), and (C) as

paragraphs (1), (2), and (3), respectively; and (C) by striking subsection (d) and inserting the following:

“(d)(1) There is an Office of the Director of Central Intelligence. The function of the Office is to assist the Director of Central Intelligence in carrying out the duties and responsibilities of the Director under this Act and to carry out such other duties as may be prescribed by law.

“(2) The Office of the Director of Central Intelligence is composed of the following:

“(A) The Director of Central Intelligence.

“(B) The Deputy Director of Central Intelligence.

“(C) The National Intelligence Council.

“(D) The Assistant Director of Central Intelligence for Collection.

“(E) The Assistant Director of Central Intelligence for Analysis and Production.

“(F) The Assistant Director of Central Intelligence for Administration.

“(G) Such other offices and officials as may be established by law or the Director of Central Intelligence may establish or designate in the Office.

“(3) To assist the Director in fulfilling the responsibilities of the Director as head of the intelligence community, the Director shall employ and utilize in the Office of the Director of Central Intelligence a professional staff having an expertise in matters relating to such responsibilities and may establish permanent positions and appropriate rates of pay with respect to that staff.”; and

(2) by inserting after section 102, as so amended, the following new section:

#### “CENTRAL INTELLIGENCE AGENCY

“SEC. 102A. There is a Central Intelligence Agency. The function of the Agency shall be to assist the Director of Central Intelligence in carrying out the responsibilities referred to in paragraphs (1) through (4) of section 103(d) of this Act.”.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by striking the item relating to section 102 and inserting the following new items:

“Sec. 102. Office of the Director of Central Intelligence.

“Sec. 102A. Central Intelligence Agency.”.

#### SEC. 706. NATIONAL INTELLIGENCE COUNCIL.

Section 103(b) of the National Security Act of 1947 (50 U.S.C. 403-3(b)) is amended—

(1) in paragraph (1)(B), by inserting “, or as contractors of the Council or employees of such contractors,” after “on the Council”;

(2) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(3) by inserting after paragraph (3) the following new paragraph (4):

“(4) Subject to the direction and control of the Director of Central Intelligence, the Center may carry out its responsibilities under this subsection by contract, including contracts for substantive experts necessary to assist the Center with particular assessments under this subsection.”; and

(4) in paragraph (5), as so redesignated, by adding at the end the following: “The Center shall also be readily accessible to policymaking officials and other appropriate individuals not otherwise associated with the intelligence community.”.

#### SEC. 707. ENHANCEMENT OF AUTHORITY OF DIRECTOR OF CENTRAL INTELLIGENCE TO MANAGE BUDGET, PERSONNEL, AND ACTIVITIES OF INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Section 103(c) of the National Security Act of 1947 (50 U.S.C. 403-3(c)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph (1):

“(1) facilitate the development of an annual budget for intelligence and intelligence-related activities of the United States by—

“(A) developing and presenting to the President an annual budget for the National Foreign Intelligence Program; and

“(B) concurring in the development by the Secretary of Defense of the annual budget for the Joint Military Intelligence Program; and

“(C) consulting with the Secretary of Defense in the development of the annual budget for the Tactical Intelligence and Related Activities program;”]

“(B) participating in the development by the Secretary of Defense of the annual budgets for the Joint Military Intelligence Program and the Tactical Intelligence and Related Activities Program;”

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(3) by inserting after paragraph (2) the following new paragraph (3):

“(3) manage the national collection activities of the intelligence community in order to ensure that such activities, and the intelligence collected through such activities, meet the national security requirements of the United States;”]

“(3) approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national collection assets, except as otherwise agreed with the Secretary of Defense pursuant to the direction of the President;”

“(b) USE OF FUNDS.—

“(1) REPROGRAMMING.—Subsection (c) of such section is amended by inserting “or under the Joint Military Intelligence Program” after “the National Foreign Intelligence Program”.

“(2) TRANSFERS.—Subsection (d)(2)(E) of such section is amended by striking “does not object to” and inserting “is consulted by the Director before”.

“(3) DIRECTION OF EXPENDITURES.—Such section is further amended—

“(A) by redesignating subsections (e), (f), and (g) as subsections (f), (g), and (h), respectively; and

“(B) by inserting after subsection (d) the following new subsection (e):

“(e) USE OF FUNDS.—The Director of Central Intelligence shall, with the approval of the Director of the Office of Management and Budget and subject to applicable provisions of law (including provisions of authorization Acts and appropriations Acts), direct and oversee the allocation, allotment, obligation, and expenditure of funds appropriated or otherwise made available for the national intelligence programs, projects, and activities that are managed by the Director of the Central Intelligence Agency, the Director of the National Security Agency, the Director of the National Reconnaissance Office, and the Director of the National Imagery and Mapping Agency.”]

(b) USE OF FUNDS.—Section 104 of the National Security Act of 1947 (50 U.S.C. 403-4) is amended—

(1) by adding at the end of subsection (c) the following: “The Secretary of Defense shall consult with the Director of Central Intelligence before reprogramming funds made available under the Joint Military Intelligence Program.”;

(2) by redesignating subsections (e), (f), and (g) as subsections (f), (g), and (h), respectively; and

(3) by inserting after subsection (d) the following new subsection (e):

“(e) DATABASE AND BUDGET EXECUTION INFORMATION.—The Director of Central Intelligence and the Secretary of Defense shall jointly issue guidance for the development and implementation by the year 2000 of a database to provide timely and accurate information on the amounts and status of resources, including periodic budget execution updates, for national, defense-wide, and tactical intelligence activities.”.

“(c) PERSONNEL, TRAINING, AND ADMINISTRATIVE ACTIVITIES.—Subsection (g) of such section, as redesignating by subsection (b)(3)(A) of this section, is amended—

“(1) by striking “USE OF PERSONNEL.—” and inserting “PERSONNEL, TRAINING, AND ADMINISTRATIVE FUNCTIONS.—”;

“(2) in the matter preceding paragraph (1)—

“(A) by striking “in coordination with” and inserting “after consultation with”; and

“(B) by inserting “national elements of” after “policies and programs within”; and

“(3) in paragraph (2), by striking “personnel,” and all that follows through “programs” and inserting “personnel programs, administrative programs, training programs, and security programs and management activities”.

**SEC. 708. REALLOCATION OF RESPONSIBILITIES OF DIRECTOR OF CENTRAL INTELLIGENCE AND SECRETARY OF DEFENSE FOR INTELLIGENCE ACTIVITIES UNDER NATIONAL FOREIGN INTELLIGENCE PROGRAM.**

“(a) CONSULTATION OF SECRETARY OF DEFENSE WITH DCI REGARDING GENERAL RESPONSIBILITIES.—Subsection (a) of section 105 of the National Security Act of 1947 (50 U.S.C. 405-5) is amended—

“(1) in the matter preceding paragraph (1), by inserting “, in consultation with the Director of Central Intelligence,” after “Secretary of Defense”; and

“(2) in paragraph (2), by striking “appropriate”.

“(b) JOINT RESPONSIBILITY OF DCI AND SECRETARY OF DEFENSE FOR PERFORMANCE OF CERTAIN SPECIFIC FUNCTIONS.—Subsection (b) of that section is amended—

“(1) by striking “RESPONSIBILITY” and inserting “JOINT RESPONSIBILITY OF THE DCI AND THE SECRETARY OF DEFENSE”;

“(2) in the matter preceding paragraph (1), by striking “Consistent with sections 103 and 104 of this Act,” and inserting “The Director of Central Intelligence and”; and

“(3) in paragraph (2)—

“(A) by striking “within the Department of Defense”; and

“(B) by adding “and” after the semicolon at the end; and

“(4) by striking the semicolon at the end of paragraph (3) and inserting a period.

“(c) RESPONSIBILITY OF SECRETARY OF DEFENSE FOR PERFORMANCE OF OTHER SPECIFIC FUNCTIONS.—Such section is further amended—

“(1) by redesignating subsection (c) as subsection (d);

“(2) by inserting after paragraph (3) of subsection (b) the following:

“(c) RESPONSIBILITY OF SECRETARY OF DEFENSE FOR THE PERFORMANCE OF SPECIFIC FUNCTIONS.—Consistent with section 103 and 104 of this Act, the Secretary of Defense, in consultation with the Director of Central Intelligence, shall—”;

“(3) by redesignating paragraphs (4), (5), and (6) as paragraphs (1), (2), and (3), respectively, of subsection (c), as added by paragraph (2) of this subsection; and

“(4) in paragraph (2), as redesignated by paragraph (3) of this subsection, by inserting “(other than clandestine collection)” before “human intelligence activities”.

“(d) CONFORMING AMENDMENTS.—(1) The section heading of that section is amended to read as follows:

“(RESPONSIBILITIES OF SECRETARY OF DEFENSE AND DIRECTOR OF CENTRAL INTELLIGENCE PERTAINING TO NATIONAL FOREIGN INTELLIGENCE PROGRAM”.

(2) The table of contents in the first section of that Act is amended by striking the item relating to section 105 and inserting the following new item:

“[“Sec. 105. Responsibilities of Secretary of Defense and Director of Central Intelligence pertaining to National Foreign Intelligence Program.”]

**SEC. 708. RESPONSIBILITIES OF SECRETARY OF DEFENSE PERTAINING TO THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.**

Section 105 of the National Security Act of 1947 (50 U.S.C. 403-5) is amended—

(1) in subsection (a), by inserting “, in consultation with the Director of Central Intelligence,” after “Secretary of Defense” in the matter preceding paragraph (1); and

(2) by adding at the end the following:

“(d) ANNUAL EVALUATION OF THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Director of Central Intelligence, in consultation with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, shall submit each year to the Committee on Foreign Intelligence of the National Security Council and the appropriate congressional committees (as defined in section 109(c)) an evaluation of the performance and the responsiveness of the National Security Agency, the National Reconnaissance Office, and the National Imagery and Mapping Agency in meeting their national missions.”.

**SEC. 709. IMPROVEMENT OF INTELLIGENCE COLLECTION.**

(a) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR COLLECTION.—Section 102 of the National Security Act of 1947, as amended by section 705(a)(1) of this Act, is amended by adding at the end the following:

“(e)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Collection, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2)(A) If neither the Director of Central Intelligence nor the Deputy Director of Central Intelligence is a commissioned officer of the Armed Forces at the time of the nomination of an individual to the position of Assistant Director of Central Intelligence for Collection, the President shall nominate an individual for that position from among the commissioned officers of the Armed Forces who have substantial experience in managing intelligence activities.

“(B) The provisions of subsection (c)(3) shall apply to any commissioned officer of the Armed Forces while serving in the position of Assistant Director for Collection.

“(3) The Assistant Director for Collection shall manage the collection of national intelligence by the intelligence community in order to ensure the efficient and effective collection of national intelligence that is identified for collection by the Assistant Director of Central Intelligence for Analysis and [Production.] Production.”.

“(4) In carrying out the responsibility set forth in paragraph (3), the Assistant Director for Collection shall—

“(A) provide guidance and direction for, and concur in, the procurement and operation of systems necessary for the collection of national intelligence; and

“(B) assist the Director of Central Intelligence in the formulation of plans and budgets for national intelligence collection activities.”.]

(b) CONSOLIDATION OF HUMAN INTELLIGENCE COLLECTION ACTIVITIES.—Not later than 90 days after the date of the enactment of this Act, the Director of Central Intelligence shall enter into an agreement with the Secretary of Defense to transfer from the Secretary to the Director the responsibilities and authorities of the Secretary for the collection of clandestine intelligence from human sources currently conducted by the Defense Human Intelligence Service within

the Department of Defense] and the Deputy Secretary of Defense shall jointly submit to the Committee on Armed Services and the Select Committee on Intelligence of the Senate and the National Security Committee and Permanent Select Committee on Intelligence of the House of Representatives a report on the ongoing efforts of those officials to achieve commonality, interoperability, and, where practicable, consolidation of the collection of clandestine intelligence from human sources conducted by the Defense Human Intelligence Service of the Department of Defense and the Directorate of Operations of the Central Intelligence Agency.

**SEC. 710. IMPROVEMENT OF ANALYSIS AND PRODUCTION OF INTELLIGENCE.**

Section 102 of the National Security Act of 1947, as amended by section 709(a) of this Act, is further amended by adding at the end the following:

“(f)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Analysis and Production, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Analysis and Production shall—

“(A) oversee the analysis and production of intelligence by the elements of the intelligence community;

“(B) establish standards and priorities relating to such analysis and production;

“(C) monitor the allocation of resources for the analysis and production of intelligence in order to identify unnecessary duplication in the analysis and production of intelligence;

“(D) identify intelligence to be collected for purposes of the Assistant Director of Central Intelligence for Collection; and

“(E) provide such additional analysis and production of intelligence as the President and the National Security Council may require.”

**SEC. 711. IMPROVEMENT OF ADMINISTRATION OF INTELLIGENCE ACTIVITIES.**

Section 102 of the National Security Act of 1947, as amended by section 710 of this Act, is further amended by adding at the end the following:

“(g)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Administration, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Administration shall manage such activities relating to the administration of the intelligence community as the Director of Central Intelligence shall require, including management of civilian personnel (including recruitment, security investigations, processing, and training of such personnel), information systems, telecommunications systems, finance and accounting services, and security services, and procurement of supplies and support services.”

**SEC. 712. PAY LEVEL OF ASSISTANT DIRECTORS OF CENTRAL INTELLIGENCE.**

Section 5315 of title 5, United States Code, is amended by adding at the end the following:

“Assistant Directors of Central Intelligence (3).”

**SEC. 713. GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY.**

(a) ESTABLISHMENT OF POSITION.—The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following:

“GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY

“SEC. 20. (a) There is a General Counsel of the Central Intelligence Agency, appointed

from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The General Counsel is the chief legal officer of the Central Intelligence Agency.

“(c) The General Counsel of the Central Intelligence Agency shall perform such functions as the Director of Central Intelligence may prescribe.”

(b) EXECUTIVE SCHEDULE IV PAY LEVEL.—Section 5315 of title 5, United States Code, as amended by section 712 of this Act, is further amended by adding at the end the following:

“General Counsel of the Central Intelligence Agency.”

**SEC. 714. OFFICE OF CONGRESSIONAL AFFAIRS OF [THE INTELLIGENCE COMMUNITY.] THE DIRECTOR OF CENTRAL INTELLIGENCE.**

Section 102 of the National Security Act of 1947, as amended by section 711 of this Act, is further amended by adding at the end the following:

“(h)(1) There is hereby established the Office of Congressional Affairs of [the Intelligence Community.] the Director of Central Intelligence.

“(2)(A) The Office shall be headed by the Director of the Office of Congressional Affairs of [the Intelligence Community.] the Director of Central Intelligence.

“(B) The Director of Central Intelligence may designate the Director of the Office of Congressional Affairs of the Central Intelligence Agency to serve as the Director of the Office of Congressional Affairs of [the Intelligence Community.] the Director of Central Intelligence.

“(3) The Director shall coordinate the congressional affairs activities of the elements of the intelligence community and have such additional responsibilities as the Director of Central Intelligence may prescribe.

“(4) Nothing in the subsection may be construed to preclude the elements of the intelligence community from responding directly to requests from Congress.”

**SEC. 715. ASSISTANCE FOR LAW ENFORCEMENT AGENCIES BY INTELLIGENCE COMMUNITY.**

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by inserting after section 105 the following new section:

“ASSISTANCE TO UNITED STATES LAW ENFORCEMENT AGENCIES

“SEC. 105A. (a) AUTHORITY TO PROVIDE ASSISTANCE.—[Notwithstanding any other provision of law] Subject to subsection (b), elements of the intelligence community may, upon the request of a United States law enforcement agency, collect information outside the United States about individuals who are not United States persons. Such elements may collect such information notwithstanding that the law enforcement agency intends to use the information collected for purposes of a law enforcement investigation or counterintelligence investigation.

“(b) LIMITATION ON ASSISTANCE BY ELEMENTS OF DEPARTMENT OF DEFENSE.—(1) With respect to elements within the Department of Defense, the authority in subsection (a) applies only to the National Security Agency, the National Reconnaissance Office, and the National Imagery and Mapping Agency.

“(2) Assistance provided under this section by elements of the Department of Defense may not include the direct participation of a member of the Army, Navy, Air Force, or Marine Corps in an arrest or similar activity.

“(3) Assistance may not be provided under this section by an element of the Department of Defense if the provision of such assistance will adversely affect the military preparedness of the United States.

“(4) The Secretary of Defense shall prescribe regulations governing the exercise of authority

under this section by elements of the Department of Defense, including regulations relating to the protection of sources and methods in the exercise of such authority.

“[(b)] (c) DEFINITIONS.—For purposes of subsection (a):

“(1) The term ‘United States law enforcement agency’ means any department or agency of the Federal Government that the Attorney General designates as law enforcement agency for purposes of this section.

“(2) The term ‘United States person’ means the following:

“(A) A United States citizen.

“(B) An alien known by the intelligence agency concerned to be a permanent resident alien.

“(C) An unincorporated association substantially composed of United States citizens or permanent resident aliens.

“(D) A corporation incorporated in the United States, except for a corporation directed and controlled by a foreign government or governments.”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by inserting after the item relating to section 105 the following new item:

“Sec. 105A. Assistance to United States law enforcement agencies.”

**SEC. 716. APPOINTMENT AND EVALUATION OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES.**

(a) IN GENERAL.—Section 106 of the National Security Act of 1947 (50 U.S.C. 403-6) is amended to read as follows:

“APPOINTMENT AND EVALUATION OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES

“SEC. 106. (a) CONCURRENCE OF DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a position referred to in paragraph (2), the Secretary of Defense shall obtain the concurrence of the Director of Central Intelligence before [appointing an individual to fill the vacancy.] recommending to the President an individual for appointment to the position. If the Director does not concur in the recommendation, the Secretary may make the recommendation to the President without the Director’s concurrence, but shall include in the recommendation a statement that the Director does not concur in the recommendation.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the National Security Agency.

“(B) The Director of the National Reconnaissance Office.

“(b) CONSULTATION WITH DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a position referred to in paragraph (2), the head of the department or agency having jurisdiction over the position shall consult with the Director of Central Intelligence before appointing an individual to fill the vacancy or recommending to the President an individual to be nominated to fill the vacancy.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the Defense Intelligence Agency.

“(B) The Assistant Secretary of State for Intelligence and Research.

“(C) The Director of the Office of Nonproliferation and National Security of the Department of Energy.

“(D) The Assistant Director, National Security Division of the Federal Bureau of [Investigation.] Investigation.”

“[(c) PERFORMANCE EVALUATIONS.—The Director of Central Intelligence shall provide annually to the Secretary of Defense an evaluation of the performance of the individuals holding the positions referred to in subparagraphs (A) and (B) of subsection (a)(2), and of

the individual holding the position of Director of the National Imagery and Mapping Agency, in fulfilling their respective responsibilities with regard to the National Foreign Intelligence Program.”.]

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by striking the item relating to section 106 and inserting in lieu thereof the following new item:

“Sec. 106. Appointment and evaluation of officials responsible for intelligence-related activities.”.

**[SEC. 717. INTELLIGENCE COMMUNITY SENIOR EXECUTIVE SERVICE.**

[(a) IN GENERAL.—(1) Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following:

**["INTELLIGENCE COMMUNITY SENIOR EXECUTIVE SERVICE**

["SEC. 110. (a) ESTABLISHMENT.—(1) The Director of Central Intelligence shall by regulation establish a personnel system for senior civilian personnel within the intelligence community to be known as the Intelligence Community Senior Executive Service.

["(2) The Intelligence Community Senior Executive Service shall include personnel within the following agencies:

["(A) The Central Intelligence Agency.

["(B) The National Security Agency.

["(C) The Defense Intelligence Agency.

["(D) The National Imagery and Mapping Agency.

["(E) The National Reconnaissance Office.

["(F) Any other office of the Department of Defense the civilian employees of which are subject to section 1590 of title 10, United States Code, as of the effective date of the regulations prescribed under this section.

["(3) The Director of Central Intelligence shall prescribe the regulations required under this section in consultation with the Department of Defense.

["(b) REQUIREMENTS.—The regulations prescribed under this section shall, to the extent not inconsistent with the authorities of the Director of Central Intelligence—

["(1) meet the requirements set forth in section 3131 of title 5, United States Code, for the Senior Executive Service;

["(2) provide rates of pay for the Intelligence Community Senior Executive Service that are not in excess of the maximum rate or less than the minimum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, United States Code, and that are adjusted at the same time and to the same extent as rates of basic pay for the Senior Executive Service are adjusted;

["(3) provide a performance appraisal system for the Intelligence Community Senior Executive Service that conforms to the provisions of subchapter II of chapter 43 of title 5, United States Code;

["(4) provide for—

["(A) removal or suspension from the Intelligence Community Senior Executive Service;

["(B) reduction-in-force procedures;

["(C) procedures in accordance with which any furlough affecting the Intelligence Community Senior Executive Service shall be carried out;

["(D) procedures setting forth due process rights to which members of the Intelligence Community Senior Executive Service are entitled in cases of removal or suspension; and

["(E) procedures for periodic recertification;

["(5) permit the payment of performance awards to members of the Intelligence Community Senior Executive Service; and

["(6) provide that members of the Intelligence Community Senior Executive Service may be granted sabbatical leaves.

["(c) LIMITATIONS.—(1) Except as provided in subsection (b), the Director of Central Intelligence—

["(A) may make applicable to the Intelligence Community Senior Executive Service any of the provisions of title 5, United States Code, applicable to applicants for or members of the Senior Executive Service; and

["(B) shall delegate to the heads of the agencies referred to in subparagraphs (B) through (E) of subsection (a)(2) the authority to appoint, promote, and assign individuals to Intelligence Community Senior Executive Service positions within their respective agencies without regard to the provisions of title 5, United States Code, governing appointments and other personnel actions in the competitive service, provided that such actions shall be subject to the approval of the Director of Central Intelligence in accordance with the regulations prescribed under this section.

["(2) Members of the Intelligence Community Senior Executive Service shall be subject to the limitations of section 5307 of title 5, United States Code.

["(3) Notwithstanding any other provision of title 5, United States Code, any individual who is a member of the Senior Executive Service or an equivalent personnel system at the Central Intelligence Agency or at an agency referred to in subparagraphs (B) through (E) of subsection (a)(2) at the time of the effective date of the regulations prescribed under this section shall be a member of the Intelligence Community Senior Executive Service.

["(4) Upon the establishment of the Intelligence Community Senior Executive Service under this section, no individual may be selected for membership in the service unless such individual has served at least one assignment outside his or her employing agency. An assignment to the Office of the Director of Central Intelligence shall be treated as an assignment outside an individual's employing agency (including an individual employed by the Central Intelligence Agency) for purposes of this subparagraph.

["(d) AWARD OF RANKS TO MEMBERS OF SERVICE.—The President, based upon the recommendations of the Director of Central Intelligence, may award ranks to members of the Intelligence Community Senior Executive Service in a manner consistent with section 4507 of title 5, United States Code.

["(e) DETAIL AND ASSIGNMENT OF MEMBERS.—(1) Notwithstanding any other provision of law, the Director of Central Intelligence—

["(A) may, after consultation with the head of the agency affected, detail or assign any member of the Intelligence Community Senior Executive Service to serve in any position in the intelligence community; or

["(B) may, with the concurrence of the head of the agency affected, detail or assign any member of the service to serve in any position in another Government agency or outside the Federal Government.

["(2) A member of the Intelligence Community Senior Executive Service may be detailed or assigned under paragraph (1) only if such detail or assignment is for the benefit of the intelligence community.

["(3) A member shall not by reason of such detail or assignment lose any entitlement or status associated with membership in the Intelligence Community Senior Executive Service.

["(f) ANNUAL REPORT.—The Director of Central Intelligence shall submit to Congress each year, at the time the budget is submitted by the President for the next fiscal year, a report on the Intelligence Community Senior Executive Service. The report shall include, in the aggregate and by agency—

["(1) the number of Intelligence Community Senior Executive Service positions established as of the end of the preceding fiscal year;

["(2) the number of individuals being paid at each rate of basic pay for the Intelligence Community Senior Executive Service as of the end of the preceding fiscal year;

["(3) the number, distribution, and amount of awards paid to members of the Intelligence Community Senior Executive Service during the preceding fiscal year; and

["(4) the number of individuals removed from the Intelligence Community Senior Executive Service during the preceding fiscal year—

["(A) for less than fully successful performance;

["(B) due to a reduction in force; or

["(C) for any other reason.”.

["(2) The table of contents in the first section of that Act is amended by inserting after the item relating to section 109 the following new item:

["Sec. 110. Intelligence Community Senior Executive Service.”.

[(b) EFFECTIVE DATE OF REGULATIONS.—The regulations prescribed under section 110(a) of the National Security Act of 1947, as added by subsection (a)(1), shall take effect one year after the date of the enactment of this Act.

[(c) CONFORMING AMENDMENTS.—(1) Section 12 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended—

["(A) by striking out subsections (a) and (c); and

["(B) by striking out “(b)”.

["(2)(A) Sections 1601 and 1603 of title 10, United States Code, are repealed.

["(B) The table of sections at the beginning of chapter 83 of such title is amended by striking out the items relating to sections 1601 and 1603.

["(3) Section 1590 of title 10, United States Code, is amended—

["(A) in subsection (a)(1)—

["(i) by striking out “, including positions in the Senior Executive Service.”; and

["(ii) by striking out “, except that” and all that follows through the semicolon and inserting in lieu thereof a semicolon;

["(B) in subsection (b)—

["(i) in the third sentence, by striking out “Except in the case” and all that follows through “no civilian” and inserting in lieu thereof “No civilian”; and

["(ii) by striking out the second sentence; and

["(C) by striking out subsections (f) and (g).

["(4) Section 1604(b) of title 10, United States Code, is amended in the second sentence by striking out “Except in the case” and all that follows through “no officer” and inserting in lieu thereof “No officer”.

["(5)(A) Section 2108 of title 5, United States Code, is amended in the flush matter following paragraph (3) by striking “the Defense Intelligence Senior Executive Service, the Senior Cryptologic Executive Service” and inserting “the Intelligence Community Senior Executive Service”.

["(B) Section 6304(f)(1) of such title is amended—

["(i) by striking subparagraphs (C) and (D) and inserting the following new subparagraph (C):

["(C) the Intelligence Community Senior Executive Service; or”; and

["(ii) by redesignating subparagraph (E) as subparagraph (D).

["(C) Title 5, United States Code, is further amended by striking “the Defense Intelligence Senior Executive Service or the Senior Cryptologic Executive Service” and inserting “the Intelligence Community Senior Executive Service” in each of the following provisions:

[(i) Section 8336(h)(2).

[(ii) Section 8414(a)(2).

[(6) The amendments made by this subsection shall take effect one year after the date of the enactment of this Act.

**SEC. [718.] 717. REQUIREMENTS FOR SUBMITTAL OF BUDGET INFORMATION ON INTELLIGENCE ACTIVITIES.**

(a) **SUBMITTAL WITH ANNUAL BUDGET.**—Notwithstanding any other provision of law, the President shall include in each budget for a fiscal year submitted under section 1105 of title 31, United States Code, the following information:

(1) The aggregate amount appropriated during the current fiscal year on all intelligence and intelligence-related activities of the United States Government.

(2) The aggregate amount requested in such budget for the fiscal year covered by the budget for all intelligence and intelligence-related activities of the United States Government.

(b) **FORM OF SUBMITTAL.**—The President shall submit the information required under subsection (a) in unclassified form.

**SEC. [719.] 718. TERMS OF SERVICE FOR MEMBERS OF SELECT COMMITTEE ON INTELLIGENCE OF THE SENATE.**

(a) **INDEFINITE TERMS OF SERVICE.**—Section 2(b) of Senate Resolution 400 of the Ninety-fourth Congress (adopted May 19, 1976) is amended by striking the first sentence.

(b) **LIMIT ON TERM OF CHAIRMAN AND VICE CHAIRMAN.**—Section 2(c) of that resolution is amended by adding at the end the following new sentence: “No Member shall serve as chairman or vice chairman of the select committee for more than six years of continuous service.”

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall take effect with the commencement of the One Hundred Fifth Congress.

(d) **RULES OF THE SENATE.**—The amendments made by subsections (a) and (b) are enacted as an exercise of the rulemaking power of the Senate with full recognition of the constitutional right of the Senate to change rules at any time, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

**SEC. [720.] 719. REPORT ON INTELLIGENCE COMMUNITY POLICY ON PROTECTING THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACKS.**

(a) **IN GENERAL.**—(1) Not later than 120 days after the date of the enactment of this Act, the Director of Central Intelligence shall submit to Congress a report setting forth—

(A) the results of a review of the threats to the United States on protecting the national information infrastructure against information warfare and other non-traditional attacks; and

(B) the counterintelligence response of the Director.

(2) The report shall include a description of the plans of the intelligence community to provide intelligence support for the indications, warning, and assessment functions of the intelligence community with respect to information warfare and other non-traditional attacks by foreign nations, groups, or individuals against the national information infrastructure.

(b) **DEFINITIONS.**—For purposes of this section:

(1) The term “national information infrastructure” includes the information infrastructure of the public or private sector.

(2) The term “intelligence community” has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

**TITLE VIII—NATIONAL IMAGERY AND MAPPING AGENCY**

**[SEC. 801. ESTABLISHMENT.**

[(a) **ESTABLISHMENT.**—(1) Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.), as amended by section 717 of this Act, is further amended by adding at the end the following:

[[“**NATIONAL IMAGERY AND MAPPING AGENCY**

[[“**SEC. 120. (a) ESTABLISHMENT AND DUTIES.**—

[[“(1) **ESTABLISHMENT AND MISSION.**—There is hereby established a National Imagery and Mapping Agency which shall provide timely, relevant, and accurate imagery, imagery intelligence, and imagery-related products and geospatial information in support of the national security objectives of the United States. It shall also have a navigational mission as specified in section 2791 of title 10, United States Code.

[[“(2) **MISSION OF THE NATIONAL IMAGERY AND MAPPING AGENCY.**—The National Imagery and Mapping Agency shall have a national mission to support the imagery requirements of the Department of State and other non-Department of Defense agencies, as well as a mission to support the combat and other operational requirements of the Department of Defense. The Director of Central Intelligence shall establish requirements and priorities to govern the collection of national intelligence of national importance by the National Imagery and Mapping Agency.

[[“(3) **DIRECTOR.**—The President shall appoint the Director of the National Imagery and Mapping Agency. The Secretary of Defense shall, with the concurrence of the Director of Central Intelligence, recommend an individual to the President for such appointment. If the Secretary identifies a commissioned officer of the Armed Forces to serve as Director, he shall recommend that individual to the President for appointment to hold the grade of lieutenant general or, in the case of an officer of the Navy, vice admiral, while serving in such position. A commissioned officer appointed by the President under this paragraph shall not be counted against the numbers and percentages of commissioned officers of the rank and grade of such officer for the Armed Force of which such officer is a member.

[[“(4) **DEPUTY DIRECTOR.**—There shall be a Deputy Director to assist the Director. The Deputy may be appointed from among the commissioned officers of the Armed Forces, or from civilian life, but at no time shall both the Director and the Deputy Director positions be simultaneously occupied by commissioned officers of the Armed Forces, whether in active or retired status.

[[“(b) **CENTRAL INTELLIGENCE AGENCY SUPPORT FOR NATIONAL IMAGERY AND MAPPING AGENCY.**—

[[“(1) **ADMINISTRATIVE AND CONTRACTING SERVICES.**—Notwithstanding any other provision of law, the Central Intelligence Agency may, under terms and conditions agreed to by the Secretary of Defense and the Director of Central Intelligence, provide administrative and contracting services (including the services of security police notwithstanding any limitations on the jurisdiction of such personnel contained in section 15 of the Central Intelligence Agency Act of 1949), and detail personnel indefinitely to the National Imagery and Mapping Agency, in furtherance of the national intelligence effort.

[[“(2) **TRANSFER AND ACCEPTANCE.**—The National Imagery and Mapping Agency will transfer funds to the Central Intelligence Agency for the purposes of producing imagery and imagery-related products of national importance, and the Central Intelligence Agency may accept a transfer of funds from the National Imagery and Map-

ping Agency, and the Central Intelligence Agency may expend such funds pursuant to the Central Intelligence Agency Act of 1949 to carry out the purposes of paragraph (1).

[[“(c) **FUNDS FOR FOREIGN IMAGERY INTELLIGENCE AND GEOSPATIAL INFORMATION SUPPORT.**—The Director of the National Imagery and Mapping Agency may use appropriated funds available to the National Imagery and Mapping Agency to provide foreign countries imagery intelligence and geospatial information support, except that such arrangements shall be coordinated with the Director of the Central Intelligence when they involve imagery intelligence or intelligence products, or any support to an intelligence or security service of a foreign country.

[[“(d) **FUNDS FOR CIVIL APPLICATIONS.**—The Director of the National Imagery and Mapping Agency may use appropriated funds available to the National Imagery and Mapping Agency to support and encourage civilian use of imagery intelligence and geospatial information support provided by the National Imagery and Mapping Agency.

[[“(e) **DEFINITIONS.**—In this section:

[[“(1) The term ‘geospatial information’ means information that identifies the geographic location and characteristics of natural or constructed features and boundaries on the earth, including statistical data, information derived from, among other things, remote sensing, mapping, and surveying technologies, and, for purposes of this section, the term includes mapping, charting and geodetic data, including geodetic products as that term is used in chapter 167 of title 10, United States Code.

[[“(2) The term ‘imagery’ means a likeness or presentation of any natural or man-made feature or related object or activities and the positional data acquired at the same time the likeness or representation was acquired (including products produced by space-based national intelligence reconnaissance systems), in accordance with Executive Order No. 12591, as well as likenesses or presentations produced by satellites, airborne platforms, unmanned aerial vehicles, or other similar means (except that handheld or clandestine photography taken by or on behalf of human intelligence collection organizations is excluded).

[[“(3) The term ‘imagery intelligence’ means the technical, geographic, and intelligence information derived through the interpretation or analysis of imagery and collateral materials.”

[(2) The table of contents in the first section of the National Security Act of 1947, as so amended, is further amended by inserting after the item relating to section 110 the following new item:

[[“Sec. 120. National Imagery and Mapping Agency.”

**[SEC. 802. EFFECTIVE DATE.**

[[The amendments made by this title shall take effect on the later of—

[(1) the date of the enactment of an Act appropriating funds for the National Imagery and Mapping Agency for fiscal year 1997; or

[(2) October 1, 1996.]

**SEC. 801. NATIONAL MISSION AND COLLECTION TASKING AUTHORITY FOR THE NATIONAL IMAGERY AND MAPPING AGENCY.**

(a) **IN GENERAL.**—(1) Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following:

[[“**NATIONAL MISSION AND COLLECTION TASKING AUTHORITY FOR THE NATIONAL IMAGERY AND MAPPING AGENCY**

[[“**SEC. 110. (a) NATIONAL MISSION.**—The National Imagery and Mapping Agency shall have a national mission to support the imagery requirements of the Department of State, the Department of Defense, and other departments and

agencies of the Federal Government. The Director of Central Intelligence shall establish requirements and priorities to govern the collection of national intelligence by the National Imagery and Mapping Agency. The Secretary of Defense and the Director of Central Intelligence, in consultation with the Chairman of the Joint Chiefs of Staff, shall jointly identify deficiencies in the capabilities of the National Imagery and Mapping Agency to accomplish assigned national missions and shall jointly develop policies and programs to review and correct such deficiencies.

“(b) COLLECTION AND TASKING AUTHORITY.—Except as otherwise agreed by the Director of Central Intelligence and the Secretary of Defense pursuant to direction provided by the President, the Director of Central Intelligence has the authority to approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national imagery collection assets.”.

(2) The table of contents in the first section of that Act is amended by inserting after the item relating to section 109 the following new item:

“Sec. 110. National mission and collection tasking authority for the National Imagery and Mapping Agency.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the later of—

(1) the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997; or

(2) the date of the enactment of this Act.

Mr. SPECTER. Mr. President, today the Senate takes up S. 1718, the Intelligence Authorization Act for fiscal year 1997. In addition to containing the annual authorization for appropriations for elements of the U.S. intelligence community, this bill includes a number of important provisions intended to ensure that our intelligence agencies operate more effectively and more efficiently in the post-cold-war world.

The end of the cold war did not solve America's national security concerns. As evidenced by the bombing in June of the Khobar Towers facility in Dhahran, Saudi Arabia and the possible complicity of international terrorists in the downing of TWA flight 800 in July, the focus of those concerns can shift with the speed and force of an explosion. The need for a national security apparatus that is equally dynamic is clear. Title VII of S. 1718—the Intelligence Activities Renewal and Reform Act of 1996—contains measures designed to improve our Nation's intelligence capabilities in order to meet the rapidly changing threats to our national security.

Title VII takes significant steps toward this objective in two ways: First, it improves an institutional framework for ensuring that the decisionmakers who rely on intelligence can provide prompt, clear guidance to the intelligence community on what their needs are and what the priorities are. Second, it improves the Director of Central Intelligence's authority and improves the structure he needs to respond quickly in an effective, efficient, and responsible manner.

S. 1718, as originally reported out by the Senate Select Committee on Intelligence, reflected the conclusions this

committee had reached after 6 years of focused examination of the missions, functions, and organizational arrangements for the intelligence community. Triggered by the end of the cold war, this examination had gained momentum in 1994 in the wake of the Ames espionage case and the revelation that the National Reconnaissance Office [NRO] had built an expensive new building without adequately informing Congress.

I do not need to remind my colleagues that just 2 years ago members of this body from both parties—angered by what appeared to be a lack of direction and accountability in the intelligence community, and particularly in the CIA—stood in this Chamber to call for a massive overhaul of our intelligence apparatus. In order to avoid precipitous action, the Senate adopted a proposal offered by Senators WARNER, GRAHAM, and others to create a bipartisan Commission on the Roles and Capabilities of the U.S. intelligence community to conduct a credible, independent, and objective review of U.S. intelligence. The Commission was given a deadline of March 1, 1996, with the expectation that its report would inform a legislative debate resulting in enactment of needed changes during the 104th Congress. The Commission was chaired by former Congressman and Secretary of Defense Les Aspin until his untimely death and later by former Secretary of Defense Harold Brown. The 17-member Commission included two of our distinguished colleagues, JOHN WARNER and JIM EXON, and two of our former colleagues, Warren Rudman, who served as vice chairman, and Wyche Fowler.

While the Aspin-Brown Commission was conducting its review, our committee and its staff also held a number of hearings, received briefings, and conducted interviews regarding the appropriate missions and organizational structure of the intelligence community. During the course of these efforts, two additional incidents—the failure of CIA officials to inform Congress of the possible involvement of CIA assets in human rights abuses in Guatemala and the failure of NRO officials to tell either the DCI or Congress that the NRO had accumulated over \$1 billion in unused funds—further convinced our Committee that the intelligence community needed greater central direction and accountability. Based on the Aspin-Brown Commission's recommendations and on the results of our own review, the committee reported out S. 1718 on April 24, 1996.

The bill was subsequently taken on sequential referral by the Armed Services Committee, which informed the Intelligence Committee that it did not want to consider any intelligence reform this year. The Intelligence Committee did not believe that intelligence reforms could be put off for another year. The rapidly changing world, the recent incidents that have undermined public confidence in our intelligence

agencies, and the work already done by the Aspin-Brown Commission and other groups—all of these factors led us to believe that the time was ripe for intelligence reform. We marked up our bill in April in order to ensure that the Armed Services Committee would have plenty of time to consider it.

The Department of Defense, from the outset, opposed anything in the bill that enhanced the authority of the DCI at the expense of the Secretary of Defense. In an April 29 letter to the Armed Services Committee, Deputy Secretary of Defense John White stated that “clear and unambiguous lines of authority from the Secretary of Defense to the Defense intelligence agencies and the embedded Service intelligence elements are crucial” to ensuring “that those who depend on intelligence—especially our nation's military forces—receive the timely and responsive intelligence they require.” Deputy Secretary White argued that enhancing the DCI's authorities over NSA, NRO, and CIO would “unnecessarily complicate those lines of command and control.”

I agree completely that intelligence consumers, especially military consumers whose lives may be at risk, must have timely and responsive intelligence. I do not agree, however, that this objective can be accomplished through exclusive management by the Secretary of Defense of NSA, NRO, and CIO. The fact is that in the course of running an over \$240 billion department the Secretary of Defense simply does not have time to exercise any degree of command and control over Defense intelligence agencies.

The consequences of continuing the fiction of Secretary of Defense management of these intelligence agencies at the expense of real management by the DCI is significant. The country needs to vest the authority in the DCI so that intelligence, such as that produced by the Defense Intelligence Agency in mid-June warning of threats to United States troops at Khobar Towers in Saudi Arabia, is certain to receive the kind of attention it is warranted. We need a DCI who can rattle the cages when necessary, so that consumers of intelligence cannot attribute policy failures to intelligence shortcomings. Both the Downing Commission and the staff report of the SSCI concluded that the tragedy at Khobar Towers was not attributable to an intelligence failure. It is deeply regrettable that, as a result of changes insisted upon by the Armed Services Committee, the country will have to wait for another Congress and perhaps additional bitter experiences before the needed changes can be made.

Testifying before our committee on April 24, 1996, Director Deutch provided some interesting insights on the ability of the Deputy Secretary of Defense to exercise the authorities DOD fought so desperately to retain. When asked whether we should hold the Deputy Secretary of Defense or the DCI accountable for problems at the NRO, a

key national intelligence agency within the Department of Defense, he responded:

The Deputy Secretary of Defense has got a tremendous set of issues covering a much larger range of resources—10 times—managing ten times the resources we're talking about for the whole intelligence community.

So to say that you are going to go to the deputy—and I am not talking about personalities—and say to the Deputy Secretary of Defense, why didn't you catch this, he's going to say, well, I count on the DCI to keep track of this and to let the Secretary of Defense know.

So in some sense, if we are going to say that the Director of Central Intelligence does not view himself or herself as being responsible for the NRO, fundamentally nobody will be.

In light of these realities, this committee sought to give the DCI greater authority and responsibility to manage the intelligence community. The Armed Services Committee, asserting their jurisdiction over the Defense Department, insisted on a number of changes to keep provisions that affected the intelligence agencies within DOD. The Armed Services Committee and the Defense Department were most concerned about those provisions that would have given the DCI greater authority to manage the intelligence community, including those elements of the community that are part of the Department of Defense such as the National Security Agency [NSA], the National Reconnaissance Office [NRO], and the Central Imagery Office. These provisions would have given the DCI, as head of the intelligence community, authority to execute the budgets for NSA, NRO, and CIO as well as shared responsibility, together with the Secretary of Defense and for ensuring that these agencies perform their national missions. The DCI would also have been given authority to reprogram funds from one program to another within the National Foreign Intelligence Program—which is the portion of the overall U.S. intelligence budget the DCI is responsible for developing each year—even if the affected department or agency head objected to that transfer. Finally, the Intelligence Committee had voted for a provision to require DCI concurrence on the decision as to who should head the major collection agencies: NSA, NRO, and the National Imagery and Mapping Agency. This was watered down by Armed Services to a qualified concurrence, allowing the recommendation of the Secretary of Defense to be forwarded to the President over the DCI's objection so long as that objection is noted.

Given the length of time the Armed Services Committee and, then, the Government Affairs Committee held this bill, and in light of the abbreviated legislative schedule, we were unable to bring these important issues to the floor of the Senate for debate and a vote. Nevertheless, despite the Defense Department's initial refusal to relinquish any significant authority to ensure more efficient and effective man-

agement of intelligence, we were able to get a bill out of the Armed Services Committee that contains important new statutory assurances of DCI authority and should enhance the prospects that future DCI's will not have to rely merely on the good will of the Secretary of Defense in order to effectively manage intelligence. The bill before you today contains much of what the Intelligence Committee initially proposed, but not as much as the country needs. That greater objective will require continued efforts.

In addition to the amendments made to our bill by the Armed Services Committee, the Government Affairs Committees took the bill for 53 days. At the end of that time, they reported it out with minor modifications to the provision providing for a Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction.

Finally, the Rules Committee also originally requested sequential referral of our bill in order to review a provision that would have amended Senate Resolution 400, the charter for our committee, to eliminate the 8-year term limit on committee membership. After consultations between our two committees and in response to concerns expressed by the majority leader, we agree to delete this provision and the Rules Committee withdrew its request for sequential referral of our bill. We remain convinced that extending the terms for membership of the oversight committee is an essential step in improving congressional oversight of intelligence, and I note that elimination of term limits was recommended by the Aspin-Brown Commission, on which Senator WARNER served. But in order to ensure consideration of S. 1718 in this shortened legislative year, we have agreed to put off this issue for now.

Now let me summarize the provisions in our bill. I will begin with the reform provisions in title VII. The key provisions enhance the ability of the DCI to manage the intelligence community by providing him with new statutory authority and an improved management structure. Specifically, section 707 of the bill gives the DCI new statutory authority to participate in the development of the budgets for the Joint Military Intelligence Program and for tactical intelligence and related activities; to approve all collection requirements and priorities and to resolve conflicts among priorities; and the right to be consulted by the Secretary of Defense before the Secretary reprograms funds within joint military intelligence programs.

Section 707 would also require the DCI and the Secretary of Defense to develop a database of all intelligence programs and activities, including resource and budget execution information. The Office of Science and Technology Policy within the White House has recently developed a database of all research and development activities

within the Federal Government, and this database has been invaluable for identifying duplication among Federal R&D programs. The committee believes that the DCI has been hampered in his ability to manage the intelligence community by a lack of accurate and comprehensive information about all intelligence community activities. Development of a database for intelligence activities should give the DCI one of the key tools he needs to provide greater direction and control of U.S. intelligence programs.

In addition, section 716 of the bill would require the DCI to concur in recommendations by the Secretary of Defense to the President of individuals to be directors of NSA, NRO, or the newly created National Imagery and Mapping Agency, or to have his lack of concurrence noted. The DCI would also have to be consulted by the appropriate department head when appointing the heads of the major elements of the National Foreign Intelligence Program, including the Assistant Secretary of State for Intelligence and Research, the Assistant Director in charge of the FBI's National Security Division, the Director of DIA, and the Director of the Department of Energy's Office of Non-Proliferation and National Security. This new authority will help to remedy a situation in which DCI's—despite their statutory role as head of the intelligence community—have had little or no say in the appointments of the heads of major intelligence community elements. The Armed Services Committee also agreed to include in the DOD authorization bill a requirement that the DCI provide to the Secretary of Defense an annual performance evaluation of the heads of NSA, NRO, and NIMA.

The bill would also establish three new Senate-confirmed Assistant Directors of Central Intelligence to assist the DCI in managing the intelligence community. One would focus on managing the intelligence community's collection activities; the second would coordinate community-wide intelligence analysis and production; and the third would coordinate community administrative programs. The committee believes that one reason that successive DCI's have been unable to exercise stronger management over the intelligence community is that they have lacked an adequate management structure. We believe these new positions will help the DCI fulfill his community role.

In addition to strengthening the authorities of the DCI, the bill also creates two new committees of the National Security Council—a Committee on Foreign Intelligence and a Committee on Transnational Threats—to provide better policy guidance for the intelligence community and for departments and agencies involving in fighting international terrorism and crime. The creation of both committees were recommended by the Aspin-Brown Commission.

Section 715 clarifies that intelligence collection agencies may accept tasking from law enforcement agencies to collect intelligence about non-U.S. persons outside the United States. This provision is necessary because CIA and NSA read their legal authorities as preventing them accepting tasking from law enforcement agencies lest they be considered to be exercising law enforcement powers. The provision is narrowly tailored to apply only to collection outside the United States about non-U.S. persons.

Section 717 of the bill calls for disclosure of the intelligence budget top line—that is, the aggregate of NFIP, JMIP, and TIARA. This number has been in the public domain for some time, without carrying us down the so-called slippery slope of more detailed disclosures. The DCI supports disclosure, the Aspin-Brown Commission supports disclosure, and the administration supports disclosure. Disclosure of the top line provides no new information to our enemies. In fact, I believe this disclosure will actually strengthen our ability to protect vital national secrets by bolstering the credibility of our classification decisions—officially revealing the budget total tells the American public is that we are using classification to protect vital national secrets, not to conceal information that might be inconvenient to defend. And I think it would not be difficult to defend the size of the intelligence budget, given the complex world we live in today.

These are the principal reform provisions contained in the Intelligence Authorization Act. The bill contains a number of additional important provisions.

Title V of the bill criminalizes theft of economic proprietary information by a person acting on behalf of a foreign government or its agent. This provision is the result of nearly 4 years of hearing and study by our committee. We held hearings on this provision earlier this year, and we are convinced by both the classified and unclassified testimony that economic espionage is a problem that needs to be remedied immediately in the interests of our national economy and thus our national security.

Title VI would create a Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction. The eight members of the Commission are to be appointed by the President and the congressional leadership. The Commission is required to conduct a study of the organization of the Federal Government, including the intelligence community, for combating weapons proliferation.

Finally, title VIII of the bill, as amended by the Armed Services Committee, codifies the national mission and tasking authorities of the DCI for the new National Imagery and Mapping Agency [NIMA]. NIMA is a new agency within the Department of Defense

formed from the current Central Imagery Office, the Defense Mapping Agency, CIA's National Photographic Interpretation Center, and certain other imagery related elements. As originally reported by our committee, title VIII included provisions that would have established NIMA. The DOD authorization bill, which was reported by the Armed Services Committee later than our bill, included a more comprehensive statutory framework governing NIMA, and we agreed to the removal of the provisions establishing NIMA in our bill and their replacement with provisions in the National Security Act defining the new agency's national mission and the DCI's tasking authorities. The DCI's tasking authorities are especially important. For the first time in statute, the DCI now has the specific authority to approve collection requirements, determine collection priorities, and resolve conflicts in priorities levied on our national imagery satellites and other imagery assets.

I also want to mention that the Armed Services Committee attempted to establish NIMA as a combat support agency of the Department of Defense. We strongly opposed this formulation because it slighted the critical imagery needs of the National Security Council, the Department of State, and other non-DOD consumers. Our committee was unwilling to have NIMA cater to the exclusive needs of the Defense Department. Accordingly, we modified the language in the DOD authorization bill, which we took on sequential referral, to provide that NIMA is not only a combat support agency but also has significant national missions. I also want to note that although NIMA has been added to the list of combat support agencies in 10 U.S.C. 193(f), subsection (d) of section 193, as amended by the DOD authorization bill, specifically provides that the Chairman of the Joint Chief's oversight over NIMA shall apply "only with respect to combat support functions [the Agency] performs for the Department of Defense." This language makes clear that NIMA has important noncombat support functions that are not subject to the control of the Chairman of the Joint Chiefs.

This concludes my summary of this year's intelligence authorization bill, including the reform provisions in title VII. Congress has been considering legislation to reform the intelligence community to meet the challenges of the post-cold-war world since at least 1990. Today, despite continuing bureaucratic resistance, the Senate is taking significant steps toward finally achieving that objective.

I want to thank the distinguished vice chairman, Senator KERREY, for his unflagging and nonpartisan commitment to the work of the committee. Senator KERREY brings to this committee a unique understanding of the business of intelligence and a willingness and ability to master even the

most complex technical issues. His insights and efforts were absolutely essential to the passage of this bill and to the committee's work overall. In addition, I would like to take this opportunity to recognize the excellent work of the committee staff, particularly Charlie Battaglia, Chris Straub, Suzanne Spaulding, John Bellinger, and Ed Levine.

Mr. KERREY. Mr. President, this year's bill once again attempts to help the intelligence community make the transition to a post-cold-war world where the looming military threat of the Soviet Union has been replaced by a more subtle—but increasingly serious—array of threats. The committee has attempted to help intelligence make the transition with a series of provisions in the bill to reform the community's weaknesses and renew its confidence in itself and in the products it provides to policy makers.

Chairman SPECTER has been key in ensuring the committee has moved forward to recommend to the Senate important changes in the intelligence community. Under his leadership, we have examined in detail many shortcomings and failures which can only lead to the conclusion substantial change is in order. Without Chairman SPECTER's tireless efforts on the part of reform and renewal, the committee would not have been able to get to the point where we are today: recommending improvements that will have far reaching effects and make sure the intelligence community is positioned to understand the threats of tomorrow.

This year's bill also seeks to provide an adequate level of funding for the intelligence community, with the committee seeking a modest, 1 percent increase to the President's request. Congress has cut the DCI's request for national intelligence each year for the past 7 years, and I believe stress and strain in our national intelligence capabilities will follow unless we reverse this trend. However, since this bill was marked up in April, the defense authorization conference acted to cut national intelligence by some 3 percent and the ongoing defense authorization conference is likely to redirect funds requested by the administration for national intelligence to other defense programs. I am discouraged that there seems to be no constituency of support for national intelligence, even in a year in which the Congress is adding significant resources to the defense budget.

I opened my remarks by saying the committee is once again attempting to reform and renew intelligence because it engaged in a similar effort as part of the fiscal year 1993 National Foreign Intelligence Program authorization process. The committee ran into many roadblocks in the fall of 1992 which prevented it from moving ahead with substantial reforms. Unfortunately, the committee finds itself in somewhat of a similar position today. Nevertheless, we are offering reforms which hopefully will point us in the direction of

improved intelligence support to policy makers while at the same time streamlining some of the Intelligence community's procedures so they are more responsive to the evolving international environment.

There are many reasons for intelligence reform and renewal. Several of the most significant have found their way into the media. We are all aware of the Aldrich Ames spy case where a CIA operations officer gave some of our most sensitive information to the Soviet Union reportedly resulting directly in the deaths of at least 10 people. We also know about the excess funds retained by the National Reconnaissance Office which prevented this funding from being available for more immediate projects. Incidents such as these help to underscore the need for reform.

The need for reform is widely recognized outside of the Congress. Last year Congress authorized a special commission to "conduct a comprehensive review of American intelligence." In March of this year, the Commission issued a 217-page report containing over 36 recommendations for significant change. Similarly, the Council on Foreign Relations this year issued its own report on the need for intelligence reform. Georgetown University's Institute for the Study of Diplomacy added its call for reform in a report entitled, "Checklist for the Future of Intelligence." And the executive branch recognizes the need for reform as well. Their recognition is perhaps captured best by a CIA task force with the foreboding name of the "Intelligence Community Revolution Task Force" which called for sweeping changes.

The need for reform must be balanced by at least two considerations. First, the intelligence community is full of dedicated men and women who, through a sense of patriotism and a desire to serve their country, will successfully take the intelligence community into the 21st century. They will be mentally ready to confront any challenge. Second, reform does not mean we should create a "Department of Intelligence." Intelligence supports policy. It informs leaders throughout the Government and does not have to be organized as a separate part of the Government in order to be effective. What must be done, however, is to create an organization capable of capitalizing upon the abilities of its dedicated men and women and organize it so the leaders of the intelligence community have the authorities commensurate with the responsibilities for which we hold them accountable. The Congress and many parts of the executive branch expect only the best intelligence, and the community must be prepared to serve all segments of the Government, including the Department of Defense.

In this regard, I would like to take this opportunity to thank our colleagues on the Armed Services Committee. We have worked together to make sure intelligence support will be

improved in the future and to guarantee our unsurpassed defense capabilities remain intact. Without the support of the chairman and ranking member, we would not be able to present a comprehensive package of reform to the Senate in which we all have confidence we are doing the right thing.

This year, we voted a bill out of Committee: First, changing intelligence support to policymakers so the community could better capitalize on the rich resources of its people; second, enhancing some of the powers of the Director of Central Intelligence so he would be able to exercise all of the necessary authorities in the areas for which we recognize his responsibility; and third, reorganizing parts of the intelligence community so that it is better structured for the profusion of different threats endemic to the post cold war world.

In order to support policymakers better, the bill we introduce today contains several important innovations. First, it creates a Committee on Foreign Intelligence as part of the National Security Council. This committee would meet at least semiannually to provide broad guidance to the intelligence community on major issues. In addition to ensuring that intelligence would more closely support the needs of all policymakers in the Government, it would be required to document the priorities of the policymaking community so that intelligence would know how to allocate its relatively scarce resources.

Second, the bill creates a Committee on Transnational Threats as part of the National Security Council. In many ways, the threats to our national security have changed significantly since the bipolar world where the Free World confronted a Communist bloc. The role of the nation state is evolving into something different and several increasingly serious threats to the United States crossnational boundaries. Among these, terrorism and the proliferation of weapons of mass destruction—and their means of delivery—appear as the most significant. The policy community, however, still largely focuses on a world composed of nations which only theoretically control the destinies of all mankind. The intelligence community is struggling to bring the transnational threats to the forefront but, since intelligence supports policy and not vice versa, its warnings sometimes go unheeded. The Committee on Transnational Threats will help to change the focus to the new international disorder.

Mr. President, the committee harbors no illusions about the possible destinies of these committees. We all know quite well the usefulness of the Low Intensity Conflict Board, an NSC-level board established by the Congress to force the policy community to address the growing importance of low-intensity conflict. The Committee on Foreign Intelligence and the Com-

mittee on Transnational Threats both could become the moribund bodies the low intensity conflict board has become. Nonetheless, our committee feels so strongly that intelligence can support policy properly only if the policy makers change their approach to international threats, we believe it is best to allow the intelligence community to focus its efforts in new and different ways based on NSC-level committees. We recommend the Congress should take the risk and create these two committees so the necessary tools will be available to the President if he chooses to use them.

Our bill also requires the President to submit an annual report to Congress on intelligence needs and priorities for the next fiscal year and assess the performance of the intelligence community during the previous fiscal year. We envision this to be a companion document to the national security strategy of the United States which the President is required by law to submit annually to Congress. We believe this will help the Congress decide whether intelligence is supporting policy. As such, it will allow the Congress to make the tough decisions on which programs should be funded and reject those programs inconsistent with the President's national security strategy and congressional priorities.

In some respects, the bill has created controversy in the manner with which it addresses the office of the Director of Central Intelligence. Most Americans expect the DCI to be a director. After 49 years of experience, however, it is still painfully obvious he is the coordinator of central intelligence, not the director. Each year, after he negotiates with the Secretary of Defense, the Secretary of State, the Secretary of Energy and the FBI Director, the DCI assembles an intelligence budget. It often reflects what is bureaucratically possible instead of what is required. Therefore, he does not direct anything in the fundamental way any leader steers an organization. He does not direct the intelligence community because he does not create a budget based on his own tough decisions. To make matters worse, once he assembles the budget and Congress approves it, the DCI does not control how the money is spent. That control belongs to the people with whom he negotiated in the first place: the Secretary of Defense, the Secretary of State, the Secretary of Energy, and the FBI Director. Since the bill's provisions dealing with budget control have created such controversy—sometimes misrepresented in the media as an attempt to create a "Department of Intelligence"—the committee is reporting a bill at this late date with fewer DCI budget authorities than originally believed to be important. Nonetheless, there are some innovations still in the bill which will help the DCI better execute his responsibilities.

Among these innovations is the creation of the positions of three Assistant Directors of Central Intelligence.

Generally, intelligence is conducted in three steps. First, information is collected. Second, the information is analyzed and a report is written. Third, the report is disseminated to policymakers. Today, no one other than the DCI is personally responsible for the collection of the information and its analysis. I think we can all agree the DCI is far too busy to focus on each day's priorities and requirements for collecting information. Further, he cannot personally supervise the daily work of the thousands of intelligence analysts to ensure their reports are properly focused, comprehensive, and delivered on time. Thus, the DCI relies on a series of interagency committees to help him manage intelligence collection and analysis. We all know what it means when someone says a committee is in charge: no one is in charge. The bill attempts to correct this lack of accountability for intelligence collection and analysis by creating assistant directors who will be in charge of those areas important for the production of intelligence.

The bill also creates a third Assistant Director of Central Intelligence. Today, most people believe the Director of Central Intelligence is responsible for administering an intelligence community consisting of tens of thousands of people. But, like the areas of intelligence collection and analysis, there is no one other than the DCI who is personally responsible for the daily management of the rambling institution we call the intelligence community. In order to assist the DCI in the daily execution of this important responsibility, the bill creates the position of an Assistant Director of Central Intelligence for Administration.

The committee also has attempted in this bill to strengthen the DCI's abilities to discharge his responsibilities by statutorily requiring his participation in important executive branch deliberations. As many of my colleagues will remember, late last year the media carried stories stating the National Reconnaissance Office had amassed a large amount of funds excess to their immediate needs. Responding quickly in the media, senior Defense officials placed blame elsewhere. They accused the congressional oversight committees of being lax. They said a secret agreement between the DCI and Secretary of Defense prevented the Office of the Secretary of Defense from keeping tabs on NRO funding. They said excess funding levels found in the NRO would not be found in DOD programs because the NRO was not "subject to the annual [DOD] programming and budgeting 'scrub'." Based on these rapid Department of Defense off the record denials in the press, everyone turned to the DCI and asked, "Where were you?"

As it turns out Mr. President, there was no secret agreement between DOD and the DCI. In fact, there was no agreement, secret or otherwise. When asked to produce a copy of the sup-

posed agreement, the Office of the Secretary of Defense provided the committee with a memo signed in the early 1980's. In it, the Secretary of Defense simply reminded his staff they could not add or take money away from the National Foreign Intelligence Program without officially coordinating it with the DCI.

Further, at the committee's request, the DOD Inspector General looked at eight of DOD's hundreds of procurement programs to see if there were funding levels in excess of annual requirements such as those Congress found in the NRO. The results are quite enlightening. Despite DOD's earlier denials in the media, five of the eight randomly selected programs had more money available than they needed in 1996. On the average, these five programs had almost 3 months extra funding. In fact, one program had 10 months more funding available to it than it could use in 1996. So after only a superficial IG evaluation of several DOD programs and despite DOD's protestations and claims of budget scrubs, we know DOD ends up each year with more funds than they can spend. I do not say this in criticism of Defense managers, but rather to point to a characteristic common to complex multi-year efforts involving new technology, regardless of the Government department responsible for them.

What may be a surprise is the answer to the question: where was the DCI when the National Reconnaissance Office was accumulating a backlog of spending authority? The answer is, the DCI has no authority over how the NRO spends its money after Congress authorizes and appropriates the funds. Having no direct authority to move money around or to determine if the money could be spent better elsewhere, it should not be a surprise the DCI was not monitoring NRO's execution of its budget. That authority rested with the Secretary of Defense.

The Director of Central Intelligence does not have the authority to execute the intelligence budget. This has many serious consequences both from an internal executive branch oversight perspective and from an operational perspective. Budget execution authority has occupied a lot of the committee's attention. In the original version of the bill, the committee attempted to give the DCI greater authority over his own budget. In order to get the bill to this stage in the annual authorization process, however, we have dropped several provisions which would have ensured greater internal oversight of spending on intelligence. Nonetheless, the bill still gives the Director some insight into the Joint Military Intelligence Program, and Tactical Intelligence and Related Activities—programs funded by the Department of Defense. While a modest improvement in aligning the DCI's authorities with his responsibilities, this new authority is important for ensuring better intelligence support of policy and for improving internal ex-

ecutive branch oversight of the Intelligence Community.

The bill also has one other significant improvement for ensuring better oversight of intelligence. The committee is recommending the position of General Counsel of the Central Intelligence Agency be appointed by the President and confirmed by the Senate. As stated in its report, the committee believes the confirmation process enhances accountability and strengthens the oversight process. Currently, all elements of the intelligence community, except the CIA, are part of departments having statutory general counsels who are Senate confirmed. Many legal issues are unique to the CIA. Unlike the other Senate-confirmed general counsels, there is little informed public debate to aid the CIA's general counsel in its deliberations because the issues often involve sensitive intelligence sources or methods. The confirmation process allows the Senate to ensure better accountability and oversight of this important position.

Finally, the bill enhances the Director of Central Intelligence's authorities by giving him a formal say in the naming of the directors of two of his most important agencies: the National Security Agency and the National Reconnaissance Office. Under current law and regulation, the Secretary of Defense could name the heads of these two intelligence community agencies without seeing if the DCI agrees with the nominations. I think it should be obvious to my colleagues what I meant when I called the DCI the Coordinator of Central Intelligence. Not only does the Director not have much direct control over his budget, he also does not even have a required formal role in the naming of the heads of the intelligence community's agencies. The bill takes a small step forward in giving him the opportunity to formally concur with an appointment made by the Secretary of Defense. Even under the bill's provisions, the Secretary of Defense has sufficient independence he could appoint the heads of the National Reconnaissance Office and the National Security Agency over the DCI's objection.

I must add one thing in closing. During the intense discussions over the appropriate authorities of the Director of Central Intelligence, it became clear to some of us there is a basic misunderstanding of intelligence and its relationship to the Department of Defense. Mr. President, as I have said time and time again, intelligence supports policy. It also supports the planning and the operations of our military forces. The Secretary of Defense directly controls the intelligence assets to ensure that this essential function of intelligence will be fulfilled, and our troops will be properly supported. In addition, as a principal customer of the DCI and the most knowledgeable and articulate customer, the Secretary of Defense will correctly ensure that national intelligence fulfills military requirements. This is appropriate and everyone

agrees it must occur without exception. But the Department of Defense is only one of many agencies that executes the foreign policy of the United States. And, historically, DOD is the last part of the executive branch the President relies upon when he executes U.S. policy overseas. We are a nation that believes military power is the court of last resort in resolving international disputes, not the first. This makes intelligence support to the warfighter the last step of intelligence support to foreign policy—not the first. Thus, as some push for more and more intelligence support to the warfighter, they in fact risk diminishing the creativity and quality of our foreign policy by forcing the intelligence community to become “militarized.” The intelligence community’s scarce resources can only do so much and if they focus almost exclusively on the Department of Defense, the other elements of our Government will not have the benefit of their advice and support. This is dangerous for the effectiveness of our foreign policy and could eventually lead to an over-reliance on the Department of Defense to solve our foreign policy problems simply because the best information we have on a foreign policy problem is focused on how to solve it with military force. Intelligence support outside of the Department of Defense is important, and it is critical to the proper functioning of the Government. The Congress must remain vigilant to make sure we do not cripple intelligence by relying too heavily on uninformed criticisms of intelligence support to the warfighter.

Mr. COHEN. Mr. President, I rise today to urge my colleagues to support the fiscal year 1997 intelligence authorization bill. In addition to containing the annual schedule of authorizations for intelligence activities, a matter vital to U.S. national security, this legislation contains important provisions intended to reorganize the U.S. intelligence community in order to increase its efficiency and effectiveness. This bill also contains badly needed legislation to criminalize the theft of U.S. economic and proprietary data by foreign governments or their agents.

My colleagues should be aware that notwithstanding the fall of the Soviet Union and the rise of modern information systems, the organization of the United States intelligence community has remained essentially unchanged since 1947. The modest changes proposed in this legislation, intended to assist the Director of Central Intelligence manage this disparate and complex community in behalf of its many consumers, are in my view long overdue.

The U.S. intelligence community is without equal in terms of its sophistication and global access. Yet, I believe that we can acquire even more capability from our intelligence community if changes are made to its organization and management. During the course of the last few years, for exam-

ple, we have learned that the National Reconnaissance Office carried billions of dollars in so-called forward-funding on its books. These funds, which might have been either returned to the Treasury or used for more pressing activities in the intelligence community or Defense Department, remained hidden from view in large part because the Director of Central Intelligence [DCI] and his staff were not even aware of their existence. I think this episode illustrates as well as any the fact that DCI has often been less of a director than a spokesman and ombudsman for the intelligence community. His degree of control and access to information has often been shockingly limited, yet he is the individual that the President, Congress, and the Secretary of Defense look to ensure that the intelligence community is operating both effectively and within the law.

Another startling example of the limits of the DCI’s control and access occurred during the Intelligence Committee’s investigation into the tragic Aldrich Ames case. One of the surprising facts to emerge from this investigation was the revelation that neither William Webster nor Bob Gates knew the extent of the losses caused by Aldrich Ames within the ranks of the CIA’s Russian assets, nor the degree of penetration that had obviously occurred. Senior managers in the Directorate of Operations, like senior managers in the National Reconnaissance Office, felt free to withhold this critical information from the individual nominally responsible for the performance of the U.S. intelligence community.

The bill currently before the Senate would significantly strengthen the role of the DCI as the leader of the U.S. intelligence community and thereby help to ensure greater coherence and discipline within its ranks.

First, section 707 of this bill grants the DCI new statutory authority to participate with the Secretary of Defense in developing the Joint Military Intelligence Program [JMIP] and individual service department [TIARA] intelligence budgets. The intent of this section is to eliminate duplication among national and military intelligence programs.

Second, this measure stipulates that the DCI is responsible for approving all intelligence collection requirements and priorities.

Third, it requires the DCI to be consulted regarding proposed reprogrammings within the Joint Military Intelligence budget.

Finally, section 707 requires the DCI and Secretary of Defense to develop a joint data base for all intelligence programs’ budget and activities. This provision will help to eliminate waste and duplication by ensuring that the DCI and his staff have access to all of the information necessary to evaluate programs within different intelligence organizations.

Section 716 of the bill will give DCI a voice in the selection of the individuals

who serve as the heads of U.S. intelligence organizations. While these same officials must in some cases also report to the Secretary of Defense, there is no reason in my view not to involve the DCI in their selection. Imagine trying to run a business in the private sector, or manage your office here in the Senate, if you were not free to select or discipline your subordinates. Yet, that is the situation that the DCI finds himself in with regard to his nominal subordinates at DIAA, NSA, and NRO—the organizations which account for the great preponderance of personnel and resources within the intelligence community. This bill will ensure that the DCI concurs in the selection of intelligence agency heads by the Secretary of Defense, or that his nonconcurrence be brought to the attention of the President in the event of a disagreement. The DCI, pursuant to this provision, would also provide the Secretary of Defense an annual performance evaluation of the heads of NSA, NRO, and the new National Imagery and Mapping Agency.

Sections 709, 710, and 711 of the bill strengthen the DCI’s staff by establishing new, senior intelligence community staff positions directly subordinate to the DCI. Specifically, the bill establishes DCI deputies for collection, analysis, and administration. This approach differs from that proposed by the administration, which seeks to have a single DCI deputy for community affairs and a second for the CIA. I am confident that these different approaches, which share a common objective, can be resolved in discussions with the House Intelligence Committee and the administration prior to approval of the Intelligence conference report later this month.

Mr. President, these organizational provisions are the product of numerous hearings held by the Intelligence Committee dating back to 1990. They are also to some degree the product of the Presidential Commission on Intelligence sponsored 2 years ago in the Senate by our distinguished colleague Senator JOHN WARNER of Virginia. Finally, these provisions reflect substantial contributions and refinements made by the members and staff of the Senate Armed Services Committee. These provisions have been the subject of substantial discussions, hearings, and debate, and I believe they deserve the support of every Senator.

In addition to these very substantial and important organizational provisions, I would like to draw the attention of my colleagues to title V of S. 1718, which criminalizes economic espionage conducted against the United States by foreign governments and their agents. Too often, when considering the issue of economic espionage, the question that has been asked is whether or not the United States should try to collect information that might be of value to U.S. industry. I believe the answer to that question is

clearly "no." The issue that has not received as much attention as it deserves, in my opinion, concerns the threat posed to the U.S. economy by acts of industrial espionage perpetrated by foreign governments.

Over the last few years I have tried to move the discussion of these matters out of the closed-door settings of the Intelligence and Armed Services Committees and into the public domain. Nearly 3 years ago the Senate adopted an amendment I offered to S. 4, the National Competitiveness Act, requiring the President to submit an annual report on foreign industrial espionage modeled on the State Department's annual report on terrorism, which has done a great deal to increase media, and thus public, awareness of the terrorism threat. I offered my amendment to the competitiveness bill so that it would attract the attention of the business media, rather than the defense-oriented press, and so that the Commerce Committee would have jurisdiction over it and become a forum for congressional oversight of this problem.

While this reporting requirement had to be moved to the intelligence authorization bill after S. 4 stalled in conference, I am pleased that the first two annual reports have resulted in more and better media coverage of the threat that economic espionage poses to U.S. industry. At the same time, the President's report relegated too much information to the classified appendix, not because release of the information would have put at risk sources and methods, but because it would have diplomatic repercussions. Nevertheless, awareness of the problem has been increasing, as has the need to provide new tools to the FBI to deter the theft of critical U.S. trade and economic information.

To their credit, Director Freeh and other administration officials have been forward-leaning in addressing the problem, and we are now in the position of enjoying administration support for the legislation that Senator SPECTER and I introduced, which has been incorporated in this bill, to provide the FBI the tools necessary to defeat and when necessary successfully prosecute acts of economic espionage. I expect the FBI and the Justice Department to use the new authorities provided by this legislation to aggressively investigate and prosecute acts of economic espionage.

Mr. President, I would like to commend the chairman and vice chairman of the Intelligence Committee, as well as their staff, for their dedication and hard work. It has not been easy to forge a consensus on the many legislative provisions contained in this bill, but the very dedicated managers of the bill have found solutions to the concerns raised by the Armed Services Committee and the Department of Defense.

In closing, I would like to also express my admiration for the thousands

of dedicated personnel who labor in obscurity within the U.S. intelligence community. Most of their accomplishments remain secret, but in my nearly 10 years of service on the Intelligence Committee, I have developed enormous respect and appreciation for their achievements. They deserve the support and appreciation of the American people, the best managerial structure we can provide, and the resources necessary to accomplish their many missions. I believe this bill is fully consistent with those objectives and I urge its adoption by the Senate.

Mr. SPECTER. Mr. President, I ask unanimous consent that the committee amendments be agreed to; further, that an amendment offered by the managers and an amendment offered by Senator THURMOND which are at the desk be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The amendments (Nos. 5355 and 5356) considered and agreed to en bloc are as follows:

AMENDMENT NO. 5355

(Purpose: To strike section 718, relating to terms of service of members of the Select Committee on Intelligence of the Senate)

On page 72, strike out line 14 and all that follows through page 73, line 9.

AMENDMENT NO. 5356

(Purpose: Relating to the functions of the Assistant Director of Central Intelligence for Collection)

On page 52, beginning on line 18, strike out "shall manage" and all that follows through page 52, line 23, and insert in lieu thereof "shall assist the Director of Central Intelligence in carrying out the Director's collection responsibilities in order to ensure the efficient and effective collection of national intelligence."

Mr. SPECTER. Mr. President, I ask unanimous consent that the bill then be read a third time and the Senate then proceed to the consideration of Calendar No. 420, H.R. 3259, the House companion measure; further, that all after the enacting clause be stricken and the text of S. 1718, as amended, be inserted in lieu thereof, H.R. 3259 then be deemed read a third time and passed, with the motion to reconsider laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3259), as amended, was deemed read for a third time and passed, as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 3259) entitled "An Act to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) *SHORT TITLE.*—This Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1997".

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—INTELLIGENCE ACTIVITIES**

Sec. 101. Authorization of appropriations.  
Sec. 102. Classified schedule of authorizations.  
Sec. 103. Personnel ceiling adjustments.  
Sec. 104. Community Management Account.

**TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM**

Sec. 201. Authorization of appropriations.

**TITLE III—GENERAL PROVISIONS**

Sec. 301. Increase in employee compensation and benefits authorized by law.  
Sec. 302. Restriction on conduct of intelligence activities.  
Sec. 303. Postponement of applicability of sanctions laws to intelligence activities.  
Sec. 304. Post-employment restrictions.  
Sec. 305. Executive branch oversight of budgets of elements of the intelligence community.

**TITLE IV—FEDERAL BUREAU OF INVESTIGATION**

Sec. 401. Access to telephone records.

**TITLE V—ECONOMIC ESPIONAGE**

Sec. 501. Short title.  
Sec. 502. Prevention of economic espionage and protection of proprietary economic information.

**TITLE VI—COMBATTING PROLIFERATION**

Sec. 601. Short title.

*Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation*

Sec. 611. Establishment of commission.  
Sec. 612. Duties of commission.  
Sec. 613. Powers of commission.  
Sec. 614. Commission personnel matters.  
Sec. 615. Termination of commission.  
Sec. 616. Definition.  
Sec. 617. Authorization of appropriations.

*Subtitle B—Other Matters*

Sec. 621. Reports on acquisition of technology relating to weapons of mass destruction and advanced conventional munitions.

**TITLE VII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES**

Sec. 701. Short title.  
Sec. 702. Committee on Foreign Intelligence.  
Sec. 703. Annual reports on intelligence.  
Sec. 704. Transnational threats.  
Sec. 705. Office of the Director of Central Intelligence.  
Sec. 706. National Intelligence Council.  
Sec. 707. Enhancement of authority of Director of Central Intelligence to manage budget, personnel, and activities of intelligence community.  
Sec. 708. Responsibilities of Secretary of Defense pertaining to the National Foreign Intelligence Program.  
Sec. 709. Improvement of intelligence collection.  
Sec. 710. Improvement of analysis and production of intelligence.  
Sec. 711. Improvement of administration of intelligence activities.  
Sec. 712. Pay level of Assistant Directors of Central Intelligence.  
Sec. 713. General Counsel of the Central Intelligence Agency.  
Sec. 714. Office of Congressional Affairs of the Director of Central Intelligence.  
Sec. 715. Assistance for law enforcement agencies by intelligence community.  
Sec. 716. Appointment and evaluation of officials responsible for intelligence-related activities.  
Sec. 717. Requirements for submittal of budget information on intelligence activities.

Sec. 718. Report on intelligence community policy on protecting the national information infrastructure against strategic attacks.

**TITLE VIII—NATIONAL IMAGERY AND MAPPING AGENCY**

Sec. 801. National mission and collection tasking authority for the National Imagery and Mapping Agency.

**TITLE I—INTELLIGENCE ACTIVITIES**

**SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

Funds are hereby authorized to be appropriated for fiscal year 1997 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.
- (11) The National Reconnaissance Office.
- (12) The Central Imagery Office.

**SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.**

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1997, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill \_\_\_\_\_ of the One Hundred Fourth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

**SEC. 103. PERSONNEL CEILING ADJUSTMENTS.**

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1997 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

**SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.**

(a) AUTHORIZATIONS OF APPROPRIATIONS.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1997 the sum of \$95,526,000. Within such amounts authorized, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Task Force shall remain available until September 30, 1998.

(b) AUTHORIZED PERSONNEL LEVELS.—The staff of the Community Management Account of

the Director of Central Intelligence is authorized 265 full-time personnel as of September 30, 1997. Such personnel of the Community Management Staff may be permanent employees of the Community Management Staff or personnel detailed from other elements of the United States Government.

(c) REIMBURSEMENT.—During fiscal year 1997, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a non-reimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

**TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM**

**SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1997 the sum of \$184,200,000.

**TITLE III—GENERAL PROVISIONS**

**SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.**

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

**SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.**

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

**SEC. 303. POSTPONEMENT OF APPLICABILITY OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.**

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking “the date which is one year after the date of the enactment of this title” and inserting “January 6, 1998”.

**SEC. 304. POST-EMPLOYMENT RESTRICTIONS.**

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Director of Central Intelligence shall prescribe regulations requiring each new and current employee of the Central Intelligence Agency to sign a written agreement restricting the activities of that employee upon ceasing employment with the Central Intelligence Agency.

(b) AGREEMENT ELEMENTS.—The regulations shall provide that an agreement contain provisions specifying that the employee concerned not represent or advise the government, or any political party, of a foreign country during the five-year period beginning on the termination of the employee's employment with the Central Intelligence Agency.

(c) DISCIPLINARY ACTIONS.—The regulations shall specify appropriate disciplinary actions (including loss of retirement benefits) to be taken against any employee determined by the Director of Central Intelligence to have violated the agreement of the employee under this section.

**SEC. 305. EXECUTIVE BRANCH OVERSIGHT OF BUDGETS OF ELEMENTS OF THE INTELLIGENCE COMMUNITY.**

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the congressional intelligence committees a report setting forth the actions that have been taken to ensure adequate oversight by the executive branch of the budget of the National Reconnaissance Office and the budgets of other elements of the intelligence community within the Department of Defense.

(b) REPORT ELEMENTS.—The report required by subsection (a) shall—

(1) describe the extent to which the elements of the intelligence community carrying out programs and activities in the National Foreign Intelligence Program are subject to requirements imposed on other elements and components of the Department of Defense under the Chief Financial Officers Act of 1990 (Public Law 101-576), and the amendments made by that Act, and the Federal Financial Management Act of 1994 (title IV of Public Law 103-356), and the amendments made by that Act;

(2) describe the extent to which such elements submit to the Office of Management and Budget budget justification materials and execution reports similar to the budget justification materials and execution reports submitted to the Office of Management and Budget by the non-intelligence components of the Department of Defense;

(3) describe the extent to which the National Reconnaissance Office submits to the Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense—

(A) complete information on the cost, schedule, performance, and requirements for any new major acquisition before initiating the acquisition;

(B) yearly reports (including baseline cost and schedule information) on major acquisitions;

(C) planned and actual expenditures in connection with major acquisitions; and

(D) variances from any cost baselines for major acquisitions (including explanations of such variances); and

(4) assess the extent to which the National Reconnaissance Office has submitted to Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense on a monthly basis a detailed budget execution report similar to the budget execution report prepared for Department of Defense programs.

(c) DEFINITIONS.—For purposes of this section:

(1) The term “congressional intelligence committees” shall mean the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) The term “National Foreign Intelligence Program” has the meaning given such term in section 3(6) of the National Security Act of 1947 (50 U.S.C. 401a(6)).

**TITLE IV—FEDERAL BUREAU OF INVESTIGATION**

**SEC. 401. ACCESS TO TELEPHONE RECORDS.**

(a) ACCESS FOR COUNTERINTELLIGENCE PURPOSES.—Section 2709(b)(1) of title 18, United States Code, is amended by inserting “local and long distance” before “toll billing records”.

(b) CONFORMING AMENDMENT.—Section 2703(c)(1)(C) of such title is amended by inserting “local and long distance” after “address.”.

(c) CIVIL REMEDY.—Section 2707 of such title is amended—

(1) in subsection (a), by striking “customer” and inserting “other person”;

(2) in subsection (c), by adding at the end the following: “If the violation is willful or intentional, the court may assess punitive damages. In the case of a successful action to enforce liability under this section, the court may assess the costs of the action, together with reasonable attorney fees determined by the court.”;

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(4) by inserting after subsection (c) the following new subsection (d):

“(d) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agency or department of the United States has violated this chapter and the court finds that the circumstances surrounding the violation raise the question whether or not an officer or employee of the agency or department acted willfully or

intentionally with respect to the violation, the agency or department concerned shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee.”.

#### TITLE V—ECONOMIC ESPIONAGE

##### SEC. 501. SHORT TITLE.

This title may be cited as the “Economic Espionage Act of 1996”.

##### SEC. 502. PREVENTION OF ECONOMIC ESPIONAGE AND PROTECTION OF PROPRIETARY ECONOMIC INFORMATION.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 27 the following new chapter:

#### “CHAPTER 28—ECONOMIC ESPIONAGE

“Sec.

“571. Definitions.

“572. Economic espionage.

“573. Criminal forfeiture.

“574. Import and export sanctions.

“575. Scope of extraterritorial jurisdiction.

“576. Construction with other laws.

“577. Preservation of confidentiality.

“578. Law enforcement and intelligence activities.

#### “§571. Definitions

“For purposes of this chapter, the following definitions shall apply:

“(1) FOREIGN AGENT.—The term ‘foreign agent’ means any officer, employee, proxy, servant, delegate, or representative of a foreign nation or government.

“(2) FOREIGN INSTRUMENTALITY.—The term ‘foreign instrumentality’ means any agency, bureau, ministry, component, institution, association, or any legal, commercial, or business organization, corporation, firm, or entity that is substantially owned, controlled, sponsored, commanded, managed, or dominated by a foreign government or any political subdivision, instrumentality, or other authority thereof.

“(3) OWNER.—The term ‘owner’ means the person or persons in whom, or the United States Government component, department, or agency in which, rightful legal, beneficial, or equitable title to, or license in, proprietary economic information is reposed.

“(4) PROPRIETARY ECONOMIC INFORMATION.—The term ‘proprietary economic information’ means all forms and types of financial, business, scientific, technical, economic, or engineering information (including data, plans, tools, mechanisms, compounds, formulas, designs, prototypes, processes, procedures, programs, codes, or commercial strategies, whether tangible or intangible, and whether stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing), if—

“(A) the owner thereof has taken reasonable measures to keep such information confidential; and

“(B) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, the public.

“(5) UNITED STATES PERSON.—The term ‘United States person’ means—

“(A) in the case of a natural person, a citizen of the United States or a permanent resident alien of the United States; and

“(B) in the case of an organization (as that term is defined in section 18 of this title), an entity substantially owned or controlled by citizens of the United States or permanent resident aliens of the United States, or incorporated in the United States.

#### “§572. Economic espionage

“(a) IN GENERAL.—Any person who, with knowledge or reason to believe that he or she is acting on behalf of, or with the intent to benefit, any foreign nation, government, instrumentality, or agent, knowingly—

“(1) steals, wrongfully appropriates, takes, carries away, or conceals, or by fraud, artifice,

or deception obtains proprietary economic information;

“(2) wrongfully copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys proprietary economic information;

“(3) being entrusted with, or having lawful possession or control of, or access to, proprietary economic information, wrongfully copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys the same;

“(4) receives, buys, or possesses proprietary economic information, knowing the same to have been stolen or wrongfully appropriated, obtained, or converted;

“(5) attempts to commit any offense described in any of paragraphs (1) through (4);

“(6) wrongfully solicits another to commit any offense described in any of paragraphs (1) through (4); or

“(7) conspires with one or more other persons to commit any offense described in any of paragraphs (1) through (4), and one or more of such persons do any act to effect the object of the conspiracy,

shall, except as provided in subsection (b), be fined not more than \$500,000 or imprisoned not more than 25 years, or both.

“(b) ORGANIZATIONS.—Any organization that commits any offense described in subsection (a) shall be fined not more than \$10,000,000.

“(c) EXCEPTION.—It shall not be a violation of this section to disclose proprietary economic information in the case of—

“(1) appropriate disclosures to Congress; or

“(2) disclosures to an authorized official of an executive agency that are deemed essential to reporting a violation of United States law.

#### “§573. Criminal forfeiture

“(a) IN GENERAL.—Notwithstanding any provision of State law to the contrary, any person convicted of a violation under this chapter shall forfeit to the United States—

“(1) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as the result of such violation; and

“(2) any of the property of that person used, or intended to be used, in any manner or part, to commit or facilitate the commission of such violation.

“(b) COURT ACTION.—The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this chapter, that the person forfeit to the United States all property described in this section.

“(c) APPLICABILITY OF OTHER LAW.—Property subject to forfeiture under this section, any seizure and disposition thereof, and any administrative or judicial proceeding in relation thereto, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), other than subsection (d) of that section.

#### “§574. Import and export sanctions

“(a) ACTION BY THE PRESIDENT.—The President may, to the extent consistent with international agreements to which the United States is a party, prohibit, for a period of not longer than 5 years, the importation into, or exportation from, the United States, whether by carriage of tangible items or by transmission, any merchandise produced, made, assembled, or manufactured by a person convicted of any offense described in section 572 of this title, or in the case of an organization convicted of any offense described in such section, its successor entity or entities.

“(b) ACTION BY THE SECRETARY OF THE TREASURY.—

“(1) CIVIL PENALTY.—The Secretary of the Treasury may impose on any person who knowingly violates any order of the President issued under the authority of this section, a civil pen-

alty equal to not more than 5 times the value of the exports or imports involved, or \$100,000, whichever is greater.

“(2) SEIZURE AND FORFEITURE.—Any merchandise imported or exported in violation of an order of the President issued under this section shall be subject to seizure and forfeiture in accordance with sections 602 through 619 of the Tariff Act of 1930.

“(3) APPLICABILITY OF OTHER PROVISIONS.—The provisions of law relating to seizure, summary and judicial forfeiture, and condemnation of property for violation of the United States customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeiture, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred under this section to the extent that they are applicable and not inconsistent with the provisions of this chapter.

#### “§575. Scope of extraterritorial jurisdiction

“This chapter applies—

“(1) to conduct occurring within the United States; and

“(2) to conduct occurring outside the United States if—

“(A) the offender is a United States person; or

“(B) the act in furtherance of the offense was committed in the United States.

#### “§576. Construction with other laws

“This chapter shall not be construed to preempt or displace any other remedies, whether civil or criminal, provided by Federal, State, commonwealth, possession, or territorial laws that are applicable to the misappropriation of proprietary economic information.

#### “§577. Preservation of confidentiality

“In any prosecution or other proceeding under this chapter, the court shall enter such orders and take such other action as may be necessary and appropriate to preserve the confidentiality of proprietary economic information, consistent with the requirements of the Federal Rules of Criminal Procedure, the Federal Rules of Civil Procedure, the Federal Rules of Evidence, and all other applicable laws. An interlocutory appeal by the United States shall lie from a decision or order of a district court authorizing or directing the disclosure of proprietary economic information.

#### “§578. Law enforcement and intelligence activities

“This chapter does not prohibit, and shall not impair, any lawful activity conducted by a law enforcement or regulatory agency of the United States, a State, or a political subdivision of a State, or an intelligence agency of the United States.”.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 27 the following new item:

“28. Economic espionage ..... 571”.

(c) CONFORMING AMENDMENT.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting “chapter 28 (relating to economic espionage),” after “or under the following chapters of this title.”.

#### TITLE VI—COMBATTING PROLIFERATION

##### SEC. 601. SHORT TITLE.

This title may be cited as the “Combating Proliferation of Weapons of Mass Destruction Act of 1996”.

#### Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation

##### SEC. 611. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction (in this subtitle referred to as the “Commission”).

(b) MEMBERSHIP.—The Commission shall be composed of eight members of whom—

- (1) four shall be appointed by the President;
- (2) one shall be appointed by the Majority Leader of the Senate;
- (3) one shall be appointed by the Minority Leader of the Senate;
- (4) one shall be appointed by the Speaker of the House of Representatives; and
- (5) one shall be appointed by the Minority Leader of the House of Representatives.

(c) QUALIFICATIONS OF MEMBERS.—(1) To the maximum extent practicable, the individuals appointed as members of the Commission shall be individuals who are nationally recognized for expertise regarding—

(A) the nonproliferation of weapons of mass destruction;

(B) the efficient and effective implementation of United States nonproliferation policy; or

(C) the implementation, funding, or oversight of the national security policies of the United States.

(2) An official who appoints members of the Commission may not appoint an individual as a member if, in the judgment of the official, the individual possesses any personal or financial interest in the discharge of any of the duties of the Commission.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a Chairman and Vice Chairman from among its members.

(h) MEETINGS.—The Commission shall meet at the call of the Chairman.

#### SEC. 612. DUTIES OF COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall carry out a thorough study of the organization of the Federal Government, including the elements of the intelligence community, with respect to combatting the proliferation of weapons of mass destruction.

(2) SPECIFIC REQUIREMENTS.—In carrying out the study, the Commission shall—

(A) assess the current structure and organization of the departments and agencies of the Federal Government having responsibilities for combatting the proliferation of weapons of mass destruction; and

(B) assess the effectiveness of United States cooperation with foreign governments with respect to nonproliferation activities, including cooperation—

(i) between elements of the intelligence community and elements of the intelligence-gathering services of foreign governments;

(ii) between other departments and agencies of the Federal Government and the counterparts to such departments and agencies in foreign governments; and

(iii) between the Federal Government and international organizations.

(3) ASSESSMENTS.—In making the assessments under paragraph (2), the Commission should address—

(A) the organization of the export control activities (including licensing and enforcement activities) of the Federal Government relating to the proliferation of weapons of mass destruction;

(B) arrangements for coordinating the funding of United States nonproliferation activities;

(C) existing arrangements governing the flow of information among departments and agencies of the Federal Government responsible for nonproliferation activities;

(D) the effectiveness of the organization and function of interagency groups in ensuring implementation of United States treaty obligations, laws, and policies with respect to nonproliferation;

(E) the administration of sanctions for purposes of nonproliferation, including the measures taken by departments and agencies of the Federal Government to implement, assess, and enhance the effectiveness of such sanctions;

(F) the organization, management, and oversight of United States counterproliferation activities;

(G) the recruitment, training, morale, expertise, retention, and advancement of Federal Government personnel responsible for the nonproliferation functions of the Federal Government, including any problems in such activities;

(H) the role in United States nonproliferation activities of the National Security Council, the Office of Management and Budget, the Office of Science and Technology Policy, and other offices in the Executive Office of the President having responsibilities for such activities;

(I) the organization of the activities of the Federal Government to verify government-to-government assurances and commitments with respect to nonproliferation, including assurances regarding the future use of commodities exported from the United States; and

(J) the costs and benefits to the United States of increased centralization and of decreased centralization in the administration of the nonproliferation activities of the Federal Government.

(b) RECOMMENDATIONS.—In conducting the study, the Commission shall develop recommendations on means of improving the effectiveness of the organization of the departments and agencies of the Federal Government in meeting the national security interests of the United States with respect to the proliferation of weapons of mass destruction. Such recommendations shall include specific recommendations to eliminate duplications of effort, and other inefficiencies, in and among such departments and agencies.

(c) REPORT.—(1) Not later than 18 months after the date of the enactment of this Act, the Commission shall submit to Congress a report containing a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(2) The report shall be submitted in unclassified form, but may include a classified annex.

#### SEC. 613. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(2) CLASSIFIED INFORMATION.—A department or agency may furnish the Commission classified information under this subsection. The Commission shall take appropriate actions to safeguard classified information furnished to the Commission under this paragraph.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

#### SEC. 614. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or

employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

#### SEC. 615. TERMINATION OF COMMISSION.

The Commission shall terminate 60 days after the date on which the Commission submits its report under section 612(c).

#### SEC. 616. DEFINITION.

For purposes of this subtitle, the term "intelligence community" shall have the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

#### SEC. 617. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for the Commission for fiscal year 1997 such sums as may be necessary for the Commission to carry out its duties under this subtitle.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available for expenditure until the termination of the Commission under section 615.

#### Subtitle B—Other Matters

#### SEC. 621. REPORTS ON ACQUISITION OF TECHNOLOGY RELATING TO WEAPONS OF MASS DESTRUCTION AND ADVANCED CONVENTIONAL MUNITIONS.

(a) REPORTS.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Director of Central Intelligence shall submit to Congress a report on—

(1) the acquisition by foreign countries during the preceding 6 months of dual-use and other

technology useful for the development or production of weapons of mass destruction (including nuclear weapons, chemical weapons, and biological weapons) and advanced conventional munitions; and

(2) trends in the acquisition of such technology by such countries.

(b) **FORM OF REPORTS.**—The reports submitted under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

#### **TITLE VII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES**

##### **SEC. 701. SHORT TITLE.**

This title may be cited as the "Intelligence Activities Renewal and Reform Act of 1996".

##### **SEC. 702. COMMITTEE ON FOREIGN INTELLIGENCE.**

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended—

(1) by redesignating subsection (h) as subsection (j); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) There is established within the National Security Council a committee to be known as the 'Committee on Foreign Intelligence'.

"(2) The Committee shall be composed of the following:

"(A) The Director of Central Intelligence.

"(B) The Secretary of State.

"(C) The Secretary of Defense.

"(D) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

"(E) Such other members as the President may designate.

"(3) The function of the Committee shall be to assist the Council in its activities by—

"(A) identifying the intelligence required to address the national security interests of the United States as specified by the President;

"(B) establishing priorities (including funding priorities) among the programs, projects, and activities that address such interests and requirements; and

"(C) establishing policies relating to the conduct of intelligence activities of the United States, including appropriate roles and missions for the elements of the intelligence community and appropriate targets of intelligence collection activities.

"(4) In carrying out its function, the Committee shall—

"(A) conduct an annual review of the national security interests of the United States;

"(B) identify on an annual basis, and at such other times as the Council may require, the intelligence required to meet such interests and establish an order of priority for the collection and analysis of such intelligence; and

"(C) conduct an annual review of the elements of the intelligence community in order to determine the success of such elements in collecting, analyzing, and disseminating the intelligence identified under subparagraph (B).

"(5) The Committee shall submit each year to the Council and to the Director of Central Intelligence a comprehensive report on its activities during the preceding year, including its activities under paragraphs (3) and (4)."

##### **SEC. 703. ANNUAL REPORTS ON INTELLIGENCE.**

(a) **IN GENERAL.**—Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

"SEC. 109. (a) **IN GENERAL.**—(1) Not later than January 31 each year, the President shall submit to the appropriate congressional committees a report on the requirements of the United States for intelligence and the activities of the intelligence community.

"(2) The purpose of the report is to facilitate an assessment of the activities of the intelligence community during the preceding fiscal year and to assist in the development of a mission and a

budget for the intelligence community for the fiscal year beginning in the year in which the report is submitted.

"(3) The report shall be submitted in unclassified form, but may include a classified annex.

"(b) **MATTERS COVERED.**—(1) Each report under subsection (a) shall—

"(A) specify the intelligence required to meet the national security interests of the United States, and set forth an order of priority for the collection and analysis of intelligence required to meet such interests, for the fiscal year beginning in the year in which the report is submitted; and

"(B) evaluate the performance of the intelligence community in collecting and analyzing intelligence required to meet such interests during the fiscal year ending in the year preceding the year in which the report is submitted, including a description of the significant successes and significant failures of the intelligence community in such collection and analysis during that fiscal year.

"(2) The report shall specify matters under paragraph (1)(A) in sufficient detail to assist Congress in making decisions with respect to the allocation of resources for the matters specified.

"(c) **DEFINITION.**—In this section, the term 'appropriate congressional committees' means the following:

"(1) The Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Armed Services of the Senate.

"(2) The Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on National Security of the House of Representatives."

(b) **CONFORMING AMENDMENTS.**—(1) The section heading of such section is amended to read as follows:

"ANNUAL REPORT ON INTELLIGENCE".

(2) The table of contents in the first section of that Act is amended by striking the item relating to section 109 and inserting the following new item:

"Sec. 109. Annual report on intelligence."

##### **SEC. 704. TRANSNATIONAL THREATS.**

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by inserting after subsection (h), as amended by section 702 of this Act, the following new subsection:

"(i)(1) There is established within the National Security Council a committee to be known as the 'Committee on Transnational Threats'.

"(2) The Committee shall include the following members:

"(A) The Director of Central Intelligence.

"(B) The Secretary of State.

"(C) The Secretary of Defense.

"(D) The Attorney General.

"(E) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

"(F) Such other members as the President may designate.

"(3) The function of the Committee shall be to coordinate and direct the activities of the United States Government relating to combating transnational threats.

"(4) In carrying out its function, the Committee shall—

"(A) identify transnational threats;

"(B) develop strategies to enable the United States Government to respond to transnational threats identified under subparagraph (A);

"(C) monitor implementation of such strategies;

"(D) make recommendations as to appropriate responses to specific transnational threats;

"(E) assist in the resolution of operational and policy differences among Federal departments and agencies in their responses to transnational threats;

"(F) develop policies and procedures to ensure the effective sharing of information about transnational threats among Federal departments and agencies, including law enforcement

agencies and the elements of the intelligence community; and

"(G) develop guidelines to enhance and improve the coordination of activities of Federal law enforcement agencies and elements of the intelligence community outside the United States with respect to transnational threats.

"(5) For purposes of this subsection, the term 'transnational threat' means the following:

"(A) Any transnational activity (including international terrorism, narcotics trafficking, the proliferation of weapons of mass destruction and the delivery systems for such weapons, and organized crime) that threatens the national security of the United States.

"(B) Any individual or group that engages in an activity referred to in subparagraph (A)."

##### **SEC. 705. OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.**

(a) **IN GENERAL.**—Title I of The National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended—

(1) in section 102 (50 U.S.C. 403)—

(A) by striking the section heading and all that follows through paragraph (1) of subsection (a) and inserting the following:

"OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE

"SEC. 102.";

(B) by redesignating paragraph (2) of subsection (a) as subsection (a) and in such subsection (a), as so redesignated, by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively; and

(C) by striking subsection (d) and inserting the following:

"(d)(1) There is an Office of the Director of Central Intelligence. The function of the Office is to assist the Director of Central Intelligence in carrying out the duties and responsibilities of the Director under this Act and to carry out such other duties as may be prescribed by law.

"(2) The Office of the Director of Central Intelligence is composed of the following:

"(A) The Director of Central Intelligence.

"(B) The Deputy Director of Central Intelligence.

"(C) The National Intelligence Council.

"(D) The Assistant Director of Central Intelligence for Collection.

"(E) The Assistant Director of Central Intelligence for Analysis and Production.

"(F) The Assistant Director of Central Intelligence for Administration.

"(G) Such other offices and officials as may be established by law or the Director of Central Intelligence may establish or designate in the Office.

"(3) To assist the Director in fulfilling the responsibilities of the Director as head of the intelligence community, the Director shall employ and utilize in the Office of the Director of Central Intelligence a professional staff having an expertise in matters relating to such responsibilities and may establish permanent positions and appropriate rates of pay with respect to that staff."; and

(2) by inserting after section 102, as so amended, the following new section:

"CENTRAL INTELLIGENCE AGENCY

"SEC. 102A. There is a Central Intelligence Agency. The function of the Agency shall be to assist the Director of Central Intelligence in carrying out the responsibilities referred to in paragraphs (1) through (4) of section 103(d) of this Act."

(b) **CLERICAL AMENDMENT.**—The table of contents in the first section of that Act is amended by striking the item relating to section 102 and inserting the following new items:

"Sec. 102. Office of the Director of Central Intelligence.

"Sec. 102A. Central Intelligence Agency."

##### **SEC. 706. NATIONAL INTELLIGENCE COUNCIL.**

Section 103(b) of the National Security Act of 1947 (50 U.S.C. 403-3(b)) is amended—

(1) in paragraph (1)(B), by inserting ", or as contractors of the Council or employees of such contractors," after "on the Council";

(2) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(3) by inserting after paragraph (3) the following new paragraph (4):

“(4) Subject to the direction and control of the Director of Central Intelligence, the Center may carry out its responsibilities under this subsection by contract, including contracts for substantive experts necessary to assist the Center with particular assessments under this subsection.”; and

(4) in paragraph (5), as so redesignated, by adding at the end the following: “The Center shall also be readily accessible to policymaking officials and other appropriate individuals not otherwise associated with the intelligence community.”.

**SEC. 707. ENHANCEMENT OF AUTHORITY OF DIRECTOR OF CENTRAL INTELLIGENCE TO MANAGE BUDGET, PERSONNEL, AND ACTIVITIES OF INTELLIGENCE COMMUNITY.**

(a) IN GENERAL.—Section 103(c) of the National Security Act of 1947 (50 U.S.C. 403-3(c)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph (1):

“(1) facilitate the development of an annual budget for intelligence and intelligence-related activities of the United States by—

“(A) developing and presenting to the President an annual budget for the National Foreign Intelligence Program; and

“(B) participating in the development by the Secretary of Defense of the annual budgets for the Joint Military Intelligence Program and the Tactical Intelligence and Related Activities Program.”;

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(3) by inserting after paragraph (2) the following new paragraph (3):

“(3) approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national collection assets, except as otherwise agreed with the Secretary of Defense pursuant to the direction of the President.”.

(b) USE OF FUNDS.—Section 104 of the National Security Act of 1947 (50 U.S.C. 403-4) is amended—

(1) by adding at the end of subsection (c) the following: “The Secretary of Defense shall consult with the Director of Central Intelligence before reprogramming funds made available under the Joint Military Intelligence Program.”;

(2) by redesignating subsections (e), (f), and (g) as subsections (f), (g), and (h), respectively; and

(3) by inserting after subsection (d) the following new subsection (e):

“(e) DATABASE AND BUDGET EXECUTION INFORMATION.—The Director of Central Intelligence and the Secretary of Defense shall jointly issue guidance for the development and implementation by the year 2000 of a database to provide timely and accurate information on the amounts and status of resources, including periodic budget execution updates, for national, defense-wide, and tactical intelligence activities.”.

**SEC. 708. RESPONSIBILITIES OF SECRETARY OF DEFENSE PERTAINING TO THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.**

Section 105 of the National Security Act of 1947 (50 U.S.C. 403-5) is amended—

(1) in subsection (a), by inserting “, in consultation with the Director of Central Intelligence,” after “Secretary of Defense” in the matter preceding paragraph (1); and

(2) by adding at the end the following:

“(d) ANNUAL EVALUATION OF THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Director of Central Intelligence, in consultation with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, shall submit each year to the Committee on Foreign Intelligence of the

National Security Council and the appropriate congressional committees (as defined in section 109(c)) an evaluation of the performance and the responsiveness of the National Security Agency, the National Reconnaissance Office, and the National Imagery and Mapping Agency in meeting their national missions.”.

**SEC. 709. IMPROVEMENT OF INTELLIGENCE COLLECTION.**

(a) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR COLLECTION.—Section 102 of the National Security Act of 1947, as amended by section 705(a)(1) of this Act, is amended by adding at the end the following:

“(e)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Collection, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2)(A) If neither the Director of Central Intelligence nor the Deputy Director of Central Intelligence is a commissioned officer of the Armed Forces at the time of the nomination of an individual to the position of Assistant Director of Central Intelligence for Collection, the President shall nominate an individual for that position from among the commissioned officers of the Armed Forces who have substantial experience in managing intelligence activities.

“(B) The provisions of subsection (c)(3) shall apply to any commissioned officer of the Armed Forces while serving in the position of Assistant Director for Collection.

“(3) The Assistant Director for Collection shall assist the Director of Central Intelligence in carrying out the Director’s collection responsibilities in order to ensure the efficient and effective collection of national intelligence.”.

(b) CONSOLIDATION OF HUMAN INTELLIGENCE COLLECTION ACTIVITIES.—Not later than 90 days after the date of the enactment of this Act, the Director of Central Intelligence and the Deputy Secretary of Defense shall jointly submit to the Committee on Armed Services and the Select Committee on Intelligence of the Senate and the National Security Committee and Permanent Select Committee on Intelligence of the House of Representatives a report on the ongoing efforts of those officials to achieve commonality, interoperability, and, where practicable, consolidation of the collection of clandestine intelligence from human sources conducted by the Defense Human Intelligence Service of the Department of Defense and the Directorate of Operations of the Central Intelligence Agency.

**SEC. 710. IMPROVEMENT OF ANALYSIS AND PRODUCTION OF INTELLIGENCE.**

Section 102 of the National Security Act of 1947, as amended by section 709(a) of this Act, is further amended by adding at the end the following:

“(f)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Analysis and Production, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Analysis and Production shall—

“(A) oversee the analysis and production of intelligence by the elements of the intelligence community;

“(B) establish standards and priorities relating to such analysis and production;

“(C) monitor the allocation of resources for the analysis and production of intelligence in order to identify unnecessary duplication in the analysis and production of intelligence;

“(D) identify intelligence to be collected for purposes of the Assistant Director of Central Intelligence for Collection; and

“(E) provide such additional analysis and production of intelligence as the President and the National Security Council may require.”.

**SEC. 711. IMPROVEMENT OF ADMINISTRATION OF INTELLIGENCE ACTIVITIES.**

Section 102 of the National Security Act of 1947, as amended by section 710 of this Act, is further amended by adding at the end the following:

“(g)(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Administration, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Administration shall manage such activities relating to the administration of the intelligence community as the Director of Central Intelligence shall require.”.

**SEC. 712. PAY LEVEL OF ASSISTANT DIRECTORS OF CENTRAL INTELLIGENCE.**

Section 5315 of title 5, United States Code, is amended by adding at the end the following:

“Assistant Directors of Central Intelligence (3).”.

**SEC. 713. GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY.**

(a) ESTABLISHMENT OF POSITION.—The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following:

“GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY

“SEC. 20. (a) There is a General Counsel of the Central Intelligence Agency, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The General Counsel is the chief legal officer of the Central Intelligence Agency.

“(c) The General Counsel of the Central Intelligence Agency shall perform such functions as the Director of Central Intelligence may prescribe.”.

(b) EXECUTIVE SCHEDULE IV PAY LEVEL.—Section 5315 of title 5, United States Code, as amended by section 712 of this Act, is further amended by adding at the end the following:

“General Counsel of the Central Intelligence Agency.”.

**SEC. 714. OFFICE OF CONGRESSIONAL AFFAIRS OF THE DIRECTOR OF CENTRAL INTELLIGENCE.**

Section 102 of the National Security Act of 1947, as amended by section 711 of this Act, is further amended by adding at the end the following:

“(h)(1) There is hereby established the Office of Congressional Affairs of the Director of Central Intelligence.

“(2)(A) The Office shall be headed by the Director of the Office of Congressional Affairs of the Director of Central Intelligence.

“(B) The Director of Central Intelligence may designate the Director of the Office of Congressional Affairs of the Central Intelligence Agency to serve as the Director of the Office of Congressional Affairs of the Director of Central Intelligence.

“(3) The Director shall coordinate the congressional affairs activities of the elements of the intelligence community and have such additional responsibilities as the Director of Central Intelligence may prescribe.

“(4) Nothing in the subsection may be construed to preclude the elements of the intelligence community from responding directly to requests from Congress.”.

**SEC. 715. ASSISTANCE FOR LAW ENFORCEMENT AGENCIES BY INTELLIGENCE COMMUNITY.**

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by inserting after section 105 the following new section:

“ASSISTANCE TO UNITED STATES LAW ENFORCEMENT AGENCIES

“SEC. 105A. (a) AUTHORITY TO PROVIDE ASSISTANCE.—Subject to subsection (b), elements of

the intelligence community may, upon the request of a United States law enforcement agency, collect information outside the United States about individuals who are not United States persons. Such elements may collect such information notwithstanding that the law enforcement agency intends to use the information collected for purposes of a law enforcement investigation or counterintelligence investigation.

“(b) LIMITATION ON ASSISTANCE BY ELEMENTS OF DEPARTMENT OF DEFENSE.—(1) With respect to elements within the Department of Defense, the authority in subsection (a) applies only to the National Security Agency, the National Reconnaissance Office, and the National Imagery and Mapping Agency.

“(2) Assistance provided under this section by elements of the Department of Defense may not include the direct participation of a member of the Army, Navy, Air Force, or Marine Corps in an arrest or similar activity.

“(3) Assistance may not be provided under this section by an element of the Department of Defense if the provision of such assistance will adversely affect the military preparedness of the United States.

“(4) The Secretary of Defense shall prescribe regulations governing the exercise of authority under this section by elements of the Department of Defense, including regulations relating to the protection of sources and methods in the exercise of such authority.

“(c) DEFINITIONS.—For purposes of subsection (a):

“(1) The term ‘United States law enforcement agency’ means any department or agency of the Federal Government that the Attorney General designates as law enforcement agency for purposes of this section.

“(2) The term ‘United States person’ means the following:

“(A) A United States citizen.

“(B) An alien known by the intelligence agency concerned to be a permanent resident alien.

“(C) An unincorporated association substantially composed of United States citizens or permanent resident aliens.

“(D) A corporation incorporated in the United States, except for a corporation directed and controlled by a foreign government or governments.”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by inserting after the item relating to section 105 the following new item:

“Sec. 105A. Assistance to United States law enforcement agencies.”

**SEC. 716. APPOINTMENT AND EVALUATION OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES.**

(a) IN GENERAL.—Section 106 of the National Security Act of 1947 (50 U.S.C. 403-6) is amended to read as follows:

“APPOINTMENT AND EVALUATION OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES

“SEC. 106. (a) CONCURRENCE OF DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a position referred to in paragraph (2), the Secretary of Defense shall obtain the concurrence of the Director of Central Intelligence before recommending to the President an individual for appointment to the position. If the Director does not concur in the recommendation, the Secretary may make the recommendation to the President without the Director’s concurrence, but shall include in the recommendation a statement that the Director does not concur in the recommendation.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the National Security Agency.

“(B) The Director of the National Reconnaissance Office.

“(b) CONSULTATION WITH DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a

position referred to in paragraph (2), the head of the department or agency having jurisdiction over the position shall consult with the Director of Central Intelligence before appointing an individual to fill the vacancy or recommending to the President an individual to be nominated to fill the vacancy.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the Defense Intelligence Agency.

“(B) The Assistant Secretary of State for Intelligence and Research.

“(C) The Director of the Office of Nonproliferation and National Security of the Department of Energy.

“(D) The Assistant Director, National Security Division of the Federal Bureau of Investigation.”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by striking the item relating to section 106 and inserting in lieu thereof the following new item:

“Sec. 106. Appointment and evaluation of officials responsible for intelligence-related activities.”

**SEC. 717. REQUIREMENTS FOR SUBMITTAL OF BUDGET INFORMATION ON INTELLIGENCE ACTIVITIES.**

(a) SUBMITTAL WITH ANNUAL BUDGET.—Notwithstanding any other provision of law, the President shall include in each budget for a fiscal year submitted under section 1105 of title 31, United States Code, the following information:

(1) The aggregate amount appropriated during the current fiscal year on all intelligence and intelligence-related activities of the United States Government.

(2) The aggregate amount requested in such budget for the fiscal year covered by the budget for all intelligence and intelligence-related activities of the United States Government.

(b) FORM OF SUBMITTAL.—The President shall submit the information required under subsection (a) in unclassified form.

**SEC. 718. REPORT ON INTELLIGENCE COMMUNITY POLICY ON PROTECTING THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACKS.**

(a) IN GENERAL.—(1) Not later than 120 days after the date of the enactment of this Act, the Director of Central Intelligence shall submit to Congress a report setting forth—

(A) the results of a review of the threats to the United States on protecting the national information infrastructure against information warfare and other non-traditional attacks; and

(B) the counterintelligence response of the Director.

(2) The report shall include a description of the plans of the intelligence community to provide intelligence support for the indications, warning, and assessment functions of the intelligence community with respect to information warfare and other non-traditional attacks by foreign nations, groups, or individuals against the national information infrastructure.

(b) DEFINITIONS.—For purposes of this section:

(1) The term “national information infrastructure” includes the information infrastructure of the public or private sector.

(2) The term “intelligence community” has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

**TITLE VIII—NATIONAL IMAGERY AND MAPPING AGENCY**

**SEC. 801. NATIONAL MISSION AND COLLECTION TASKING AUTHORITY FOR THE NATIONAL IMAGERY AND MAPPING AGENCY.**

(a) IN GENERAL.—(1) Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following:

“NATIONAL MISSION AND COLLECTION TASKING AUTHORITY FOR THE NATIONAL IMAGERY AND MAPPING AGENCY

“SEC. 110. (a) NATIONAL MISSION.—The National Imagery and Mapping Agency shall have

a national mission to support the imagery requirements of the Department of State, the Department of Defense, and other departments and agencies of the Federal Government. The Director of Central Intelligence shall establish requirements and priorities to govern the collection of national intelligence by the National Imagery and Mapping Agency. The Secretary of Defense and the Director of Central Intelligence, in consultation with the Chairman of the Joint Chiefs of Staff, shall jointly identify deficiencies in the capabilities of the National Imagery and Mapping Agency to accomplish assigned national missions and shall jointly develop policies and programs to review and correct such deficiencies.

(b) COLLECTION AND TASKING AUTHORITY.—Except as otherwise agreed by the Director of Central Intelligence and the Secretary of Defense pursuant to direction provided by the President, the Director of Central Intelligence has the authority to approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national imagery collection assets.”

(2) The table of contents in the first section of that Act is amended by inserting after the item relating to section 109 the following new item:

“Sec. 110. National mission and collection tasking authority for the National Imagery and Mapping Agency.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the later of—

(1) the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997; or

(2) the date of the enactment of this Act.

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate insist on its amendment to H.R. 3259 and request a conference with the House, the Chair be authorized to appoint conferees on the part of the Senate, and, finally, S. 1718 be placed back on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer (Mr. BROWN) appointed Mr. SPECTER, Mr. LUGAR, Mr. SHELBY, Mr. DEWINE, Mr. KYL, Mr. INHOFE, Mrs. HUTCHISON, Mr. COHEN, Mr. BROWN, Mr. KERREY, Mr. GLENN, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. JOHNSTON, and Mr. ROBB, and from the Committee on Armed Services, Mr. THURMOND and Mr. NUNN conferees on the part of the Senate.

Mr. SPECTER. Mr. President, I now ask unanimous consent that the RECORD remain open for the insertion of any additional statements as any member of the committee or other Senator may wish to add.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, as I understand the procedure, that now concludes the intelligence authorization bill, but since I am here and it has just been acted upon, I would like to make a few comments to supplement my more extended statement.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. SPECTER. Mr. President, I believe that this legislation is a very, very significant step forward in reform of the U.S. intelligence community—candidly, not as far as we should have

gone, not as far as I would like to have gone, but a considerable distance, a significant distance in improving the intelligence community in the United States.

The intelligence community has been under considerable attack with disclosures of Aldrich Ames, with the problems in Guatemala, with many problems around the globe. And last year, at the initiative of our distinguished colleague, Senator JOHN WARNER, a commission was appointed to make recommendations on what should be done to reform the U.S. intelligence community. The commission—first headed by former Secretary of Defense Aspin, whose untimely death caused a vacancy and the need to appoint a subsequent chairman, another former Secretary of Defense, Harold Brown—came up with a comprehensive list of recommendations, and the Intelligence Committee then held extensive hearings on a subject that goes back many years.

The Intelligence Committee then submitted a program which we thought would make very major changes in the U.S. intelligence community. There was very considerable objection then raised from a number of quarters, principally by the Senate Armed Services Committee.

Finally, after very extensive negotiations, not only with the Armed Services Committee but also with the Governmental Affairs Committee and, to a lesser extent, with the Rules Committee, we have hammered out the agreement which has been presented here and has been agreed to and will now go to conference.

It had been my desire that there should have been more authority in the Director of Central Intelligence on reprogramming, more authority on concurrence on the appointment of key officials because of the general responsibility of the Director of Central Intelligence, but that was not to be.

We filed our report at an early stage, but there was a reference under the rules of referral to the Armed Services Committee which took considerable time and considerable time by the Governmental Affairs Committee, and I thank Senator WARNER for not taking time in the Rules Committee.

We find ourselves, as we frequently do in the legislative process, very close to the end of the session, not with sufficient time to bring the matter to the floor and to debate the issues of reprogramming or concurrence or appointments or many other issues, so we have had to make an accommodation to have the bill handled by unanimous consent in the course of a few minutes as we have already done earlier today. Senator KERREY, my distinguished vice chairman, and I have agreed to this because, as I say, this is a significant step forward. We want to go to conference. We want to get these provisions accepted and placed into law even though a great deal more should have been done.

This bill contains very significant provisions on economic espionage, contains a very significant provision on a commission to be established to streamline the Federal Government on our handling of weapons of mass destruction. Some 96 different agencies now touch that issue. There is not centralized command. And those are very, very important matters.

An interest which I had pursued, to try to give greater authority to the Director of Central Intelligence, has come into the spotlight with the terrorist attack on Khobar Towers on June 25 of this year, and the allegation by the Secretary of Defense, in a July 9 hearing in the Senate Armed Services Committee, that there was intelligence failure, which I think was an incorrect assertion. The staff of the Intelligence Committee—and I emphasize “the staff” and not the full Intelligence Committee—but the staff prepared a report which was released last Thursday with my conclusions in my capacity as chairman of the Intelligence Committee, but again not the full committee, but my individual conclusions that there was not an intelligence failure.

Then yesterday we had the report of the Downing task force which took to task the Pentagon as well as the local field commanders. I personally visited Khobar Towers last month, and on viewing Khobar Towers and seeing a fence only 60 feet from these high-rise apartments, which house thousands of our airmen, 19 of whom were killed and hundreds of whom were injured, it was apparent to me, in the face of the many intelligence reports which had been received, that there was not an intelligence failure and that there was in fact a failure by the military, going to the Pentagon and the highest levels of the Pentagon, on failing to act to protect our airmen.

The conclusions yesterday of the Downing task force, as featured in the Associated Press reports, faulted the Pentagon, as well as the local commanders, for what had been done. I make comment of this at this time because I believe this ties into the reform of the intelligence community to have a Director of Central Intelligence who collects all of the information and could, in effect, rattle the cages, where necessary, to call attention to the top Pentagon officials, including the Secretary and the Chairman of the Joint Chiefs of Staff, about the need for greater protection of our forces. We have not gone that far, and we have not accomplished that. I make these comments in the context of what had occurred on June 25 and what happened just yesterday with the filing of the Downing committee report.

But I have talked to my colleagues about where we stand now, and the sentiments have been expressed that we will have a chance to further improve the intelligence community at a later date. But that remains, to some substantial extent, unfinished business, as

we have unfinished business as to how we handle not only intelligence but force protection around the United States.

But this is a significant step forward. This is the very best we could do. Those who do not know the interworkings of the Senate might be interested to know that any one Senator can tie up this bill. A number of Senators interposed objections, which we had to work through laboriously to get this bill to the stage where it is now where it has been passed.

I thank my distinguished colleague, Senator KERREY from Nebraska, who has done an extraordinary job in many things over many years, but especially on the Senate Intelligence Committee. As we have worked together, we have had some tough times, especially as the election grows nearer. We have kept the Intelligence Committee working on a bipartisan, nonpartisan basis. I think it is indispensable on a committee of this sort that the chairman and the vice chairman and really members on both sides of the aisle work very closely to keep partisan politics out of it. Senator KERREY and I have worked laboriously at that and I think we have succeeded, notwithstanding the fact that we face some very, very difficult issues and continue to face difficult issues as we work to complete quite a number of projects which yet remain undone.

I would like to single out for special praise—this is always a delicate matter—some key staffers, Charles Battaglia, who is the staff director, and Chris Straub, who is the staff director for the Democrats, the minority staff director, for the extraordinary work which they have done on the nights, Saturdays, Sundays, you name it; and for general counsel, Suzanne Spaulding, and for Ed Levine, who has been a powerhouse in drafting very complex reports. I thank the Chair, and I note the presence of my colleague, Senator PELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. I thank my colleague and friend for yielding at this time.

#### IT IS TIME TO DEBUNK THE DANGEROUS MYTHS ABOUT THE UNITED NATIONS

Mr. PELL. Mr. President, today the U.N. General Assembly will convene its 51st session. This occasion has particular meaning for me because 51 years ago I had the honor of serving on the International Secretariat of the San Francisco Conference that drew up the United Nations' charter. In 1970, I was privileged to serve as a Representative of the United States to the 25th session of the General Assembly of the United Nations. This year I have been honored again with my nomination by President Clinton and confirmation by my Senate colleagues to be a representative of the United States to the 51st session of the United Nations General Assembly.