

Union Calendar No. 290

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3694**

[Report No. 105-508]

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## **A BILL**

To authorize appropriations for fiscal year 1999 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.

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MAY 5, 1998

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 1998

Mr. GOSS introduced the following bill; which was referred to the Permanent Select Committee on Intelligence

MAY 5, 1998

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on April 21, 1998]

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## A BILL

To authorize appropriations for fiscal year 1999 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.

1 *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

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

4 (a) *SHORT TITLE.*—*This Act may be cited as the “In-*  
 5 *telligence Authorization Act for Fiscal Year 1999”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 7 *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. Application of sanctions laws to intelligence activities.*  
*Sec. 304. Sense of Congress on intelligence community contracting.*

**TITLE IV—CENTRAL INTELLIGENCE AGENCY**

*Sec. 401. Extension of the CIA Voluntary Separation Pay Act.*  
*Sec. 402. Enhanced protective authority for CIA personnel and family members.*  
*Sec. 403. Technical amendments.*

**TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES**

*Sec. 501. Extension of authority to engage in commercial activities as security  
 for intelligence collection activities.*

8 **TITLE I—INTELLIGENCE**  
 9 **ACTIVITIES**

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

11 *Funds are hereby authorized to be appropriated for fis-*  
 12 *cal year 1999 for the conduct of the intelligence and intel-*

1 *ligence-related activities of the following elements of the*  
2 *United States Government:*

3           (1) *The Central Intelligence Agency.*

4           (2) *The Department of Defense.*

5           (3) *The Defense Intelligence Agency.*

6           (4) *The National Security Agency.*

7           (5) *The Department of the Army, the Depart-*  
8 *ment of the Navy, and the Department of the Air*  
9 *Force.*

10          (6) *The Department of State.*

11          (7) *The Department of the Treasury.*

12          (8) *The Department of Energy.*

13          (9) *The Federal Bureau of Investigation.*

14          (10) *The National Reconnaissance Office.*

15          (11) *The National Imagery and Mapping Agen-*  
16 *cy.*

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

18          (a) *SPECIFICATIONS OF AMOUNTS AND PERSONNEL*

19 *CEILINGS.—The amounts authorized to be appropriated*

20 *under section 101, and the authorized personnel ceilings as*

21 *of September 30, 1999, for the conduct of the intelligence*

22 *and intelligence-related activities of the elements listed in*

23 *such section, are those specified in the classified Schedule*

24 *of Authorizations prepared to accompany the bill H.R. 3694*

25 *of the 105th Congress.*

1           (b) *AVAILABILITY OF CLASSIFIED SCHEDULE OF AU-*  
2 *THORIZATIONS.*—*The Schedule of Authorizations shall be*  
3 *made available to the Committees on Appropriations of the*  
4 *Senate and House of Representatives and to the President.*  
5 *The President shall provide for suitable distribution of the*  
6 *Schedule, or of appropriate portions of the Schedule, within*  
7 *the executive branch.*

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

9           (a) *AUTHORITY FOR ADJUSTMENTS.*—*With the ap-*  
10 *proval of the Director of the Office of Management and*  
11 *Budget, the Director of Central Intelligence may authorize*  
12 *employment of civilian personnel in excess of the number*  
13 *authorized for fiscal year 1999 under section 102 when the*  
14 *Director of Central Intelligence determines that such action*  
15 *is necessary to the performance of important intelligence*  
16 *functions, except that the number of personnel employed in*  
17 *excess of the number authorized under such section may not,*  
18 *for any element of the intelligence community, exceed two*  
19 *percent of the number of civilian personnel authorized*  
20 *under such section for such element.*

21           (b) *NOTICE TO INTELLIGENCE COMMITTEES.*—*The Di-*  
22 *rector of Central Intelligence shall promptly notify the Per-*  
23 *manent Select Committee on Intelligence of the House of*  
24 *Representatives and the Select Committee on Intelligence of*

1 *the Senate whenever he exercises the authority granted by*  
2 *this section.*

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

4       *(a) AUTHORIZATION OF APPROPRIATIONS.—There is*  
5 *authorized to be appropriated for the Community Manage-*  
6 *ment Account of the Director of Central Intelligence for fis-*  
7 *cal year 1999 the sum of \$139,123,000. Within such*  
8 *amount, funds identified in the classified Schedule of Au-*  
9 *thorizations referred to in section 102(a) for the Advanced*  
10 *Research and Development Committee shall remain avail-*  
11 *able until September 30, 2000.*

12       *(b) AUTHORIZED PERSONNEL LEVELS.—The elements*  
13 *within the Community Management Account of the Direc-*  
14 *tor of Central Intelligence is authorized 283 full-time per-*  
15 *sonnel as of September 30, 1999. Personnel serving in such*  
16 *elements may be permanent employees of the Community*  
17 *Management Staff or personnel detailed from other elements*  
18 *of the United States Government.*

19       *(c) CLASSIFIED AUTHORIZATIONS.—*

20               *(1) AUTHORIZATION OF APPROPRIATIONS.—In*  
21 *addition to amounts authorized to be appropriated*  
22 *for the Community Management Account by sub-*  
23 *section (a), there is also authorized to be appropriated*  
24 *for the Community Management Account for fiscal*  
25 *year 1999 such additional amounts as are specified*

1       *in the classified Schedule of Authorizations referred to*  
2       *in section 102(a).*

3               (2) *AUTHORIZATION OF PERSONNEL.—In addi-*  
4       *tion to the personnel authorized by subsection (b) for*  
5       *elements of the Community Management Account as*  
6       *of September 30, 1999, there is authorized such addi-*  
7       *tional personnel for such elements as of that date as*  
8       *is specified in the classified Schedule of Authoriza-*  
9       *tions.*

10              (d) *REIMBURSEMENT.—Except as provided in section*  
11       *113 of the National Security Act of 1947, during fiscal year*  
12       *1999, any officer or employee of the United States or a*  
13       *member of the Armed Forces who is detailed to the staff*  
14       *of the Community Management Account from another ele-*  
15       *ment of the United States Government shall be detailed on*  
16       *a reimbursable basis, except that any such officer, employee*  
17       *or member may be detailed on a nonreimbursable basis for*  
18       *a period of less than one year for the performance of tem-*  
19       *porary functions as required by the Director of Central In-*  
20       *telligence.*

21              (e) *NATIONAL DRUG INTELLIGENCE CENTER.—*

22                      (1) *IN GENERAL.—Of the amount appropriated*  
23       *pursuant to the authorization in subsection (a), the*  
24       *amount of \$27,000,000 shall be available for the Na-*  
25       *tional Drug Intelligence Center. Within such amount,*

1 *funds provided for research, development, test, and*  
2 *evaluation purposes shall remain available until Sep-*  
3 *tember 30, 2000, and funds provided for procurement*  
4 *purposes shall remain available until September 30,*  
5 *2001.*

6 (2) *TRANSFER OF FUNDS.—The Director of Cen-*  
7 *tral Intelligence shall transfer to the Attorney General*  
8 *of the United States funds available for the National*  
9 *Drug Intelligence Center under paragraph (1). The*  
10 *Attorney General shall utilize funds so transferred for*  
11 *the activities of the National Drug Intelligence Cen-*  
12 *ter.*

13 (3) *LIMITATION.—Amounts available for the Na-*  
14 *tional Drug Intelligence Center may not be used in*  
15 *contravention of the provisions of section 103(d)(1) of*  
16 *the National Security Act of 1947 (50 U.S.C. 403-*  
17 *3(d)(1)).*

18 (4) *AUTHORITY.—Notwithstanding any other*  
19 *provision of law, the Attorney General shall retain*  
20 *full authority over the operations of the National*  
21 *Drug Intelligence Center.*

22 (f) *TRANSFER AUTHORITY FOR FUNDS FOR SECURITY*  
23 *REQUIREMENTS AT OVERSEAS LOCATIONS.—*

24 (1) *IN GENERAL.—Of the amount appropriated*  
25 *pursuant to the authorization in subsection (a), the*

1        *Director of Central Intelligence may transfer funds to*  
2        *departments or other agencies for the sole purpose of*  
3        *supporting certain intelligence community security*  
4        *requirements at overseas locations, as specified by the*  
5        *Director.*

6            (2) *LIMITATION.—Amounts made available for*  
7        *departments or agencies under paragraph (1) shall*  
8        *be—*

9                    (A) *transferred to the specific appropria-*  
10                  *tion;*

11                   (B) *allocated to the specific account in the*  
12                  *specific amount, as determined by the Director;*

13                   (C) *merged with funds in such account that*  
14                  *are available for architectural and engineering*  
15                  *support expenses at overseas locations; and*

16                   (D) *available only for the same purposes,*  
17                  *and subject to the same terms and conditions, as*  
18                  *the funds described in subparagraph (C).*

1 **TITLE II—CENTRAL INTEL-**  
2 **LIGENCE AGENCY RETIRE-**  
3 **MENT AND DISABILITY SYS-**  
4 **TEM**

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

6 *There is authorized to be appropriated for the Central*  
7 *Intelligence Agency Retirement and Disability Fund for fis-*  
8 *cal year 1999 the sum of \$201,500,000.*

9 **TITLE III—GENERAL**  
10 **PROVISIONS**

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

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

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

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

1 **SEC. 303. APPLICATION OF SANCTIONS LAWS TO INTEL-**  
2 **LIGENCE ACTIVITIES.**

3 *Section 905 of the National Security Act of 1947 (50*  
4 *U.S.C. 441d) is amended by striking out “January 6,*  
5 *1999” and inserting in lieu thereof “January 6, 2000”.*

6 **SEC. 304. SENSE OF CONGRESS ON INTELLIGENCE COMMU-**  
7 **NITY CONTRACTING.**

8 *It is the sense of Congress that the Director of Central*  
9 *Intelligence should continue to direct that elements of the*  
10 *intelligence community, whenever compatible with the na-*  
11 *tional security interests of the United States and consistent*  
12 *with operational and security concerns related to the con-*  
13 *duct of intelligence activities, and where fiscally sound,*  
14 *should competitively award contracts in a manner that*  
15 *maximizes the procurement of products properly designated*  
16 *as having been made in the United States.*

17 **TITLE IV—CENTRAL**  
18 **INTELLIGENCE AGENCY**

19 **SEC. 401. EXTENSION OF THE CIA VOLUNTARY SEPARATION**  
20 **PAY ACT.**

21 *Section 2(f) of the Central Intelligence Agency Vol-*  
22 *untary Separation Pay Act (Public Law 103–36, 50 U.S.C.*  
23 *403–4 note) is amended by striking out “September 30,*  
24 *1999” and inserting in lieu thereof “September 30, 2001”.*

1 **SEC. 402. ENHANCED PROTECTIVE AUTHORITY FOR CIA**  
 2 **PERSONNEL AND FAMILY MEMBERS.**

3 *Section 5(a)(4) of the Central Intelligence Agency Act*  
 4 *of 1949 (50 U.S.C. 403f(a)(4)) is amended by striking out*  
 5 *“and the protection of Agency personnel and of defectors,*  
 6 *their families” and inserting in lieu thereof “and the pro-*  
 7 *tection of current and former Agency personnel and their*  
 8 *immediate families, and defectors and their immediate fam-*  
 9 *ilies”.*

10 **SEC. 403. TECHNICAL AMENDMENTS.**

11 *(a) CENTRAL INTELLIGENCE AGENCY ACT OF 1949.—*

12 *(1) Section 5(a)(1) of the Central Intelligence Agency Act*  
 13 *of 1949 (50 U.S.C. 403f(a)(1)) is amended—*

14 *(A) by striking out “subparagraphs (B) and (C)*  
 15 *of section 102(a)(2)” and inserting in lieu thereof*  
 16 *“paragraphs (2) and (3) of section 102(a)”;*

17 *(B) by striking out “(c)(5)” and inserting in*  
 18 *lieu thereof “(c)(6)”;*

19 *(C) by inserting “(3),” after “403(a)(2),”;*

20 *(D) by inserting “(c)(6), (d)” after “403–3”; and*

21 *(E) by inserting “(a), (g)” after “403–4”.*

22 *(2) Section 6 of such Act (50 U.S.C. 403g) is amended*  
 23 *by striking out “(c)(5)” each place it appears and inserting*  
 24 *in lieu thereof “(c)(6)”.*

25 *(b) CENTRAL INTELLIGENCE AGENCY RETIREMENT*  
 26 *ACT.—Section 201(c) of the Central Intelligence Agency Re-*

1 *tirement Act (50 U.S.C. 2011(c)) is amended by striking*  
2 *out “(c)(5)” each place it appears and inserting in lieu*  
3 *thereof “(c)(6)”.*

4 **TITLE V—DEPARTMENT OF DE-**  
5 **FENSE INTELLIGENCE ACTIVI-**  
6 **TIES**

7 **SEC. 501. EXTENSION OF AUTHORITY TO ENGAGE IN COM-**  
8 **MERCIAL ACTIVITIES AS SECURITY FOR IN-**  
9 **TELLIGENCE COLLECTION ACTIVITIES.**

10 *Section 431(a) of title 10, United States Code, is*  
11 *amended by striking out “December 31, 1998” and insert-*  
12 *ing in lieu thereof “December 31, 2001”.*