

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1994

NOVEMBER 18, 1993.—Ordered to be printed

Mr. GLICKMAN, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2330]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2330), to authorize appropriations for fiscal year 1994 for the 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, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1994".

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1994 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 National Reconnaissance Office.*
- (6) *The Department of the Army, the Department of the Navy, and the Department of the Air Force.*
- (7) *The Department of State.*
- (8) *The Department of the Treasury.*
- (9) *The Department of Energy.*
- (10) *The Federal Bureau of Investigation.*
- (11) *The Drug Enforcement Administration.*
- (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, 1994, 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 H.R. 2330 of the One Hundred Third 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.**—*The Director of Central Intelligence may authorize employment for civilian personnel in excess of the number authorized for fiscal year 1994 under section 102 of this Act when the Director determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element of the intelligence community, exceed 2 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 the Director exercises the authority granted by this section.*

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(A) **AUTHORIZATION OF APPROPRIATIONS.**—*There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1994 the sum of \$113,800,000. 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, 1995.*

(b) **AUTHORIZED PERSONNEL LEVELS.**—*The Community Management Account of the Director of Central Intelligence is authorized 222 full-time personnel as of September 30, 1994. Such personnel of the Community Management Account may be permanent employees of the Community Management Account or personnel detailed from other elements of the United States Government.*

(c) **REIMBURSEMENT.**—During fiscal year 1994, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Community Management Staff 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 nonreimbursable 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 1994 the sum of \$182,300,000.

SEC. 202. TECHNICAL CORRECTIONS.

(a) **IN GENERAL.**—The Central Intelligence Agency Retirement Act is amended—

(1) in section 101(7) (50 U.S.C. 2001(7))—

(A) by striking the comma after “basic pay” and inserting in lieu thereof “and”; and

(B) by striking “, and interest determined under section 281”;

(2) in section 201(c) (50 U.S.C. 2011(c)), by striking “the proviso of section 102(d)(3) of the National Security Act of 1947 (50 U.S.C. 403(d)(3))” and inserting in lieu thereof “section 103(c)(5) of the National Security Act of 1947 (50 U.S.C. 403-3(c)(5))”;

(3) in section 211(c)(2)(B) (50 U.S.C. 2021(c)(2)(B)), by striking “the requirement under section 241(b)(4)” and inserting in lieu thereof “prior notification of a current spouse, if any, unless the participant establishes to the satisfaction of the Director, in accordance with regulations which the Director may prescribe, that the participant does not know, and has taken all reasonable steps to determine, the whereabouts of the current spouse”;

(4) in section 221 (50 U.S.C. 2031)—

(A) by striking “(or, in the case of an annuity computed under section 232 and based on less than 3 years, over the total service)” in subsection (a)(4);

(B) in subsection (f)(1)(A)—

(i) by inserting “after the participant’s death” before the period in the first sentence; and

(ii) by striking “after the participant’s death” in the second sentence;

(C) by striking “(or is remarried)” in subsection (g)(1) and inserting in lieu thereof “(or is remarried,”; and

(D) by striking “(except as provided in paragraph (2))” in subsection (j);

(5) in section 222 (50 U.S.C. 2032)—

(A) by striking “other” the first place it appears in subsection (a)(7) and inserting in lieu thereof “survivor”;

(B) by inserting "the participant" before "or does not qualify" in subsection (c)(3)(C); and

(C) by inserting "spouse's or the" after "month before the" in subsection (c)(4);

(6) in section 224(c)(1)(B)(i) (50 U.S.C. 2034(c)(1)(B)(i)), by striking "former participant" and inserting in lieu thereof "retired participant";

(7) in section 225(c) (50 U.S.C. 2035(c))—

(A) by striking "other" the first place it appears in paragraph (3) and inserting in lieu thereof "survivor"; and

(B) by striking "1991" in paragraph (4)(A) and inserting in lieu thereof "1990";

(8) in section 231(d)(2) (50 U.S.C. 2051(d)(2)), by striking "241(b)" and inserting in lieu thereof "241(a)";

(9) in section 232(b)(4) (50 U.S.C. 2052(b)(4)), by striking "section 222" and inserting in lieu thereof "section 224";

(10) in section 234(b) (50 U.S.C. 2054(b)), by striking "sections 241 and 281" and inserting in lieu thereof "section 241";

(11) in section 241 (50 U.S.C. 2071)—

(A) by striking "A lump-sum benefit that would have been payable to a participant, former participant, or annuitant, or to a survivor annuitant, authorized by subsection (d) or (e) of this section or by section 234(b) or 281(d)" in subsection (c) and inserting in lieu thereof "A lump-sum payment authorized by subsection (d) or (e) of this section 281(d) and a payment of any accrued and unpaid annuity authorized by subsection (f) of this section"; and

(B) by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following new subsection:

"(f) PAYMENT OF ACCRUED AND UNPAID ANNUITY WHEN RETIRED PARTICIPANT DIES.—If a retired participant dies, any annuity accrued and unpaid shall be paid in accordance with subsection (c).";

(12) in section 264(b) (50 U.S.C. 2094)—

(A) by inserting "and" after the semicolon at the end of paragraph (2);

(B) by striking "and to any payment of a return of contributions under section 234(a); and" in paragraph (3) and inserting in lieu thereof "and the amount of any such payment"; and

(C) by striking paragraph (4);

(13) in section 265 (50 U.S.C. 2095), by striking "Act" in both places it appears and inserting in lieu thereof "title";

(14) in section 291(b)(2) (50 U.S.C. 2131(b)(2)), by striking "or section 232(c)"; and

(15) in section 304(i)(1) (50 U.S.C. 2154(i)(1)), by striking "section 102(a)(3)" and inserting in lieu thereof "section 102(a)(4)".

(b) **RETROACTIVE EFFECTIVE DATE.**—The amendments made by subsection (a) shall take effect as of February 1, 1993.

SEC. 203. SURVIVOR ANNUITY, RETIREMENT ANNUITY, AND HEALTH BENEFITS FOR CERTAIN EXSPOUSES OF CENTRAL INTELLIGENCE AGENCY EMPLOYEES.

(a) SURVIVOR ANNUITY.—

(1) IN GENERAL.—

(A) ENTITLEMENT OF FORMER WIFE OR HUSBAND.—Any person who was divorced on or before December 4, 1991, from a participant or retired participant in the Central Intelligence Agency Retirement and Disability System and who was married to such participant for not less than 10 years during such participant's creditable service, at least five years of which were spent by the participant during the participant's service as an employee of the Central Intelligence Agency outside the United States, or otherwise in a position the duties of which qualified the participant for designation by the Director of Central Intelligence as a participant under section 203 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2013), shall be entitled, except to the extent such person is disqualified under paragraph (2), to a survivor annuity equal to 55 percent of the greater of—

(i) the unreduced amount of the participant's annuity, as computed under section 221(a) of such Act; or

(ii) the unreduced amount of what such annuity as so computed would be if the participant had not elected payment of the lump-sum credit under section 294 of such Act.

(B) REDUCTION IN SURVIVOR ANNUITY.—A survivor annuity payable under this subsection shall be reduced by an amount equal to any survivor annuity payments made to the former wife or husband under section 226 of such Act.

(2) LIMITATIONS.—A former wife or husband is not entitled to a survivor annuity under this subsection if—

(A) the former wife or husband remarries before age 55, except that the entitlement of the former wife or husband to such a survivor annuity shall be restored on the date such remarriage is dissolved by death, annulment, or divorce;

(B) the former wife or husband is less than 50 years of age; or

(C) the former wife or husband meets the definition of "former spouse" that was in effect under section 204(b)(4) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees before December 4, 1991.

(3) COMMENCEMENT AND TERMINATION OF ANNUITY.—

(A) COMMENCEMENT OF ANNUITY.—The entitlement of a former wife or husband to a survivor annuity under this subsection shall commence—

(i) in the case of a former wife or husband of a participant or retired participant who is deceased as of October 1, 1994, beginning on the later of—

(I) the 60th day after such date; or

(II) the date on which the former wife or husband reaches age 50; and

(ii) in the case of any other former wife or husband, beginning on the latest of—

(I) the date on which the participant or retired participant to whom the former wife or husband was married dies;

(II) the 60th day after October 1, 1994; or

(III) the date on which the former wife or husband attains age 50.

(B) **TERMINATION OF ANNUITY.**—The entitlement of a former wife or husband to a survivor annuity under this subsection terminates on the last day of the month before the former wife's or husband's death or remarriage before attaining age 55. The entitlement of a former wife or husband to such a survivor annuity shall be restored on the date such remarriage is dissolved by death, annulment, or divorce.

(4) **ELECTION OF BENEFITS.**—A former wife or husband of a participant or retired participant shall not become entitled under this subsection to a survivor annuity or to the restoration of the survivor annuity unless the former wife or husband elects to receive it instead of any other survivor annuity to which the former wife or husband may be entitled under the Central Intelligence Agency Retirement and Disability System or any other retirement system for Government employees on the basis of a marriage to someone other than the participant.

(5) **APPLICATION**—

(A) **TIME LIMIT; WAIVER.**—A survivor annuity under this subsection shall not be payable unless appropriate written application is provided to the Director, complete with any supporting documentation which the Director may by regulation require. Any such application shall be submitted not later than October 1, 1995. The Director may waive the application deadline under the preceding sentence in any case in which the Director determines that the circumstances warrant such a waiver.

(B) **RETROACTIVE BENEFITS.**—Upon approval of an application provided under subparagraph (A), the appropriate survivor annuity shall be payable to the former wife or husband with respect to all periods before such approval during which the former wife or husband was entitled to such annuity under this subsection, but in no event shall a survivor annuity be payable under this subsection with respect to any period before October 1, 1994.

(6) **RESTORATION OF ANNUITY.**—Notwithstanding paragraph (5)(A), the deadline by which an application for a survivor annuity must be submitted shall not apply in cases in which a former spouse's entitlement to such a survivor annuity is restored after October 1, 1994, under paragraph (2)(A) or (3)(B).

(7) **APPLICABILITY IN CASES OF PARTICIPANTS TRANSFERRED TO FERS.**—

(A) **ENTITLEMENT.**—Except as provided in paragraph (2), this subsection shall apply to a former wife or husband of a participant under the Central Intelligence Agency Re-

irement and Disability System who has elected to become subject to chapter 84 of title 5, United States Code.

(B) **AMOUNT OF ANNUITY.**—The survivor annuity of a person covered by subparagraph (A) shall be equal to 50 percent of the unreduced amount of the participant's annuity computed in accordance with section 302(a) of the Federal Employees' Retirement System Act of 1986 and shall be reduced by an amount equal to any survivor annuity payments made to the former wife or husband under section 8445 of title 5, United States Code.

(b) **RETIREMENT ANNUITY.**—

(1) **IN GENERAL.**—

(A) **ENTITLEMENT OF FORMER WIFE OR HUSBAND.**—A person described in subsection (a)(1)(A) shall be entitled, except to the extent such former spouse is disqualified under paragraph (2), to an annuity—

(i) if married to the participant throughout the creditable service of the participant, equal to 50 percent of the annuity of the participant; or

(ii) if not married to the participant throughout such creditable service, equal to that former wife's or husband's pro rata share of 50 percent of such annuity (determined in accordance with section 222(a)(1)(B) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2032 (a)(1)(B))).

(B) **REDUCTION IN RETIREMENT ANNUITIES.**—

(i) **AMOUNT OF REDUCTION.**—An annuity payable under this subsection shall be reduced by an amount equal to any apportionment payments payable to the former wife or husband pursuant to the terms of a court order incident to the dissolution of the marriage of such former spouse and the participant, former participant, or retired participant.

(ii) **DEFINITION OF TERMS.**—For purposes of clause (i):

(I) **APPORTIONMENT.**—The term "apportionment" means a portion of a retired participant's annuity payable to a former wife or husband either by the retired participant or the Government in accordance with the terms of a court order.

(II) **COURT ORDER.**—The term "court order" means any decree of divorce or annulment or any court order or court-approved property settlement agreement incident to such decree.

(2) **LIMITATIONS.**—A former wife or husband is not entitled to an annuity under this subsection if—

(A) the former wife or husband remarries before age 55, except that the entitlement of the former wife or husband to an annuity under this subsection shall be restored on the date such remarriage is dissolved by death, annulment, or divorce;

(B) the former wife or husband is less than 50 years of age; or

(C) the former wife or husband meets the definition of "former spouse" that was in effect under section 204(b)(4) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees before December 4, 1991.

(3) COMMENCEMENT AND TERMINATION.—

(A) RETIREMENT ANNUITIES.—The entitlement of a former wife or husband to an annuity under this subsection—

(i) shall commence on the later of—

(I) October 1, 1994;

(II) the day the participant upon whose service the right to the annuity is based becomes entitled to an annuity under such Act; or

(III) such former wife's or husband's 50th birthday; and

(ii) shall terminate on the earlier of—

(I) the last day of the month before the former wife or husband dies or remarries before 55 years of age, except that the entitlement of the former wife or husband to an annuity under this subsection shall be restored on the date such remarriage is dissolved by death, annulment, or divorce; or

(II) the date on which the annuity of the participant terminates.

(B) DISABILITY ANNUITIES.—Notwithstanding subparagraph (A)(i)(II), in the case of a former wife or husband of a disability annuitant—

(i) the annuity of the former wife or husband shall commence on the date on which the participant would qualify on the basis of the participant's creditable service for an annuity under the Central Intelligence Agency Retirement Act (other than a disability annuity) or the date the disability annuity begins, whichever is later; and

(ii) the amount of the annuity of the former wife or husband shall be calculated on the basis of the annuity for which the participant would otherwise so qualify.

(C) ELECTION OF BENEFITS.—A former wife or husband of a participant or retired participant shall not become entitled under this subsection to an annuity or to the restoration of an annuity unless the former wife or husband elects to receive it instead of any survivor annuity to which the former wife or husband may be entitled under the Central Intelligence Agency Retirement and Disability System or any other retirement system for Government employees on the basis of a marriage to someone other than the participant.

(D) APPLICATION.—

(i) TIME LIMIT; WAIVER.—An annuity under this subsection shall not be payable unless appropriate written application is provided to the Director of Central Intelligence, complete with any supporting documentation which the Director may by regulation re-

quire, not later than October 1, 1995. The Director may waive the application deadline under the preceding sentence in any case in which the Director determines that the circumstances warrant such a waiver.

(ii) **RETROACTIVE BENEFITS.**—Upon approval of an application under clause (i), the appropriate annuity shall be payable to the former wife or husband with respect to all periods before such approval during which the former wife or husband was entitled to an annuity under this subsection, but in no event shall an annuity be payable under this subsection with respect to any period before October 1, 1994.

(4) **RESTORATION OF ANNUITIES.**—Notwithstanding paragraph (3)(D)(i), the deadline by which an application for a retirement annuity must be submitted shall not apply in cases in which a former spouse's entitlement to such annuity is restored after October 1, 1994, under paragraph (2)(A) or (3)(A)(ii).

(5) **APPLICABILITY IN CASES OF PARTICIPANTS TRANSFERRED TO FERS.**—The provisions of this subsection shall apply to a former wife or husband of a participant under the Central Intelligence Agency Retirement and Disability System who has elected to become subject to chapter 84 of title 5, United States Code. For purposes of this paragraph, any reference in this section to a participant's annuity under the Central Intelligence Agency Retirement and Disability System shall be deemed to refer to the transferred participant's annuity computed in accordance with section 302(a) of the Federal Employee's Retirement System Act of 1986.

(6) **SAVINGS PROVISION.**—Nothing in this subsection shall be construed to impair, reduce, or otherwise affect the annuity or the entitlement to an annuity of a participant or former participant under title II or III of the Central Intelligence Agency Retirement Act.

(c) **HEALTH BENEFITS.**—

(1) **IN GENERAL.**—Section 16 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403p) is amended—

(A) by redesignating subsections (c) through (e) as subsections (e) through (g), respectively; and

(B) by inserting after subsection (b) the following:

“(c) **ELIGIBILITY OF FORMER WIVES OR HUSBANDS.**—(1) Notwithstanding subsections (a) and (b) and except as provided in subsections (d), (e), and (f), an individual—

“(A) who was divorced on or before December 4, 1991, from a participant or retired participant in the Central Intelligence Agency Retirement and Disability System or the Federal Employees Retirement System Special Category;

“(B) who was married to such participant for not less than ten years during the participant's creditable service, at least five years of which were spent by the participant during the participant's service as an employee of the Agency outside the United States, or otherwise in a position the duties of which qualified the participant for designation by the Director of Central Intelligence as a participant under section 203 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2013); and

“(C) who was enrolled in a health benefits plan as a family member at any time during the 18-month period before the date of dissolution of the marriage to such participant; is eligible for coverage under a health benefits plan.

“(2) A former spouse eligible for coverage under paragraph (1) may enroll in a health benefits plan in accordance with subsection (b)(1), except that the election for such enrollment must be submitted within 60 days after the date on which the Director notifies the former spouse of such individual’s eligibility for health insurance coverage under this subsection.

“(d) CONTINUATION OF ELIGIBILITY.—Notwithstanding subsections (a), (b), and (c) and except as provided in subsections (e) and (f), an individual divorced on or before December 4, 1991, from a participant or retired participant in the Central Intelligence Agency Retirement and Disability System or Federal Employees’ Retirement System Special Category who enrolled in a health benefits plan following the dissolution of the marriage to such participant may continue enrollment following the death of such participant notwithstanding the termination of the retirement annuity of such individual.”

“(2) CONFORMING AMENDMENTS.—(A) Subsection (a) of such section is amended by striking “subsection (c)(1)” and inserting in lieu thereof “subsection (e)”.

(B) Subsection (e)(2) of such section (as redesignated by paragraph (1) of this section) is amended by inserting “or to subsection (d)” after “subsection (b)(1)”.

(d) SOURCE OF PAYMENT FOR ANNUITIES.—Annuities provided under subsections (a) and (b) shall be payable from the Central Intelligence Agency Retirement and Disability Fund maintained under section 202 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2012).

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), subsections (a) and (b) shall take effect as of October 1, 1994, the amendments made by subsection (c) shall apply to individuals on and after October 1, 1994, and no benefits provided pursuant to those subsections shall be payable with respect to any period before October 1, 1994.

(2) Section 16(d) of the Central Intelligence Agency Act of 1949 (as added by subsection (c) of this section) shall apply to individuals beginning on the date of enactment of this Act.

SEC. 204. CROSS-REFERENCE CORRECTIONS TO BE REVISED CIARDS STATUTE.

(a) ANNUAL INTELLIGENCE AUTHORIZATION ACTS.—Section 306 of the Intelligence Authorization Act, Fiscal Year 1990 (50 U.S.C. 403r-1) is amended by striking “section 303 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees” and inserting in lieu thereof “section 303 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2153)”.

(b) FOREIGN SERVICE ACT OF 1980.—The Foreign Service Act of 1980 is amended—

(1) in section 853 (22 U.S.C. 4071b), by striking “title II of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees” in subsection (c) and inserting in lieu thereof

"title II of the Central Intelligence Agency Retirement Act (50 U.S.C. 2011 et seq.)";

(2) *in section 854 (22 U.S.C. 4071c)—*

(A) *by striking "title II of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees" in subsection (a)(3) and inserting in lieu thereof "title II of the Central Intelligence Agency Retirement Act (50 U.S.C. 2011 et seq.)"; and*

(B) *by striking "title III of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees" in subsection (d) and inserting in lieu thereof "title III of the Central Intelligence Agency Retirement Act (50 U.S.C. 2151 et seq.)"; and*

(3) *in section 855 (22 U.S.C. 4071d), by striking "under title II of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees or under section 302(a) or 303(b) of that Act" in subsection (b)(2)(A)(ii) and inserting in lieu thereof "under title II of the Central Intelligence Agency Retirement Act (50 U.S.C. 2011 et seq.) or under section 302(a) or 303(b) of that Act (50 U.S.C. 2152(a), 2153(b))".*

(c) *INTERNAL REVENUE CODE OF 1986.—Section 3121(b)(5)(H)(i) of the Internal Revenue Code of 1986 is amended by striking "section 307 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees" and inserting in lieu thereof "section 307 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2157)".*

(d) *SOCIAL SECURITY ACT.—Section 210(a)(5)(H)(i) of the Social Security Act (42 U.S.C. 410(a)(5)(H)(i)) is amended by striking "section 307 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees" and inserting in lieu thereof "section 307 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2157)".*

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 laws of the United States.

SEC. 303. TEMPORARY PAY RETENTION FOR CERTAIN FBI EMPLOYEES.

(a) *IN GENERAL.*—Section 406 of the Federal Employees Pay Comparability Act of 1990 (104 Stat. 1467) is amended to read as follows:

SEC. 406. FBI NEW YORK FIELD DIVISION.

"(a) The total pay of an employee of the Federal Bureau of Investigation assigned to the New York Field Division before the date of September 29, 1993, in a position covered by the demonstration project conducted under section 601 of the Intelligence Authorization

Act for Fiscal Year 1989 (Public Law 100-453) shall not be reduced as a result of the termination of the demonstration project during the period that employee remains employed after that date in a position covered by the demonstration project.

"(b) Beginning on September 30, 1993, any periodic payment under section 601(a)(2) of the Intelligence Authorization Act for Fiscal Year 1989 for any such employee shall be reduced by the amount of any increase in basic pay under title 5, United States Code, including the following provisions: an annual adjustment under section 5303, locality-based comparability payment under section 5304, initiation or increase in a special pay rate under section 5305, promotion under section 5334, periodic step increase under section 5335, merit increase under section 5404, or other increase to basic pay under any provision of law."

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect as of September 30, 1993, and shall apply to the pay of employees to whom the amendment applies that is earned on or after that date.

SEC. 304. ANNUAL REPORT ON INTELLIGENCE COMMUNITY.

(a) **ANNUAL DCI REPORT.**—Title I of the National Security Act of 1947 is amended by adding at the end the following new section:

"ANNUAL REPORT ON INTELLIGENCE COMMUNITY ACTIVITIES

"**SEC. 109. (a) IN GENERAL.**—The Director of Central Intelligence shall submit to Congress an annual report on the activities of the intelligence community. The annual report under this section shall be unclassified.

"(b) **MATTERS TO BE COVERED IN ANNUAL REPORT.**—Each report under this section shall describe—

"(1) the activities of the intelligence community during the preceding fiscal year, including significant successes and failures that can be described in an unclassified manner; and

"(2) the areas of the world and the issues that the Director expects will require increased or unusual attention from the intelligence community during the next fiscal year.

"(c) **TIME FOR SUBMISSION.**—The report under this section for any year shall be submitted at the same time that the President submits the budget for the next fiscal year pursuant to section 1105 of title 31, United States Code."

(b) **CLERICAL AMENDMENT.**—The table of contents in the first section of such Act is amended by inserting after the item relating to section 108 the following new item:

"Sec. 109. Annual report on intelligence community activities."

SEC. 305. SECURITY REVIEWS.

(a) **FINDINGS.**—The Congress finds that—

(1) the President directed the Director of the Information Security Oversight Office to review Executive Order 12356 and other directives relating to the protection of national security information and to report no later than November 30, 1993; and

(2) the Secretary of Defense and the Director of Central Intelligence have established a joint security commission to conduct a review of security practices and procedures at the De-

partment of Defense and the Central Intelligence Agency and to report within 1 year of the establishment of the commission.

(b) *SENSE OF CONGRESS.*—It is the sense of Congress that—

(1) the Director of Central Intelligence, the Secretary of Defense, and the Director of the Information Security Oversight Office should conduct the reviews referred to in subsection (a) with maximum consultation with each other; and

(2) the results of these reviews should be incorporated into a consolidated recommendation for the President.

SEC. 306. REPORT ON UNITED STATES EFFORTS TO COUNTER TERRORISM.

(a) *IN GENERAL.*—The Secretary of State, the Attorney General of the United States, and the Director of Central Intelligence shall jointly submit to the Congress, not later than May 1, 1994, a report on United States Government programs to counter terrorism.

(b) *MATTERS TO BE COVERED IN REPORT.*—The report required by subsection (a) shall, at a minimum—

(1) identify Federal Government activities, programs and assets which are being utilized or could be utilized to counter terrorism;

(2) assess the processing, analysis, and distribution of intelligence or terrorism and make recommendations for improvement;

(3) make recommendations on appropriate national policies, both preventive and reactive, to counter terrorism;

(4) assess the coordination among law enforcement, intelligence, and defense agencies involved in counterterrorism activities and make recommendations concerning how coordination can be improved; and

(5) assess whether there should be more centralized operational control over Federal Government activities, programs, and assets utilized to counter terrorism, and, if so, make recommendations concerning how such control should be achieved.

SEC. 307. REPORT ON INTELLIGENCE GAPS.

(a) *REPORT.*—The Director of Central Intelligence and the Secretary of Defense jointly shall prepare and submit by February 15, 1994, to the Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the Senate, and to the Permanent Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the House of Representatives a report described in subsection (b).

(b) *CONTENTS OF REPORT.*—The report required by subsection (a) shall—

(1) identify and assess the critical gaps between the information needs of the United States Government and intelligence collection capabilities, to include the identification of topics and areas of the world of significant interest to the United States to which the application of additional resources, technology, or other efforts would generate new information of high priority to senior officials of the United States Government;

(2) identify and assess gaps in the ability of the intelligence community (as defined in section 3(4) of the National Security

Act of 1947) to provide intelligence support needed by the Armed Forces of the United States and, in particular, by the commanders of combatant commands established under section 161(a) of title 10, United States Code; and

(3) contain joint recommendations of the Director of Central Intelligence and the Secretary of Defense on appropriate means, to include specific budgetary adjustments, for reducing or eliminating the gaps identified under paragraphs (1) and (2).

SEC. 308. INTELLIGENCE COMMUNITY CONTRACTING.

It is the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community, whenever compatible with the national security interests of the United States and consistent with the operational and security concerns related to the conduct of intelligence activities, and where fiscally sound, should award contracts in a manner that would maximize the procurement of products properly designated as having been made in the United States.

SEC. 309. AMENDMENT TO SECTION 307 OF THE NATIONAL SECURITY ACT.

Section 307 of the National Security Act of 1947 is amended by striking "provisions and purposes of this Act" and inserting in lieu thereof "provisions and purposes of this Act (other than the provisions and purposes of sections 102, 103, 104, 105 and titles V, VI, and VII)".

SEC. 310. RATIFICATION OF FUNDING TRANSACTION.

Funds obligated or expended for the Accelerated Architecture Acquisition Initiative of the Plan to Improve the Imagery Ground Architecture based upon the notification to the appropriate committees of Congress by the Director of Central Intelligence dated August 16, 1993, shall be deemed to have been specifically authorized by the Congress for purposes of section 504(a)(3) of the National Security Act of 1947.

SEC. 311. NATIONAL SECURITY EDUCATION TRUST FUND.

(a) REDUCTION OF AMOUNTS IN TRUST FUND.—The amount in the National Security Education Trust Fund established pursuant to section 804 of Public Law 102-183 (50 U.S.C. 1904) in excess of \$120,000,000 that has not been appropriated from the trust fund as of the date of enactment of this Act shall be transferred to the Treasury of the United States as miscellaneous receipts.

(b) ANNUAL ASSESSMENT.—(1) Section 806 of such Public Law (50 U.S.C. 1903) is amended by adding at the end the following new subsection:

"(d) CONSULTATION.—During the preparation of each report required by subsection (a), the Secretary shall consult with the members of the Board specified in paragraphs (1) through (7) of section 803(b). Each such member shall submit to the Secretary an assessment of their hiring needs in the areas of language and area studies and a projection of the deficiencies in such areas. The Secretary shall include all assessments in the report required by subsection (a)."

(2) Section 802(a) of such Public Law (50 U.S.C. 1902(a)) is amended—

(A) in paragraph (1)(A), by inserting before the semicolon at the end the following: "in those language and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d))"; and

(B) in paragraph (1)(B)(i), by inserting before the semicolon at the end the following: "and in which deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d))".

(c) **FUNDING FOR FISCAL YEARS 1993 THROUGH 1996.**—Title VIII of such Public Law (50 U.S.C. 1901 et seq.) is amended by adding at the end the following:

"SEC. 810. FUNDING.

"(a) **FISCAL YEARS 1993 AND 1994.**—Amounts appropriated to carry out this title for fiscal years 1993 and 1994 shall remain available until expended.

"(b) **FISCAL YEARS 1995 AND 1996.**—There is authorized to be appropriated from, and may be obligated from, the Fund for each of the fiscal years 1995 and 1996 not more than the amount credited to the Fund in interest only for the preceding fiscal year under section 804(e)."

(d) **TECHNICAL CORRECTION.**—Section 802(a)(1)(A) of such Public Law (50 U.S.C. 1902(a)(1)(A)) is amended by striking the comma after "term,".

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. SUPPORT FOR SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION.

(a) **GENERAL AUTHORITY.**—In recognition of the importance of science, mathematics, and engineering to the national security and in order to encourage students to pursue studies in science, mathematics, and engineering, the Director of Central intelligence may carry out a program in fiscal years 1994 and 1995 to award cash prizes and visits to the Central Intelligence Agency (including the payment of costs associated with such visits) for students who participate in high school science fairs within the United States.

(b) **MERIT.**—Awards made under subsection (a) shall be made solely on the basis of merit.

(c) **EQUITABLE REGIONAL REPRESENTATION.**—The Director shall ensure that there is equitable regional representation with respect to the program carried out under subsection (a).

(d) **LIMITATION ON EXPENDITURES.**—The Director may not expend more than \$5,000 for each of the fiscal years 1994 and 1995 to carry out this section.

TITLE V—ADDITIONAL TECHNICAL AMENDMENTS

SEC. 501. CENTRAL INTELLIGENCE AGENCY ACT OF 1949.

The Central Intelligence Agency Act of 1949 is amended—

(1) in section 5(a) (50 U.S.C. 403f(a))—

(A) by striking "Bureau of the Budget" and inserting in lieu thereof "Office of Management and Budget"; and

(B) by striking "sections 102 and 303 of the National Security Act of 1947 (Public Law 253, Eightieth Congress" in the first sentence and inserting in lieu thereof "subpara-

graphs (B) and (C) of section 102(a)(2), subsections (c)(5) and (d) of section 103, subsections (a) and (g) of section 104, and section 303 of the National Security Act of 1947 (50 U.S.C. 403(a)(2), 403-3, 403-4, and 405);

(2) in the first sentence of section 6 (50 U.S.C. 403g)—

(A) by striking “the proviso of section 102(d)(3) of the National Security Act of 1947 (Public Law 253, Eightieth Congress, first session)” and inserting in lieu thereof “section 103(c)(5) of the National Security Act of 1947 (50 U.S.C. 403-3(c)(5))”; and

(B) by striking “Bureau of the Budget” and inserting in lieu thereof “Office of Management and Budget”; and

(3) in section 19(b) (50 U.S.C. 403s(b))—

(A) by striking “SECTION 231” in the heading after “(b)” and inserting in lieu thereof “SECTION 232”; and

(B) by striking “(50 U.S.C. 403 note)” in paragraph (2) and inserting in lieu thereof “(50 U.S.C. 2013)”; and

(C) by striking “section 231” in the matter following paragraph (4) and inserting in lieu thereof “section 232”.

SEC. 502. NATIONAL SECURITY ACT OF 1947.

Section 103(d)(3) of the National Security Act of 1947 (50 U.S.C. 403-3(d)(3)) is amended by striking “providing” and inserting in lieu thereof “provide”.

SEC. 503. CODIFICATION IN TITLE 10, UNITED STATES CODE, OF CERTAIN PERMANENT PROVISIONS.

(a) **INTELLIGENCE-RELATED PROVISIONS.**—(1) Chapter 21 of title 10, United States Code, is amended by inserting after section 424 the following new section:

“§ 425. Disclosure of personnel information: exemption for National Reconnaissance Office

“(a) **EXEMPTION FROM DISCLOSURE.**—Except as required by the President or as provided in subsection (b), no provision of law shall be construed to require the disclosure of the name, title, or salary of any person employed by, or assigned or detailed to, the National Reconnaissance Office or the disclosure of the number of such persons.

“(b) **PROVISION OF INFORMATION TO CONGRESS.**—Subsection (a) does not apply with respect to the provision of information to Congress.”

(2) The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following new item:

“425. Disclosure of personnel information: exemption for National Reconnaissance Office.”

(b) **CONFORMING REPEAL.**—Section 406 of the Intelligence Authorization Act for Fiscal Year 1993 (Public Law 102-496; 10 U.S.C. 424 note) is repealed.

And the Senate agree to the same.

From the Permanent Select Committee on Intelligence, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

DAN GLICKMAN,
BILL RICHARDSON,

NORMAN D. DICKS,
 JULIAN C. DIXON,
 ROBERT G. TORRICELLI,
 RONALD D. COLEMAN,
 DAVID E. SKAGGS,
 JAMES H. BILBRAY,
 NANCY PELOSI,
 GREG LAUGHLIN,
 BUD CRAMER,
 JACK REED,
 LARRY COMBEST,
 DOUG BEREUTER,
 R.K. DORNAN,
 BILL YOUNG,
 GEORGE W. GEKAS,
 JAMES V. HANSEN,
 JERRY LEWIS,

From the Committee on Armed Services, for consideration
 of defense tactical intelligence and related activities:

RONALD V. DELLUMS,
 IKE SKELTON,
 FLOYD SPENCE,

Managers on the Part of the House.

From the Select Committee on Intelligence:

DENNIS DECONCINI,
 JOHN GLENN,
 BOB KERREY,
 RICHARD H. BRYAN,
 BOB GRAHAM,
 JOHN F. KERRY,
 MAX BAUCUS,
 J. BENNETT JOHNSTON,
 JOHN W. WARNER,
 ALFONSE D'AMATO,
 JOHN C. DANFORTH,
 SLADE GORTON,
 JOHN H. CHAFEE,
 TED STEVENS,
 RICHARD G. LUGAR,
 MALCOLM WALLOP,

From the Committee on Armed Services:

SAM NUNN,
 STROM THURMOND,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2330) to authorize appropriations for fiscal year 1994 for the 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, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—INTELLIGENCE ACTIVITIES

Due to the classified nature of intelligence and intelligence-related activities, a classified annex to this joint explanatory statement serves as a guide to the classified Schedule of Authorizations by providing a detailed description of program and budget authority contained therein as reported by the Committee of Conference.

The actions of the conferees on all matters at difference between the two Houses are shown below or in the classified annex to this joint statement.

A special conference group resolved differences between the House and Senate regarding DoD intelligence related activities, referred to as Tactical Intelligence and Related Activities (TIARA). This special conference group was necessitated by the differing committee jurisdictions of the intelligence committees of the House and the Senate, and consisted of members of the House and Senate Committees on Armed Services and the House Permanent Select Committee on Intelligence.

The amounts listed for TIARA programs represent the funding levels jointly agreed to by the TIARA conferees and the House and Senate conferees for the National Defense Authorization Act for Fiscal Year 1994. In addition, the TIARA conferees have agreed on the authorization level, as listed in the classified Schedule of Authorizations, the joint statement, and its classified annex, for TIARA programs which fall into the appropriations category of Military Pay.

SECTIONS 101 AND 102

Sections 101 and 102 of the conference report authorize appropriations for the intelligence and intelligence-related activities of the United States Government for fiscal year 1994 and establish personnel ceilings applicable to such activities.

SECTION 103

Section 103 of the conference report authorizes the Director of Central Intelligence to make adjustments in personnel ceilings in certain circumstances. The intelligence committees are to be promptly notified whenever this authority is exercised.

The conferees emphasize that the authority conveyed by section 103 is not intended to permit the wholesale raising of personnel strength in any intelligence component. Rather, the section provides the Director of Central Intelligence with flexibility to adjust personnel levels temporarily for contingencies and for overages caused by an imbalance between hiring of new employees and attrition of current employees from retirement, resignation, or other means. The conferees do not expect the Director of Central Intelligence to allow heads of intelligence components to plan to exceed personnel levels set in the Schedule of Authorizations except for the satisfaction of clearly identified hiring needs which are consistent with the authorization of personnel strengths in this bill. In no case is this authority to be used to provide for positions denied by this Act.

SECTION 104

Section 104 of the conference report authorizes appropriations and personnel end-strengths for fiscal year 1994 for the Community Management Account. The Community Management Account consists of the Community Management Staff, the Center for Security Evaluation, the National Intelligence Council, the Advanced Research and Development Council, and the Environmental Task Force. The conference report authorizes \$113,800,000 and 222 personnel for the Community Management Account, to be used in connection with the performance of some of the tasks associated with the responsibilities the Director of Central Intelligence (DCI) has for the management of the intelligence community. The conferees agreed that the amounts authorized for the Advanced Research and Development Committee and the Environmental Task Force identified in the classified schedule of authorizations which is incorporated into the bill by reference shall remain available until September 30, 1995. As part of the Office of the Director of Central Intelligence, the Community Management Account is administered in a manner consistent with the provisions of the National Security Act of 1947 and the Central Intelligence Agency Act of 1949.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND
DISABILITY SYSTEM

SECTION 201

Section 201 of the conference report authorizes appropriations for fiscal year 1994 of \$182,300,000 for the Central Intelligence

Agency Retirement and Disability Fund. Section 201 is identical to section 201 of the House bill and section 201 of the Senate amendment.

SECTION 202

Section 202 of the conference report makes technical amendments to the Central Intelligence Agency Retirement Act (50 U.S.C. 2001 et seq.). The majority of the technical changes included in section 202 of the House bill and section 202 of the Senate amendment were identical. The conference report adopts the provisions of the Senate amendment in subsections (a)(4)(C), (a)(4)(D), (a)(11)(D), and (b). The conference report also follows the Senate amendment, except for technical drafting modifications, in subsections (a)(3) and (a)(11)(A). Subsection (a)(5)(C) of the conference report clarifies that payment of a surviving spouse's additional survivor annuity terminates upon the surviving spouse's death or remarriage before age 55, in the same manner as a former spouse's additional survivor annuity terminates.

SECTION 203

Section 203 of the conference report authorizes retirement annuities, survivor annuities, and access to health insurance benefits for certain ex-spouses of participants in the Central Intelligence Agency Retirement and Disability System (CIARDS). Section 203 would allow certain ex-spouses of participants in CIARDS who, on or before December 4, 1991, did not qualify as a former spouse because they failed to spend five years outside of the United States with the participant, to qualify for retirement, survivor, and other benefits available to a qualified former spouse starting on October 1, 1994. Section 203 is identical to section 203 of the House bill. The Senate amendment did not contain a similar provision.

SECTION 204

Section 204 of the conference report corrects references to the Central Intelligence Agency Retirement Act found in the Intelligence Authorization Act, Fiscal Year 1990, the Foreign Service Act of 1980, the Internal Revenue Code of 1986, and the Social Security Act. Section 204 is identical to section 204 of the House bill. The Senate amendment did not include a similar provision.

TITLE III—GENERAL PROVISIONS

SECTION 301

Section 301 of the conference report provides that appropriations authorized by the conference report 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 compensation or benefits authorized by law. Section 301 is identical to section 301 of the House bill and to section 301 of the Senate amendment.

SECTION 302

Section 302 of the conference report provides that the authorization of appropriations by the conference report shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States. Section 302 is identical to section 302 of the House bill and to section 302 of the Senate amendment.

SECTION 303

Section 303 of the conference report provides that employees of the FBI Field Division in New York who were receiving certain retention payments as part of a "demonstration project" authorized pursuant to the Intelligence Authorization Act for Fiscal Year 1989 will not suffer a loss in pay as a result of the termination of that project. Section 303 is identical to section 303 of the Senate amendment except for technical drafting changes. The House bill contained no similar provision.

Pursuant to authority contained in the Intelligence Authorization Act for Fiscal Year 1989, a five year demonstration project was established in the FBI Field Division in New York whereby employees assigned to that division received a one-time payment to relocate to the New York office and thereafter received periodic payments of up to 25 percent of their basic pay so long as their assignment to the division continued. The demonstration project terminated on September 29, 1993.

The Department of Justice and Office of Personnel Management recently concluded that in the absence of new legislation, the payments being made under the demonstration project had to terminate on the date the project itself terminated, i.e., September 29, 1993.

In order to avoid what in some cases would be a considerable loss of pay, the Administration requested that the Congress provide authority to continue the payments under the project to those who have been receiving them. Section 303 provides such authority; however, in the interests of fairness, it also provides that the basic pay of such employees shall not rise in the future until the level of payments being made under the demonstration project has been surpassed as a result of incremental increases in the compensation of the employees concerned.

Section 303 shall take effect as of September 30, 1993, the day after the demonstration project terminated and applies to the pay of affected employees that is earned on or after that date.

SECTION 304

Section 304 of the conference report requires the Director of Central Intelligence to submit an unclassified report to Congress annually on the activities of the intelligence community. The report is to be submitted with the President's budget submission for the next fiscal year, and is to describe the community's successes and failures for the preceding fiscal year as well as highlighting the areas of the world and the issues which will require particular attention in the next fiscal year. Section 304 is identical to section

304 of the House bill. The Senate amendment did not contain a similar provision.

SECTION 305

Section 305 of the conference report notes that there are two reviews relating to the protection of national security information underway in the executive branch, one being conducted by the Director of the Information Security Oversight Office and the other being conducted jointly by the Secretary of Defense and the Director of Central Intelligence. Section 305 expresses the sense of Congress that the officials responsible for conducting the reviews should do so in maximum consultation with each other and that the results of the reviews should be incorporated into a consolidated recommendation for the President. The section is not intended to delay the promulgation of a new executive order on the protection of national security information. Section 305 is identical to section 305 of the House bill. The Senate amendment did not contain a similar provision.

SECTION 306

Section 306 of the House bill expressed the sense of Congress that the President should establish a National Task Force on Counterterrorism to review all counterterrorism activities of the intelligence community. The Task Force was to prepare a report which, among other things, was to: assess the processing, analysis, and distribution of intelligence on terrorism and make recommendations for improvement; assess the coordination among law enforcement, intelligence and defense agencies involved in counterterrorism activities and make recommendations for improvement; and make recommendations on appropriate national policies, both preventive and reactive, to counter terrorism. The Senate amendment did not contain a similar provision.

The conferees agreed that a report on counterterrorism activities would be beneficial, but did not agree that it was necessary to create a commission to produce the report. Accordingly, section 306 provides that the Secretary of State, the Attorney General, and the Director of Central Intelligence shall jointly submit to the Congress, not later than May 1, 1994, a report on United States Government programs to counter terrorism. With the exception of a definition of domestic and international terrorism, which is not required, the report should address substantially the same issues as would have been covered in the report required in section 306 of the House bill.

SECTION 307

Section 307 of the conference report requires a joint report from the Director of Central Intelligence and the Secretary of Defense to the appropriate committees of the Congress by February 15, 1994, identifying gaps in U.S. information needs and the intelligence collection capabilities of the United States available to satisfy them. The joint report will also include actions recommended to eliminate or close such gaps in order to satisfy the requirements of both civilian policymakers and military commanders in the field.

Section 307 is identical to section 304 of the Senate amendment. The House bill contained no similar provision.

SECTION 308

Section 308 reflects the conferees' agreement on matters contained in sections 604 through 606 of the House bill. The Senate amendment contained no similar provisions.

Section 604 of the House bill prohibited the expenditure of any funds authorized pursuant to the Intelligence Authorization Act for Fiscal Year 1994 (the Act) by an entity unless the entity agreed that the expenditures would comply with relevant provisions of the "Buy American Act." Section 605 expressed the sense of Congress that entities expending funds authorized by the Act should purchase only American-made equipment and products, and that the Director of Central Intelligence should provide entities expending funds authorized by the Act with notice of the sense of Congress. Section 606 prohibited the award of any contract or subcontract paid for with funds authorized pursuant to the Act to any person finally determined by a court or Federal agency to have intentionally affixed a label to a product indicating that it was made in the United States when that was not the case. The prohibition would only apply if such person had been debarred, suspended, or otherwise determined to be ineligible to contract with the Federal government pursuant to applicable regulations.

The conferees were aware that the intelligence community is already covered by Federal Acquisition Regulations which embody the requirements of the Buy America Act. In agencies like the CIA, existing policy is to procure products from United States firms except in circumstances where the product sought is not produced domestically or the product has to be procured overseas for security reasons. Accordingly, the conferees agreed to section 308 of the conference report which expresses the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community should award contracts in a manner that would maximize the procurement of products produced in the United States, when such action is compatible with the national security interests of the United States, consistent with operational and security concerns, and fiscally sound.

SECTION 309

Section 309 of the conference report amends section 307 of the National Security Act of 1947, which provides a general authorization for any funds "necessary and appropriate to carry out the provisions and purposes" of the Act, to make explicit in law what is already clear, that such a general authorization does not satisfy the requirements of the Act that funding for intelligence and intelligence-related activities has been "specifically authorized by Congress."

Section 309 is identical to section 305(a) of the Senate amendment. The House bill did not contain a similar provision.

SECTION 310

Section 310 of the conference report ratifies a previous transaction concerning obligation of certain funds for the Accelerated Architecture Acquisition Initiative of the Plan to Improve Imagery Ground Architecture, which was notified by the Director of Central Intelligence to the appropriate committees of the Congress on August 16, 1993. Section 310 would deem the funds involved in this transaction to have been specifically authorized by Congress for purposes of section 504(a)(3) of the National Security Act of 1947.

Section 310 is identical to section 305(b) of the Senate amendment. The House bill contained no similar provision.

SECTION 311

Section 311 of the conference report reflects the conferees' resolution of issues concerning the National Security Education Act of 1991 (the Act). Section 303 of the House bill would have repealed the Act in its entirety and would have returned the amounts remaining in the National Security Education Trust Fund (the Trust Fund) to the Treasury. Section 502 of the Senate amendment would have repealed subsection 804(b)(2) of the Act which requires an authorization to either appropriate amounts to, or obligate amounts from, the Trust Fund. The Senate amendment also contained a provision authorizing the Secretary of Defense to accept donations to the Trust Fund.

The conferees agreed to reduce the Trust Fund by the amount in excess of \$120 million that is not appropriated as of the date of enactment of the Intelligence Authorization Act for Fiscal Year 1994. Such amount shall be transferred to the Treasury as miscellaneous receipts. The conferees do not intend that funds appropriated from the Trust Fund but not yet obligated as of the date of enactment of the Intelligence Authorization Act for Fiscal Year 1994 shall be transferred to the Treasury as miscellaneous receipts.

One of the purposes of the Act is to produce an increased pool of applicants for work in the departments and agencies of the United States Government with national security responsibilities. The conferees thus agreed to amend the Act to specify that the Secretary of Defense, in preparing the annual report required by the Act, shall consult with the government members of the National Security Education Board (which includes the Director of Central Intelligence) to obtain an assessment of the hiring needs of each of the agencies concerned in the area of language and area studies, and a projection of deficiencies in these areas. The assessments shall be reported to the President and the Congress as part of the annual report made by the Secretary. The conferees expect that these assessments will form the basis for the awarding of assistance under the National Security Education Act programs.

The conferees further note that the Secretary is to award scholarships for studies in countries which are not emphasized in other study abroad programs, and fellowships and grants in foreign language and area studies disciplines in which there are deficiencies in learning or training. Since most study abroad programs for undergraduates now operate in certain Western European countries, the conferees expect that these countries will not

be the countries where undergraduates will receive scholarships for study. In addition, the conferees believe that French, German and Spanish are not languages in which there is a deficiency in learning or training, and thus expect that there would be no fellowships or institutional grants in these languages unless funding for them is explicitly recommended by the National Security Education Board.

The conferees further agreed that amounts appropriated from the Trust fund for fiscal years 1993 and 1994 shall remain available until expended. Finally, the conferees agreed that amounts authorized to be appropriated from the Trust Fund during fiscal years 1995 and 1996 shall not exceed the amounts of interest credited to the Trust Fund for the preceding fiscal year.

The conferees note that a provision in the National Defense Authorization Act for Fiscal Year 1994 repeals the requirement in section 804 of the Act that no amount may be appropriated to, or obligated from, the Trust Fund unless authorized by law. Authorizations for appropriations from the Trust Fund for fiscal years 1995 and 1996 are provided by the conference report and the conferees intend to examine the advisability of reinstating an authorization requirement in the law before those authorizations expire.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SECTION 401

Section 401 of the House bill authorized the Director of Central Intelligence to carry out a program to award cash prizes to students who participate in high school science fairs within the United States. The Senate amendment did not contain a similar provision.

The conferees agreed to the House provision with several modifications. First, the conferees agreed to authorize the conduct of the program only for fiscal years 1994 and 1995, during which time its implementation is to be carefully examined by the committees. In addition, the conferees agreed to limit expenditures on the program to not more than five thousand dollars during each of the two fiscal years for which it was authorized. Finally, the conferees agreed that awards under the program are to be made solely on the basis of merit and are to be equitably distributed on a regional basis throughout the United States.

It is the intent of the conferees that the program not serve as a recruiting tool or incentive for the Central Intelligence Agency or any other element of the United States intelligence community.

TITLE V—ADDITIONAL TECHNICAL AMENDMENTS

SECTION 501

Section 501 of the conference report makes conforming amendments to the Central Intelligence Agency Act of 1949 to reflect changes in the National Security Act of 1947 made by the Intelligence Organization Act of 1992 (Title VII of Public Law 102-496). Section 501 follows, with certain technical drafting changes, section 601 of the House bill and section 402 of the Senate amendment.

SECTION 502

Section 502 of the conference report corrects a technical drafting error in the National Security Act of 1947 (50 U.S.C. 403-3(d)(3)). Section 502 is identical to section 602 of the House bill and similar to section 402(b) of the Senate amendment.

SECTION 503

Section 503 of the conference report codifies section 425 of title 10, United States Code, and makes the conforming repeal. Section 503 is identical to section 503 of the House bill. The Senate amendment did not include a similar provision.

REPORT ON INSPECTORS GENERAL WITHIN THE INTELLIGENCE
COMMUNITY

The conferees note that the reports accompanying the House and Senate authorization bills each included a requirement for a report relating to the performance of inspectors general within the intelligence community. The Senate report focused on the performance of "non-statutory" inspectors general of intelligence elements within the Department of Defense. The House report focused upon intelligence programs for which both the Director of Central Intelligence and the Secretary of Defense have responsibilities. These may not be adequately covered either by the Inspector General of the CIA, or by a "non-statutory" Inspector General of a DoD intelligence element.

The conferees agreed to modify the reporting requirements of both Houses by calling for a single joint report to be submitted by the Director of Central Intelligence and the Secretary of Defense to each committee no later than April 1, 1994. Such report shall, at a minimum, contain:

(1) With respect to the "non-statutory" inspectors general at the Defense Intelligence Agency, National Security Agency, and National Reconnaissance Office: (a) a detailed description of the activities undertaken by each inspector general (IG) during calendar year 1993, including any significant actions taken by the respective agencies as a result of an IG audit, inspection, or investigation; (b) a breakdown of the personnel assigned to each IG office for the last three years; (c) an assessment of the performance of each IG office for the last three years; and (d) recommended actions to improve the effectiveness of the IGs concerned.

(2) With respect to the Inspector General of the Department of Defense (DoD IG): (a) a summary of the activities of that office with respect to DoD intelligence components over the past three years, including any significant actions taken by the intelligence components as a result of a DoD IG audit, inspection, or investigation; (b) a description of the DoD IG's role vis-a-vis DoD intelligence components; (c) a description of the DoD IG's role vis-a-vis the Assistant to the Secretary of Defense for Intelligence Oversight; and (d) an assessment of whether the role of the DoD IG vis-a-vis DoD intelligence components or the Assistant to the Secretary of Defense for Intelligence Oversight should be altered.

(3) With respect to intelligence programs for which both the Director of Central Intelligence (DCI) and the Secretary of Defense

have responsibilities: (a) an identification of such programs and the office which performs inspector general functions for each program identified; (b) a description of the IG activities performed with regard to each such program over the last year; and (c) recommended actions to improve the effectiveness of the inspector general function for such programs.

PERSONNEL MATTERS

The conferees wish to make clear as a matter of public record that the personnel actions reflected in the conference report (including the classified schedule of authorizations incorporated by reference in it) do not change the overall level of personnel reductions heretofore mandated by the Congress. Thus, the requirement to achieve an overall reduction of 17.5 percent in intelligence community personnel from fiscal year 1991 levels by the end of fiscal year 1997 is in no way affected by this Act.

The conferees express their strong interest in and concerns for ensuring that the intelligence community provides equal opportunity for all of its employees. The conferees were therefore disturbed by recent allegations of job hiring and personnel promotion discrimination against women and minorities at the National Security Agency (NSA). The conferees fully support the ongoing Department of Defense Inspector General investigation of these allegations and note that the Director, NSA, has publicly pledged to cooperate fully in this matter.

PROVISIONS NOT INCLUDED IN THE CONFERENCE REPORT

DISCLOSURE OF CLASSIFIED INFORMATION BY MEMBERS OF CONGRESS AND EXECUTIVE BRANCH OFFICERS AND EMPLOYEES

Section 307 of the House bill would have prohibited, during fiscal year 1994, any element of the United States Government for which funds are authorized by the Intelligence Authorization Act for Fiscal Year 1994 from providing any classified information derived from that element's intelligence or intelligence-related activities to a Member of Congress or to an officer or employee of the executive branch until that Member, officer, or employee had signed an oath of secrecy and the oath had been published in the Congressional Record. The Senate amendment did not contain a similar provision. The House recedes.

REPORTING ON INTELLIGENCE ACTIVITIES OTHER THAN COVERT ACTIONS

Section 502 of the House bill would have amended section 502 of the National Security Act of 1947 (the Act) to explicitly include within the definition of the term "intelligence activity" any deployment of military intelligence personnel serving in clandestine intelligence collection units. The Senate amendment did not contain a similar provision.

Section 502 of the House bill was a response to past occasions in which the House committee was not kept informed of the deployment for intelligence collection and related purposes of a particular military unit. When these occasions arose, some Department of De-

fense officials asserted that the deployments were not among the intelligence activities about which the Act required that Congress be notified. It is clear as a matter of law that the activities of the unit are intelligence activities subject to Title V of the Act.

On November 8, 1993, Assistant Secretary of Defense Emmett Paige, Jr. provided written assurances to the intelligence committees that the Department of Defense recognizes that the activities of the military unit in question are intelligence activities for the purposes of the reporting requirements of the Act. The text of Assistant Secretary Paige's letter, which was classified, appears in the classified annex to this joint explanatory statement. In light of the official acknowledgement that the activities of the unit are intelligence activities subject to Title V of the Act, the conferees agreed to exclude section 502 of the House bill from the conference report.

DISCLOSURE OF THE ANNUAL INTELLIGENCE BUDGET TOTAL

Section 306 of the Senate amendment expressed the sense of the Congress that, in each year, the aggregate amount requested and authorized for, and spent on, intelligence and intelligence-related activities should be disclosed to the public in an appropriate manner. The House bill contained no comparable provision.

The conferees note that in 1991, the Senate passed the Intelligence Authorization Act for Fiscal Year 1992 with a provision to require annual disclosure of the aggregate intelligence budget figure. The Committee of Conference on that bill substituted "sense of the Congress" language that, beginning in 1993 and each year thereafter, "the aggregate amount requested and authorized for, and spent on, intelligence and intelligence-related activities should be disclosed to the public in an appropriate manner."

Similar "sense of the Congress" language was also enacted by Congress the following year as part of the Intelligence Authorization Act for Fiscal Year 1993.

This year the Senate adopted a floor amendment to the FY 1994 bill which embodied essentially the same "sense of the Congress" language that had been enacted by the Congress the two previous years. This amendment was approved on two separate votes, by margins of 51-49 (defeating a motion to table) and 52-48 (adopting the amendment). Thus, while the amendment adopted by the Senate as a "sense of the Congress" was not legally binding upon the executive branch, it clearly expressed the sense of the Senate that the aggregate intelligence budget figure be disclosed to the public in an appropriate manner.

During the floor consideration of the House bill, an amendment was offered which would have required the public disclosure of the aggregate amounts requested and authorized for, and spent on, intelligence and intelligence-related activities. That amendment was rejected by a vote of 169-264. Although the mandatory language in the rejected House amendment clearly went beyond the "sense of the Congress" language in the Senate amendment, House conferees were of the view that, in light of the House vote, they could not agree to the inclusion in the conference report of the Senate's "sense of the Congress" provisions and therefore voted to insist on the House position. Nevertheless, the House conferees did state

their willingness to entertain bill language expressing the "sense of the Senate" (as opposed to "sense of the Congress" expressing the views of both Houses) in favor of disclosure of the aggregate intelligence budget figure, but Senate conferees opposed to disclosure prevented agreement to such modification of the Senate amendment on an evenly divided vote of the Senate conferees. To resolve the impasse, the Senate conferees ultimately agreed to recede to the position of the House.

The conferees intend to revisit the issue of public disclosure of the intelligence budget in 1994. The chairmen of the Senate and House committees have each agreed to hold hearings on this issue early in 1994 in preparation for thoroughly evaluating a provision to require disclosure of the aggregate intelligence budget figure which may be considered during preparation of the Intelligence Authorization Act for Fiscal Year 1995.

CONFIRMATION OF THE GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY

Section 401 of the Senate amendment would have established the CIA General Counsel as a Senate-confirmed Presidential appointee position. The House bill contained no comparable provision.

A majority of the Senate conferees believe that the CIA General Counsel position should be made a Senate-confirmed Presidential appointee position for the reasons set forth in Senate report 103-115.

The House conferees believe that hearings should be held in the House Permanent Select Committee on Intelligence on whether the CIA General Counsel position and other CIA positions should be made Senate-confirmed Presidential appointee positions.

As a matter of comity and without prejudice to its position on the matter, the Senate recedes to the House on Section 401, to allow the House the opportunity to conduct its hearings on the matter. The conferees expect that the matter will be addressed in the process of considering the Intelligence Authorization Act for Fiscal Year 1995.

FOREIGN LANGUAGE PROFICIENCY PAY FOR MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES

Section 501 of the Senate amendment provided the Secretaries of the Military Departments with authority to offer enhanced payments to members of military reserve components who qualify under the Foreign Language Proficiency Pay (FLPP) program. The House bill did not contain a similar provision.

The intelligence committees have long been concerned about the lack of adequate incentives to encourage active duty and reserve military linguists to maintain and increase their skills. The conferees are aware, however, that the National Defense Authorization Act for Fiscal Year 1994 contains a provision requiring the Secretary of Defense to devise and implement a test program to improve foreign language proficiency. An increase in proficiency pay will be evaluated as a part of this process. To give the results of the test program an opportunity to be fully evaluated, the conferees agreed to exclude from the conference report the enhanced author-

ity which would have been provided by section 501 of the Senate amendment.

FEDERAL BUREAU OF INVESTIGATION COUNTERINTELLIGENCE ACCESS
TO CONSUMER CREDIT RECORDS

Section 601 of the Senate amendment would have amended section 608 of the Fair Credit Reporting Act (15 U.S.C. 1681F) to grant the Federal Bureau of Investigation (FBI) access to consumer credit records in counterintelligence investigations. This provision would have provided a limited expansion of the FBI's existing authority in counterintelligence investigations to use a "National Security Letter," i.e. a written certification by the FBI Director or the Director's designee, to obtain certain information without a court order. The House bill did not contain a similar provision. The conferees are aware that a number of committees of the House of Representatives have an interest in any proposed expansion of the extraordinary authority provided by the "National Security Letter." As a matter of comity, the Senate receded to provide further time for the House committees to consider this matter.

From the Permanent Select Committee on Intelligence, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

DAN GLICKMAN,
BILL RICHARDSON,
NORMAN D. DICKS,
JULIAN C. DIXON,
ROBERT G. TORRICELLI,
RONALD D. COLEMAN,
DAVID E. SKAGGS,
JAMES H. BILBRAY,
NANCY PELOSI,
GREG LAUGHLIN,
BUD CRAMER,
JACK REED,
LARRY COMBEST,
DOUG BEREUTER,
R.K. DORNAN,
BILL YOUNG,
GEORGE W. GEKAS,
JAMES V. HANSEN,
JERRY LEWIS,

From the Committee on Armed Services, for consideration of defense tactical intelligence and related activities:

RONALD V. DELLUMS,
IKE SKELTON,
FLOYD SPENCE,

Managers on the Part of the House.

From the Select Committee on Intelligence:

DENNIS DECONCINI,
JOHN GLENN,
BOB KERREY,
RICHARD H. BRYAN,
BOB GRAHAM,

JOHN F. KERRY,
 MAX BAUCUS,
 J. BENNETT JOHNSTON,
 JOHN W. WARNER,
 ALFONSE D'AMATO,
 JOHN C. DANFORTH,
 SLADE GORTON,
 JOHN H. CHAFEE,
 TED STEVENS,
 RICHARD G. LUGAR,
 MALCOLM WALLOP,

From the Committee on Armed Services:

SAM NUNN,
 STROM THURMOND,

Managers on the Part of the Senate.

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