

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR
2007

APRIL 6, 2006.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. HOEKSTRA, from the Permanent Select Committee on
Intelligence, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 5020]

[Including cost estimate of the Congressional Budget Office]

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 5020) to authorize appropriations for fiscal year 2007 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, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 2007”.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.

Sec. 102. Classified Schedule of Authorizations.

Sec. 103. Personnel ceiling adjustments.

Sec. 104. Intelligence Community Management Account.

Sec. 105. Incorporation of reporting requirements.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—INTELLIGENCE AND GENERAL INTELLIGENCE COMMUNITY MATTERS

- Sec. 301. Increase in employee compensation and benefits authorized by law.
- Sec. 302. Restriction on conduct of intelligence Activities.
- Sec. 303. Clarification of definition of Intelligence Community under the National Security Act of 1947.
- Sec. 304. Delegation of authority for travel on common carriers for intelligence collection personnel.
- Sec. 305. Retention and use of amounts paid as debts to Elements of the Intelligence Community.
- Sec. 306. Availability of funds for travel and transportation of personal effects, household goods, and automobiles.
- Sec. 307. Purchases by elements of the intelligence community of products of federal prison industries.

TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

Subtitle A—Office of the Director of National Intelligence

- Sec. 401. Clarification of delegation of transfer or reprogramming authority.
- Sec. 402. Clarification of limitation on co-location of the Office of the Director of National Intelligence.
- Sec. 403. Additional duties of the Director of Science and Technology of the Office of the Director of National Intelligence.
- Sec. 404. Appointment and title of Chief Information Officer of the Intelligence Community.
- Sec. 405. Leadership and location of certain offices and officials.
- Sec. 406. Eligibility for incentive awards of personnel assigned to the Office of the Director of National Intelligence.
- Sec. 407. Repeal of certain authorities relating to the Office of the national counterintelligence Executive.
- Sec. 408. Membership of the Director of National Intelligence on the transportation security oversight Board.
- Sec. 409. Temporary inapplicability to the Office of the Director of National Intelligence of certain financial reporting requirements.
- Sec. 410. Comprehensive inventory of special access programs.
- Sec. 411. Sense of Congress on multi-level security clearances.
- Sec. 412. Access to information by staff and members of the congressional intelligence committees.
- Sec. 413. Study on revoking pensions of persons who commit unauthorized disclosures of classified information.

Subtitle B—Central Intelligence Agency

- Sec. 421. Enhanced protection of Central Intelligence Agency intelligence sources and methods from unauthorized disclosure.
- Sec. 422. Additional exception to foreign language proficiency requirement for certain senior level positions in the Central Intelligence Agency.
- Sec. 423. Additional functions and authorities for protective personnel of the central intelligence agency.
- Sec. 424. Protective services for former officials of the intelligence community.
- Sec. 425. Strategic review process.

Subtitle C—Defense Intelligence Components

- Sec. 431. Enhancements of National Security Agency training Program.
- Sec. 432. Codification of authorities of national security agency protective personnel.

Subtitle D—Other Elements

- Sec. 441. Clarification of inclusion of Coast Guard and Drug Enforcement Administration elements in the Intelligence Community.
- Sec. 442. Clarifying amendments relating to Section 105 of the Intelligence Authorization Act for Fiscal Year 2004.

TITLE V—OTHER MATTERS

- Sec. 501. Aerial reconnaissance platforms.
- Sec. 502. Elimination of certain reporting requirements.
- Sec. 503. Technical amendments to the National Security Act of 1947.
- Sec. 504. Technical clarification of certain references to joint military intelligence Program and tactical intelligence and related Activities.
- Sec. 505. Technical amendments to the Intelligence Reform and Terrorism Prevention Act of 2004.
- Sec. 506. Technical amendment to the Central Intelligence Agency Act of 1949.
- Sec. 507. Technical amendments relating to the multiyear National Intelligence Program.
- Sec. 508. Technical amendments to the Executive Schedule.
- Sec. 509. Technical amendments relating to redesignation of the National Imagery and Mapping Agency as the national Geospatial-Intelligence Agency.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2007 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Office of the Director of National Intelligence.
- (2) The Central Intelligence Agency.
- (3) The Department of Defense.
- (4) The Defense Intelligence Agency.
- (5) The National Security Agency.
- (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 Department of Justice.
- (11) The Federal Bureau of Investigation.

- (12) The National Reconnaissance Office.
- (13) The National Geospatial-Intelligence Agency.
- (14) The Coast Guard.
- (15) The Department of Homeland Security.
- (16) The Drug Enforcement Administration.

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, 2007, 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. 5020 of the One Hundred Ninth Congress.

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

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of National Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2007 under section 102 when the Director of National Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed 2 percent of the number of civilian personnel authorized under such section for such element.

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

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Intelligence Community Management Account of the Director of National Intelligence for fiscal year 2007 the sum of \$990,000,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for advanced research and development shall remain available until September 30, 2008.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Intelligence Community Management Account of the Director of National Intelligence are authorized 1,539 full-time personnel as of September 30, 2007. Personnel serving in such elements may be permanent employees of the Intelligence Community Management Account or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are also authorized to be appropriated for the Intelligence Community Management Account for fiscal year 2007 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts for research and development shall remain available until September 30, 2007.

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2007, there are also authorized such additional personnel for such elements as of that date as are specified in the classified Schedule of Authorizations.

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year 2007 any officer or employee of the United States or a member of the Armed Forces who is detailed to the staff of the Intelligence Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year as the Director of National Intelligence considers necessary.

SEC. 105. INCORPORATION OF REPORTING REQUIREMENTS.

(a) **IN GENERAL.**—Each requirement to submit a report to the congressional intelligence committees that is included in the joint explanatory statement to accompany the conference report on the bill H.R. 5020 of the One Hundred Ninth Congress, or in the classified annex to this Act, is hereby incorporated into this Act, and is hereby made a requirement in law.

(b) **CONGRESSIONAL INTELLIGENCE COMMITTEES DEFINED.**—In this section, the term “congressional intelligence committees” means—

- (1) the Select Committee on Intelligence of the Senate; and
- (2) the Permanent Select Committee on Intelligence of the House of Representatives.

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 2007 the sum of \$256,400,000.

TITLE III—INTELLIGENCE AND GENERAL INTELLIGENCE COMMUNITY MATTERS

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

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

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

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

SEC. 303. CLARIFICATION OF DEFINITION OF INTELLIGENCE COMMUNITY UNDER THE NATIONAL SECURITY ACT OF 1947.

Subparagraph (L) of section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)) is amended by striking “other” the second place it appears.

SEC. 304. DELEGATION OF AUTHORITY FOR TRAVEL ON COMMON CARRIERS FOR INTELLIGENCE COLLECTION PERSONNEL.

(a) **DELEGATION OF AUTHORITY.**—Section 116(b) of the National Security Act of 1947 (50 U.S.C. 404k(b)) is amended—

- (1) by inserting “(1)” before “The Director”;
- (2) in paragraph (1), by striking “may only delegate” and all that follows and inserting “may delegate the authority in subsection (a) to the head of any other element of the intelligence community.”; and
- (3) by adding at the end the following new paragraph:

“(2) The head of an element of the intelligence community to whom the authority in subsection (a) is delegated pursuant to paragraph (1) may further delegate such authority to such senior officials of such element as are specified in guidelines prescribed by the Director of National Intelligence for purposes of this paragraph.”.

(b) **SUBMITTAL OF GUIDELINES TO CONGRESS.**—Not later than six months after the date of the enactment of this Act, the Director of National Intelligence shall prescribe and submit to the congressional intelligence committees the guidelines referred to in paragraph (2) of section 116(b) of the National Security Act of 1947, as added by subsection (a).

(c) **CONGRESSIONAL INTELLIGENCE COMMITTEES DEFINED.**—In this section, the term “congressional intelligence committees” means—

- (1) the Select Committee on Intelligence of the Senate; and
- (2) the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 305. RETENTION AND USE OF AMOUNTS PAID AS DEBTS TO ELEMENTS OF THE INTELLIGENCE COMMUNITY.

(a) **IN GENERAL.**—Title XI of the National Security Act of 1947 (50 U.S.C. 442 et seq.) is amended by adding at the end the following new section:

“RETENTION AND USE OF AMOUNTS PAID AS DEBTS TO ELEMENTS OF THE INTELLIGENCE
COMMUNITY

“SEC. 1103. (a) **AUTHORITY TO RETAIN AMOUNTS PAID.**—Notwithstanding section 3302 of title 31, United States Code, or any other provision of law, the head of an element of the intelligence community may retain amounts paid or reimbursed to the United States, including amounts paid by an employee of the Federal Government from personal funds, for repayment of a debt owed to the element of the intelligence community.

“(b) **CREDITING OF AMOUNTS RETAINED.**—(1) Amounts retained under subsection (a) shall be credited to the current appropriation or account from which such funds were derived or whose expenditure formed the basis for the underlying activity from which the debt concerned arose.

“(2) Amounts credited to an appropriation or account under paragraph (1) shall be merged with amounts in such appropriation or account, and shall be available in accordance with subsection (c).

“(c) **AVAILABILITY OF AMOUNTS.**—Amounts credited to an appropriation or account under subsection (b) with respect to a debt owed to an element of the intelligence community shall be available to the head of such element, for such time as is applicable to amounts in such appropriation or account, or such longer time as may be provided by law, for purposes as follows:

“(1) In the case of a debt arising from lost or damaged property of such element, the repair of such property or the replacement of such property with alternative property that will perform the same or similar functions as such property.

“(2) The funding of any other activities authorized to be funded by such appropriation or account.

“(d) **DEBT OWED TO AN ELEMENT OF THE INTELLIGENCE COMMUNITY DEFINED.**—In this section, the term ‘debt owed to an element of the intelligence community’ means any of the following:

“(1) A debt owed to an element of the intelligence community by an employee or former employee of such element for the negligent or willful loss of or damage to property of such element that was procured by such element using appropriated funds.

“(2) A debt owed to an element of the intelligence community by an employee or former employee of such element as repayment for default on the terms and conditions associated with a scholarship, fellowship, or other educational assistance provided to such individual by such element, whether in exchange for future services or otherwise, using appropriated funds.

“(3) Any other debt or repayment owed to an element of the intelligence community by a private person or entity by reason of the negligent or willful action of such person or entity, as determined by a court of competent jurisdiction or in a lawful administrative proceeding.”.

(b) **CLERICAL AMENDMENT.**—The table of contents in the first section of that Act is amended by adding at the end the following new item:

“Sec. 1103. Retention and use of amounts paid as debts to elements of the intelligence community.”.

SEC. 306. AVAILABILITY OF FUNDS FOR TRAVEL AND TRANSPORTATION OF PERSONAL EFFECTS, HOUSEHOLD GOODS, AND AUTOMOBILES.

(a) **FUNDS OF OFFICE OF DIRECTOR OF NATIONAL INTELLIGENCE.**—Funds appropriated to the Office of the Director of National Intelligence and available for travel and transportation expenses shall be available for such expenses when any part of the travel or transportation concerned begins in a fiscal year pursuant to travel orders issued in such fiscal year, notwithstanding that such travel or transportation is or may not be completed during such fiscal year.

(b) **FUNDS OF CENTRAL INTELLIGENCE AGENCY.**—Funds appropriated to the Central Intelligence Agency and available for travel and transportation expenses shall be available for such expenses when any part of the travel or transportation concerned begins in a fiscal year pursuant to travel orders issued in such fiscal year, notwithstanding that such travel or transportation is or may not be completed during such fiscal year.

(c) **TRAVEL AND TRANSPORTATION EXPENSES DEFINED.**—In this section, the term “travel and transportation expenses” means the following:

(1) Expenses in connection with travel of personnel, including travel of dependents.

(2) Expenses in connection with transportation of personal effects, household goods, or automobiles of personnel.

SEC. 307. PURCHASES BY ELEMENTS OF THE INTELLIGENCE COMMUNITY OF PRODUCTS OF FEDERAL PRISON INDUSTRIES.

Section 404 of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108–177; 117 Stat. 2632) is amended—

- (1) by striking “by the Central Intelligence Agency” and inserting “by an element of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)))”; and
- (2) by striking “the Director of the Central Intelligence Agency determines that the product or service” and inserting “the head of that element determines that the product or service (including a surveying or mapping service)”.

TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

Subtitle A—Office of the Director of National Intelligence

SEC. 401. CLARIFICATION OF DELEGATION OF TRANSFER OR REPROGRAMMING AUTHORITY.

Section 102A(d)(5)(B) of the National Security Act of 1947 (50 U.S.C. 403–1(d)(5)(B)), as added by section 1011(a) of the National Security Intelligence Reform Act of 2004 (title I of Public Law 108–458; 118 Stat. 3643), is amended in the second sentence by striking “or agency involved” and inserting “involved or the Director of the Central Intelligence Agency (in the case of the Central Intelligence Agency)”.

SEC. 402. CLARIFICATION OF LIMITATION ON CO-LOCATION OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

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

- (1) in the heading, by striking “WITH” and inserting “OF HEADQUARTERS WITH HEADQUARTERS OF”;
- (2) by inserting “the headquarters of” before “the Office”; and
- (3) by striking “any other element” and inserting “the headquarters of any other element”.

SEC. 403. ADDITIONAL DUTIES OF THE DIRECTOR OF SCIENCE AND TECHNOLOGY OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) COORDINATION AND PRIORITIZATION OF RESEARCH CONDUCTED BY ELEMENTS OF INTELLIGENCE COMMUNITY.—Subsection (d) of section 103E of the National Security Act of 1947 (50 U.S.C. 403–3e) is amended—

- (1) in paragraph (3)(A), by inserting “and prioritize” after “coordinate”; and
- (2) by adding at the end the following new paragraph:

“(4) In carrying out paragraph (3)(A), the Committee shall identify basic, advanced, and applied research programs to be carried out by elements of the intelligence community.”.

(b) DEVELOPMENT OF TECHNOLOGY GOALS.—Such section is further amended—

- (1) in subsection (c)—
 - (A) in paragraph (4), by striking “and” at the end;
 - (B) by redesignating paragraph (5) as paragraph (6); and
 - (C) by inserting after paragraph (4) the following new paragraph:

“(5) assist the Director in establishing goals for the elements of the intelligence community to meet the technology needs of the intelligence community; and”;
- (2) by adding at the end the following new subsection:

“(e) GOALS FOR TECHNOLOGY NEEDS OF INTELLIGENCE COMMUNITY.—In carrying out subsection (c)(5), the Director of Science and Technology shall—

- “(1) systematically identify and assess the most significant intelligence challenges that require technical solutions; and
 - “(2) examine options to enhance the responsiveness of research and design programs of elements of the intelligence community to meet the requirements of the intelligence community for timely support.”.
- (c) REPORT.—(1) Not later than June 30, 2007, the Director of National Intelligence shall submit to Congress a report containing a strategy for the development and use of technology in the intelligence community through 2021.
- (2) The report shall include—

- (A) an assessment of the highest priority intelligence gaps across the intelligence community that may be resolved by the use of technology;

(B) goals for advanced research and development and a strategy to achieve such goals;

(C) an explanation of how each advanced research and development project funded under the National Intelligence Program addresses an identified intelligence gap;

(D) a list of all current and projected research and development projects by research type (basic, advanced, or applied) with estimated funding levels, estimated initiation dates, and estimated completion dates; and

(E) a plan to incorporate technology from research and development projects into National Intelligence Program acquisition programs.

(3) The report may be submitted in classified form.

SEC. 404. APPOINTMENT AND TITLE OF CHIEF INFORMATION OFFICER OF THE INTELLIGENCE COMMUNITY.

(a) APPOINTMENT.—

(1) IN GENERAL.—Subsection (a) of section 103G of the National Security Act of 1947 (50 U.S.C. 403–3g) is amended by striking “the President, by and with the advice and consent of the Senate” and inserting “the Director of National Intelligence”.

(2) APPLICABILITY.—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act, and shall apply with respect to any nomination of an individual as Chief Information Officer of the Intelligence Community that is made on or after that date.

(b) TITLE.—Such section is further amended—

(1) in subsection (a), by inserting “of the Intelligence Community” after “Chief Information Officer”;

(2) in subsection (b), by inserting “of the Intelligence Community” after “Chief Information Officer”;

(3) in subsection (c), by inserting “of the Intelligence Community” after “Chief Information Officer”; and

(4) in subsection (d), by inserting “of the Intelligence Community” after “Chief Information Officer”.

SEC. 405. LEADERSHIP AND LOCATION OF CERTAIN OFFICES AND OFFICIALS.

(a) NATIONAL COUNTER PROLIFERATION CENTER.—Section 119A(a) of the National Security Act of 1947 (50 U.S.C. 404o–1(a)) is amended—

(1) by striking “ESTABLISHMENT.—Not later than 18 months after the date of the enactment of the National Security Intelligence Reform Act of 2004, the” and inserting “(1) ESTABLISHMENT.—The”; and

(2) by adding at the end the following new paragraphs:

“(2) DIRECTOR.—The head of the National Counter Proliferation Center shall be the Director of the National Counter Proliferation Center, who shall be appointed by the Director of National Intelligence.

“(3) LOCATION.—The National Counter Proliferation Center shall be located within the Office of the Director of National Intelligence.”.

(b) OFFICERS.—Section 103(c) of that Act (50 U.S.C. 403–3(c)) is amended—

(1) by redesignating paragraph (9) as paragraph (13); and

(2) by inserting after paragraph (8) the following new paragraphs:

“(9) The Chief Information Officer of the intelligence community.

“(10) The Inspector General of the intelligence community.

“(11) The Director of the National Counterterrorism Center.

“(12) The Director of the National Counter Proliferation Center.”.

SEC. 406. ELIGIBILITY FOR INCENTIVE AWARDS OF PERSONNEL ASSIGNED TO THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) IN GENERAL.—Subsection (a) of section 402 of the Intelligence Authorization Act for Fiscal Year 1984 (50 U.S.C. 403e–1) is amended to read as follows:

“(a) AUTHORITY FOR PAYMENT OF AWARDS.—(1) The Director of National Intelligence may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Office of the Director of National Intelligence in the same manner as such authority may be exercised with respect to personnel of the Office.

“(2) The Director of the Central Intelligence Agency may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Central Intelligence Agency in the same manner as such authority may be exercised with respect to personnel of the Agency.”.

(b) REPEAL OF OBSOLETE AUTHORITY.—Such section is further amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (b), by striking “to the Central Intelligence Agency or to the Intelligence Community Staff” and inserting “to the Office of the Director of National Intelligence or to the Central Intelligence Agency”; and

(2) in subsection (c), as redesignated by subsection (b)(2) of this section, by striking “Director of Central Intelligence” and inserting “Director of National Intelligence or Director of the Central Intelligence Agency”.

(d) TECHNICAL AND STYLISTIC AMENDMENTS.—That section is further amended—

(1) in subsection (b)—

(A) by inserting “PERSONNEL ELIGIBLE FOR AWARDS.—” after “(b)”;

(B) by striking “subsection (a) of this section” and inserting “subsection (a)”;

and

(C) by striking “a date five years before the date of enactment of this section” and inserting “December 9, 1978”; and

(2) in subsection (c), as so redesignated, by inserting “PAYMENT AND ACCEPTANCE OF AWARDS.—” after “(c)”.

SEC. 407. REPEAL OF CERTAIN AUTHORITIES RELATING TO THE OFFICE OF THE NATIONAL COUNTERINTELLIGENCE EXECUTIVE.

(a) REPEAL OF CERTAIN AUTHORITIES.—Section 904 of the Counterintelligence Enhancement Act of 2002 (title IX of Public Law 107–306; 50 U.S.C. 402c) is amended—

(1) by striking subsections (d), (g), (h), (i), and (j); and

(2) by redesignating subsections (e), (f), (k), (l), and (m) as subsections (d), (e), (f), (g), and (h), respectively.

(b) CONFORMING AMENDMENTS.—That section is further amended—

(1) in subsection (d), as redesignated by subsection (a)(2) of this section, by striking “subsection (f)” each place it appears in paragraphs (1) and (2) and inserting “subsection (e)”;

(2) in subsection (e)(2), as so redesignated, by striking “subsection (e)(2)” and inserting “subsection (d)(2)”.

SEC. 408. MEMBERSHIP OF THE DIRECTOR OF NATIONAL INTELLIGENCE ON THE TRANSPORTATION SECURITY OVERSIGHT BOARD.

Subparagraph (F) of section 115(b)(1) of title 49, United States Code, is amended to read as follows:

“(F) The Director of National Intelligence, or the Director’s designee.”.

SEC. 409. TEMPORARY INAPPLICABILITY TO THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE OF CERTAIN FINANCIAL REPORTING REQUIREMENTS.

The Director of National Intelligence shall not be required to submit an audited financial statement under section 3515 of title 31, United States Code, for the Office of the Director of National Intelligence with respect to fiscal year 2005 or 2006.

SEC. 410. COMPREHENSIVE INVENTORY OF SPECIAL ACCESS PROGRAMS.

Not later than January 15, 2007, the Director of National Intelligence shall submit to the congressional intelligence committees (as defined in section 3(7) of the National Security Act of 1947 (50 U.S.C. 401a(7))) a classified report providing a comprehensive inventory of all special access programs under the National Intelligence Program (as defined in section 3(6) of the National Security Act of 1947 (50 U.S.C. 401a(6))).

SEC. 411. SENSE OF CONGRESS ON MULTI-LEVEL SECURITY CLEARANCES.

It is the sense of Congress that the Director of National Intelligence should promptly establish and oversee the implementation of a multi-level security clearance system across the intelligence community to leverage the cultural and linguistic skills of subject matter experts and individuals proficient in foreign languages critical to national security.

SEC. 412. ACCESS TO INFORMATION BY STAFF AND MEMBERS OF THE CONGRESSIONAL INTELLIGENCE COMMITTEES.

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall provide to the members and staff of the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate accounts for and access to the Intelink System (or any successor system) through the Joint Worldwide Intelligence Communications System (or any successor system). Such access shall include access up to and including the level of sensitive compartmented information and shall be provided in the sensitive compartmented information facilities of each Committee.

SEC. 413. STUDY ON REVOKING PENSIONS OF PERSONS WHO COMMIT UNAUTHORIZED DISCLOSURES OF CLASSIFIED INFORMATION.

(a) **STUDY.**—The Director of National Intelligence shall conduct a study on the feasibility of revoking the pensions of personnel in the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) who commit unauthorized disclosures of classified information, including whether revoking such pensions is feasible under existing law or under the administrative authority of the Director of National Intelligence or any other head of an element of the intelligence community.

(b) **REPORT.**—Not later than 90 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report containing the results of the study conducted under subsection (a).

Subtitle B—Central Intelligence Agency

SEC. 421. ENHANCED PROTECTION OF CENTRAL INTELLIGENCE AGENCY INTELLIGENCE SOURCES AND METHODS FROM UNAUTHORIZED DISCLOSURE.

(a) **RESPONSIBILITY OF DIRECTOR OF CENTRAL INTELLIGENCE AGENCY UNDER NATIONAL SECURITY ACT OF 1947.**—Subsection (d) of section 104A of the National Security Act of 1947 (50 U.S.C. 403–4a) is amended—

- (1) in paragraph (3), by striking “and” at the end;
- (2) by redesignating paragraph (4) as paragraph (5); and
- (3) by inserting after paragraph (3) the following new paragraph:

“(4) protect intelligence sources and methods of the Central Intelligence Agency from unauthorized disclosure, consistent with any direction issued by the President or the Director of National Intelligence; and”.

(b) **PROTECTION UNDER CENTRAL INTELLIGENCE AGENCY ACT OF 1949.**—Section 6 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403g) is amended by striking “section 102A(i)” and all that follows through “unauthorized disclosure” and inserting “sections 102A(i) and 104A(d)(4) of the National Security Act of 1947 (50 U.S.C. 403–1(i), 403–4a(d)(4))”.

(c) **CONSTRUCTION WITH EXEMPTION FROM REQUIREMENT FOR DISCLOSURE OF INFORMATION TO PUBLIC.**—Section 104A(d)(4) of the National Security Act of 1947, as amended by subsection (a), and section 6 of the Central Intelligence Agency Act of 1949, as amended by subsection (b), shall be treated as statutes that specifically exempt from disclosure the matters specified in such sections for purposes of section 552(b)(3) of title 5, United States Code.

(d) **TECHNICAL AMENDMENTS TO CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT.**—Section 201(c) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2011(c)) is amended—

- (1) in the subsection heading, by striking “OF DCI”;
- (2) by striking “section 102A(i)” and inserting “sections 102A(i) and 104A(d)(4)”;
- (3) by striking “of National Intelligence”; and
- (4) by inserting “of the Central Intelligence Agency” after “methods”.

SEC. 422. ADDITIONAL EXCEPTION TO FOREIGN LANGUAGE PROFICIENCY REQUIREMENT FOR CERTAIN SENIOR LEVEL POSITIONS IN THE CENTRAL INTELLIGENCE AGENCY.

(a) **ADDITIONAL EXCEPTION.**—Subsection (g) of section 104A of the National Security Act of 1947 (50 U.S.C. 403–4a) is amended—

- (1) in paragraph (1), by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”;
- (2) in paragraph (2), by striking “position or category of positions” each place it appears and inserting “individual, individuals, position, or category of positions”; and
- (3) by adding at the end the following new paragraph:

“(3) Paragraph (1) shall not apply to any individual in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency who is serving in a Senior Intelligence Service position as of December 23, 2005, regardless of whether such individual is a member of the Senior Intelligence Service.”.

(b) **REPORT ON WAIVERS.**—Section 611(c) of the Intelligence Authorization Act for Fiscal Year 2005 (Public Law 108–487; 118 Stat. 3955) is amended—

- (1) in the first sentence, by inserting “individuals or” before “positions”; and
- (2) in the second sentence, by striking “position or category of positions” and inserting “individual, individuals, position, or category of positions”.

SEC. 423. ADDITIONAL FUNCTIONS AND AUTHORITIES FOR PROTECTIVE PERSONNEL OF THE CENTRAL INTELLIGENCE AGENCY.

(a) PROTECTION OF CERTAIN PERSONS.—Section 5(a)(4) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f(a)(4)) is amended—

(1) by striking “and the protection” and inserting “the protection”; and

(2) by striking the semicolon and inserting “, and the protection of the Director of National Intelligence and such personnel of the Office of the Director of National Intelligence as the Director of National Intelligence may designate;”.

(b) AUTHORITY TO ARREST.—

(1) Chapter 203 of title 18, United States Code, is amended by adding at the end the following:

“§ 3065. Powers of authorized personnel in the Central Intelligence Agency

“(a) The Director of the Central Intelligence Agency may issue regulations to allow personnel designated to carry out protective functions for the Central Intelligence Agency under section 5(a)(4) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) to, while engaged in such protective functions, make arrests without a warrant for any offense against the United States committed in the presence of such personnel, or for any felony cognizable under the laws of the United States, if such personnel have probable cause to believe that the person to be arrested has committed or is committing that felony offense.

“(b) The powers granted under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.”.

(2) The table of sections at the beginning of chapter 203 of title 18, United States Code, is amended by adding at the end the following:

“3065. Powers of authorized personnel in the Central Intelligence Agency.”.

SEC. 424. PROTECTIVE SERVICES FOR FORMER OFFICIALS OF THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Title III of the National Security Act of 1947 (50 U.S.C. 409a et seq.) is amended by inserting after section 303 the following new section:

“PROTECTIVE SERVICES FOR FORMER OFFICIALS OF THE INTELLIGENCE COMMUNITY

“SEC. 304. (a) IN GENERAL.—Subject to subsection (b), the head of an element of the intelligence community may not provide personnel for the protection of a former official of an element of the intelligence community unless—

“(1) there is a specific and credible threat to such former official arising from the service of such former official to the United States; and

“(2) such head of an element of the intelligence community submits to the Director of National Intelligence notice of the intention to provide such personnel and an assessment of—

“(A) the threat to such former official; and

“(B) the level of protective services necessary to protect such former official based on such threat.

“(b) EXCEPTION FOR RECENT TERMINATION OF EMPLOYMENT.—The head of an element of the intelligence community may provide personnel for the protection of a former official of an element of the intelligence community without a specific and credible threat to such former official for not more than one year after the termination of the employment of such former official if such former official requests such protection.

“(c) THREAT ASSESSMENT UPDATES.—Not later than 180 days after the date on which the head of an element of the intelligence community begins providing personnel for the protection of a former official of an element of the intelligence community, and at least every 180 days thereafter until such head of an element of the intelligence community determines that there is no longer a threat to such former official, such head of an element of the intelligence community shall submit to the Director of National Intelligence an updated assessment of the threat to such former official and the level of protective services necessary to protect such former official based on such threat.

“(d) TERMINATION OF PROTECTIVE SERVICES.—If the head of an element of the intelligence community that is providing personnel for the protection of a former official of an element of the intelligence community pursuant to subsection (a) determines that there is no longer a threat to such former official, such head of an element of the intelligence community shall cease providing personnel for the protection of such former official not later than 30 days after determining such threat no longer exists.

“(e) REPORT.—Not later than 7 days after the date on which the head of an element of the intelligence community begins providing personnel for the protection of a former official of an element of the intelligence community, the Director of Na-

tional Intelligence shall submit to the congressional intelligence committees notice of the provision of personnel for the protection of such former official.”.

(b) TABLE OF CONTENTS.—The table of contents of such Act is amended by—

- (1) striking the second item relating to section 301;
- (2) striking the second item relating to section 302;
- (3) striking the items relating to sections 304, 305, and 306; and
- (4) inserting after the item relating to section 303 the following new item:

“Sec. 304. Protective services for former officials of the intelligence community.”.

SEC. 425. STRATEGIC REVIEW PROCESS.

Section 102A(f) of the National Security Act of 1947 (50 U.S.C. 403–1(f)) is amended by adding at the end the following new paragraph:

“(9) Not later than September 30, 2007, and every four years thereafter, the Director of National Intelligence shall, in consultation with the heads of the elements of the intelligence community, manage and oversee the conduct of a strategic review of the intelligence community to develop intelligence capabilities required to address threats to national security. Such review shall analyze near-term, mid-term, and future threats to national security and shall include estimates of the allocation of resources and structural change that should be reflected in future budget requests.”.

Subtitle C—Defense Intelligence Components

SEC. 431. ENHANCEMENTS OF NATIONAL SECURITY AGENCY TRAINING PROGRAM.

(a) TERMINATION OF EMPLOYEES.—Subsection (d)(1)(C) of section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by striking “terminated either by” and all that follows and inserting “terminated—

“(i) by the Agency due to misconduct by the employee;

“(ii) by the employee voluntarily; or

“(iii) by the Agency for the failure of the employee to maintain such level of academic standing in the educational course of training as the Director of the National Security Agency shall have specified in the agreement of the employee under this subsection; and”.

(b) AUTHORITY TO WITHHOLD DISCLOSURE OF AFFILIATION WITH NSA.—Subsection (e) of such section is amended by striking “(1) When an employee” and all that follows through “(2) Agency efforts” and inserting “Agency efforts”.

SEC. 432. CODIFICATION OF AUTHORITIES OF NATIONAL SECURITY AGENCY PROTECTIVE PERSONNEL.

(a) PROTECTION OF CERTAIN PERSONS.—The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by adding at the end the following new section:

“SEC. 20. (a) The Director is authorized to designate personnel of the Agency to perform protective functions for the Director and for any personnel of the Agency designated by the Director.

“(b) Nothing in this section shall be construed to impair or otherwise affect any authority under any other provision of law relating to the performance of protective functions.”.

(b) AUTHORITY TO ARREST.—

(1) Chapter 203 of title 18, United States Code, as amended by section 423 of this Act, is amended by adding at the end the following:

“§ 3066. Powers of authorized personnel in the National Security Agency

“(a) The Director of the National Security Agency may issue regulations to allow personnel designated to carry out protective functions for the Agency to—

“(1) carry firearms; and

“(2) make arrests without warrant for any offense against the United States committed in the presence of such personnel, or for any felony cognizable under the laws of the United States, if such personnel have probable cause to believe that the person to be arrested has committed or is committing that felony offense.

“(b) The powers granted under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 203 of title 18, United States Code, as amended by section 423 of this Act, is amended by adding at the end the following:

“3066. Powers of authorized personnel in the National Security Agency.”.

Subtitle D—Other Elements

SEC. 441. CLARIFICATION OF INCLUSION OF COAST GUARD AND DRUG ENFORCEMENT ADMINISTRATION ELEMENTS IN THE INTELLIGENCE COMMUNITY.

Section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)) is amended—

- (1) in subparagraph (H)—
 - (A) by inserting “the Coast Guard,” after “the Marine Corps,”; and
 - (B) by inserting “the Drug Enforcement Administration,” after “the Federal Bureau of Investigation,”; and
- (2) in subparagraph (K), by striking “, including the Office of Intelligence of the Coast Guard”.

SEC. 442. CLARIFYING AMENDMENTS RELATING TO SECTION 105 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2004.

Section 105(b) of the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108–177; 117 Stat. 2603; 31 U.S.C. 311 note) is amended—

- (1) by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and
- (2) by inserting “or in section 313 of such title,” after “subsection (a),”.

TITLE V—OTHER MATTERS

SEC. 501. AERIAL RECONNAISSANCE PLATFORMS.

(a) LIMITATION ON TERMINATION OF U–2 AIRCRAFT PROGRAM.—The Secretary of Defense may not begin the process to terminate the U–2 aircraft program until the Secretary certifies in accordance with subsection (b) that there would be no loss of national or Department of Defense intelligence, surveillance, and reconnaissance (ISR) capabilities in transitioning from the U–2 aircraft program to the Global Hawk RQ–4 unmanned aerial vehicle platform.

(b) REPORT AND CERTIFICATION.—

(1) STUDY.—The Secretary of Defense shall conduct a study of aerial reconnaissance platforms to determine whether the Global Hawk RQ–4 unmanned aerial vehicle has reached mission capability and has attained collection capabilities on a par with the collection capabilities of the U–2 Block 20 aircraft program as of April 1, 2006.

(2) REPORT.—The Secretary shall submit to the congressional committees specified in subsection (c) a report containing the results of the study. The Secretary shall include in the report the Secretary’s determination as to whether the Global Hawk RQ–4 unmanned aerial vehicle—

- (A) has reached mission capability; and
- (B) has attained collection capabilities on a par with the collection capabilities of the U–2 Block 20 aircraft program as of April 1, 2006.

(3) CERTIFICATION.—The Secretary shall include with the report the Secretary’s certification, based on the results of the study, as to whether or not there would be a loss of national or Department of Defense intelligence, surveillance, and reconnaissance capabilities with a transition from the U–2 aircraft program to the Global Hawk RQ–4 unmanned aerial vehicle platform.

(c) SPECIFIED COMMITTEES.—The congressional committees specified in this subsection are the following:

- (1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.
- (2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 502. ELIMINATION OF CERTAIN REPORTING REQUIREMENTS.

(a) INTELLIGENCE SHARING WITH UN.—Section 112 of the National Security Act of 1947 (50 U.S.C. 404g) is amended by striking subsection (b).

(b) IMPROVEMENT OF FINANCIAL STATEMENTS FOR AUDITING PURPOSES.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended—

- (1) by striking section 114A; and
- (2) in the table of contents in the first section, by striking the item relating to section 114A.

(c) FINANCIAL INTELLIGENCE ON TERRORIST ASSETS.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended—

- (1) by striking section 118; and
- (2) in the table of contents in the first section, by striking the item relating to section 118.

(d) COUNTERDRUG INTELLIGENCE.—The Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107–306) is amended—

- (1) by striking section 826; and
- (2) in the table of contents in section 1(b), by striking the item relating to section 826.

SEC. 503. TECHNICAL AMENDMENTS TO THE NATIONAL SECURITY ACT OF 1947.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended as follows:

- (1) In section 102A (50 U.S.C. 403–1)—
 - (A) in subsection (c)(7)(A), by striking “section” and inserting “subsection”;
 - (B) in subsection (d)—
 - (i) in paragraph (3), by striking “subparagraph (A)” in the matter preceding subparagraph (A) and inserting “paragraph (1)(A)”; and
 - (ii) in paragraph (5)(A), by striking “or personnel” in the matter preceding clause (i); and
 - (C) in subsection (1)(2)(B), by striking “section” and inserting “paragraph”.
- (2) In section 119(c)(2)(B) (50 U.S.C. 404o(c)(2)(B)), by striking “subsection (h)” and inserting “subsection (i)”.

SEC. 504. TECHNICAL CLARIFICATION OF CERTAIN REFERENCES TO JOINT MILITARY INTELLIGENCE PROGRAM AND TACTICAL INTELLIGENCE AND RELATED ACTIVITIES.

Section 102A of the National Security Act of 1947 (50 U.S.C. 403–1) is amended—

- (1) in subsection (c)(3)(A), by striking “annual budgets for the Joint Military Intelligence Program and for Tactical Intelligence and Related Activities” and inserting “annual budget for the Military Intelligence Program or any successor program or programs”; and
- (2) in subsection (d)(1)(B), by striking “Joint Military Intelligence Program” and inserting “Military Intelligence Program or any successor program or programs”.

SEC. 505. TECHNICAL AMENDMENTS TO THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.

(a) AMENDMENTS TO NATIONAL SECURITY INTELLIGENCE REFORM ACT OF 2004.—The National Security Intelligence Reform Act of 2004 (title I of Public Law 108–458) is amended as follows:

- (1) In section 1016(e)(10)(B) (6 U.S.C. 458(e)(10)(B)), by striking “Attorney General” the second place it appears and inserting “Department of Justice”.
- (2) In section 1061 (5 U.S.C. 601 note)—
 - (A) in subsection (d)(4)(A), by striking “National Intelligence Director” and inserting “Director of National Intelligence”; and
 - (B) in subsection (h), by striking “National Intelligence Director” and inserting “Director of National Intelligence”.
- (3) In section 1071(e), by striking “(1)”.
- (4) In section 1072(b), by inserting “AGENCY” after “INTELLIGENCE”.

(b) OTHER AMENDMENTS TO INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.—The Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458) is amended as follows:

- (1) In section 2001 (28 U.S.C. 532 note)—
 - (A) in subsection (c)(1), by inserting “of” before “an institutional culture”;
 - (B) in subsection (e)(2), by striking “the National Intelligence Director in a manner consistent with section 112(e)” and inserting “the Director of National Intelligence in a manner consistent with applicable law”; and
 - (C) in subsection (f), by striking “shall,” in the matter preceding paragraph (1) and inserting “shall”.
- (2) In section 2006 (28 U.S.C. 509 note)—
 - (A) in paragraph (2), by striking “the Federal” and inserting “Federal”;
 - and
 - (B) in paragraph (3), by striking “the specific” and inserting “specific”.

SEC. 506. TECHNICAL AMENDMENT TO THE CENTRAL INTELLIGENCE AGENCY ACT OF 1949.

Section 5(a)(1) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f(a)(1)) is amended by striking “authorized under paragraphs (2) and (3) of section 102(a), subsections (c)(7) 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), (3), 403–3(c)(7), (d), 403–4(a), (g), and 405)” and inserting “authorized under subsections (c), (d), (e), and (f) of section 104A of the National Security Act of 1947 (50 U.S.C. 403–4a)”.

SEC. 507. TECHNICAL AMENDMENTS RELATING TO THE MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.

(a) **IN GENERAL.**—Subsection (a) of section 1403 of the National Defense Authorization Act for Fiscal Year 1991 (50 U.S.C. 404b) is amended—

- (1) in the subsection heading, by striking “FOREIGN”; and
- (2) by striking “foreign” each place it appears.

(b) **RESPONSIBILITY OF DNI.**—That section is further amended—

- (1) in subsections (a) and (c), by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and
- (2) in subsection (b), by inserting “of National Intelligence” after “Director”.

(c) **CONFORMING AMENDMENT.**—The heading of that section is amended to read as follows:

“SEC. 1403. MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.”

SEC. 508. TECHNICAL AMENDMENTS TO THE EXECUTIVE SCHEDULE.

(a) **EXECUTIVE SCHEDULE LEVEL II.**—Section 5313 of title 5, United States Code, is amended by striking the item relating to the Director of Central Intelligence and inserting the following new item:

“Director of the Central Intelligence Agency.”

(b) **EXECUTIVE SCHEDULE LEVEL IV.**—Section 5315 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

“General Counsel of the Office of the Director of National Intelligence.”

§ 509. Technical amendments relating to redesignation of the National Imagery and Mapping Agency as the national Geospatial-Intelligence Agency

(a) **TITLE 5, UNITED STATES CODE.**—(1) Title 5, United States Code, is amended by striking “National Imagery and Mapping Agency” each place it appears in a provision as follows and inserting “National Geospatial-Intelligence Agency”:

- (A) Section 2302(a)(2)(C)(ii).
- (B) Section 3132(a)(1)(B).
- (C) Section 4301(1) (in clause (ii)).
- (D) Section 4701(a)(1)(B).
- (E) Section 5102(a)(1) (in clause (x)).
- (F) Section 5342(a)(1) (in clause (K)).
- (G) Section 6339(a)(1)(E).
- (H) Section 7323(b)(2)(B)(i)(XIII).

(2) Section 6339(a)(2)(E) of such title is amended by striking “National Imagery and Mapping Agency, the Director of the National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency, the Director of the National Geospatial-Intelligence Agency”.

(b) **TITLE 44, UNITED STATES CODE.**—(1)(A) Section 1336 of title 44, United States Code, is amended by striking “National Imagery and Mapping Agency” both places it appears and inserting “National Geospatial-Intelligence Agency”.

(B) The heading of such section is amended to read as follows:

“§ 1336. National Geospatial-Intelligence Agency: special publications”.

(2) The table of sections at the beginning of chapter 13 of such title is amended by striking the item relating to section 1336 and inserting the following new item:

“1336. National Geospatial-Intelligence Agency: special publications.”.

(c) **HOMELAND SECURITY ACT OF 2002.**—Section 201(f)(2)(E) of the Homeland Security Act of 2002 (6 U.S.C. 121(f)(2)(E)) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(d) **INSPECTOR GENERAL ACT OF 1978.**—Section 8H of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking “National Imagery and Mapping Agency” each place it appears and inserting “National Geospatial-Intelligence Agency”.

(e) **ETHICS IN GOVERNMENT ACT OF 1978.**—Section 105(a)(1) of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(f) **OTHER ACTS.**—(1) Section 7(b)(2)(A)(i) of the Employee Polygraph Protection Act of 1988 (29 U.S.C. 2006(b)(2)(A)(i)) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(2) Section 207(a)(2)(B) of the Legislative Branch Appropriations Act, 1993 (44 U.S.C. 501 note) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

PURPOSE

The purpose of H.R. 5020 is to authorize the intelligence and intelligence-related activities of the United States Government for Fiscal Year 2007 in order to enhance the national security of the United States, to support and assist the armed forces of the United States, and to support the President in the execution of the foreign policy of the United States. The bill also clarifies certain Intelligence Community authorities and makes technical corrections flowing from the Intelligence Reform and Terrorism Protection Act.

CLASSIFIED ANNEX AND COMMITTEE INTENT

The classified annex to this report includes the classified Schedule of Authorizations and its associated explanatory language. The Committee views the classified annex as an integral part of this legislation. The classified annex contains a thorough discussion of the issues considered by the Committee underlying the funding authorizations found in the classified Schedule of Authorizations. The Committee intends that all intelligence programs discussed in the classified annex to this report be conducted in accordance with the guidance and limitations set forth as associated language therein. The classified Schedule of Authorizations is incorporated directly into this legislation by virtue of section 102 of the bill. The classified annex is available for review by all Members of the House of Representatives, subject to the requirements of clause 13 of rule XXIII of the Rules of the House of Representatives, and rule 14 of the Rules of Procedure for the House Permanent Select Committee on Intelligence. In addition, Section 105 of the bill incorporates reporting requirements of the Classified Annex and any Joint Explanatory Statement into the Act.

SCOPE OF COMMITTEE REVIEW

The bill authorizes U.S. intelligence and intelligence-related activities under the jurisdiction of the Committee, including the National Intelligence Program (NIP), and the Military Intelligence Program (MIP), formerly the Joint Military Intelligence Program and the Tactical Intelligence and Related Activities. The NIP consists of all activities of the Office of the Director of National Intelligence, as well as those national foreign intelligence, intelligence-related, and/or counterintelligence activities conducted by: (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 National Geospatial-Intelligence Agency; (7) the Departments of the Army, Navy, and Air Force; (8) the Department of State; (9) the Department of the Treasury; (10) the Department of Energy; (11) the Department of Justice; (12) the Federal Bureau of Investigation; (13) the U.S. Coast Guard; (14) the Department of Homeland Security; and (15) the Drug Enforcement Administration. The Committee has exclusive legislative, authorizing and oversight jurisdiction of these programs.

COMMITTEE STATEMENT AND VIEWS

A. THE COMMITTEE REVIEW

The Committee completed its review of the President's fiscal year 2007 budget request, carrying out its annual responsibility to prepare an authorization based on close examination of the U.S. government's intelligence programs and proposed expenditures. In a deliberate departure from past practice, the Committee decided to mark up the budget request much earlier in the calendar year than normal. This required that the Committee's focus be more strategic in nature. Instead of many budget-related hearings with witnesses from each intelligence program, the Committee held only three, two of which had the new Director of National Intelligence (DNI) as the primary witness, and one with the Under Secretary of Defense for Intelligence. Despite the limited number of formal hearings, Members and Staff took dozens of briefings covering all major intelligence programs within the National Intelligence Program (NIP) and the Military Intelligence Program (MIP). This review covered all functional capabilities, such as human intelligence, signals intelligence, imagery intelligence, open source intelligence, analysis, counterintelligence, counternarcotics, and counterterrorism.

As always, the Committee's legislative and budgetary actions are based on more than these budget-specific hearings and briefings. The actions taken in this bill are the result of the Committee's ongoing, rigorous oversight of the U.S. Intelligence Community. This oversight activity includes the scores of Committee and subcommittee hearings and briefings, site visits, and fact-finding trips, and studies of intelligence capabilities, strategies, plans, and challenges throughout the year.

Director of National Intelligence

As was the case for its fiscal year 2006 review, the Committee notes the time and attention it has devoted to the creation of an empowered, capable and agile U.S. Intelligence Community for the 21st Century. Since the end of calendar year 2004 when it passed sweeping legislation reforming the U.S. Intelligence Community, the Congress, and particularly this committee, has continued to oversee, assist in, comment on, and as necessary, criticize the Administration's effort to realize the goals and vision of that legislation. This oversight has focused on, but not been limited to, the standup of the Office of the Director of National Intelligence (ODNI). With the Intelligence Reform and Terrorism Prevention Act, the Congress intended to create a responsible authority that would oversee and orchestrate a coordinated effort by the entire Community. The Committee has concern that the DNI is pursuing a path that will make the ODNI less an intended "orchestration mechanism," and more another layer of large, unintended and unnecessary bureaucracy. Despite this concern, the Committee is committed to supporting all efforts that will make the DNI successful in better integrating the disparate members of the Intelligence Community and creating the best possible intelligence capabilities for America. In that respect, the Committee notes, with pleasure, that this year's budget request was the first that was fully determined by the DNI, and that effort by the DNI to create an Intel-

ligence Community that is greater than the sum of its parts is beginning to bear fruit.

The war on terrorism and the Terrorist Surveillance Program

There is no question about the respect and admiration that this Committee has for the intelligence professionals that serve all of us in quiet, unheralded service, often in dangerous places and situations around the world. In the conduct of its oversight responsibilities, the Committee has had the opportunity to meet and work with intelligence professionals throughout the Community. The work that our intelligence personnel do is truly the first line of defense for all Americans. We owe them a great deal of gratitude, and we owe them every effort to give them the tools, resources, and authorities necessary to protect our nation.

Unfortunately, these honorable men and women have been poorly served by a small few who have taken it upon themselves to, for political or other motives, recklessly and illegally disclose America's necessary secrets and national security information. The issue of unauthorized disclosures of classified information has been extremely troubling and a focus of a major work effort for the Committee. The Committee has written to the President expressing its concern that there appears to be no reasonable expectation of consequences for those who harm America's national security by leaking classified information. Each of these perpetrators, whether they provide information to the media or to sworn enemies, is committing a crime and violating an oath to which they have sworn. Further, the Committee finds reprehensible the irresponsible reporting of extremely sensitive national security information. Such reporting does not serve well the national interests, costs untold millions of dollars in lost intelligence collection capabilities funded by U.S. taxpayers, literally puts lives in jeopardy, and makes the work by the honorable people of our Intelligence Community far more difficult. Instead of chastising this Community for its lawful and protective efforts, we should be fully supporting them with all remedies possible to stop these unauthorized disclosures. The Committee's work plan for this fiscal year includes reviewing all legal avenues to bring to justice those who violate the law, including those who knowingly receive, what is essentially, stolen classified information.

One of the most damaging leaks of national security information was the revelation of the National Security Agency's Terrorist Surveillance Program. As a direct result of this illegal compromise of classified information, the ability of the United States to protect itself from terrorists has been compromised. It can be argued that what factually correct information was disclosed in the press was done so for profit and to inflict political harm. However, beyond disclosure of the classified facts, false and reprehensible claims of improper or illegal activities are even more troubling. For example, the Minority, in its views accompanying this report, state that the President has violated the law by failing to "keep the Committee 'fully and currently' informed of all intelligence activities of the United States." In point of fact, leaders in Congress had been briefed more than a dozen times on the authorization and related activities. Further, the Attorney General and the Principal Deputy Director of National Intelligence briefed the full Committee at

length on the legal issues and certain operational details. What the Minority further continues to omit in the public version of its position is that the National Security Act of 1947 clearly provides that “the President and the congressional intelligence committees shall each establish such procedures as may be necessary to carry out the provisions of this title” and that the requirement to keep the committees “fully and currently” informed is to be done “to the extent consistent with due regard for the protection from unauthorized disclosure of classified information relating to sensitive intelligence sources and methods or other exceptionally sensitive matters.” In full accordance with those two provisions of the law, the Committee has determined that the extraordinary sensitivities of the operational aspects of this program would be limited to select Members and Staff of the Committee. That procedure has allowed the Committee to get full and current briefings on this program to monitor the communications of known terrorists. Therefore, it is the Committee position that the President of the United States has in no way violated the law with respect to notifying the Congress on these activities.

With respect to the Terrorist Surveillance Program, the Committee is fully supportive of this defensive measure to understand efforts by known Al Qaeda or its affiliates to attack America or its allies. The Committee’s position is taken with the full understanding that we are a nation at war. This is a global war on terrorism: a war that is not being fought primarily by conventional military forces on the traditional field of battle and governed by time-tested rules of land warfare. This is a war of asymmetry: a war to attack the hearts and minds of civilized nations; and a war, the battlefield of which, includes the homeland, something not seen in more than 100 years. To combat the elusive, smart, and agile enemy, America must think differently, act differently, and be more flexible. America’s major weapon in this war is the ability to create knowledge about the enemy. The primary responsibility to “man this weapon” rests on the Intelligence Community. We, as a nation, must not tie the hands of those who are charged with defending us, and we must at the same time, and as a culture, protect the civil liberties we hold dear. The Terrorist Surveillance Program is critical to our national security, and the Committee believes firmly that the National Security Agency program provides the proper balance between the two. Accordingly, the Committee’s Republican Majority rejected an effort by the Democratic Minority to withhold twenty percent of the funding for the overall operation of the National Security Agency until the Executive Branch provided cost data on this single, extremely small, program. The Majority found that it would be completely irresponsible in a time of war to withhold funding from an Intelligence Community agency that is providing real-time information on terrorists and other foreign intelligence targets in a time of war.

Continuing Intelligence Community reform

In the unclassified report accompanying the fiscal year 2006 legislation, the Committee commented extensively on the need for change within the Intelligence Community. Those comments focused on the need to respond positively to the criticisms and “failures” of intelligence that prompted reviews by the National Com-

mission on Terrorist Attacks Upon the United States (9/11 Commission) and the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction (WMD Commission). The Committee agreed with many of the recommendations of those commissions, stating that some of the needed changes will require cultural change and, moreover, a real need for the Intelligence Community to adopt a more receptive attitude to change. Ultimately, such will be necessary to improve the Community's overall product—knowledge. The Committee continues to believe that a number of systemic and focus area changes need to occur, and has, once again, in this legislation attempted to put emphasis on those areas of most concern: human intelligence, intelligence analysis, community infrastructure, and counter-intelligence.

The Committee notes that the President's budget makes good progress in improving human intelligence capabilities—delivering a plan to increase the number of core collectors and analysts by fifty percent. The Committee further notes that the DNI has had some good success in improving long-standing analytic process and tradecraft problems. The Committee's funding recommendations further enhances both the human intelligence and analytic areas by attempting to drive improved changes. With respect to infrastructure issues, the Committee is very concerned about the state of basic facilities and, in some cases, services throughout the Community. These include the relatively mundane, but extraordinarily important, things such as power and water utilities, the capacity of training facilities and instructors, and support to field operations. All of these supporting infrastructure functions are critical to collection, analysis and information dissemination, and have captured the long-term interest of the Committee. Finally, the Committee has focused attention on the issue of counterintelligence. There appears to be an alarming increase by nation-state and non-nation-state actors to conduct intelligence operations against the United States. The Committee notes that certain nations are conducting espionage efforts against this country at a level not seen since before the end of the Cold War. It is nearly inherent that when a country is, as we are, at war and focused on that war, its enemies will increase their intelligence efforts against it. We should expect this to continue as we pursue the Global War on Terrorism. This is an alarming situation, and the Committee believes that the Intelligence Community must refocus, and moreover, re-emphasize its counter-intelligence capabilities and methodologies.

Lastly, the Committee finds that the Intelligence Community must embrace more fully unconventional and open sources of information. Many estimate that large percentages of information needs can be satisfied by open source materials, and the Committee believes that the growth of the internet and mass media has dramatically altered the amount of information available through open and unconventional sources. To ignore the value of such information is dangerous. The Committee is, therefore, pleased that the DNI has moved quickly to make the use of open source (unclassified) materials an institutional imperative throughout the analytic community. However, it will take a dramatic change in cultural philosophy to trust and use open source materials that weren't collected or discovered by "secret means." Conversely, the Committee is not

pleased by the reticence of the Community, including the DNI, to more fully embrace the notion of unconventional sources of information. For example, and to its credit, the ODNI recently began releasing to the general public unclassified documents captured during Operation Iraqi Freedom. This project will allow the world community to help understand the Iraqi positions prior to the start of the war. Already this project has brought to light many of the intentions and efforts by the Saddam regime to hide materials from the United Nations inspectors and its ties with terrorists. However, the Committee's effort to get these unconventionally collected materials released was not supported by the DNI until forced to do so. Additionally, the Community all too often appears to be less-than-enthusiastic in following up on information brought to it by people outside the Community, including former government officials, experts in particular fields, or even authors who have more expertise on specific issues than anyone within the Intelligence Community. The Committee finds that opportunities are lost and information leads on things such as possible weapons of mass destruction locations are not properly followed. This is not the hallmark of a flexible and agile-thinking intelligence function that was envisioned in the intelligence reform legislation. The Committee intends to monitor closely the efforts to improve the use of these open source and unconventional sources of information.

The Intelligence Community today is one of transition. There is a continuing mission transition from old mindsets of a bipolar world to one of a network-based world. There is a philosophical transition from a DCI-centric community of disparate agencies to a more corporate-centric community orchestrated by the DNI. And, there is a need to recognize that transition "back to the basics" of good human intelligence to act as a basis for our unparalleled technical intelligence capabilities is critical. As we continue these transitions, we must recognize that there are gaps in capabilities, particularly in our ability to persistently stare at targets, which must be corrected. And, we must fully recognize that the need to focus on the issue of terrorism cannot be an excuse for not producing intelligence on the "traditional" foreign intelligence targets like Iran and North Korea, as well as the transnational problem sets, such as illegal narcotics and human smuggling. Some of these issues are specifically addressed in the 'Areas of Special Interest/General Provisions' section immediately following. A complete discussion of the Committee's oversight findings and recommendations is contained in the classified annex to this report.

B. LEGISLATION

The bill and accompanying classified Schedule of Authorizations includes the Committee's recommended authorizations for the President's Fiscal Year 2007 budget request. This includes an authorization for the intelligence portion of the funding for the Global War on Terrorism (GWOT) and operations in Iraq and Afghanistan. The Committee views these funds as an integral part of the Fiscal Year 2007 budget and has decided to specifically authorize these activities for the full year in this legislation at this time.

H.R. 5020 provides strategic and substantial enhancements in funding for critical world-wide intelligence capabilities. The Committee believes there is a need to improve certain intelligence capa-

bilities, including human intelligence, counterintelligence, analysis, and infrastructure. For a number of reasons fully explained in the classified annex, the Committee has made some specific and major recommendations to realign funding. These changes include:

- Improved U.S. human intelligence (HUMINT) activities, including training, infrastructure, and global capabilities;
- Increased investment in analytic tools; and
- Increases to U.S. counterintelligence programs and personnel.

In addition to authorization for intelligence and intelligence-related activities, the bill includes provisions intended to clarify certain authorities of the DNI. These provisions are intended to further refine and strengthen the authorities provided to the DNI to oversee, coordinate, and manage Intelligence Community activities.

Finally, just as in last year's bill, the Committee has focused on the Nation's overhead imagery architecture. Last year, a decision was made to terminate a part of the Future Imagery Architecture program. Although this tough decision had certain positive aspects, one disadvantage is that it is essential to ensure that there are no future gaps in capability. In this bill, the Committee vigorously urge the Intelligence Community toward one of a very limited number of options, so that the Nation will have the imagery capability it needs in the future. The Committee's action in this area will begin a process of fundamental change for the Future Imagery Architecture program. Although the Committee expects some discomfort within the Intelligence Community with this and other provisions, it continues to agree with outside observers that the Intelligence Community appears incapable of meaningful change without significant outside assistance. The Intelligence Authorization Act for Fiscal Year 2007 is intended to provide such assistance.

C. AREAS OF SPECIAL INTEREST

In this section, the Committee highlights areas of concern that it believes must be addressed as a high priority by the Director of National Intelligence in leading the Intelligence Community into the future.

Strategic review process

The Committee believes that achieving the necessary reforms of the Intelligence Community will only occur through a strategic planning process. Accordingly, Section 425 of the bill requires the Director of National Intelligence to, in consultation with the heads of the Intelligence Community elements, manage and oversee the conduct of a strategic review to develop intelligence capabilities required to address threats to national security.

A formalized, periodic, and structured review, much like the Quadrennial Defense Review process used by the Department of Defense, is intended to identify the breadth and depth of national security threats, the capabilities existing and needed to combat those threats, and better identify the alignment of resources, authorities, and personnel needed to support those required capabilities. Such a review will enable the Intelligence Community to more readily make and accept change, infuse flexibility into its management and operational structures, and enable the DNI to gain better insight on intelligence and intelligence-related activities through-

out the U.S. Government. The review also is expected to influence the National Intelligence Strategy by examining requirements necessary to address national priorities and objectives, determine which intelligence disciplines can provide the best support, and properly identify budget resources should be allocated to those priorities and objectives.

The Committee requests that the DNI provide the Committee with his plan for initiating and conducting this review.

Reporting regarding Iran and North Korea

The development by Iran and North Korea of nuclear, chemical, biological or radiological weapons and the missiles capable of delivering them are among the most significant potential threats to the United States. The Committee believes that it is imperative that the Intelligence Community continue to improve its collection and analysis of intelligence information on Iran and North Korea.

This point was highlighted by the bipartisan WMD Commission. The Commission's 2005 report stated: "Across the board, the Intelligence Community knows disturbingly little about the nuclear programs of the world's most dangerous actors. In some cases, it knows less now than it did five or ten years ago." This statement aptly describes the challenge faced by U.S. policymakers with regard to Iran and North Korea's nuclear, chemical, and biological weapons programs.

If the President and Congress are to develop effective policies to counter Iran's and North Korea's weapons programs, such policies must be based on accurate and timely intelligence. The Committee has conducted regular and ongoing oversight of these efforts, and expects the DNI to ensure that the Intelligence Community continues to provide timely, detailed, and frequent reporting on the current intentions and capabilities on Iran and North Korea's nuclear, chemical, biological, radiological, and missile programs, as well as the Intelligence Community's capabilities to understand and evaluate these programs.

In particular, the Committee is interested in receiving on an ongoing basis: (1) current assessments of Iran's and North Korea's nuclear, chemical, biological weapons, and missile programs; (2) information on new intelligence developed, including intelligence collected from both open and clandestine sources; and (3) full discussion of any gaps in knowledge, dissents, caveats, or other information that would tend to reduce confidence in the overall assessment.

The Committee believes that these reports will provide timely information to help better inform Congress as it is asked to make decisions regarding U.S. policy towards Iran and North Korea.

Risk-taking and discouragement of risk averse culture

Intelligence is an art, not a science, and therefore imperfect, and it takes significant time to hone the operational skills necessary to conduct effective intelligence operations. The Committee recognizes that setbacks and shortcomings are inevitable while developing and conducting operations, especially against extremely difficult targets. However, fear of setbacks or "failures" should never be a deterrent to conducting high risk, essential intelligence operations.

As the Intelligence Community increases operations in exceptionally dangerous circumstances and against unpredictable targets, mistakes may occur. However, the Committee believes it is more realistic to measure success in the effort and initiative exhibited and not necessarily in the interim result. Lessons learned from failed operations should highlight shortcomings, and changes should be made. Only in this way can mission success be achieved. Although the Committee supports the notion “failure is not an option,” strict adherence to such a view may contribute to the development of a risk adverse culture in which certain operations are not conducted because of a fear of answering for failure. Although the Committee is responsible for investigating intelligence failures, it understands that honest mistakes will be made in highly fluid and complex operational environments. Our Intelligence Community must constantly strive for the “perfect,” but be willing to accept and take responsibility for failure; we must not foster a risk averse society.

The men and women of the Intelligence Community are among the bravest in the country, readily accepting the extreme personal risks inherent in their chosen profession. The Committee honors the sacrifices they make daily in their professional and personal lives and commits to the notion that honest failure is a price we must pay for being bold and proactive.

Unauthorized disclosures of classified information

As previously stated, the Committee remains gravely concerned with the problem of unauthorized disclosures of classified information, which harms national security, places American citizens and intelligence community personnel at increased risk, and inevitably results in substantial consequences to the United States—both tangible and intangible.

The Committee continues to address this important issue through two separate endeavors. It is continuing a legislative review, including hearings, to examine relevant issues and what changes to the law may be desirable. Those efforts have clearly established that prosecution under current laws relating to unauthorized disclosure has not been an effective deterrent tool, although it remains unclear whether this lack of effectiveness requires changes in the law or is due to other factors. In either event, the Committee believes that additional and more creative steps to deter unauthorized disclosures are warranted. Section 413 of the bill is a first step, requiring the DNI to review whether current law or administrative authorities enable the revocation of pensions of intelligence community personnel who commit unauthorized disclosures of classified information.

In addition, the Committee has initiated a review of certain specific potential unauthorized disclosures of classified information at the request of the Speaker of the House. That review primarily is concentrating on an investigation of four cases to develop a better understanding of the related facts and circumstances. The investigation is in turn expected to better enable the Committee to understand how and why unauthorized disclosures occur, and how the protection of classified information is perceived in practice.

It is important to emphasize that the Committee’s concern is in no way intended to limit or reduce proper oversight of intelligence

community activities or of activities with heightened potential to affect civil liberties. As one of the primary bodies intended to conduct oversight of intelligence activities on behalf of the American people, we are mindful of the need for ongoing and thorough review of such activities. However, the delicate balance between protecting national security and safeguarding civil liberties must be carried out in a manner that fully protects both interests, through mechanisms such as regular reporting to the congressional intelligence committees and the use of the Intelligence Community Whistleblower Protection Act. By definition, no individual—whether a journalist, government official, or intelligence community employee—can or should singlehandedly presume to determine what information “deserves” to be withheld from disclosure in order to protect national security, especially without full knowledge of the surrounding context.

Prosecution of espionage

Investigators, analysts, inspectors, and prosecutors from the Departments of Justice, Defense, and Homeland Security are working together in an effort to combat espionage. The Committee is pleased to note that since 2005, their combined efforts have resulted in the arrest of at least ten individuals in the United States accused of spying on behalf of a number of foreign countries.

The Committee is concerned, however, that these individuals will face relatively light sentences if found guilty. All of them are charged under 18 U.S.C. § 793 (gathering, transferring, or losing defense information) or 18 U.S.C. § 951 (agents of foreign governments), which carry penalties of no more than ten years imprisonment. The Committee notes that most, if not all, were not charged under 18 U.S.C. § 794 (gathering or delivering defense information to aid foreign governments), which carries penalties ranging from life imprisonment to death. The Committee also notes that some of these individuals stand accused of stealing defense-related trade secrets from U.S. companies. However, none of these suspects were charged with violating 18 U.S.C. § 1831 (economic espionage), which carries a maximum penalty of 15 years imprisonment for stealing trade secrets to benefit a foreign government.

The Committee believes that the penalties facing these accused spies are not an effective deterrent to espionage. Americans tempted to spy on behalf of a foreign power should understand clearly that doing so will have extremely negative consequences, resulting in their arrest, conviction, and long-term imprisonment.

The Committee notes the effective work of Justice Department prosecutors, but encourages the Attorney General to review the Department’s counterespionage strategies. The review should address the following questions: Is the current strategy an effective deterrent to espionage? Are those convicted of espionage and related charges receiving the punishment they deserve? Why are more spies not charged under 18 U.S.C. § 794 and § 1831? Would stricter penalties for violating 18 U.S.C. § 793 act as a better deterrent to espionage? The Committee expects the Attorney General to update it periodically on the status of such a review.

Counterintelligence field activity

The Committee remains concerned about improper instances of maintaining information regarding U.S. persons at the Counterintelligence Field Activity (CIFA) within the Department of Defense, and believes it is important to highlight the incident as well as the corrective actions promptly taken by the Department to address those practices.

CIFA was established to bring leadership to counterintelligence efforts within the Department. The counterintelligence mission involves the identification and neutralization of the pervasive foreign intelligence and terrorism threat directed globally against the Department of Defense and the U.S. Government. CIFA is responsible for overseeing counterintelligence investigations, operations, and services within the Department; overseeing and conducting joint CI advanced training and analyzing counterintelligence information to identify and target the threat in our increasingly complex and asymmetrical world.

In the course of gathering information believed to relate to force protection, CIFA improperly collected and retained information on U.S. persons engaged in constitutionally-protected protests at the University of California. In response to a congressional inquiry, the Department of Defense acknowledged that CIFA failed to follow policies regarding the collection and retention of information about U.S. persons. These failures were especially troubling in light of CIFA's important mission to set the standards while protecting the Constitutional rights of American citizens.

The Department of Defense subsequently has assessed that approximately 260 records out of 13,000 records in a classified CIFA database, or two percent of the total, improperly contained information relating to U.S. persons. Department leadership has responded to this assessment and directed that the database should be used only to report information regarding possible international terrorist activity, required supervisors to review all reports before inclusion in the database, and provided for refresher training for Department personnel on what information properly may be included in the database.

The Committee understands that the Department of Defense Inspector General is in the process of preparing a report addressing at least some of these issues. The Committee requests that the Inspector General submit no later than February 1, 2007 a report which includes the results of any audits relating to CIFA including but not limited to the collection, retention, and dissemination of information relating to U.S. persons. In addition, the Department of Defense shall submit no later than February 1, 2007, a report containing the results of any internal department review or investigation of policies, guidelines, and practices of CIFA related to the collection, retention, and dissemination of information relating to U.S. persons, as well as a description of remedial actions taken to address the findings and recommendations of the Inspector General and any other internal review.

Intelligence support for transformational diplomacy strategy

The Secretary of State has launched a major initiative to reposition U.S. diplomatic personnel across the world. This includes moving hundreds of positions to critical emerging areas in Africa,

South Asia, East Asia, and the Middle East over the next several years. This year alone, the Department will move approximately 100 positions out of Washington and European capitals. Enhancements to the Department's ability to monitor Iran—through the establishment of a new Office of Iranian Affairs and the creation of Iran “watcher” positions in Dubai, London, Frankfurt, and other capitals—represent perhaps the most dramatic, and most critical, elements of this transformation.

Such a major realignment of strategic priorities and of diplomats working on the “front lines” may require a significant shift in intelligence support provided to Department policymakers by the Bureau of Intelligence and Research (INR). To its credit, INR analysts have worked on their areas of expertise longer, on average, than many of their colleagues in other agencies, and INR has one of the lowest personnel turnover rates in the Intelligence Community. However, the long tenure and low turnover of INR analysts may make it difficult for the Bureau to adjust to changing priorities.

This Committee has previously urged the Department to increase the resources provided to INR, which has remained relatively constant in recent years. Given the proposed transformations to the Department's overall strategy, the Committee strongly encourages the Secretary of State to examine INR's current allocation of human and financial resources to ensure that INR will be able to adequately support the Department's new strategic priorities.

Director of National Intelligence Office of the Inspector General

Section 1078 of the Intelligence Reform and Terrorism Prevention Act of 2004 provided the Director of National Intelligence with the authority to establish an Office of the Inspector General. On September 7, 2005, the DNI established such an office, “charged with detecting fraud, waste, and abuse; evaluating performance; and making recommendations to promote economy, efficiency, and effectiveness in the ODNI and the Intelligence Community.” Although the Committee supports the DNI's desire to have an Office of the Inspector General, it is concerned that it is currently chartered in a way that does not ensure the maximum utility of that office to act as a coordinating organization for all Intelligence Community Inspector Generals, specifically with regard to keeping the Committee informed of its activities and findings.

As an example, the Intelligence Reform and Terrorism Prevention Act provided that any Office of the Inspector General created by the DNI would have the duties, responsibilities, and authorities contained in the Inspector General Act of 1978. That law requires each Inspector General to prepare semi-annual reports summarizing the activities of the office during the preceding six month period, which are to be forwarded to the agency head and transmitted to the appropriate committees of Congress. The DNI instruction calls for only an annual report, and makes no reference to a copy being provided to Congress.

The Inspector General Act also requires those offices to keep Congress and the appropriate Committees fully and currently informed about problems and deficiencies it discovers as well as the necessity for and progress of corrective action. The Committee is concerned that the structure for congressional interaction with the DNI Inspector General outlined in the September 2005 Instruction

is overly restrictive of the flow of information to the Committee. The Instruction states:

The Inspector General shall notify the DNI and the Director, Office of Legislative Affairs, of any request from the intelligence committees or any other committee or subcommittee of the Congress for any report or findings and recommendations of any inspection, investigation, audit, or other inquiry conducted by the Inspector General, and after consultation with the DNI, prepare an appropriate response to any such request.

It is unclear what role the Office of Legislative Affairs plays in these transactions, and the Committee envisions scenarios where it may be appropriate for direct interaction between the Committee and the Inspector General, as currently practiced with the Inspectors General from the Central Intelligence Agency and others.

Another area of Committee concern deals with the DNI's authority to direct the Inspector General not to initiate, carry out, or complete any review without notification to Congress. While other Inspectors General within the Intelligence Community operate subject to similar authority, there is also the requirement for a notification to Congress on the use of such authority. That requirement calls for statements to be submitted by both the affected Inspector General and the official who exercised the authority. The DNI's September 2005 Instruction has no such provision for Congressional notification.

One final area of concern relates to the reporting of "urgent concerns" from whistleblowers, and "particularly serious or flagrant" issues. In 1998, Congress created special whistleblower protections and procedures applicable within the Intelligence Community. The September 2005 Instruction makes reference to the DNI's Inspector General conducting reviews based on information from employees or contractors of the ODNI or any element of the intelligence community and states that they should "be subject to, and in accordance with, DNI policy and regulations concerning whistleblower protection." However, it is unclear that these policies and regulations conform to existing law governing whistleblower protection and notification to Congress.

The Committee notes also that the CIA's Inspector General is required to report immediately to the Director of that agency "when-ever he becomes aware of particularly serious or flagrant problems, abuses, or deficiencies relating to the administration of programs and operations." The Director is to transfer such reports to the Committee within seven calendar days. The Committee believes that similarly prompt reporting of issues identified by the DNI Inspector General is necessary.

In order to strengthen the foundation on which the DNI Office of Inspector General was created and to ensure that the appropriate oversight committees receive the maximum utility from its efforts, the Committee requests that within 180 days of enactment of this legislation the DNI issue an updated notification that incorporates elements of the Inspector General Act and the Central Intelligence Agency Act of 1949 that relate to Congressional notification and whistleblower protections.

Enterprise architecture

The Committee continues to believe that well-formed and successfully executed Enterprise Architecture (EA) frameworks in individual intelligence agencies and across the Intelligence Community will ensure more reliable Information Technology (IT) financial management and planning. These EA structures guide the IT budget and decisionmaking processes, which in turn should facilitate informed strategic investments and unified controls. This belief led in large part to the inclusion of responsibilities relating to EA for the Intelligence Community Chief Information Officer (CIO) and other responsible officials in the Intelligence and Terrorism Prevention Act of 2004.

In 2005, the Committee noted its view that “the IC would benefit greatly by undertaking a formal IC-wide EA effort, as this process would take these ‘linkages’ and fuse them together across the community in the form of standard business, performance, data and information, service component, and technical models.” H. Rept. 108–558, at 35. The Committee also directed that the Intelligence Community CIO in conjunction with the agency level CIOs to “draft the implementation plan for an IC-wide EA, which will conform the agencies’ EAs to the broader IC strategy. * * *” The Committee understands that the creation and implementation of these EA frameworks is ongoing and urges the DNI to continue to work collaboratively with the Intelligence Community agencies to ensure that these are completed within the timeframe prescribed. The Committee directs that the fiscal year 2008 National Intelligence Program and Military Intelligence Program budgets tie all IT spending to their respective EA frameworks at both the agency-level and Intelligence Community-wide.

Space acquisition programs—personnel

There is a general acknowledgement that the U.S. space acquisition programs at the National Reconnaissance Office and the Space and Missile Systems Center are in trouble. Simply put, expensive and complex acquisition endeavors always take longer, and therefore end up costing more than the initial estimates. Unanticipated delays can cause budgetary problems for other Intelligence Community programs, particularly when competition for resources leaves very little reserve to absorb unplanned cost overruns.

The Committee is interested in promoting greater continuity of personnel assigned to intelligence-related acquisition programs. It is not uncommon for space acquisition programs to take ten years, beginning with concept exploration, then developing an acquisition strategy, performing the source selection, and ultimately developing, launching, initializing, and operating the system (which can last decades). A seasoned acquisition professional will experience the interdependencies of all of these phases, and more importantly, gains an understanding of how the consequences of decisions made in any one phase ultimately affect the following phases. The Committee notes that previous personnel policies allowed uniformed military officers to remain assigned to NRO programs for the entire duration of an acquisition—in fact many Air Force officers made an entire career in the NRO. These extended assignments contributed to a sense of ownership, dedication, and commitment that is immeasurable and invaluable.

As anecdotally suggested, today's two-year rotational assignments do not provide an effective environment for successful space acquisitions. The Committee understands the military's desire to develop future leaders that have a breadth of experience, including experience focused in space related assignments. However, the Committee believes the mission to provide effective space acquisition professionals and to deliver these critical systems to the country far outweigh the need to develop well-rounded senior officers who are generalists.

Simply put, complex space systems acquisition requires extraordinarily specialized knowledge, skills, and dedicated effort over time. This specialty deserves a focused, protected, long-term career status. The Committee believes that recreating a protected career field that focuses on acquisition of space systems is a key to fixing the underlying problems with our space developments.

Further, the Committee believes that current personnel assignment policies should be improved to allow space acquisition professionals to obtain greater experience and technical depth. Today's policies place a high degree of importance on rotational assignments to obtain broad experience. This model leads to high turnover rate in personnel and impedes military officers from developing the technical expertise required to manage complex space programs. In contrast, civilian acquisition personnel career progression is rooted in specific program management experience and a high degree of relevant continuing education. The Committee believes that such longer-term assignments for military officers would provide the acquisition professionals with more experience, with better judgment, and result in more personal commitment to success, than the current short rotational assignments.

Therefore, the Committee directs the Secretary of Defense, in cooperation with the Director of National Reconnaissance Office and the Secretary of the Air Force, to commission a study to determine the value and feasibility of establishing a protected career service for space acquisition professionals (similar to the JAG or Medical Corps) and how such a policy can be implemented. The Committee directs that the report be delivered to the congressional intelligence committees no later than 120 days after enactment of this legislation.

D. CONGRESSIONAL OVERSIGHT REFORM

Many of the studies and reports that have emphasized the need for reform within various federal departments and agencies have also highlighted the need to modernize congressional oversight. The Final Report of the National Commission on Terrorist Attacks Upon the United States ("9/11 Commission") labeled congressional oversight of intelligence "dysfunctional" (p. 420). Many of the criticisms can be summarized by stating that "Congress is engaged in too much of the wrong kind of oversight—too few national debates on major issues and far too much time and energy being spent on relatively minor and parochial issues." (Center for Strategic and International Studies, *Beyond Goldwater-Nichols: Defense Reform for a New Strategic Era*, March 2004.)

Specific recommendations of the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass De-

struction (WMD Commission) to improve congressional oversight include:

Both the House and the Senate intelligence committees have indicated their intention to establish oversight subcommittees. But these subcommittees will not improve intelligence if they simply demand additional testimony from top intelligence officials on the crisis or scandal of the day. We suggest that, if created, the oversight subcommittees limit their activities to “strategic oversight,” meaning they would set an agenda at the start of the year or session of Congress, based on top priorities such as information sharing, and stick to that agenda. (p. 338).

Encourage more informal discussions and collaboration between the Intelligence Community and its congressional overseers. (p. 340).

The Committee takes such recommendations seriously and is determined to improve congressional oversight for the benefit of our national goals. At the beginning of the 109th Congress, the Committee created the Subcommittee on Oversight, which is specifically charged with conducting strategic oversight. Among the subject areas assigned to the Subcommittee are the responsibility for overseeing implementation of the Intelligence Reform and Terrorism Prevention Act, including the creation of the office of DNI, and specific oversight emphasis items, such as information sharing, unauthorized disclosures of classified information, intelligence analysis, and information assurance. This subcommittee has taken a number of steps to improve congressional oversight, including developing performance criteria to measure Intelligence Community progress and studying the practice of Congressionally Directed Actions.

Metrics within the intelligence community

To facilitate increased oversight, the Committee has placed special attention on the development of objective oversight metrics. Few organizations outside of government do not use objective measurements as a tool to gauge success and to track progress. Many government organizations, even without the profit motive, have found effective ways to measure progress and improvement through objective measurements. For example, some agencies have developed measurements to track use of their products and modify them when customers aren’t using them.

Logically, every intelligence agency should use some set of metrics as a management tool. Correspondingly, the Committee in its oversight role needs to have a useful set of metrics, likely somewhat different than those used by program managers, to evaluate the productivity of the Community. The standards should not be too different, however, because all branches of the U.S. Government should be working toward the same goal.

The Director of the National Quality Program at the National Institute of Standards and Technology observed that “We generally measure the easy, rather than the important. The challenge is to define the important.” The Committee seeks to work in partnership with the Intelligence Community to jointly identify and understand what is important—or at least that which points to the important. A former Speaker of the House has noted that “It’s what you in-

spect, not what you expect” that drives what agencies do in response to oversight. The Committee is not interested in receiving reporting merely for the sake of reporting or in creating data for its own end.

Any effective measurements should be tied to clear goals and objectives. As illustrated by the observation “if you don’t know where you’re going, any road will get you there,” it will be hard to measure progress without understanding what the Intelligence Community needs to achieve and where it needs to go. Once the Community and Congress clearly understand those objectives they can determine how to measure and understand what is aiding or hindering progress on important issues. The Committee seeks to work closely with leaders of the Intelligence Community and develop meaningful metrics to measure the progress in reforming intelligence and improving important processes within the Intelligence Community.

The Subcommittee on Oversight has conducted an intensive review with outside experts. In particular, the Committee has reviewed the Baldrige review process and notes that significant improvements have taken place in companies and government agencies that have participated in the process. The Committee encourages the DNI to review this process and determine how it could be adapted and implemented within the Intelligence Community.

Congressionally directed actions

Historically, the Committee has included congressionally directed actions (CDAs) as part of the report language of yearly Intelligence Authorization Acts as a way to direct specific actions or to formally obtain information that could not be obtained through other means. CDAs also spark debate on key issues or gaps that, in the Committee’s opinion, are not receiving the required attention of Intelligence Community agencies, leadership, and management. However, the Committee believes that responses to CDAs often do not satisfy the intent of the request, do not include a sufficient level of detail, and may not be properly used when received.

In the recent past, neither the Intelligence Community nor the Committee have had consistent processes in place to track, review or provide feedback on congressionally directed actions. Now is the time to improve the quality of both CDA tasking and their responses. It is the Committee’s intent to move CDA reporting from the insufficient, resource draining exercise it has often been to the worthwhile information exchange it was intended to be. The Committee hopes to increase the quality of CDA responses from the Intelligence Community and decrease duplication or unnecessary reporting requirements tasked to the Intelligence Community.

The Committee notes that some CDAs are the result of internal congressional compromises or carry annual reporting requirements without sunset provisions, resulting in a growing list of required reports that may have lost relevance. For instance, in the Intelligence Authorization Act for Fiscal Year 2000, the President is required to submit annual reports on the Public Identification of Significant Foreign Narcotics Traffickers. The Committee is at a loss as to why it currently needs specific reporting of the names of convicted narcotics traffickers, especially when other processes are in place to ensure proper efforts are undertaken against such traf-

fickers. More broadly, the Intelligence Community currently must answer 72 annual CDAs, in addition to those newly assigned each year. Many contain useful information needed to perform the Committee's oversight responsibilities. Fiscal Year 2005 marked a high point for CDA tasking in the past ten years, with the Intelligence Community answering 248, while in Fiscal Year 2006 the Intelligence Community was tasked with 197 CDAs.

In the spirit of congressional oversight reform, the Committee would like to establish uniform procedures with respect to CDAs. For example, the Committee may agree that a briefing would satisfy certain CDA requests where that format is most conducive to the exchange of information. In addition, the Subcommittee on Oversight is conducting a thorough review of all annual reporting requirements to assess the usefulness and the cost to prepare the other reports now required. As a result of an initial review, the Committee-reported bill repeals provisions of law requiring several of these annual reports. It is a good beginning.

The Committee would like to acknowledge the work put into CDA responses by the Intelligence Community workforce, and by the ODNI to ensure that all CDAs are answered in a timely, worthwhile manner. Going forward, it is in the best interest of our national security to minimize duplication and waste in all areas, and the Committee sees the clarification and restructuring of CDAs as a perfect opportunity.

COMMITTEE CONSIDERATION AND ROLLCALL VOTES

On March 30, 2006, the Committee met in open and closed session and ordered the bill H.R. 5020 favorably reported, as amended.

OPEN SESSION

In open session, the Committee considered the text of the bill H.R. 5020.

Chairman Hoekstra offered an amendment in the nature of a substitute to H.R. 5020. The contents of the amendment in the nature of a substitute are described in the Section-by-Section analysis and the Explanation of Amendment. The Committee considered the following amendments to the amendment in the nature of a substitute:

Mr. Hastings offered an amendment to require the President to submit a separate statement of the proposed budget for the Privacy and Civil Liberties Oversight Board and to authorize appropriations. It was not agreed to by a record vote of 8 ayes to 10 noes:

Voting aye: Ms. Harman, Mr. Hastings, Mr. Reyes, Mr. Boswell, Mr. Cramer, Ms. Eshoo, Mr. Holt, Mr. Tierney.

Voting no: Mr. Hoekstra (Chairman), Mr. LaHood, Mr. Everett, Ms. Wilson, Ms. Davis, Mr. Thornberry, Mr. McHugh, Mr. Tiahrt, Mr. Rogers, Mr. Renzi.

Mr. Everett offered an amendment to limit termination of the U-2 aircraft program. It was agreed to by voice vote.

CLOSED SESSION

Ms. Harman then moved to close the meeting because national security would be endangered if the matters to be considered were

disclosed. The motion was agreed to by a record vote of 15 ayes to 0 noes:

Voting aye: Mr. Hoekstra (Chairman), Mr. LaHood, Ms. Wilson, Ms. Davis, Mr. Thornberry, Mr. McHugh, Mr. Tiahrt, Mr. Renzi, Ms. Harman, Mr. Reyes, Mr. Boswell, Mr. Cramer, Ms. Eshoo, Mr. Holt, Mr. Tierney.

Voting no: None

Ms. Eshoo offered an amendment to provide that not more than 80 percent of the funds specified for a program in the classified Schedule of Authorizations shall be authorized until the President submits a report on the cost of the program described in the weekly radio address of the President on December 17, 2005.

OPEN SESSION

After debate, the Committee returned to open session by unanimous consent. The amendment was not agreed to by a record vote of 8 ayes to 10 noes:

Voting aye: Ms. Wilson, Ms. Harman, Mr. Hastings, Mr. Reyes, Mr. Boswell, Ms. Eshoo, Mr. Holt, Mr. Tierney.

Voting no: Mr. Hoekstra (Chairman), Mr. LaHood, Mr. Everett, Mr. Gallegly, Ms. Davis, Mr. Thornberry, Mr. McHugh, Mr. Tiahrt, Mr. Rogers, Mr. Renzi.

The Committee then adopted the amendment in the nature of a substitute by voice vote.

CLOSED SESSION

Ms. Harman then moved to close the meeting because national security would be endangered if the matters to be considered were disclosed. The motion was agreed to by a record vote of 15 ayes to 0 noes:

Voting aye: Mr. Hoekstra (Chairman), Mr. Everett, Ms. Wilson, Ms. Davis, Mr. Thornberry, Mr. McHugh, Mr. Tiahrt, Mr. Rogers, Ms. Harman, Mr. Hastings, Mr. Boswell, Mr. Cramer, Ms. Eshoo, Mr. Holt, Mr. Tierney.

Voting no: None

Ms. Eshoo offered an amendment to modify the funding level for a program contained in the classified Schedule of Authorizations. In lieu of the amendment, the Schedule of Authorizations was modified by unanimous consent.

Mr. Boswell offered an amendment to modify the funding levels for programs contained in the classified Schedule of Authorizations. It was not agreed to by a record vote of 7 ayes to 10 noes:

Voting aye: Ms. Harman, Mr. Hastings, Mr. Reyes, Mr. Boswell, Ms. Eshoo, Mr. Holt, Mr. Tierney.

Voting no: Mr. Hoekstra (Chairman), Mr. Everett, Ms. Wilson, Mr. Gallegly, Ms. Davis, Mr. Thornberry, Mr. McHugh, Mr. Tiahrt, Mr. Rogers, Mr. Renzi.

The Committee then adopted the classified Schedule of Authorizations by voice vote.

OPEN SESSION

By unanimous consent, the Committee returned to open session.

By voice vote, the Committee adopted a motion by the Chairman to favorably report the bill H.R. 5020 to the House, as amended.

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF THE
AMENDMENT

Section 1—Short title and table of contents

Section 1 contains the short title for the bill and the Table of Contents.

TITLE I—INTELLIGENCE ACTIVITIES

Section 101—Authorization of appropriations

Section 101 of the bill authorizes appropriations for the intelligence and intelligence-related activities of these elements of the United States Government: The Office of the Director of National Intelligence, the Central Intelligence Agency, the Department of Defense, the Defense Intelligence Agency, the National Security Agency, the Departments of the Army, Navy and Air Force, the Department of State, the Department of the Treasury, the Department of Justice, the Federal Bureau of Investigation, the National Reconnaissance Office, the National Geospatial-Intelligence Agency, the Coast Guard, the Department of Homeland Security, and the Drug Enforcement Administration.

Section 102—Classified schedule of authorizations

Section 102 provides that the amounts and personnel ceilings authorized under Section 101 shall be specified in the accompanying classified Schedule of Authorizations, which shall be made available to the Committee on Appropriations and to the President.

Section 103—Personnel ceiling adjustments

Section 103 permits the Director of National Intelligence (DNI) to authorize employment of civilian personnel in excess of the authorized number when the DNI determines that it is necessary to the performance of important intelligence functions and promptly notifies the congressional intelligence committees.

Section 104—Intelligence community management account

Section 104 authorizes specified funds, as well as classified amounts, for the Intelligence Community Management Account and provides that personnel detailed to that staff from other agencies are detailed on a reimbursable basis.

Section 105—Incorporation of reporting requirements

Section 105 provides that each requirement to submit a report to the congressional intelligence committees included in the joint explanatory statement to accompany the conference report on the bill is incorporated into the Act and made a requirement in law.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT
AND DISABILITY SYSTEM

Section 201—Authorization of appropriations

Section 201 authorizes funds for the CIA Retirement and Disability System.

TITLE III—GENERAL PROVISIONS

Section 301—Increase in employee compensation and benefits authorized by law

Section 301 permits the authorized amounts to be increased to provide increases in compensation and benefits authorized by law.

Section 302—Restriction on conduct of intelligence activities

Section 302 provides that the authorization of funds in this act does not constitute authority for the conduct of any intelligence activity not otherwise authorized by the Constitution or laws of the United States.

Section 303—Clarification of definition of intelligence community under the National Security Act of 1947

Section 303 provides a technical clarification with respect to designation of members of the Intelligence Community.

Section 304—Delegation of authority for travel on common carriers for intelligence collection personnel

Section 304 permits the DNI to delegate authority to approve certain travel on common carriers to the heads of individual Intelligence Community elements.

Section 305—Retention and use of amounts paid as debts to elements of the intelligence community

Section 305 authorizes intelligence community elements to accept, retain, and use certain amounts received from private parties as repayment of debts arising from negligent or willful damage or misconduct, or repayment for default on the terms of educational assistance.

Section 306—Availability of funds for travel and transportation of personal effects, household goods, and automobiles

Section 306 permits DNI and CIA travel expenses to be charged to the fiscal year in which travel begins, even if not concluded in that year.

Section 307—Purchases by elements of the intelligence community of products of Federal Prison Industries

Section 307 provides that intelligence community elements must determine that a product or service to be purchased from Federal Prison Industries best meets the needs of the Agency.

TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

Subtitle A—Office of the Director of National Intelligence

Section 401—Clarification of delegation of transfer or reprogramming authority

Section 401 makes a technical clarification to the Intelligence Reform and Terrorism Prevention Act.

Section 402—Clarification of limitation of co-location of the Office of the Director of National Intelligence

Section 402 clarifies that the prohibition on the co-location of the DNI with any other intelligence community element applies only to the co-location of the headquarters of each.

Section 403—Additional duties for the DNI Director of Science and Technology

Section 403 provides that the DNI Science and Technology Committee shall prioritize research and development related to intelligence (in addition to coordinating such research and development), including identification of basic, applied, and advanced research programs to be carried out by the intelligence community. The DNI's Director of Science and Technology is also directed to assist the DNI in establishing goals for the elements of the intelligence community to meet its technology needs. Section 403 further provides for a report to Congress by the DNI containing a strategy for the development and use of technology in the intelligence community through 2021.

Section 404—Appointment and title of Chief Information Officer of the Intelligence Community

Section 404 clarifies that the Chief Information Officer for the DNI acts as the Chief Information Officer for the Intelligence Community, and provides that the position shall be directly appointed by the DNI.

Section 405—Leadership and location of certain offices and officials

Section 405 includes the Director of the National Counterproliferation Center and the Director of the National Counterterrorism Center in the list of officers within the ODNI, and provides that the NCPC Director shall be appointed by the DNI.

Section 406—Eligibility for incentive awards of personnel assigned to the Office of the Director of National Intelligence

Section 406 permits the DNI to provide incentive awards to federal employees and military personnel assigned to the Office of the DNI.

Section 407—Repeal of certain authorities relating to the Office of the National Counterintelligence Executive

Section 407 makes conforming changes to incorporate the Office of the National Counterintelligence Executive into the Office of the DNI.

Section 408—Membership of the Director of National Intelligence on the Transportation Security Oversight Board

Section 408 adds the Director of National Intelligence to the Transportation Security Oversight Board.

Section 409—Temporary inapplicability to the Office of the Director of National Intelligence of certain financial reporting requirements

Section 409 exempts the DNI from the legal requirement to submit an audited financial statement for Fiscal Year 2005 or 2006 to facilitate transition to the DNI.

Section 410—Comprehensive inventory of special access programs

Section 410 requires the DNI to submit to the congressional intelligence committees, by January 15, 2007, a classified comprehensive inventory of special access programs conducted within the National Intelligence Program.

Section 411—Sense of Congress on multi-level security clearances

Section 411 expresses the Sense of Congress that the DNI should promptly examine the need for establishing and overseeing the implementation of a multi-level security clearance system across the intelligence community to leverage the cultural and linguistic skills of subject matter experts and individuals proficient in foreign languages critical to national security.

Section 412—Access to information by staff and members of the Congressional Intelligence Committees

Section 412 requires the DNI to provide members and staff of the Congressional Intelligence Committees with access to the JWICS computer network no later than 180 days after the date of enactment.

Section 413—Study on revoking pensions of persons who commit unauthorized disclosures of classified information

Section 412 requires the DNI to review whether current law or administrative authorities enable the revocation of pensions of persons who commit unauthorized disclosures of classified information.

Subtitle B—Central Intelligence Agency

Section 421—Enhanced protection of Central Intelligence Agency sources and methods from unauthorized disclosure

Section 421 restores the independent authority to the Director of the CIA to protect intelligence sources and methods.

Section 422—Additional exception to foreign language proficiency requirement for certain senior level positions in the Central Intelligence Agency

Section 422 “grandfathers” current Senior Intelligence Service personnel from certain new language proficiency requirements and permits waivers for individuals.

Section 423—Additional functions and authorities for protective personnel of the Central Intelligence Agency

Section 423 permits the CIA to provide a protective detail for the DNI and clarifies the arrest authorities of CIA protective personnel.

Section 424—Protective services for former officials of the intelligence community

Section 424 requires showing of a specific and credible threat to continue protective services to former senior intelligence community officials beginning one year after departure from the government.

Section 425—Strategic review process

Section 425 provides that not later than September 30, 2007, the DNI shall, in consultation with the heads of the elements of the intelligence community, manage and oversee the conduct of a strategic review of the intelligence community to develop intelligence capabilities required to address threats to national security and shall include estimates of the allocation of resources and structural change that should be reflected in future budget requests.

Subtitle C—Defense Intelligence Components

Section 431—Enhancements of National Security Agency training program

Section 431 clarifies that employees failing to maintain satisfactory academic performance in a contractually provided educational course of training shall be liable for repayment in lieu of any service obligation.

Section 432—Codification of authorities of National Security Agency protective personnel

Section 432 clarifies the arrest authorities of NSA protective personnel.

Subtitle D—Other Elements

Section 441—Clarification of inclusion of Coast Guard and Drug Enforcement Administration elements in the Intelligence Community

Section 441 formally includes the Coast Guard and Drug Enforcement Administration in the list of Intelligence Community agencies included in the National Security Act.

Section 442—Clarifying amendments relating to section 105 of the Intelligence Authorization Act for fiscal year 2004

Section 442 makes a technical correction relating to the DNI's authorities regarding intelligence activities at the Department of the Treasury.

Title V—OTHER MATTERS

Section 501—Aerial reconnaissance platforms

Section 501 provides that the Secretary of Defense shall conduct a study and certify the mission capability of the Global Hawk RQ-4 platform prior to termination of the U-2 platform program.

Section 502—Elimination of certain reporting requirements

Section 502 eliminates certain reporting requirements that are encompassed in other reports or no longer necessary.

Section 503—Technical amendments to the National Security Act of 1947

Section 503 makes technical amendments to the National Security Act of 1947.

Section 504—Technical clarification of certain references to Joint Military Intelligence Program and Tactical Intelligence and Related Activities

Section 504 makes technical amendments clarifying transition from the Joint Military Intelligence Program and Tactical Intelligence and Related Activities to the Military Intelligence Program.

Section 505—Technical amendments to the Intelligence Reform and Terrorism Prevention Act of 2004

Section 505 makes technical amendments to the Intelligence Reform and Terrorism Prevention Act of 2004.

Section 506—Technical amendments to the Central Intelligence Agency Act of 1949

Section 506 makes technical amendments to the Central Intelligence Agency Act of 1949.

Section 507—Technical amendments relating to the Multiyear National Intelligence Program

Section 507 makes technical amendments to the Multiyear National Intelligence Program.

Section 508—Technical amendments relating to the Executive Schedule

Section 508 makes technical amendments to the Executive Schedule.

Section 509—Technical amendments relating to Redesignation of the National Imagery and Mapping Agency as the National Geospatial-Intelligence Agency

Section 509 makes technical amendments relating to redesignation of the National Imagery and Mapping Agency as the National Geospatial-Intelligence Agency.

OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee held three hearings on the classified budgetary issues raised by H.R. 5020. Testimony was taken from the Director of National Intelligence and the Under Secretary of Defense for Intelligence. Such testimony related to the activities and plans of the Intelligence Community covered by the provisions and authorizations, both classified and unclassified, of the 'Intelligence Authorization Act for Fiscal Year 2007.' The bill, as reported by the Committee, reflects conclusions reached by the Committee in light of this oversight activity.

GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with Clause (3)(c) of House rule XIII, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

The intelligence and intelligence-related activities of the United States government are carried out to support the national security interests of the United States, to support and assist the armed forces of the United States, and to support the President in the execution of the foreign policy of the United States.

Article 1, section 8 of the Constitution of the United States provides, in pertinent part, that "Congress shall have power * * * to pay the debts and provide for the common defence and general welfare of the United States; * * *"; "to raise and support Armies, * * *" "to provide and maintain a Navy; * * *" and "to make all laws which shall be necessary and proper for carrying into execution * * * all other powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement of whether the provisions of the reported bill include unfunded mandates. In compliance with this requirement, the Committee has received a letter from the Congressional Budget Office included herein.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of 3(c)(3) of rule XIII of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 5020 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 6, 2006.

Hon. PETER HOEKSTRA,
Chairman, Permanent Select Committee on Intelligence,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5020, the Intelligence Authorization Act for Fiscal Year 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jason Wheelock.

Sincerely,

DONALD B. MARRON,
Acting Director.

Enclosure.

H.R. 5020—Intelligence Authorization Act for Fiscal Year 2007

H.R. 5020 would authorize appropriations for fiscal year 2007 for intelligence activities of the U.S. government, the Intelligence Community Management Account, and the Central Intelligence Agency Retirement and Disability System (CIARDS).

This estimate addresses only the unclassified portion of the bill. On that limited basis, CBO estimates that implementing certain provisions of the bill would cost \$550 million in 2007 and just under \$1 billion over the 2007–2011 period, assuming appropriation of the necessary funds, as shown in the following table.

	By fiscal year, in millions of dollars—				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATIONS ¹					
Intelligence Community Management Account:					
Authorization Level	990	0	0	0	0
Estimated Outlays	545	347	69	20	9
CIARDS: ²					
Estimated Authorization Level	5	0	0	0	0
Estimated Outlays	5	0	0	0	0
Total Changes:					
Estimated Authorization Level	995	0	0	0	0
Estimated Outlays	550	347	69	20	0

¹ In addition to effects on spending subject to appropriation, H.R. 5020 would affect direct spending. However, CBO cannot estimate those effects because the data needed to prepare an estimate are classified.

² CBO's March 2006 baseline assumes a mandatory appropriation of \$251 million in 2007 for CIARDS. H.R. 5020 would provide an authorization of \$256 million for that year.

Section 104 would authorize the appropriation of \$990 million for the Intelligence Community Management Account, which provides the principal source of funding for the Office of the Director of National Intelligence and provides resources for coordination of programs, budget oversight, and management of the intelligence agencies. CBO estimates that implementing this provision would cost \$545 million in 2007 and \$980 million over the 2007–2011 period, assuming appropriation of the specified amounts.

Section 201 would authorize a mandatory appropriation of \$256 million to CIARDS to cover retirement costs attributable to military service and various unfunded liabilities. This authorization is above CBO's March 2006 baseline and would increase outlays by \$5 million in 2007 over that baseline, assuming appropriation of the authorized amount.

Section 305 would authorize elements of the Intelligence Community to accept and spend reimbursements from private parties and employees of the Intelligence Community who damage equipment purchased through appropriated funds or default on the terms of any form of education assistance provided by such elements. Since these reimbursements would otherwise be returned to the Treasury, this section would affect direct spending. However, CBO cannot provide an estimate as the data necessary to estimate the impact of this provision are classified.

The unclassified sections of this bill contain no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Jason Wheelock. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

NATIONAL SECURITY ACT OF 1947

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

SHORT TITLE

That this Act may be cited as the “National Security Act of 1947”.

TABLE OF CONTENTS

Sec. 2. Declaration of policy.

TITLE I—COORDINATION FOR NATIONAL SECURITY

*	*	*	*	*	*	*
【Sec. 114A.	Annual report on improvement of financial statements for auditing purposes.】					
*	*	*	*	*	*	*
【Sec. 118.	Semiannual report on financial intelligence on terrorist assets.】					
*	*	*	*	*	*	*

TITLE III—MISCELLANEOUS

Sec. 301.	National Security Agency voluntary separation.					
【Sec. 301.	Compensation of Secretaries.】					
*	*	*	*	*	*	*
【Sec. 302.	Under Secretaries and Assistant Secretaries.】					
*	*	*	*	*	*	*
【Sec. 304.	Status of transferred civilian personnel.					
【Sec. 305.	Saving provisions.					
【Sec. 306.	Transfer of funds.】					
Sec. 304.	<i>Protective services for former officials of the intelligence community.</i>					
*	*	*	*	*	*	*

TITLE XI—OTHER PROVISIONS

Sec. 1101.	Applicability to United States intelligence activities of Federal laws implementing international treaties and agreements.					
*	*	*	*	*	*	*
Sec. 1103.	<i>Retention and use of amounts paid as debts to elements of the intelligence community.</i>					
*	*	*	*	*	*	*

DEFINITIONS

SEC. 3. As used in this Act:

(1) * * *

*	*	*	*	*	*	*
---	---	---	---	---	---	---

(4) The term “intelligence community” includes the following:

(A) * * *

* * * * *

(H) The intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, *the Coast Guard*, the Federal Bureau of Investigation, *the Drug Enforcement Administration*, and the Department of Energy.

* * * * *

(K) The elements of the Department of Homeland Security concerned with the analysis of intelligence information[, including the Office of Intelligence of the Coast Guard].

(L) Such other elements of any [other] department or agency as may be designated by the President, or designated jointly by the Director of National Intelligence and the head of the department or agency concerned, as an element of the intelligence community.

* * * * *

TITLE I—COORDINATION FOR NATIONAL SECURITY

* * * * *

RESPONSIBILITIES AND AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE

SEC. 102A. (a) * * *

* * * * *

(c) BUDGET AUTHORITIES.—(1) * * *

* * * * *

(3)(A) The Director of National Intelligence shall participate in the development by the Secretary of Defense of the [annual budgets for the Joint Military Intelligence Program and for Tactical Intelligence and Related Activities] *annual budget for the Military Intelligence Program or any successor program or programs*.

* * * * *

(7)(A) The Director of National Intelligence shall provide a semi-annual report, beginning April 1, 2005, and ending April 1, 2007, to the President and the Congress regarding implementation of this [section] *subsection*.

* * * * *

(d) ROLE OF DIRECTOR OF NATIONAL INTELLIGENCE IN TRANSFER AND REPROGRAMMING OF FUNDS.—(1)(A) * * *

(B) The Secretary of Defense shall consult with the Director of National Intelligence before transferring or reprogramming funds made available under the [Joint Military Intelligence Program] *Military Intelligence Program or any successor program or programs*.

* * * * *

(3) The Director of National Intelligence may only transfer or reprogram funds referred to in [subparagraph (A)] *paragraph (1)(A)*—

(A) * * *

* * * * *

(5)(A) A transfer or reprogramming of funds [or personnel] may be made under this subsection only if—

(i) * * *

* * * * *

(B) A transfer or reprogramming may be made without regard to a limitation set forth in clause (iv) or (v) of subparagraph (A) if the transfer has the concurrence of the head of the department involved or the Director of the Central Intelligence Agency (in the case of the Central Intelligence Agency). The authority to provide such concurrence may only be delegated by the head of the department [or agency involved] *involved or the Director of the Central Intelligence Agency (in the case of the Central Intelligence Agency)* to the deputy of such officer.

* * * * *

(f) TASKING AND OTHER AUTHORITIES.—(1) * * *

* * * * *

(9) *Not later than September 30, 2007, and every four years thereafter, the Director of National Intelligence shall, in consultation with the heads of the elements of the intelligence community, manage and oversee the conduct of a strategic review of the intelligence community to develop intelligence capabilities required to address threats to national security. Such review shall analyze near-term, mid-term, and future threats to national security and shall include estimates of the allocation of resources and structural change that should be reflected in future budget requests.*

* * * * *

(1) ENHANCED PERSONNEL MANAGEMENT.—(1) * * *

(2)(A) * * *

(B) The Director may prescribe regulations to carry out this [section] *paragraph*.

* * * * *

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

SEC. 103. (a) * * *

* * * * *

(c) COMPOSITION.—The Office of the Director of National Intelligence is composed of the following:

(1) * * *

* * * * *

(9) *The Chief Information Officer of the intelligence community.*

(10) *The Inspector General of the intelligence community.*

(11) *The Director of the National Counterterrorism Center.*

(12) *The Director of the National Counter Proliferation Center.*

[(9)] (13) Such other offices and officials as may be established by law or the Director may establish or designate in the Office, including national intelligence centers.

* * * * *

(e) LIMITATION ON CO-LOCATION [WITH] OF HEADQUARTERS WITH HEADQUARTERS OF OTHER ELEMENTS OF INTELLIGENCE COMMUNITY.—Commencing as of October 1, 2008, *the headquarters of the Office of the Director of National Intelligence may not be colocated with [any other element] the headquarters of any other element of the intelligence community.*

* * * * *

DIRECTOR OF SCIENCE AND TECHNOLOGY

SEC. 103E. (a) * * *

* * * * *

(c) DUTIES.—The Director of Science and Technology shall—

(1) * * *

* * * * *

(4) assist the Director on the science and technology elements of the budget of the Office of the Director of National Intelligence; [and]

(5) assist the Director in establishing goals for the elements of the intelligence community to meet the technology needs of the intelligence community; and

[(5)] (6) perform other such duties as may be prescribed by the Director of National Intelligence or specified by law.

(d) DIRECTOR OF NATIONAL INTELLIGENCE SCIENCE AND TECHNOLOGY COMMITTEE.—(1) * * *

* * * * *

(3) The Committee shall—

(A) coordinate *and prioritize* advances in research and development related to intelligence; and

* * * * *

(4) In carrying out paragraph (3)(A), the Committee shall identify basic, advanced, and applied research programs to be carried out by elements of the intelligence community.

* * * * *

(e) GOALS FOR TECHNOLOGY NEEDS OF INTELLIGENCE COMMUNITY.—*In carrying out subsection (c)(5), the Director of Science and Technology shall—*

(1) systematically identify and assess the most significant intelligence challenges that require technical solutions; and

(2) examine options to enhance the responsiveness of research and design programs of elements of the intelligence community to meet the requirements of the intelligence community for timely support.

* * * * *

CHIEF INFORMATION OFFICER

SEC. 103G. (a) CHIEF INFORMATION OFFICER.—To assist the Director of National Intelligence in carrying out the responsibilities of the Director under this Act and other applicable provisions of law, there shall be within the Office of the Director of National Intelligence a Chief Information Officer *of the Intelligence Community* who shall be appointed by [the President, by and with the advice and consent of the Senate] *the Director of National Intelligence*.

(b) CHIEF INFORMATION OFFICER OF INTELLIGENCE COMMUNITY.—The Chief Information Officer *of the Intelligence Community* shall serve as the chief information officer of the intelligence community.

(c) DUTIES AND RESPONSIBILITIES.—Subject to the direction of the Director of National Intelligence, the Chief Information Officer *of the Intelligence Community* shall—

(1) * * *

* * * * *

(d) PROHIBITION ON SIMULTANEOUS SERVICE AS OTHER CHIEF INFORMATION OFFICER.—An individual serving in the position of Chief Information Officer *of the Intelligence Community* may not, while so serving, serve as the chief information officer of any other department or agency, or component thereof, of the United States Government.

* * * * *

DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY

SEC. 104A. (a) * * *

* * * * *

(d) RESPONSIBILITIES.—The Director of the Central Intelligence Agency shall—

(1) * * *

* * * * *

(3) provide overall direction for and coordination of the collection of national intelligence outside the United States through human sources by elements of the intelligence community authorized to undertake such collection and, in coordination with other departments, agencies, or elements of the United States Government which are authorized to undertake such collection, ensure that the most effective use is made of resources and that appropriate account is taken of the risks to the United States and those involved in such collection; [and]

(4) *protect intelligence sources and methods of the Central Intelligence Agency from unauthorized disclosure, consistent with any direction issued by the President or the Director of National Intelligence; and*

[(4)] (5) perform such other functions and duties related to intelligence affecting the national security as the President or the Director of National Intelligence may direct.

* * * * *

(g) FOREIGN LANGUAGE PROFICIENCY FOR CERTAIN SENIOR LEVEL POSITIONS IN CENTRAL INTELLIGENCE AGENCY.—(1) Except as provided pursuant to [paragraph (2)] *paragraphs (2) and (3)*, an individual may not be appointed to a position in the Senior Intelligence

Service in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency unless the Director of the Central Intelligence Agency determines that the individual—

(A) * * *

* * * * *

(2) The Director of the Central Intelligence Agency may, in the discretion of the Director, waive the application of paragraph (1) to any **[position or category of positions]** *individual, individuals, position, or category of positions* otherwise covered by that paragraph if the Director determines that foreign language proficiency is not necessary for the successful performance of the duties and responsibilities of such **[position or category of positions]** *individual, individuals, position, or category of positions*.

(3) *Paragraph (1) shall not apply to any individual in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency who is serving in a Senior Intelligence Service position as of December 23, 2005, regardless of whether such individual is a member of the Senior Intelligence Service.*

* * * * *

RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS

SEC. 112. (a) * * *

[(b) ANNUAL and Special Reports.—(1) The President shall report annually to the appropriate committees of Congress on the types and volume of intelligence provided to the United Nations and the purposes for which it was provided during the period covered by the report. The President shall also report to the appropriate committees of Congress within 15 days after it has become known to the United States Government that there has been an unauthorized disclosure of intelligence provided by the United States to the United Nations.

[(2) The requirement for periodic reports under the first sentence of paragraph (1) shall not apply to the provision of intelligence that is provided only to, and for the use of, appropriately cleared United States Government personnel serving with the United Nations.

[(3) In the case of the annual reports required to be submitted under the first sentence of paragraph (1) to the congressional intelligence committees, the submittal dates for such reports shall be as provided in section 507.]

* * * * *

[ANNUAL REPORT ON IMPROVEMENT OF FINANCIAL STATEMENTS FOR AUDITING PURPOSES

[SEC. 114A. Not later each year than the date provided in section 507, the Director of National Intelligence, the Director of the Central Intelligence Agency, the Director of the National Security Agency, the Director of the Defense Intelligence Agency, and the Director of the National Imagery and Mapping Agency shall each submit to the congressional intelligence committees a report describing the activities being undertaken by such official to ensure that the financial statements of such agency can be audited in ac-

cordance with applicable law and requirements of the Office of Management and Budget.】

* * * * *

TRAVEL ON ANY COMMON CARRIER FOR CERTAIN INTELLIGENCE
COLLECTION PERSONNEL

SEC. 116. (a) * * *

(b) AUTHORIZED DELEGATION OF DUTY.—(1) The Director of National Intelligence 【may only delegate the authority granted by this section to the Principal Deputy Director of National Intelligence, or with respect to employees of the Central Intelligence Agency, to the Director of the Central Intelligence Agency.】 *may delegate the authority in subsection (a) to the head of any other element of the intelligence community.*

(2) *The head of an element of the intelligence community to whom the authority in subsection (a) is delegated pursuant to paragraph (1) may further delegate such authority to such senior officials of such element as are specified in guidelines prescribed by the Director of National Intelligence for purposes of this paragraph.*

* * * * *

【SEMIANNUAL REPORT ON FINANCIAL INTELLIGENCE ON TERRORIST
ASSETS

【SEC. 118. (a) SEMIANNUAL REPORT.—On a semiannual basis, the Secretary of the Treasury (acting through the head of the Office of Intelligence Support) shall submit a report to the appropriate congressional committees that fully informs the committees concerning operations against terrorist financial networks. Each such report shall include with respect to the preceding six-month period—

【(1) the total number of asset seizures, designations, and other actions against individuals or entities found to have engaged in financial support of terrorism;

【(2) the total number of applications for asset seizure and designations of individuals or entities suspected of having engaged in financial support of terrorist activities that were granted, modified, or denied;

【(3) the total number of physical searches of offices, residences, or financial records of individuals or entities suspected of having engaged in financial support for terrorist activity; and

【(4) whether the financial intelligence information seized in these cases has been shared on a full and timely basis with the all departments, agencies, and other entities of the United States Government involved in intelligence activities participating in the Foreign Terrorist Asset Tracking Center.

【(b) IMMEDIATE NOTIFICATION FOR EMERGENCY DESIGNATION.—In the case of a designation of an individual or entity, or the assets of an individual or entity, as having been found to have engaged in terrorist activities, the Secretary of the Treasury shall report such designation within 24 hours of such a designation to the appropriate congressional committees.

【(c) SUBMITTAL DATE OF REPORTS TO CONGRESSIONAL INTELLIGENCE COMMITTEES.—In the case of the reports required to be submitted under subsection (a) to the congressional intelligence

committees, the submittal dates for such reports shall be as provided in section 507.

[(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means the following:

[(1) The Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Financial Services of the House of Representatives.

[(2) The Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs of the Senate.]

NATIONAL COUNTERTERRORISM CENTER

SEC. 119. (a) * * *

* * * * *

(c) REPORTING.—(1) * * *

(2) The matters described in this paragraph are as follows:

(A) * * *

(B) The activities of the Directorate of Intelligence of the National Counterterrorism Center under subsection [(h)] (i).

* * * * *

NATIONAL COUNTER PROLIFERATION CENTER

SEC. 119A. (a) [ESTABLISHMENT.—Not later than 18 months after the date of the enactment of the National Security Intelligence Reform Act of 2004, the] (1) *ESTABLISHMENT.*—The President shall establish a National Counter Proliferation Center, taking into account all appropriate government tools to prevent and halt the proliferation of weapons of mass destruction, their delivery systems, and related materials and technologies.

(2) *DIRECTOR.*—The head of the National Counter Proliferation Center shall be the Director of the National Counter Proliferation Center, who shall be appointed by the Director of National Intelligence.

(3) *LOCATION.*—The National Counter Proliferation Center shall be located within the Office of the Director of National Intelligence.

* * * * *

TITLE III—MISCELLANEOUS

* * * * *

PROTECTIVE SERVICES FOR FORMER OFFICIALS OF THE INTELLIGENCE COMMUNITY

SEC. 304. (a) *IN GENERAL.*—Subject to subsection (b), the head of an element of the intelligence community may not provide personnel for the protection of a former official of an element of the intelligence community unless—

(1) there is a specific and credible threat to such former official arising from the service of such former official to the United States; and

(2) such head of an element of the intelligence community submits to the Director of National Intelligence notice of the intention to provide such personnel and an assessment of—

(A) the threat to such former official; and

(B) the level of protective services necessary to protect such former official based on such threat.

(b) *EXCEPTION FOR RECENT TERMINATION OF EMPLOYMENT.*—The head of an element of the intelligence community may provide personnel for the protection of a former official of an element of the intelligence community without a specific and credible threat to such former official for not more than one year after the termination of the employment of such former official if such former official requests such protection.

(c) *THREAT ASSESSMENT UPDATES.*—Not later than 180 days after the date on which the head of an element of the intelligence community begins providing personnel for the protection of a former official of an element of the intelligence community, and at least every 180 days thereafter until such head of an element of the intelligence community determines that there is no longer a threat to such former official, such head of an element of the intelligence community shall submit to the Director of National Intelligence an updated assessment of the threat to such former official and the level of protective services necessary to protect such former official based on such threat.

(d) *TERMINATION OF PROTECTIVE SERVICES.*—If the head of an element of the intelligence community that is providing personnel for the protection of a former official of an element of the intelligence community pursuant to subsection (a) determines that there is no longer a threat to such former official, such head of an element of the intelligence community shall cease providing personnel for the protection of such former official not later than 30 days after determining such threat no longer exists.

(e) *REPORT.*—Not later than 7 days after the date on which the head of an element of the intelligence community begins providing personnel for the protection of a former official of an element of the intelligence community, the Director of National Intelligence shall submit to the congressional intelligence committees notice of the provision of personnel for the protection of such former official.

* * * * *

TITLE XI—ADDITIONAL MISCELLANEOUS PROVISIONS

* * * * *

RETENTION AND USE OF AMOUNTS PAID AS DEBTS TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

SEC. 1103. (a) AUTHORITY TO RETAIN AMOUNTS PAID.—Notwithstanding section 3302 of title 31, United States Code, or any other provision of law, the head of an element of the intelligence community may retain amounts paid or reimbursed to the United States, including amounts paid by an employee of the Federal Government from personal funds, for repayment of a debt owed to the element of the intelligence community.

(b) *CREDITING OF AMOUNTS RETAINED.*—(1) Amounts retained under subsection (a) shall be credited to the current appropriation

or account from which such funds were derived or whose expenditure formed the basis for the underlying activity from which the debt concerned arose.

(2) Amounts credited to an appropriation or account under paragraph (1) shall be merged with amounts in such appropriation or account, and shall be available in accordance with subsection (c).

(c) AVAILABILITY OF AMOUNTS.—Amounts credited to an appropriation or account under subsection (b) with respect to a debt owed to an element of the intelligence community shall be available to the head of such element, for such time as is applicable to amounts in such appropriation or account, or such longer time as may be provided by law, for purposes as follows:

(1) In the case of a debt arising from lost or damaged property of such element, the repair of such property or the replacement of such property with alternative property that will perform the same or similar functions as such property.

(2) The funding of any other activities authorized to be funded by such appropriation or account.

(d) DEBT OWED TO AN ELEMENT OF THE INTELLIGENCE COMMUNITY DEFINED.—In this section, the term “debt owed to an element of the intelligence community” means any of the following:

(1) A debt owed to an element of the intelligence community by an employee or former employee of such element for the negligent or willful loss of or damage to property of such element that was procured by such element using appropriated funds.

(2) A debt owed to an element of the intelligence community by an employee or former employee of such element as repayment for default on the terms and conditions associated with a scholarship, fellowship, or other educational assistance provided to such individual by such element, whether in exchange for future services or otherwise, using appropriated funds.

(3) Any other debt or repayment owed to an element of the intelligence community by a private person or entity by reason of the negligent or willful action of such person or entity, as determined by a court of competent jurisdiction or in a lawful administrative proceeding.

* * * * *

INTELLIGENCE AUTHORIZATION ACT OF FISCAL YEAR 2004

* * * * *

TITLE I—INTELLIGENCE ACTIVITIES

* * * * *

SEC. 105. OFFICE OF INTELLIGENCE AND ANALYSIS OF THE DEPARTMENT OF THE TREASURY.

(a) * * *

(b) CONSTRUCTION OF AUTHORITY.—Nothing in section 311 of title 31, United States Code (as amended by subsection (a)), or in section 313 of such title, shall be construed to alter the authorities and responsibilities of the [Director of Central Intelligence] Direc-

tor of National Intelligence with respect to the Office of Intelligence and Analysis of the Department of the Treasury as an element of the intelligence community.

* * * * *

TITLE IV—CENTRAL INTELLIGENCE AGENCY

* * * * *

SEC. 404. PURCHASES BY CENTRAL INTELLIGENCE AGENCY OF PRODUCTS OF FEDERAL PRISON INDUSTRIES.

Notwithstanding section 4124 of title 18, United States Code, purchases [by the Central Intelligence Agency] *by an element of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)))* from Federal Prison Industries shall be made only if [the Director of the Central Intelligence Agency determines that the product or service] *the head of that element determines that the product or service (including a surveying or mapping service)* to be purchased from Federal Prison Industries best meets the needs of the Agency.

* * * * *

SECTION 402 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1984

ELIGIBILITY FOR INCENTIVE AWARDS

SEC. 402. [(a) The Director of Central Intelligence may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Central Intelligence Agency or to the Intelligence Community Staff, in the same manner as such authority may be exercised with respect to the personnel of the Central Intelligence Agency and the Intelligence Community Staff.]

(a) *AUTHORITY FOR PAYMENT OF AWARDS.—(1) The Director of National Intelligence may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Office of the Director of National Intelligence in the same manner as such authority may be exercised with respect to personnel of the Office.*

(2) *The Director of the Central Intelligence Agency may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Central Intelligence Agency in the same manner as such authority may be exercised with respect to personnel of the Agency.*

(b) *PERSONNEL ELIGIBLE FOR AWARDS.—*The authority granted by [subsection (a) of this section] *subsection (a)* may be exercised with respect to Federal employees or members of the Armed Forces detailed or assigned [to the Central Intelligence Agency or to the In-

telligence Community Staff] *to the Office of the Director of National Intelligence or to the Central Intelligence Agency* on or after [a date five years before the date of enactment of this section] *December 9, 1978.*

[(c) During fiscal year 1987, the Director of Central Intelligence may exercise the authority granted in section 4503(2) of title 5, United States Code, with respect to members of the Armed Forces who are assigned to foreign intelligence duties at the time of the conduct which gives rise to the exercise of such authority.]

[(d)] (c) *PAYMENT AND ACCEPTANCE OF AWARDS.*—An award made by the [Director of Central Intelligence] *Director of National Intelligence or Director of the Central Intelligence Agency* to an employee or member of the Armed Forces under the authority of section 4503 of title 5, United States Code, or this section may be paid and accepted notwithstanding—

(1) * * *

* * * * *

SECTION 904 OF THE COUNTERINTELLIGENCE ENHANCEMENT ACT OF 2002

SEC. 904. OFFICE OF THE NATIONAL COUNTERINTELLIGENCE EXECUTIVE.

(a) * * *

* * * * *

[(d) GENERAL COUNSEL.—(1) There shall be in the Office of the National Counterintelligence Executive a general counsel who shall serve as principal legal advisor to the National Counterintelligence Executive.

[(2) The general counsel shall—

[(A) provide legal advice and counsel to the Executive on matters relating to functions of the Office;

[(B) ensure that the Office complies with all applicable laws, regulations, Executive orders, and guidelines; and

[(C) carry out such other duties as the Executive may specify.]

[(e)] (d) *FUNCTIONS.*—Subject to the direction and control of the National Counterintelligence Executive, the functions of the Office of the National Counterintelligence Executive shall be as follows:

(1) *NATIONAL THREAT IDENTIFICATION AND PRIORITIZATION ASSESSMENT.*—Subject to subsection [(f)] (e), in consultation with appropriate department and agencies of the United States Government, and private sector entities, to produce on an annual basis a strategic planning assessment of the counterintelligence requirements of the United States to be known as the National Threat Identification and Prioritization Assessment.

(2) *NATIONAL COUNTERINTELLIGENCE STRATEGY.*—Subject to subsection [(f)] (e), in consultation with appropriate department and agencies of the United States Government, and private sector entities, and based on the most current National Threat Identification and Prioritization Assessment under paragraph (1), to produce on an annual basis a strategy for the counterintelligence programs and activities of the United

States Government to be known as the National Counterintelligence Strategy.

* * * * *

[(f)] (e) ADDITIONAL REQUIREMENTS REGARDING NATIONAL THREAT IDENTIFICATION AND PRIORITIZATION ASSESSMENT AND NATIONAL COUNTERINTELLIGENCE STRATEGY.—(1) * * *

(2) A National Counterintelligence Strategy under subsection [(e)(2)] (d)(2), and any modification of such strategy, shall not go into effect until approved by the President.

* * * * *

[(g)] PERSONNEL.—(1) Personnel of the Office of the National Counterintelligence Executive may consist of personnel employed by the Office or personnel on detail from any other department, agency, or element of the Federal Government. Any such detail may be on a reimbursable or nonreimbursable basis, at the election of the head of the agency detailing such personnel.

[(2)] Notwithstanding section 104(d) or any other provision of law limiting the period of the detail of personnel on a nonreimbursable basis, the detail of an officer or employee of United States or a member of the Armed Forces under paragraph (1) on a nonreimbursable basis may be for any period in excess of one year that the National Counterintelligence Executive and the head of the department, agency, or element concerned consider appropriate.

[(3)] The employment of personnel by the Office, including the appointment, compensation and benefits, management, and separation of such personnel, shall be governed by the provisions of law on such matters with respect to the personnel of the Central Intelligence Agency, except that, for purposes of the applicability of such provisions of law to personnel of the Office, the National Counterintelligence Executive shall be treated as the head of the Office.

[(4)] Positions in the Office shall be excepted service positions for purposes of title 5, United States Code.

[(h)] SUPPORT.—(1) The Attorney General, Secretary of Defense, and Director of National Intelligence may each provide the Office of the National Counterintelligence Executive such support as may be necessary to permit the Office to carry out its functions under this section.

[(2)] Subject to any terms and conditions specified by the Director of National Intelligence, the Director may provide administrative and contract support to the Office as if the Office were an element of the Central Intelligence Agency.

[(3)] Support provided under this subsection may be provided on a reimbursable or nonreimbursable basis, at the election of the official providing such support.

[(i)] AVAILABILITY OF FUNDS FOR REIMBURSEMENT.—The National Counterintelligence Executive may, from amounts available for the Office, transfer to a department or agency detailing personnel under subsection (g), or providing support under subsection (h), on a reimbursable basis amounts appropriate to reimburse such department or agency for the detail of such personnel or the provision of such support, as the case may be.

[(j)] CONTRACTS.—(1) Subject to paragraph (2), the National Counterintelligence Executive may enter into any contract, lease, cooperative agreement, or other transaction that the Executive con-

siders appropriate to carry out the functions of the Office of the National Counterintelligence Executive under this section.

[(2) The authority under paragraph (1) to enter into contracts, leases, cooperative agreements, and other transactions shall be subject to any terms, conditions, and limitations applicable to the Central Intelligence Agency under law with respect to similar contracts, leases, cooperative agreements, and other transactions.]

[(k)] (f) TREATMENT OF ACTIVITIES UNDER CERTAIN ADMINISTRATIVE LAWS.—The files of the Office shall be treated as operational files of the Central Intelligence Agency for purposes of section 701 of the National Security Act of 1947 (50 U.S.C. 431) to the extent such files meet criteria under subsection (b) of that section for treatment of files as operational files of an element of the Agency.

[(l)] (g) OVERSIGHT BY CONGRESS.—The location of the Office of the National Counterintelligence Executive within the Office of the Director of National Intelligence shall not be construed as affecting access by Congress, or any committee of Congress, to—

(1) * * *

* * * * *

[(m)] (h) CONSTRUCTION.—Nothing in this section shall be construed as affecting the authority of the Director of National Intelligence, the Secretary of Defense, the Secretary of State, the Attorney General, or the Director of the Federal Bureau of Investigation as provided or specified under the National Security Act of 1947 or under other provisions of law.

SECTION 115 OF TITLE 49, UNITED STATES CODE

§ 115. Transportation Security Oversight Board

(a) * * *

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Board shall be composed of 7 members as follows:

(A) * * *

* * * * *

[(F) The Director of the Central Intelligence Agency, or the Director's designee.]

(F) *The Director of National Intelligence, or the Director's designee.*

* * * * *

CENTRAL INTELLIGENCE AGENCY ACT OF 1949

* * * * *

GENERAL AUTHORITIES

SEC. 5. (a) IN GENERAL.—In the performance of its functions, the Central Intelligence Agency is authorized to—

(1) Transfer to and receive from other Government agencies such sums as may be approved by the Office of Management and Budget, for the performance of any of the functions or activities [author-

ized under paragraphs (2) and (3) of section 102(a), subsections (c)(7) 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), (3), 403-3(c)(7), (d), 403-4(a), (g), and 405)] *authorized under subsections (c), (d), (e), and (f) of section 104A of the National Security Act of 1947 (50 U.S.C. 403-4a), and any other Government agency is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Agency in accordance with this paragraph may be expended for the purposes and under the authority of this Act without regard to limitations of appropriations from which transferred;*

* * * * *

(4) Authorize personnel designated by the Director to carry firearms to the extent necessary for the performance of the Agency's authorized functions, except that, within the United States, such authority shall be limited to the purposes of protection of classified materials and information, the training of Agency personnel and other authorized persons in the use of firearms, the protection of Agency installations and property, [and the protection] *the protection of current and former Agency personnel and their immediate families, defectors and their immediate families, and other persons in the United States under Agency auspices[;], and the protection of the Director of National Intelligence and such personnel of the Office of the Director of National Intelligence as the Director of National Intelligence may designate;*

* * * * *

SEC. 6. In the interests of the security of the foreign intelligence activities of the United States and in order further to implement [section 102A(i) of the National Security Act of 1947 that the Director of National Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure] *sections 102A(i) and 104A(d)(4) of the National Security Act of 1947 (50 U.S.C. 403-1(i), 403-4a(d)(4)), the Agency shall be exempted from the provisions of sections 1 and 2, chapter 795 of the Act of August 28, 1935 (49 Stat. 956, 957; 5 U.S.C. 654), and the provisions of any other laws which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency: Provided, That in furtherance of this section, the Director of the Office of Management and Budget shall make no reports to the Congress in connection with the Agency under section 607, title VI, chapter 212 of the Act of June 30, 1945, as amended (5 U.S.C. 947(b)).*

* * * * *

SECTION 201 OF THE CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT

SEC. 201. THE CIARDS SYSTEM.

(a) * * *

* * * * *

(c) **FINALITY OF DECISIONS [OF DCI].**—In the interests of the security of the foreign intelligence activities of the United States and in order further to implement [section 102A(i)] *sections 102A(i) and 104A(d)(4)* of the National Security Act of 1947 (50 U.S.C. 403–3(c)(1)) that the Director [of National Intelligence] shall be responsible for protecting intelligence sources and methods *of the Central Intelligence Agency* from unauthorized disclosure, and notwithstanding the provisions of chapter 7 of title 5, United States Code, or any other provision of law (except section 305(b) of this Act), any determination by the Director authorized by this Act shall be final and conclusive and shall not be subject to review by any court.

SECTION 611 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

SEC. 611. FOREIGN LANGUAGE PROFICIENCY FOR CERTAIN SENIOR LEVEL POSITIONS IN THE CENTRAL INTELLIGENCE AGENCY.

(a) * * *

* * * * *

(c) **REPORT ON WAIVERS.**—The Director of the Central Intelligence Agency shall submit to Congress a report that identifies *individuals or* positions within the Senior Intelligence Service in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency that are determined by the Director to require waiver from the requirements of section 104A(g) of the National Security Act of 1947, as added by subsection (a). The report shall include a rationale for any waiver granted under section 104A(g)(2), as so added, for each [position or category of positions] *individual, individuals, position, or category of positions* so identified.

CHAPTER 203 OF TITLE 18, UNITED STATES CODE

CHAPTER 203—ARREST AND COMMITMENT

Sec.

3041. Power of courts and magistrates.

* * * * *

3064. Powers of Federal Motor Carrier Safety Administration.

3065. *Powers of authorized personnel in the Central Intelligence Agency.*

3066. *Powers of authorized personnel in the National Security Agency.*

* * * * *

§3065. Powers of authorized personnel in the Central Intel- ligence Agency

(a) *The Director of the Central Intelligence Agency may issue regulations to allow personnel designated to carry out protective functions for the Central Intelligence Agency under section 5(a)(4) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) to, while engaged in such protective functions, make arrests without a warrant for any offense against the United States committed in the presence of such personnel, or for any felony cognizable under the*

laws of the United States, if such personnel have probable cause to believe that the person to be arrested has committed or is committing that felony offense.

(b) The powers granted under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.

§ 3066. Powers of authorized personnel in the National Security Agency

(a) The Director of the National Security Agency may issue regulations to allow personnel designated to carry out protective functions for the Agency to—

(1) carry firearms; and

(2) make arrests without warrant for any offense against the United States committed in the presence of such personnel, or for any felony cognizable under the laws of the United States, if such personnel have probable cause to believe that the person to be arrested has committed or is committing that felony offense.

(b) The powers granted under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.

NATIONAL SECURITY AGENCY ACT OF 1959

SEC. 16. (a) * * *

(d)(1) To be eligible for assignment under subsection (b), an employee of the Agency must agree in writing—

(A) * * *

(C) to reimburse the United States for the total cost of education (excluding the employee's pay and allowances) provided under this section to the employee if, prior to the employee's completing the educational course of training for which the employee is assigned, the assignment or the employee's employment with the Agency is [terminated either by the Agency due to misconduct by the employee or by the employee voluntarily; and] *terminated—*

(i) by the Agency due to misconduct by the employee;

(ii) by the employee voluntarily; or

(iii) by the Agency for the failure of the employee to maintain such level of academic standing in the educational course of training as the Director of the National Security Agency shall have specified in the agreement of the employee under this subsection; and

(e)[(1) When an employee is assigned under this section to an institution, the Agency shall disclose to the institution to which the employee is assigned that the Agency employs the employee and that the Agency funds the employee's education.]

[(2) Agency efforts] *Agency efforts* to recruit individuals at educational institutions for participation in the undergraduate training program established by this section shall be made openly and ac-

cording to the common practices of universities and employers recruiting at such institutions.

* * * * *

SEC. 20. (a) The Director is authorized to designate personnel of the Agency to perform protective functions for the Director and for any personnel of the Agency designated by the Director.

(b) Nothing in this section shall be construed to impair or otherwise affect any authority under any other provision of law relating to the performance of protective functions.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2003

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 2003”.

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

Sec. 1. Short title; table of contents.

TITLE VIII—REPORTING REQUIREMENTS

* * * * *

Subtitle C—Recurring Annual Reports

Sec. 821. Annual report on threat of attack on the United States using weapons of mass destruction.

* * * * *

[Sec. 826. Annual report on counterdrug intelligence matters.]

* * * * *

TITLE VIII—REPORTING REQUIREMENTS

* * * * *

Subtitle C—Recurring Annual Reports

* * * * *

[(SEC. 826. ANNUAL REPORT ON COUNTERDRUG INTELLIGENCE MAT- TERS.

[(a) ANNUAL REPORT.—The Counterdrug Intelligence Coordinating Group shall submit to the appropriate committees of Congress each year a report on current counterdrug intelligence matters. The report shall include the recommendations of the Counterdrug Intelligence Coordinating Group on the appropriate number of permanent staff, and of detailed personnel, for the staff of the Counterdrug Intelligence Executive Secretariat.

[(b) SUBMITTAL DATE.—The date of the submittal each year of the report required by subsection (a) shall be the date provided in section 507 of the National Security Act of 1947, as added by section 811 of this Act.

[(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

[(1) the Committees on Appropriations of the Senate and House of Representatives; and

[(2) the congressional intelligence committees (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)).]

* * * * *

INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004

* * * * *

TITLE I—REFORM OF THE INTELLIGENCE COMMUNITY

* * * * *

Subtitle A—Establishment of Director of National Intelligence

* * * * *

SEC. 1016. INFORMATION SHARING.

(a) * * *

* * * * *

(e) IMPLEMENTATION PLAN REPORT.—Not later than one year after the date of the enactment of this Act, the President shall, with the assistance of the program manager, submit to Congress a report containing an implementation plan for the ISE. The report shall include the following:

(1) * * *

* * * * *

(10) A delineation of the roles of the Federal departments and agencies that will participate in the ISE, including an identification of the agencies that will deliver the infrastructure needed to operate and manage the ISE (as distinct from individual department or agency components that are part of the ISE), with such delineation of roles to be consistent with—

(A) * * *

(B) the authority of the Secretary of Homeland Security and the Attorney General, and the role of the Department of Homeland Security and the [Attorney General] *Department of Justice*, in coordinating with State, local, and tribal officials and the private sector.

* * * * *

Subtitle F—Privacy and Civil Liberties

SEC. 1061. PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD.

(a) * * *

* * * * *

(d) ACCESS TO INFORMATION.—

(1) * * *

* * * * *

(4) EXCEPTIONS FOR NATIONAL SECURITY.—

(A) IN GENERAL.—If the [National Intelligence Director] *Director of National Intelligence*, in consultation with the Attorney General, determines that it is necessary to withhold information requested under paragraph (3) to protect the national security interests of the United States, the head of the department or agency concerned shall not furnish such information to the Board.

* * * * *

(h) SECURITY CLEARANCES.—The appropriate departments and agencies of the executive branch shall cooperate with the Board to expeditiously provide Board members and staff with appropriate security clearances to the extent possible under applicable procedures and requirements. Promptly upon commencing its work, the Board shall adopt, after consultation with the Secretary of Defense, the Attorney General, and the [National Intelligence Director] *Director of National Intelligence*, rules and procedures of the Board for physical, communications, computer, document, personnel, and other security in relation to the work of the Board.

* * * * *

Subtitle G—Conforming and Other Amendments

* * * * *

SEC. 1071. CONFORMING AMENDMENTS RELATING TO ROLES OF DIRECTOR OF NATIONAL INTELLIGENCE AND DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY.

(a) * * *

* * * * *

(e) FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.—[(1)] The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by striking “Director of Central Intelligence” each place it appears and inserting “Director of National Intelligence”.

* * * * *

SEC. 1072. OTHER CONFORMING AMENDMENTS

(a) * * *

(b) CENTRAL INTELLIGENCE AGENCY ACT OF 1949.—Section 6 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403g) is amended by striking “section 103(c)(7) of the National Security Act

of 1947 (50 U.S.C. 403–3(c)(7))” and inserting “section 102A(i) of the National Security Act of 1947”.

* * * * *

INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004

* * * * *

TITLE II—FEDERAL BUREAU OF INVESTIGATION

SEC. 2001. IMPROVEMENT OF INTELLIGENCE CAPABILITIES OF THE FEDERAL BUREAU OF INVESTIGATION.

(a) * * *

* * * * *

(c) NATIONAL INTELLIGENCE WORKFORCE.—(1) In developing and maintaining a national intelligence workforce under subsection (b), the Director of the Federal Bureau of Investigation shall, develop and maintain a specialized and integrated national intelligence workforce consisting of agents, analysts, linguists, and surveillance specialists who are recruited, trained, and rewarded in a manner which ensures the existence within the Federal Bureau of Investigation of an institutional culture with substantial expertise in, and commitment to, the intelligence mission of the Bureau.

* * * * *

(e) DISCHARGE OF IMPROVEMENTS.—(1) * * *

(2) The Director of the Federal Bureau of Investigation shall carry out subsections (b) through (d) under the joint guidance of the Attorney General and [the National Intelligence Director in a manner consistent with section 112(e)] *the Director of National Intelligence in a manner consistent with applicable law*.

(f) BUDGET MATTERS.—The Director of the Federal Bureau of Investigation [shall,] *shall* establish a budget structure of the Federal Bureau of Investigation to reflect the four principal missions of the Bureau as follows:

(1) * * *

* * * * *

SEC. 2006. FEDERAL BUREAU OF INVESTIGATION USE OF TRANSLATORS.

Not later than 30 days after the date of the enactment of this Act, and annually thereafter, the Attorney General of the United States shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report that contains, with respect to each preceding 12-month period—

(1) * * *

(2) any legal or practical impediments to using translators employed by [the] Federal, State, or local agencies on a full-time, part-time, or shared basis;

(3) the needs of the Federal Bureau of Investigation for [the] specific translation services in certain languages, and recommendations for meeting those needs;

* * * * *

SECTION 1403 OF THE NATIONAL DEFENSE AUTHORIZATION ACT OF FISCAL YEAR 1991

[SEC. 1403. MULTIYEAR NATIONAL FOREIGN INTELLIGENCE PROGRAM]

SEC. 1403. MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.

(a) ANNUAL SUBMISSION OF MULTIYEAR NATIONAL [FOREIGN] INTELLIGENCE PROGRAM.—The [Director of Central Intelligence] *Director of National Intelligence* shall submit to the congressional committees specified in subsection (d) each year a multiyear national [foreign] intelligence program plan reflecting the estimated expenditures and proposed appropriations required to support that program. Any such multiyear national [foreign] intelligence program plan shall cover the fiscal year with respect to which the budget is submitted and at least four succeeding fiscal years.

(b) TIME OF SUBMISSION.—The *Director of National Intelligence* shall submit the report required by subsection (a) each year at or about the same time that the budget is submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

(c) CONSISTENCY WITH BUDGET ESTIMATES.—The [Director of Central Intelligence] *Director of National Intelligence* and the Secretary of Defense shall ensure that the estimates referred to in subsection (a) are consistent with the budget estimates submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for the fiscal year concerned and with the estimated expenditures and proposed appropriations for the multiyear defense program submitted pursuant to section 114a of title 10, United States Code.

* * * * *

TITLE 5, UNITED STATES CODE

* * * * *

PART III—EMPLOYEES

* * * * *

SUBPART A—GENERAL PROVISIONS

* * * * *

CHAPTER 23—MERIT SYSTEM PRINCIPLES

* * * * *

§ 2302. Prohibited personnel practices

(a)(1) For the purpose of this title, “prohibited personnel practice” means any action described in subsection (b).

(2) For the purpose of this section—

(A) * * *

* * * * *

(C) “agency” means an Executive agency and the Government Printing Office, but does not include—

(i) * * *

(ii) the Federal Bureau of Investigation, the Central Intelligence Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, the National Security Agency, and, as determined by the President, any Executive agency or unit thereof the principal function of which is the conduct of foreign intelligence or counterintelligence activities; or

* * * * *

SUBPART B—EMPLOYMENT AND RETENTION

* * * * *

CHAPTER 31—AUTHORITY FOR EMPLOYMENT

* * * * *

SUBCHAPTER II—THE SENIOR EXECUTIVE SERVICE

* * * * *

§ 3132. Definitions and exclusions

(a) For the purpose of this subchapter—

(1) “agency” means an Executive agency, except a Government corporation and the Government Accountability Office, but does not include—

(A) * * *

(B) the Federal Bureau of Investigation, the Drug Enforcement Administration, the Central Intelligence Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, the National Security Agency, Department of Defense intelligence activities the civilian employees of which are subject to section 1590 of title 10, and, as determined by the President, an Executive agency, or unit thereof, whose principal function is the conduct of foreign intelligence or counterintelligence activities;

* * * * *

SUBPART C—EMPLOYEE PERFORMANCE

* * * * *

CHAPTER 43—PERFORMANCE APPRAISAL

* * * * *

SUBCHAPTER I—GENERAL PROVISIONS

§ 4301. Definitions

For the purpose of this subchapter—

(1) “agency” means—

(A) an Executive agency; and

(B) the Government Printing Office;

but does not include—

(i) a Government corporation;

(ii) the Central Intelligence Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, the National Security Agency, or any Executive agency or unit thereof which is designated by the President and the principal function of which is the conduct of foreign intelligence or counterintelligence activities; or

* * * * *

**CHAPTER 47—PERSONNEL RESEARCH PROGRAMS AND
DEMONSTRATION PROJECTS**

* * * * *

§ 4701. Definitions

(a) For the purpose of this chapter—

(1) “agency” means an Executive agency and the Government Printing Office, but does not include—

(A) a Government corporation;

(B) the Federal Bureau of Investigation, the Central Intelligence Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, the National Security Agency, and, as determined by the President, any Executive agency or unit thereof which is designated by the President and which has as its principal function the conduct of foreign intelligence or counterintelligence activities; or

* * * * *

SUBPART D—PAY AND ALLOWANCES

CHAPTER 51—CLASSIFICATION

* * * * *

§ 5102. Definitions; application

(a) For the purpose of this chapter—

(1) “agency” means—

(A) * * *

* * * * *

but does not include—

(i) * * *

* * * * *

(x) the **【National Imagery and Mapping Agency】** *National Geospatial-Intelligence Agency*, Department of Defense.

* * * * *

CHAPTER 53—PAY RATES AND SYSTEMS

* * * * *

SUBCHAPTER II—EXECUTIVE SCHEDULE PAY RATES

* * * * *

§ 5313. Positions at level II

Level II of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Deputy Secretary of Defense.

* * * * *

【Director of Central Intelligence.】

Director of the Central Intelligence Agency.

* * * * *

§ 5315. Positions at level IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Deputy Administrator of General Services.

* * * * *

【General Counsel of the Office of the National Intelligence Director.】

General Counsel of the Office of the Director of National Intelligence.

* * * * *

SUBCHAPTER IV—PREVAILING RATE SYSTEMS

* * * * *

§ 5342. Definitions; application

(a) For the purpose of this subchapter—

(1) “agency” means an Executive agency; but does not include—

(A) * * *

* * * * *

(K) the **【National Imagery and Mapping Agency】** *National Geospatial-Intelligence Agency*, Department of Defense;

* * * * *

SUBPART E—ATTENDANCE AND LEAVE

* * * * *

CHAPTER 63—LEAVE

* * * * *

SUBCHAPTER III—VOLUNTARY TRANSFERS OF LEAVE

* * * * *

§ 6339. Additional leave transfer programs

(a) For the purpose of this section—

(1) the term “excepted agency” means—

(A) * * *

* * * * *

(E) the **【National Imagery and Mapping Agency】** *National Geospatial-Intelligence Agency*; and

* * * * *

(2) the term “head of an excepted agency” means—

(A) * * *

* * * * *

(E) with respect to the **【National Imagery and Mapping Agency, the Director of the National Imagery and Mapping Agency】** *National Geospatial-Intelligence Agency, the Director of the National Geospatial-Intelligence Agency*; and

* * * * *

SUBPART F—LABOR-MANAGEMENT AND EMPLOYEE RELATIONS

* * * * *

CHAPTER 73—SUITABILITY, SECURITY, AND CONDUCT

* * * * *

SUBCHAPTER III—POLITICAL ACTIVITIES

* * * * *

§ 7323. Political activity authorized; prohibitions

(a) * * *

(b)(1) * * *

(2)(A) * * *

(B) The provisions of subparagraph (A) shall apply to—

(i) an employee of—

(I) * * *

* * * * *

(XIII) the **【National Imagery and Mapping Agency】** *National Geospatial-Intelligence Agency*; or

* * * * *

CHAPTER 13 OF TITLE 44, UNITED STATES CODE

CHAPTER 13—PARTICULAR REPORTS AND DOCUMENTS

Sec.

1301. Agriculture, Department of: report of Secretary.

* * * * *

【1336. National Imagery and Mapping Agency: special publications.】

1336. *National Geospatial-Intelligence Agency: special publications.*

* * * * *

【§ 1336. National Imagery and Mapping Agency: special publications】

§ 1336. *National Geospatial-Intelligence Agency: special publications*

The Director of the 【National Imagery and Mapping Agency】 *National Geospatial-Intelligence Agency* may authorize the printing of notices to mariners, light lists, sailing directions, bulletins, and other special publications of the 【National Imagery and Mapping Agency】 *National Geospatial-Intelligence Agency* in editions the interests of the Government and of the public may require.

* * * * *

SECTION 201 OF THE HOMELAND SECURITY ACT OF 2002

SEC. 201. DIRECTORATE FOR INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION.

(a) * * *

* * * * *

(f) DETAIL OF PERSONNEL.—

(1) * * *

(2) COVERED AGENCIES.—The agencies referred to in this paragraph are as follows:

(A) * * *

* * * * *

(E) The 【National Imagery and Mapping Agency】 *National Geospatial-Intelligence Agency*.

* * * * *

SECTION 8H INSPECTOR GENERAL ACT OF 1978

SEC. 8H. (a)(1)(A) An employee of the Defense Intelligence Agency, the 【National Imagery and Mapping Agency】 *National Geospatial-Intelligence Agency*, the National Reconnaissance Office, or the National Security Agency, or of a contractor of any of those Agencies, who intends to report to Congress a complaint or information with respect to an urgent concern may report the complaint or information to the Inspector General of the Department of Defense (or designee).

* * * * *

(g)(1) The Inspector General of the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, the National Reconnaissance Office, and the National Security Agency shall each submit to the congressional intelligence committees each year a report that sets forth the following:

(A) * * *

* * * * *

SECTION 105 OF THE ETHICS IN GOVERNMENT ACT OF 1978

CUSTODY OF AND PUBLIC ACCESS TO REPORTS

SEC. 105. (a) Each agency, each supervising ethics office in the executive or judicial branch, the Clerk of the House of Representatives, and the Secretary of the Senate shall make available to the public, in accordance with subsection (b), each report filed under this title with such agency or office or with the Clerk or the Secretary of the Senate, except that—

(1) this section does not require public availability of a report filed by any individual in the Office of the Director of National Intelligence, the Central Intelligence Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, or the National Security Agency, or any individual engaged in intelligence activities in any agency of the United States, if the President finds or has found that, due to the nature of the office or position occupied by such individual, public disclosure of such report would, be revealing the identity of the individual or other sensitive information, compromise the national interest of the United States; and such individuals may be authorized, notwithstanding section 104(a), to file such additional reports as are necessary to protect their identity from public disclosure if the President first finds or has found that such filing is necessary in the national interest; and

(2) any report filed by an independent counsel whose identity has not been disclosed by the division of the court under chapter 40 of title 28, United States Code, and any report filed by any person appointed by that independent counsel under such chapter, shall not be made available to the public under this title.

* * * * *

SECTION 7 OF THE EMPLOYEE POLYGRAPH PROTECTION ACT 1988

SEC. 7. EXEMPTIONS.

(a) * * *

(b) NATIONAL DEFENSE AND SECURITY EXEMPTION.—

(1) * * *

(2) SECURITY.—Nothing in this Act shall be construed to prohibit the administration, by the Federal Government, in

the performance of any intelligence or counterintelligence function, of any lie detector test to—

(A)(i) any individual employed by, assigned to, or detailed to, the National Security Agency, the Defense Intelligence Agency, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, or the Central Intelligence Agency,

* * * * *

SECTION 207 OF THE LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1993

SEC. 207. (a)(1) * * *

(2) Paragraph (1) does not apply to (A) individual printing orders costing not more than \$1,000, if the work is not of a continuing or repetitive nature, and, as certified by the Public Printer, if the work is included in a class of work which cannot be provided more economically through the Government Printing Office, (B) printing for the Central Intelligence Agency, the Defense Intelligence Agency, [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, or the National Security Agency, or (C) printing from other sources that is specifically authorized by law.

* * * * *

MINORITY VIEWS

In considering the Intelligence Authorization for fiscal year 2007, we are mindful of the bravery and sacrifice of the women and men who serve in U.S. intelligence agencies, often under-cover and usually in some of the most dangerous corners of the world. We have visited those dangerous corners, and appreciate the risks that these professionals take for our freedom.

Because the budget authorized by HR 5020 is classified—and therefore shielded from public scrutiny—four Committee’s oversight must be all-the-more rigorous.

Certain features in the bill are worthy of special emphasis.

First, HR 5020 contained a provision to limit the overhead growth of the Office of the DNI (ODNI) absent a strategy from the DNI on how its requirements for additional funds and personnel would bring value to the management of the intelligence community. We want the ODNI to become a joint commander of the 16 intelligence agencies, not another bureaucracy, seeking more billets and buildings.

Second, the bill provides full-funding for counterterrorism. The President’s budget had only requested 78% of what the intelligence community says it will need for counterterrorism operations in fiscal year 2007. That request was inadequate—and dangerous. Relying on supplemental funding for counterterrorism prevents operations in the field from planning operations, and it virtually eliminates this Committee’s ability to conduct oversight over those funds. For years since 9–11, we have underscored the need to fully fund counterterrorism. This Authorization bill now does that.

Third, we are also pleased the Chairman has agreed to include, in the report to accompany HR 5020, enhanced reporting requirements on a number of key topics. This includes the domestic surveillance activities of the Department of Defense Counter Intelligence Field Activity (CIFA), as well as intelligence assessments on the WMD capabilities and intentions of Iran and North Korea—two countries where we must get it right.

Despite these attributes, the bill would have been stronger if it included three Amendments offered by Democratic members.

Representatives Hastings, Reyes and Holt offered an amendment to require a dedicated funding line for the Privacy and Civil Liberties Oversight Board in the President’s annual budget submission to Congress, and to authorize \$3 million annually for the Board’s activities.

The Board was created by the Intelligence Reform and Terrorism Prevention Act, which was signed into law in December 2004. This Board was designed to serve as a civil liberties “watchdog” as the American people grow increasingly concerned about the potential erosion of Constitutional rights in the post-911 era. Fifteen months later, the Board is barely up and running. The President did not

nominate the members of the Board for 9 months, and the Senate took five months to confirm the Chair and Vice Chair. In addition, the Administration budget request did not include a request for funds for the Board in fiscal year 2007.

The Hastings/Reyes/Holt Amendment would have sent an unmistakable signal that this Board deserves dedicated resources to carry out its vital mission. Unfortunately, the amendment was voted down on a party-line vote (10–8).

Representative Eshoo offered an amendment to fence, or withhold, 20% of the NSA's budget until the Executive Branch provides the Committee with the total cost of the President's NSA surveillance program.

The Eshoo Amendment was a modest, narrowly-tailored amendment. It would not have required the Administration to provide the full Committee with operational details about the program (although we believe the President is required to do so.) Nor would the Amendment have passed judgment on the legality of the program. The amendment simply asked for financial data, so that members casting a vote to authorize the budget would know how much money was dedicated to the program.

The Eshoo Amendment was defeated 10 to 8, with all Minority members and one Majority member voting for it. By defeating this amendment, the Majority members refused to employ a common oversight tool (a fence of funds) employed 14 other times in the bill's Annex—to require the President to tell the Committee how much this program has and will cost the American taxpayer. We strongly urge the full Committee to continue to seek this information.

Third, Representatives Tierney, Boswell and Holt offered an amendment to prevent the DNI from transferring budget and personnel related to national intelligence functions out of the National Intelligence Program (NIP) to the Military Intelligence Program (MIP). We believe these transfers are demonstrative of a lack of strong community leadership further compounded by a culture of resistance to change. If left unchecked, this could render DNI ineffectual and powerless to integrate intelligence efforts to respond to emerging crises.

The Tierney/Boswell/Holt Amendment was defeated 10 to 7. In defeating this Amendment, the Committee missed an opportunity to prevent the dismantling of statutory authorities of the DNI and the ceding of key budget authorities over large numbers of intelligence personnel and resources to the Pentagon.

Throughout the mark-up, Members expressed their views on a variety of topics of relating to the intelligence community. Perhaps no topic received more attention than the President's NSA surveillance program.

We strongly support intercepting the communications of Al Qaeda into and out of the United States. This capability is vital. However, we have become deeply concerned that the Executive Branch is engaging in two violations of law with respect to the NSA program.

First, in failing to brief the entire Committee on the operational details of the Program, the President is violating the National Security Act—which requires that the President shall keep the Com-

mittee “currently and fully” informed of all intelligence activities of the United States. Failure to brief the full Committee compromises our oversight and is a violation of law.

Second, eavesdropping on U.S. persons must fully comply with Foreign Intelligence Surveillance Act (FISA). Nobody has yet persuaded us why FISA, as currently drafted, cannot cover the entire Program. The law is unambiguous—all eavesdropping on Americans in America must comply with FISA.

Allowing the NSA surveillance program to proceed without fully complying with the law threatens to undermine our entire Constitutional order—our system of checks and balances. As Justice O'Connor wrote in the *Hamdi* case, “We have long since made clear that a state of war is not a blank check for the President when it comes to the rights of the Nation’s citizens.”

In authorizing the activities of the U.S. intelligence community today, we are mindful of the words of Justice O'Connor and the solemn duty our Committee has to uphold the rule of law and the values we cherish as a nation—for that is ultimately what our brave intelligence professionals are fighting so hard to defend.

JANE HARMAN.
ALCEE L. HASTINGS.
SILVESTRE REYES.
LEONARD L. BOSWELL.
BUD CRAMER.
ANNA G. ESHOO.
RUSH HOLT.
C.A. DUTCH RUPPERSBERGER.
JOHN F. TIERNEY.

Note: Mr. Ruppertsberger was unable to attend the mark-up due to the death of his father earlier in the week. We send him and his family our deepest sympathies.