

In the Senate of the United States,

September 17, 1996.

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

AMENDMENT:

Strike out all after the enacting clause and insert:

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

2 (a) *SHORT TITLE.*—*This Act may be cited as the “In-*

3 *telligence Authorization Act for Fiscal Year 1997”.*

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

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

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

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

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

TITLE IV—FEDERAL BUREAU OF INVESTIGATION

Sec. 401. Access to telephone records.

TITLE V—ECONOMIC ESPIONAGE

Sec. 501. Short title.
*Sec. 502. Prevention of economic espionage and protection of proprietary eco-
 nomic information.*

TITLE VI—COMBATTING PROLIFERATION

Sec. 601. Short title.

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

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

Subtitle B—Other Matters

*Sec. 621. Reports on acquisition of technology relating to weapons of mass de-
 struction and advanced conventional munitions.*

TITLE VII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES

- Sec. 701. Short title.*
Sec. 702. Committee on Foreign Intelligence.
Sec. 703. Annual reports on intelligence.
Sec. 704. Transnational threats.
Sec. 705. Office of the Director of Central Intelligence.
Sec. 706. National Intelligence Council.
Sec. 707. Enhancement of authority of Director of Central Intelligence to manage budget, personnel, and activities of intelligence community.
Sec. 708. Responsibilities of Secretary of Defense pertaining to the National Foreign Intelligence Program.
Sec. 709. Improvement of intelligence collection.
Sec. 710. Improvement of analysis and production of intelligence.
Sec. 711. Improvement of administration of intelligence activities.
Sec. 712. Pay level of Assistant Directors of Central Intelligence.
Sec. 713. General Counsel of the Central Intelligence Agency.
Sec. 714. Office of Congressional Affairs of the Director of Central Intelligence.
Sec. 715. Assistance for law enforcement agencies by intelligence community.
Sec. 716. Appointment and evaluation of officials responsible for intelligence-related activities.
Sec. 717. Requirements for submittal of budget information on intelligence activities.
Sec. 718. Report on intelligence community policy on protecting the national information infrastructure against strategic attacks.

TITLE VIII—NATIONAL IMAGERY AND MAPPING AGENCY

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

1 ***TITLE I—INTELLIGENCE***
2 ***ACTIVITIES***

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

4 *Funds are hereby authorized to be appropriated for fis-*
5 *cal year 1997 for the conduct of the intelligence and intel-*
6 *ligence-related activities of the following elements of the*
7 *United States Government:*

8 (1) *The Central Intelligence Agency.*

9 (2) *The Department of Defense.*

10 (3) *The Defense Intelligence Agency.*

11 (4) *The National Security Agency.*

1 (5) *The Department of the Army, the Depart-*
2 *ment of the Navy, and the Department of the Air*
3 *Force.*

4 (6) *The Department of State.*

5 (7) *The Department of Treasury.*

6 (8) *The Department of Energy.*

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

8 (10) *The Drug Enforcement Administration.*

9 (11) *The National Reconnaissance Office.*

10 (12) *The Central Imagery Office.*

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

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

20 (b) *AVAILABILITY OF CLASSIFIED SCHEDULE OF AU-*
21 *THORIZATIONS.—The Schedule of Authorizations shall be*
22 *made available to the Committees on Appropriations of the*
23 *Senate and House of Representatives and to the President.*
24 *The President shall provide for suitable distribution of the*

1 *Schedule, or of appropriate portions of the Schedule, within*
2 *the executive branch.*

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

4 (a) *AUTHORITY FOR ADJUSTMENTS.*—*With the ap-*
5 *proval of the Director of the Office of Management and*
6 *Budget, the Director of Central Intelligence may authorize*
7 *employment of civilian personnel in excess of the number*
8 *authorized for fiscal year 1997 under section 102 when the*
9 *Director of Central Intelligence determines that such action*
10 *is necessary to the performance of important intelligence*
11 *functions, except that the number of personnel employed in*
12 *excess of the number authorized under such section may not,*
13 *for any element of the intelligence community, exceed two*
14 *percent of the number of civilian personnel authorized*
15 *under such section for such element.*

16 (b) *NOTICE TO INTELLIGENCE COMMITTEES.*—*The Di-*
17 *rector of Central Intelligence shall promptly notify the Per-*
18 *manent Select Committee on Intelligence of the House of*
19 *Representatives and the Select Committee on Intelligence of*
20 *the Senate whenever he exercises the authority granted by*
21 *this section.*

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

23 (a) *AUTHORIZATIONS OF APPROPRIATIONS.*—*There is*
24 *authorized to be appropriated for the Community Manage-*
25 *ment Account of the Director of Central Intelligence for fis-*

1 *cal year 1997 the sum of \$95,526,000. Within such amounts*
2 *authorized, funds identified in the classified Schedule of Au-*
3 *thorizations referred to in section 102(a) for the Advanced*
4 *Research and Development Committee and the Environ-*
5 *mental Task Force shall remain available until September*
6 *30, 1998.*

7 *(b) AUTHORIZED PERSONNEL LEVELS.—The staff of*
8 *the Community Management Account of the Director of*
9 *Central Intelligence is authorized 265 full-time personnel*
10 *as of September 30, 1997. Such personnel of the Community*
11 *Management Staff may be permanent employees of the*
12 *Community Management Staff or personnel detailed from*
13 *other elements of the United States Government.*

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

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

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

6 *There is authorized to be appropriated for the Central*
7 *Intelligence Agency Retirement and Disability Fund for fis-*
8 *cal year 1997 the sum of \$184,200,000.*

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

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

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

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

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

1 **SEC. 303. POSTPONEMENT OF APPLICABILITY OF SANC-**
2 **TIONS LAWS TO INTELLIGENCE ACTIVITIES.**

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

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

8 *(a) IN GENERAL.—Not later than 90 days after the*
9 *date of enactment of this Act, the Director of Central Intel-*
10 *ligence shall prescribe regulations requiring each new and*
11 *current employee of the Central Intelligence Agency to sign*
12 *a written agreement restricting the activities of that em-*
13 *ployee upon ceasing employment with the Central Intel-*
14 *ligence Agency.*

15 *(b) AGREEMENT ELEMENTS.—The regulations shall*
16 *provide that an agreement contain provisions specifying*
17 *that the employee concerned not represent or advise the gov-*
18 *ernment, or any political party, of a foreign country during*
19 *the five-year period beginning on the termination of the em-*
20 *ployee’s employment with the Central Intelligence Agency.*

21 *(c) DISCIPLINARY ACTIONS.—The regulations shall*
22 *specify appropriate disciplinary actions (including loss of*
23 *retirement benefits) to be taken against any employee deter-*
24 *mined by the Director of Central Intelligence to have vio-*
25 *lated the agreement of the employee under this section.*

1 **SEC. 305. EXECUTIVE BRANCH OVERSIGHT OF BUDGETS OF**
2 **ELEMENTS OF THE INTELLIGENCE COMMU-**
3 **NITY.**

4 (a) *REPORT.*—Not later than 90 days after the date
5 of the enactment of this Act, the President shall submit to
6 the congressional intelligence committees a report setting
7 forth the actions that have been taken to ensure adequate
8 oversight by the executive branch of the budget of the Na-
9 tional Reconnaissance Office and the budgets of other ele-
10 ments of the intelligence community within the Department
11 of Defense.

12 (b) *REPORT ELEMENTS.*—The report required by sub-
13 section (a) shall—

14 (1) describe the extent to which the elements of
15 the intelligence community carrying out programs
16 and activities in the National Foreign Intelligence
17 Program are subject to requirements imposed on other
18 elements and components of the Department of De-
19 fense under the Chief Financial Officers Act of 1990
20 (Public Law 101–576), and the amendments made by
21 that Act, and the Federal Financial Management Act
22 of 1994 (title IV of Public Law 103–356), and the
23 amendments made by that Act;

24 (2) describe the extent to which such elements
25 submit to the Office of Management and Budget budg-
26 et justification materials and execution reports simi-

1 *lar to the budget justification materials and execution*
2 *reports submitted to the Office of Management and*
3 *Budget by the non-intelligence components of the De-*
4 *partment of Defense;*

5 *(3) describe the extent to which the National Re-*
6 *connaissance Office submits to the Office of Manage-*
7 *ment and Budget, the Community Management Staff,*
8 *and the Office of the Secretary of Defense—*

9 *(A) complete information on the cost, sched-*
10 *ule, performance, and requirements for any new*
11 *major acquisition before initiating the acquisi-*
12 *tion;*

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

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

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

20 *(4) assess the extent to which the National Re-*
21 *connaissance Office has submitted to Office of Man-*
22 *agement and Budget, the Community Management*
23 *Staff, and the Office of the Secretary of Defense on a*
24 *monthly basis a detailed budget execution report simi-*

1 *lar to the budget execution report prepared for De-*
2 *partment of Defense programs.*

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

4 *(1) The term “congressional intelligence commit-*
5 *tees” shall mean the Select Committee on Intelligence*
6 *of the Senate and the Permanent Select Committee on*
7 *Intelligence of the House of Representatives.*

8 *(2) The term “National Foreign Intelligence Pro-*
9 *gram” has the meaning given such term in section*
10 *3(6) of the National Security Act of 1947 (50 U.S.C.*
11 *401a(6)).*

12 **TITLE IV—FEDERAL BUREAU OF**
13 **INVESTIGATION**

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

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

19 *(b) CONFORMING AMENDMENT.—Section*
20 *2703(c)(1)(C) of such title is amended by inserting “local*
21 *and long distance” after “address,”.*

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

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

1 (2) *in subsection (c), by adding at the end the*
2 *following: “If the violation is willful or intentional,*
3 *the court may assess punitive damages. In the case of*
4 *a successful action to enforce liability under this sec-*
5 *tion, the court may assess the costs of the action, to-*
6 *gether with reasonable attorney fees determined by the*
7 *court.”;*

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

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

12 “(d) *DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a*
13 *court determines that any agency or department of the*
14 *United States has violated this chapter and the court finds*
15 *that the circumstances surrounding the violation raise the*
16 *question whether or not an officer or employee of the agency*
17 *or department acted willfully or intentionally with respect*
18 *to the violation, the agency or department concerned shall*
19 *promptly initiate a proceeding to determine whether or not*
20 *disciplinary action is warranted against the officer or em-*
21 *ployee.”.*

22 **TITLE V—ECONOMIC ESPIONAGE**

23 **SEC. 501. SHORT TITLE.**

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

1 **SEC. 502. PREVENTION OF ECONOMIC ESPIONAGE AND**
 2 **PROTECTION OF PROPRIETARY ECONOMIC**
 3 **INFORMATION.**

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

7 **“CHAPTER 28—ECONOMIC ESPIONAGE**

“Sec.

“571. Definitions.

“572. Economic espionage.

“573. Criminal forfeiture.

“574. Import and export sanctions.

“575. Scope of extraterritorial jurisdiction.

“576. Construction with other laws.

“577. Preservation of confidentiality.

“578. Law enforcement and intelligence activities.

8 **“§571. Definitions**

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

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

14 *“(2) FOREIGN INSTRUMENTALITY.—The term*
 15 *‘foreign instrumentality’ means any agency, bureau,*
 16 *ministry, component, institution, association, or any*
 17 *legal, commercial, or business organization, corpora-*
 18 *tion, firm, or entity that is substantially owned, con-*
 19 *trolled, sponsored, commanded, managed, or domi-*
 20 *nated by a foreign government or any political sub-*
 21 *division, instrumentality, or other authority thereof.*

1 “(3) *OWNER.*—*The term ‘owner’ means the per-*
2 *son or persons in whom, or the United States Govern-*
3 *ment component, department, or agency in which,*
4 *rightful legal, beneficial, or equitable title to, or li-*
5 *cence in, proprietary economic information is re-*
6 *posed.*

7 “(4) *PROPRIETARY ECONOMIC INFORMATION.*—
8 *The term ‘proprietary economic information’ means*
9 *all forms and types of financial, business, scientific,*
10 *technical, economic, or engineering information (in-*
11 *cluding data, plans, tools, mechanisms, compounds,*
12 *formulas, designs, prototypes, processes, procedures,*
13 *programs, codes, or commercial strategies, whether*
14 *tangible or intangible, and whether stored, compiled,*
15 *or memorialized physically, electronically, graphi-*
16 *cally, photographically, or in writing), if—*

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

20 “(B) *the information derives independent*
21 *economic value, actual or potential, from not*
22 *being generally known to, and not being readily*
23 *ascertainable through proper means by, the pub-*
24 *lic.*

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

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

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

12 **“§ 572. Economic espionage**

13 “(a) *IN GENERAL*.—Any person who, with knowledge
14 *or reason to believe that he or she is acting on behalf of,*
15 *or with the intent to benefit, any foreign nation, govern-*
16 *ment, instrumentality, or agent, knowingly—*

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

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

1 “(3) *being entrusted with, or having lawful pos-*
2 *session or control of, or access to, proprietary eco-*
3 *nom ic information, wrongfully copies, duplicates,*
4 *sketches, draws, photographs, downloads, uploads, al-*
5 *ters, destroys, photocopies, replicates, transmits, deliv-*
6 *ers, sends, mails, communicates, or conveys the same;*

7 “(4) *receives, buys, or possesses proprietary eco-*
8 *nom ic information, knowing the same to have been*
9 *stolen or wrongfully appropriated, obtained, or con-*
10 *verted;*

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

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

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

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

23 “(b) *ORGANIZATIONS.—Any organization that com-*
24 *mits any offense described in subsection (a) shall be fined*
25 *not more than \$10,000,000.*

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

4 “(1) *appropriate disclosures to Congress; or*

5 “(2) *disclosures to an authorized official of an*
6 *executive agency that are deemed essential to report-*
7 *ing a violation of United States law.*

8 **“§ 573. Criminal forfeiture**

9 “(a) *IN GENERAL.*—*Notwithstanding any provision of*
10 *State law to the contrary, any person convicted of a viola-*
11 *tion under this chapter shall forfeit to the United States—*

12 “(1) *any property constituting, or derived from,*
13 *any proceeds the person obtained, directly or indi-*
14 *rectly, as the result of such violation; and*

15 “(2) *any of the property of that person used, or*
16 *intended to be used, in any manner or part, to com-*
17 *mit or facilitate the commission of such violation.*

18 “(b) *COURT ACTION.*—*The court, in imposing sentence*
19 *on such person, shall order, in addition to any other sen-*
20 *tence imposed pursuant to this chapter, that the person for-*
21 *feit to the United States all property described in this sec-*
22 *tion.*

23 “(c) *APPLICABILITY OF OTHER LAW.*—*Property sub-*
24 *ject to forfeiture under this section, any seizure and disposi-*
25 *tion thereof, and any administrative or judicial proceeding*

1 *in relation thereto, shall be governed by the provisions of*
2 *section 413 of the Comprehensive Drug Abuse Prevention*
3 *and Control Act of 1970 (21 U.S.C. 853), other than sub-*
4 *section (d) of that section.*

5 **“§ 574. Import and export sanctions**

6 “(a) *ACTION BY THE PRESIDENT.—The President*
7 *may, to the extent consistent with international agreements*
8 *to which the United States is a party, prohibit, for a period*
9 *of not longer than 5 years, the importation into, or expor-*
10 *tation from, the United States, whether by carriage of tan-*
11 *gible items or by transmission, any merchandise produced,*
12 *made, assembled, or manufactured by a person convicted*
13 *of any offense described in section 572 of this title, or in*
14 *the case of an organization convicted of any offense de-*
15 *scribed in such section, its successor entity or entities.*

16 “(b) *ACTION BY THE SECRETARY OF THE TREAS-*
17 *URY.—*

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

24 “(2) *SEIZURE AND FORFEITURE.—Any merchan-*
25 *dise imported or exported in violation of an order of*

1 *the President issued under this section shall be subject*
2 *to seizure and forfeiture in accordance with sections*
3 *602 through 619 of the Tariff Act of 1930.*

4 “(3) *APPLICABILITY OF OTHER PROVISIONS.—*
5 *The provisions of law relating to seizure, summary*
6 *and judicial forfeiture, and condemnation of property*
7 *for violation of the United States customs laws, the*
8 *disposition of such property or the proceeds from the*
9 *sale thereof, the remission or mitigation of such for-*
10 *feiture, and the compromise of claims, shall apply to*
11 *seizures and forfeitures incurred, or alleged to have*
12 *been incurred under this section to the extent that*
13 *they are applicable and not inconsistent with the pro-*
14 *visions of this chapter.*

15 **“§ 575. Scope of extraterritorial jurisdiction**

16 *“This chapter applies—*

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

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

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

22 *or*

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

1 **“§ 576. Construction with other laws**

2 *“This chapter shall not be construed to preempt or dis-*
3 *place any other remedies, whether civil or criminal, pro-*
4 *vided by Federal, State, commonwealth, possession, or terri-*
5 *torial laws that are applicable to the misappropriation of*
6 *proprietary economic information.*

7 **“§ 577. Preservation of confidentiality**

8 *“In any prosecution or other proceeding under this*
9 *chapter, the court shall enter such orders and take such*
10 *other action as may be necessary and appropriate to pre-*
11 *serve the confidentiality of proprietary economic informa-*
12 *tion, consistent with the requirements of the Federal Rules*
13 *of Criminal Procedure, the Federal Rules of Civil Proce-*
14 *dure, the Federal Rules of Evidence, and all other applica-*
15 *ble laws. An interlocutory appeal by the United States shall*
16 *lie from a decision or order of a district court authorizing*
17 *or directing the disclosure of proprietary economic informa-*
18 *tion.*

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

20 *“This chapter does not prohibit, and shall not impair,*
21 *any lawful activity conducted by a law enforcement or reg-*
22 *ulatory agency of the United States, a State, or a political*
23 *subdivision of a State, or an intelligence agency of the Unit-*
24 *ed States.”.*

25 (b) CLERICAL AMENDMENT.—*The table of chapters at*
26 *the beginning of part I of title 18, United States Code, is*

1 *amended by inserting after the item relating to chapter 27*
 2 *the following new item:*

“**28. Economic espionage** **571**”.

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

7 **TITLE VI—COMBATTING**
 8 **PROLIFERATION**

9 **SEC. 601. SHORT TITLE.**

10 *This title may be cited as the “Combating Prolifera-*
 11 *tion of Weapons of Mass Destruction Act of 1996”.*

12 **Subtitle A—Assessment of Organi-**
 13 **zation and Structure of Govern-**
 14 **ment for Combating Prolifera-**
 15 **tion**

16 **SEC. 611. ESTABLISHMENT OF COMMISSION.**

17 (a) *ESTABLISHMENT.*—*There is established a commis-*
 18 *sion to be known as the Commission to Assess the Organi-*
 19 *zation of the Federal Government to Combat the Proliferation*
 20 *of Weapons of Mass Destruction (in this subtitle referred*
 21 *to as the “Commission”).*

22 (b) *MEMBERSHIP.*—*The Commission shall be com-*
 23 *posed of eight members of whom—*

24 (1) *four shall be appointed by the President;*

1 (2) *one shall be appointed by the Majority Lead-*
2 *er of the Senate;*

3 (3) *one shall be appointed by the Minority Lead-*
4 *er of the Senate;*

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

7 (5) *one shall be appointed by the Minority Lead-*
8 *er of the House of Representatives.*

9 (c) **QUALIFICATIONS OF MEMBERS.**—(1) *To the maxi-*
10 *mum extent practicable, the individuals appointed as mem-*
11 *bers of the Commission shall be individuals who are nation-*
12 *ally recognized for expertise regarding—*

13 (A) *the nonproliferation of weapons of mass de-*
14 *struction;*

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

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

19 (2) *An official who appoints members of the Commis-*
20 *sion may not appoint an individual as a member if, in*
21 *the judgment of the official, the individual possesses any*
22 *personal or financial interest in the discharge of any of the*
23 *duties of the Commission.*

24 (d) **PERIOD OF APPOINTMENT; VACANCIES.**—*Members*
25 *shall be appointed for the life of the Commission. Any va-*

1 *cancy in the Commission shall not affect its powers, but*
2 *shall be filled in the same manner as the original appoint-*
3 *ment.*

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

7 (f) *QUORUM.*—*A majority of the members of the Com-*
8 *mission shall constitute a quorum, but a lesser number of*
9 *members may hold hearings.*

10 (g) *CHAIRMAN AND VICE CHAIRMAN.*—*The Commis-*
11 *sion shall select a Chairman and Vice Chairman from*
12 *among its members.*

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

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

16 (a) *STUDY.*—

17 (1) *IN GENERAL.*—*The Commission shall carry*
18 *out a thorough study of the organization of the Fed-*
19 *eral Government, including the elements of the intel-*
20 *ligence community, with respect to combatting the*
21 *proliferation of weapons of mass destruction.*

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

24 (A) *assess the current structure and organi-*
25 *zation of the departments and agencies of the*

1 *Federal Government having responsibilities for*
2 *combating the proliferation of weapons of mass*
3 *destruction; and*

4 *(B) assess the effectiveness of United States*
5 *cooperation with foreign governments with re-*
6 *spect to nonproliferation activities, including co-*
7 *operation—*

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

11 *(ii) between other departments and*
12 *agencies of the Federal Government and the*
13 *counterparts to such departments and agen-*
14 *cies in foreign governments; and*

15 *(iii) between the Federal Government*
16 *and international organizations.*

17 (3) *ASSESSMENTS.—In making the assessments*
18 *under paragraph (2), the Commission should ad-*
19 *dress—*

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

24 *(B) arrangements for coordinating the fund-*
25 *ing of United States nonproliferation activities;*

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

5 (D) the effectiveness of the organization and
6 function of interagency groups in ensuring im-
7 plementation of United States treaty obligations,
8 laws, and policies with respect to nonprolifera-
9 tion;

10 (E) the administration of sanctions for pur-
11 poses of nonproliferation, including the measures
12 taken by departments and agencies of the Fed-
13 eral Government to implement, assess, and en-
14 hance the effectiveness of such sanctions;

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

18 (G) the recruitment, training, morale, ex-
19 pertise, retention, and advancement of Federal
20 Government personnel responsible for the non-
21 proliferation functions of the Federal Govern-
22 ment, including any problems in such activities;

23 (H) the role in United States nonprolifera-
24 tion activities of the National Security Council,
25 the Office of Management and Budget, the Office

1 *of Science and Technology Policy, and other of-*
2 *fices in the Executive Office of the President hav-*
3 *ing responsibilities for such activities;*

4 *(I) the organization of the activities of the*
5 *Federal Government to verify government-to-gov-*
6 *ernment assurances and commitments with re-*
7 *spect to nonproliferation, including assurances*
8 *regarding the future use of commodities exported*
9 *from the United States; and*

10 *(J) the costs and benefits to the United*
11 *States of increased centralization and of de-*
12 *creased centralization in the administration of*
13 *the nonproliferation activities of the Federal*
14 *Government.*

15 *(b) RECOMMENDATIONS.—In conducting the study, the*
16 *Commission shall develop recommendations on means of*
17 *improving the effectiveness of the organization of the de-*
18 *partments and agencies of the Federal Government in meet-*
19 *ing the national security interests of the United States with*
20 *respect to the proliferation of weapons of mass destruction.*
21 *Such recommendations shall include specific recommenda-*
22 *tions to eliminate duplications of effort, and other ineffi-*
23 *ciencies, in and among such departments and agencies.*

24 *(c) REPORT.—(1) Not later than 18 months after the*
25 *date of the enactment of this Act, the Commission shall sub-*

1 *mit to Congress a report containing a detailed statement*
2 *of the findings and conclusions of the Commission, together*
3 *with its recommendations for such legislation and adminis-*
4 *trative actions as it considers appropriate.*

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

7 **SEC. 613. POWERS OF COMMISSION.**

8 (a) *HEARINGS.—The Commission may hold such hear-*
9 *ings, sit and act at such times and places, take such testi-*
10 *mony, and receive such evidence as the Commission consid-*
11 *ers advisable to carry out the purposes of this subtitle.*

12 (b) *INFORMATION FROM FEDERAL AGENCIES.—*

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

20 (2) *CLASSIFIED INFORMATION.—A department*
21 *or agency may furnish the Commission classified in-*
22 *formation under this subsection. The Commission*
23 *shall take appropriate actions to safeguard classified*
24 *information furnished to the Commission under this*
25 *paragraph.*

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

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

7 **SEC. 614. COMMISSION PERSONNEL MATTERS.**

8 (a) *COMPENSATION OF MEMBERS.*—*Each member of*
9 *the Commission who is not an officer or employee of the*
10 *Federal Government shall be compensated at a rate equal*
11 *to the daily equivalent of the annual rate of basic pay pre-*
12 *scribed for level IV of the Executive Schedule under section*
13 *5315 of title 5, United States Code, for each day (including*
14 *travel time) during which such member is engaged in the*
15 *performance of the duties of the Commission. All members*
16 *of the Commission who are officers or employees of the Unit-*
17 *ed States shall serve without compensation in addition to*
18 *that received for their services as officers or employees of*
19 *the United States.*

20 (b) *TRAVEL EXPENSES.*—*The members of the Commis-*
21 *sion shall be allowed travel expenses, including per diem*
22 *in lieu of subsistence, at rates authorized for employees of*
23 *agencies under subchapter I of chapter 57 of title 5, United*
24 *States Code, while away from their homes or regular places*

1 *of business in the performance of services for the Commis-*
2 *sion.*

3 (c) *STAFF.*—

4 (1) *IN GENERAL.*—*The Chairman of the Com-*
5 *mission may, without regard to the civil service laws*
6 *and regulations, appoint and terminate an executive*
7 *director and such other additional personnel as may*
8 *be necessary to enable the Commission to perform its*
9 *duties. The employment of an executive director shall*
10 *be subject to confirmation by the Commission.*

11 (2) *COMPENSATION.*—*The Chairman of the Com-*
12 *mission may fix the compensation of the executive di-*
13 *rector and other personnel without regard to the pro-*
14 *visions of chapter 51 and subchapter III of chapter 53*
15 *of title 5, United States Code, relating to classifica-*
16 *tion of positions and General Schedule pay rates, ex-*
17 *cept that the rate of pay for the executive director and*
18 *other personnel may not exceed the rate payable for*
19 *level V of the Executive Schedule under section 5316*
20 *of such title.*

21 (d) *DETAIL OF GOVERNMENT EMPLOYEES.*—*Any Fed-*
22 *eral Government employee may be detailed to the Commis-*
23 *sion without reimbursement, and such detail shall be with-*
24 *out interruption or loss of civil service status or privilege.*

1 (e) *PROCUREMENT OF TEMPORARY AND INTERMIT-*
2 *TENT SERVICES.*—*The Chairman of the Commission may*
3 *procure temporary and intermittent services under section*
4 *3109(b) of title 5, United States Code, at rates for individ-*
5 *uals which do not exceed the daily equivalent of the annual*
6 *rate of basic pay prescribed for level V of the Executive*
7 *Schedule under section 5316 of such title.*

8 **SEC. 615. TERMINATION OF COMMISSION.**

9 *The Commission shall terminate 60 days after the date*
10 *on which the Commission submits its report under section*
11 *612(c).*

12 **SEC. 616. DEFINITION.**

13 *For purposes of this subtitle, the term “intelligence*
14 *community” shall have the meaning given such term in sec-*
15 *tion 3(4) of the National Security Act of 1947 (50 U.S.C.*
16 *401a(4)).*

17 **SEC. 617. AUTHORIZATION OF APPROPRIATIONS.**

18 (a) *IN GENERAL.*—*There are authorized to be appro-*
19 *priated for the Commission for fiscal year 1997 such sums*
20 *as may be necessary for the Commission to carry out its*
21 *duties under this subtitle.*

22 (b) *AVAILABILITY.*—*Amounts appropriated pursuant*
23 *to the authorization of appropriations in subsection (a)*
24 *shall remain available for expenditure until the termi-*
25 *nation of the Commission under section 615.*

1 **Subtitle B—Other Matters**

2 **SEC. 621. REPORTS ON ACQUISITION OF TECHNOLOGY RE-**
3 **LATING TO WEAPONS OF MASS DESTRUCTION**
4 **AND ADVANCED CONVENTIONAL MUNITIONS.**

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

9 (1) *the acquisition by foreign countries during*
10 *the preceding 6 months of dual-use and other tech-*
11 *nology useful for the development or production of*
12 *weapons of mass destruction (including nuclear weap-*
13 *ons, chemical weapons, and biological weapons) and*
14 *advanced conventional munitions; and*

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

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

20 **TITLE VII—RENEWAL AND RE-**
21 **FORM OF INTELLIGENCE AC-**
22 **TIVITIES**

23 **SEC. 701. SHORT TITLE.**

24 This title may be cited as the “Intelligence Activities
25 *Renewal and Reform Act of 1996*”.

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

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

4 *(1) by redesignating subsection (h) as subsection*
5 *(j); and*

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

8 *“(h)(1) There is established within the National Secu-*
9 *rity Council a committee to be known as the ‘Committee*
10 *on Foreign Intelligence’.*

11 *“(2) The Committee shall be composed of the following:*

12 *“(A) The Director of Central Intelligence.*

13 *“(B) The Secretary of State.*

14 *“(C) The Secretary of Defense.*

15 *“(D) The Assistant to the President for National*
16 *Security Affairs, who shall serve as the chairperson of*
17 *the Committee.*

18 *“(E) Such other members as the President may*
19 *designate.*

20 *“(3) The function of the Committee shall be to assist*
21 *the Council in its activities by—*

22 *“(A) identifying the intelligence required to ad-*
23 *dress the national security interests of the United*
24 *States as specified by the President;*

1 “(B) *establishing priorities (including funding*
2 *priorities) among the programs, projects, and activi-*
3 *ties that address such interests and requirements; and*

4 “(C) *establishing policies relating to the conduct*
5 *of intelligence activities of the United States, includ-*
6 *ing appropriate roles and missions for the elements of*
7 *the intelligence community and appropriate targets of*
8 *intelligence collection activities.*

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

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

13 “(B) *identify on an annual basis, and at such*
14 *other times as the Council may require, the intel-*
15 *ligence required to meet such interests and establish*
16 *an order of priority for the collection and analysis of*
17 *such intelligence; and*

18 “(C) *conduct an annual review of the elements of*
19 *the intelligence community in order to determine the*
20 *success of such elements in collecting, analyzing, and*
21 *disseminating the intelligence identified under sub-*
22 *paragraph (B).*

23 “(5) *The Committee shall submit each year to the*
24 *Council and to the Director of Central Intelligence a com-*
25 *prehensive report on its activities during the preceding*

1 year, including its activities under paragraphs (3) and
2 (4).”

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

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

8 “SEC. 109. (a) *IN GENERAL.*—(1) Not later than Jan-
9 uary 31 each year, the President shall submit to the appro-
10 priate congressional committees a report on the require-
11 ments of the United States for intelligence and the activities
12 of the intelligence community.

13 “(2) The purpose of the report is to facilitate an assess-
14 ment of the activities of the intelligence community during
15 the preceding fiscal year and to assist in the development
16 of a mission and a budget for the intelligence community
17 for the fiscal year beginning in the year in which the report
18 is submitted.

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

21 “(b) *MATTERS COVERED.*—(1) Each report under sub-
22 section (a) shall—

23 “(A) specify the intelligence required to meet the
24 national security interests of the United States, and
25 set forth an order of priority for the collection and

1 *analysis of intelligence required to meet such inter-*
2 *ests, for the fiscal year beginning in the year in which*
3 *the report is submitted; and*

4 *“(B) evaluate the performance of the intelligence*
5 *community in collecting and analyzing intelligence*
6 *required to meet such interests during the fiscal year*
7 *ending in the year preceding the year in which the*
8 *report is submitted, including a description of the sig-*
9 *nificant successes and significant failures of the intel-*
10 *ligence community in such collection and analysis*
11 *during that fiscal year.*

12 *“(2) The report shall specify matters under paragraph*
13 *(1)(A) in sufficient detail to assist Congress in making deci-*
14 *sions with respect to the allocation of resources for the mat-*
15 *ters specified.*

16 *“(c) DEFINITION.—In this section, the term ‘appro-*
17 *priate congressional committees’ means the following:*

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

21 *“(2) The Permanent Select Committee on Intel-*
22 *ligence, the Committee on Appropriations, and the*
23 *Committee on National Security of the House of Rep-*
24 *resentatives.”.*

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

3 “*ANNUAL REPORT ON INTELLIGENCE*”.

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

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

7 **SEC. 704. TRANSNATIONAL THREATS.**

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

12 “(i)(1) *There is established within the National Secu-*
13 *rity Council a committee to be known as the ‘Committee*
14 *on Transnational Threats’.*

15 “(2) *The Committee shall include the following mem-*
16 *bers:*

17 “(A) *The Director of Central Intelligence.*

18 “(B) *The Secretary of State.*

19 “(C) *The Secretary of Defense.*

20 “(D) *The Attorney General.*

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

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

1 “(3) *The function of the Committee shall be to coordi-*
2 *nate and direct the activities of the United States Govern-*
3 *ment relating to combatting transnational threats.*

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

6 “(A) *identify transnational threats;*

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

10 “(C) *monitor implementation of such strategies;*

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

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

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

21 “(G) *develop guidelines to enhance and improve*
22 *the coordination of activities of Federal law enforce-*
23 *ment agencies and elements of the intelligence commu-*
24 *nity outside the United States with respect to*
25 *transnational threats.*

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

3 “(A) Any transnational activity (including
4 international terrorism, narcotics trafficking, the pro-
5 liferation of weapons of mass destruction and the de-
6 livery systems for such weapons, and organized
7 crime) that threatens the national security of the
8 United States.

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

11 **SEC. 705. OFFICE OF THE DIRECTOR OF CENTRAL INTEL-**
12 **LIGENCE.**

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

15 (1) in section 102 (50 U.S.C. 403)—

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

19 “OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE

20 “SEC. 102.”;

21 (B) by redesignating paragraph (2) of sub-
22 section (a) as subsection (a) and in such sub-
23 section (a), as so redesignated, by redesignating
24 subparagraphs (A), (B), and (C) as paragraphs
25 (1), (2), and (3), respectively; and

1 (C) by striking subsection (d) and inserting
2 the following:

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

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

10 “(A) The Director of Central Intelligence.

11 “(B) The Deputy Director of Central Intel-
12 ligence.

13 “(C) The National Intelligence Council.

14 “(D) The Assistant Director of Central Intel-
15 ligence for Collection.

16 “(E) The Assistant Director of Central Intel-
17 ligence for Analysis and Production.

18 “(F) The Assistant Director of Central Intel-
19 ligence for Administration.

20 “(G) Such other offices and officials as may be
21 established by law or the Director of Central Intel-
22 ligence may establish or designate in the Office.

23 “(3) To assist the Director in fulfilling the responsibil-
24 ities of the Director as head of the intelligence community,
25 the Director shall employ and utilize in the Office of the

1 *Director of Central Intelligence a professional staff having*
 2 *an expertise in matters relating to such responsibilities and*
 3 *may establish permanent positions and appropriate rates*
 4 *of pay with respect to that staff.”; and*

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

7 *“CENTRAL INTELLIGENCE AGENCY*

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

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

“Sec. 102. Office of the Director of Central Intelligence.
“Sec. 102A. Central Intelligence Agency.”.

17 **SEC. 706. NATIONAL INTELLIGENCE COUNCIL.**

18 *Section 103(b) of the National Security Act of 1947*
 19 *(50 U.S.C. 403–3(b)) is amended—*

20 *(1) in paragraph (1)(B), by inserting “, or as*
 21 *contractors of the Council or employees of such con-*
 22 *tractors,” after “on the Council”;*

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

1 (3) *by inserting after paragraph (3) the follow-*
2 *ing new paragraph (4):*

3 “(4) *Subject to the direction and control of the Director*
4 *of Central Intelligence, the Center may carry out its respon-*
5 *sibilities under this subsection by contract, including con-*
6 *tracts for substantive experts necessary to assist the Center*
7 *with particular assessments under this subsection.”; and*

8 (4) *in paragraph (5), as so redesignated, by add-*
9 *ing at the end the following: “The Center shall also*
10 *be readily accessible to policymaking officials and*
11 *other appropriate individuals not otherwise associated*
12 *with the intelligence community.”.*

13 **SEC. 707. ENHANCEMENT OF AUTHORITY OF DIRECTOR OF**
14 **CENTRAL INTELLIGENCE TO MANAGE BUDG-**
15 **ET, PERSONNEL, AND ACTIVITIES OF INTEL-**
16 **LIGENCE COMMUNITY.**

17 (a) *IN GENERAL.*—*Section 103(c) of the National Se-*
18 *curity Act of 1947 (50 U.S.C. 403–3(c)) is amended—*

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

21 “(1) *facilitate the development of an annual*
22 *budget for intelligence and intelligence-related activi-*
23 *ties of the United States by—*

1 “(A) developing and presenting to the Presi-
2 dent an annual budget for the National Foreign
3 Intelligence Program; and

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

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

11 (3) by inserting after paragraph (2) the follow-
12 ing new paragraph (3):

13 “(3) approve collection requirements, determine
14 collection priorities, and resolve conflicts in collection
15 priorities levied on national collection assets, except
16 as otherwise agreed with the Secretary of Defense pur-
17 suant to the direction of the President;”.

18 (b) *USE OF FUNDS.*—Section 104 of the National Se-
19 curity Act of 1947 (50 U.S.C. 403–4) is amended—

20 (1) by adding at the end of subsection (c) the fol-
21 lowing: “The Secretary of Defense shall consult with
22 the Director of Central Intelligence before reprogram-
23 ming funds made available under the Joint Military
24 Intelligence Program.”;

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

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

5 “(e) *DATABASE AND BUDGET EXECUTION INFORMA-*
6 *TION.—The Director of Central Intelligence and the Sec-*
7 *retary of Defense shall jointly issue guidance for the devel-*
8 *opment and implementation by the year 2000 of a database*
9 *to provide timely and accurate information on the amounts*
10 *and status of resources, including periodic budget execution*
11 *updates, for national, defense-wide, and tactical intelligence*
12 *activities.”.*

13 **SEC. 708. RESPONSIBILITIES OF SECRETARY OF DEFENSE**
14 **PERTAINING TO THE NATIONAL FOREIGN IN-**
15 **TELLIGENCE PROGRAM.**

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

18 (1) *in subsection (a), by inserting “, in consulta-*
19 *tion with the Director of Central Intelligence,” after*
20 *“Secretary of Defense” in the matter preceding para-*
21 *graph (1); and*

22 (2) *by adding at the end the following:*

23 “(d) *ANNUAL EVALUATION OF THE DIRECTOR OF*
24 *CENTRAL INTELLIGENCE.—The Director of Central Intel-*
25 *ligence, in consultation with the Secretary of Defense and*

1 *the Chairman of the Joint Chiefs of Staff, shall submit each*
2 *year to the Committee on Foreign Intelligence of the Na-*
3 *tional Security Council and the appropriate congressional*
4 *committees (as defined in section 109(c)) an evaluation of*
5 *the performance and the responsiveness of the National Se-*
6 *curity Agency, the National Reconnaissance Office, and the*
7 *National Imagery and Mapping Agency in meeting their*
8 *national missions.”.*

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

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

14 *“(e)(1) To assist the Director of Central Intelligence*
15 *in carrying out the Director’s responsibilities under this*
16 *Act, there shall be an Assistant Director of Central Intel-*
17 *ligence for Collection, who shall be appointed by the Presi-*
18 *dent, by and with the advice and consent of the Senate.*

19 *“(2)(A) If neither the Director of Central Intelligence*
20 *nor the Deputy Director of Central Intelligence is a com-*
21 *missioned officer of the Armed Forces at the time of the*
22 *nomination of an individual to the position of Assistant*
23 *Director of Central Intelligence for Collection, the President*
24 *shall nominate an individual for that position from among*

1 *the commissioned officers of the Armed Forces who have sub-*
2 *stantial experience in managing intelligence activities.*

3 “(B) *The provisions of subsection (c)(3) shall apply*
4 *to any commissioned officer of the Armed Forces while serv-*
5 *ing in the position of Assistant Director for Collection.*

6 “(3) *The Assistant Director for Collection shall assist*
7 *the Director of Central Intelligence in carrying out the Di-*
8 *rector’s collection responsibilities in order to ensure the effi-*
9 *cient and effective collection of national intelligence.”.*

10 (b) *CONSOLIDATION OF HUMAN INTELLIGENCE COL-*
11 *LECTION ACTIVITIES.—Not later than 90 days after the date*
12 *of the enactment of this Act, the Director of Central Intel-*
13 *ligence and the Deputy Secretary of Defense shall jointly*
14 *submit to the Committee on Armed Services and the Select*
15 *Committee on Intelligence of the Senate and the National*
16 *Security Committee and Permanent Select Committee on*
17 *Intelligence of the House of Representatives a report on the*
18 *ongoing efforts of those officials to achieve commonality,*
19 *interoperability, and, where practicable, consolidation of*
20 *the collection of clandestine intelligence from human sources*
21 *conducted by the Defense Human Intelligence Service of the*
22 *Department of Defense and the Directorate of Operations*
23 *of the Central Intelligence Agency.*

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

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

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

12 *“(2) The Assistant Director for Analysis and Produc-*
13 *tion shall—*

14 *“(A) oversee the analysis and production of in-*
15 *telligence by the elements of the intelligence commu-*
16 *nity;*

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

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

23 *“(D) identify intelligence to be collected for pur-*
24 *poses of the Assistant Director of Central Intelligence*
25 *for Collection; and*

1 “(E) provide such additional analysis and pro-
2 duction of intelligence as the President and the Na-
3 tional Security Council may require.”.

4 **SEC. 711. IMPROVEMENT OF ADMINISTRATION OF INTEL-**
5 **LIGENCE ACTIVITIES.**

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

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

14 “(2) The Assistant Director for Administration shall
15 manage such activities relating to the administration of the
16 intelligence community as the Director of Central Intel-
17 ligence shall require.”.

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

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

22 “Assistant Directors of Central Intelligence (3).”.

1 **SEC. 713. GENERAL COUNSEL OF THE CENTRAL INTEL-**
2 **LIGENCE AGENCY.**

3 (a) *ESTABLISHMENT OF POSITION.*—*The Central In-*
4 *telligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is*
5 *amended by adding at the end the following:*

6 “GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE
7 AGENCY

8 “SEC. 20. (a) *There is a General Counsel of the Central*
9 *Intelligence Agency, appointed from civilian life by the*
10 *President, by and with the advice and consent of the Senate.*

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

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

16 (b) *EXECUTIVE SCHEDULE IV PAY LEVEL.*—*Section*
17 *5315 of title 5, United States Code, as amended by section*
18 *712 of this Act, is further amended by adding at the end*
19 *the following:*

20 “*General Counsel of the Central Intelligence*
21 *Agency.”.*

22 **SEC. 714. OFFICE OF CONGRESSIONAL AFFAIRS OF THE DI-**
23 **RECTOR OF CENTRAL INTELLIGENCE.**

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

1 “(h)(1) *There is hereby established the Office of Con-*
2 *gressional Affairs of the Director of Central Intelligence.*

3 “(2)(A) *The Office shall be headed by the Director of*
4 *the Office of Congressional Affairs of the Director of Central*
5 *Intelligence.*

6 “(B) *The Director of Central Intelligence may des-*
7 *ignate the Director of the Office of Congressional Affairs*
8 *of the Central Intelligence Agency to serve as the Director*
9 *of the Office of Congressional Affairs of the Director of*
10 *Central Intelligence.*

11 “(3) *The Director shall coordinate the congressional af-*
12 *fairs activities of the elements of the intelligence community*
13 *and have such additional responsibilities as the Director*
14 *of Central Intelligence may prescribe.*

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

18 **SEC. 715. ASSISTANCE FOR LAW ENFORCEMENT AGENCIES**

19 **BY INTELLIGENCE COMMUNITY.**

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

23 “*ASSISTANCE TO UNITED STATES LAW ENFORCEMENT*
24 *AGENCIES*

25 “*SEC. 105A. (a) AUTHORITY TO PROVIDE ASSIST-*
26 *ANCE.*—*Subject to subsection (b), elements of the intelligence*

1 *community may, upon the request of a United States law*
2 *enforcement agency, collect information outside the United*
3 *States about individuals who are not United States persons.*
4 *Such elements may collect such information notwithstand-*
5 *ing that the law enforcement agency intends to use the in-*
6 *formation collected for purposes of a law enforcement inves-*
7 *tigation or counterintelligence investigation.*

8 “(b) *LIMITATION ON ASSISTANCE BY ELEMENTS OF*
9 *DEPARTMENT OF DEFENSE.—(1) With respect to elements*
10 *within the Department of Defense, the authority in sub-*
11 *section (a) applies only to the National Security Agency,*
12 *the National Reconnaissance Office, and the National Im-*
13 *agery and Mapping Agency.*

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

18 “(3) *Assistance may not be provided under this section*
19 *by an element of the Department of Defense if the provision*
20 *of such assistance will adversely affect the military pre-*
21 *paredness of the United States.*

22 “(4) *The Secretary of Defense shall prescribe regula-*
23 *tions governing the exercise of authority under this section*
24 *by elements of the Department of Defense, including regula-*

1 *tions relating to the protection of sources and methods in*
2 *the exercise of such authority.*

3 “(c) *DEFINITIONS.—For purposes of subsection (a):*

4 “(1) *The term ‘United States law enforcement*
5 *agency’ means any department or agency of the Fed-*
6 *eral Government that the Attorney General designates*
7 *as law enforcement agency for purposes of this sec-*
8 *tion.*

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

11 “(A) *A United States citizen.*

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

15 “(C) *An unincorporated association sub-*
16 *stantially composed of United States citizens or*
17 *permanent resident aliens.*

18 “(D) *A corporation incorporated in the*
19 *United States, except for a corporation directed*
20 *and controlled by a foreign government or gov-*
21 *ernments.”.*

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

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

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

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

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

9 “SEC. 106. (a) *CONCURRENCE OF DCI IN CERTAIN AP-*
10 *POINTMENTS.*—(1) *In the event of a vacancy in a position*
11 *referred to in paragraph (2), the Secretary of Defense shall*
12 *obtain the concurrence of the Director of Central Intel-*
13 *ligence before recommending to the President an individual*
14 *for appointment to the position. If the Director does not*
15 *concur in the recommendation, the Secretary may make the*
16 *recommendation to the President without the Director’s*
17 *concurrence, but shall include in the recommendation a*
18 *statement that the Director does not concur in the rec-*
19 *ommendation.*

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

21 “(A) *The Director of the National Security Agen-*
22 *cy.*

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

24 “(b) *CONSULTATION WITH DCI IN CERTAIN APPOINT-*
25 *MENTS.*—(1) *In the event of a vacancy in a position re-*
26

1 *ferred to in paragraph (2), the head of the department or*
 2 *agency having jurisdiction over the position shall consult*
 3 *with the Director of Central Intelligence before appointing*
 4 *an individual to fill the vacancy or recommending to the*
 5 *President an individual to be nominated to fill the vacancy.*

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

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

9 “(B) The Assistant Secretary of State for Intel-
 10 ligence and Research.

11 “(C) The Director of the Office of Nonprolifera-
 12 tion and National Security of the Department of En-
 13 ergy.

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

16 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
 17 *the first section of that Act is amended by striking the item*
 18 *relating to section 106 and inserting in lieu thereof the fol-*
 19 *lowing new item:*

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

20 **SEC. 717. REQUIREMENTS FOR SUBMITTAL OF BUDGET IN-**
 21 **FORMATION ON INTELLIGENCE ACTIVITIES.**

22 (a) *SUBMITTAL WITH ANNUAL BUDGET.*—*Notwith-*
 23 *standing any other provision of law, the President shall in-*
 24 *clude in each budget for a fiscal year submitted under sec-*

1 *tion 1105 of title 31, United States Code, the following in-*
2 *formation:*

3 (1) *The aggregate amount appropriated during*
4 *the current fiscal year on all intelligence and intel-*
5 *ligence-related activities of the United States Govern-*
6 *ment.*

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

11 (b) *FORM OF SUBMITTAL.*—*The President shall submit*
12 *the information required under subsection (a) in unclassi-*
13 *fied form.*

14 **SEC. 718. REPORT ON INTELLIGENCE COMMUNITY POLICY**
15 **ON PROTECTING THE NATIONAL INFORMA-**
16 **TION INFRASTRUCTURE AGAINST STRATEGIC**
17 **ATTACKS.**

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

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

1 (B) the counterintelligence response of the Direc-
2 tor.

3 (2) The report shall include a description of the plans
4 of the intelligence community to provide intelligence sup-
5 port for the indications, warning, and assessment functions
6 of the intelligence community with respect to information
7 warfare and other non-traditional attacks by foreign na-
8 tions, groups, or individuals against the national informa-
9 tion infrastructure.

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

11 (1) The term “national information infrastruc-
12 ture” includes the information infrastructure of the
13 public or private sector.

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

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

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

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

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

3 “*SEC. 110. (a) NATIONAL MISSION.—The National*
4 *Imagery and Mapping Agency shall have a national mis-*
5 *sion to support the imagery requirements of the Department*
6 *of State, the Department of Defense, and other departments*
7 *and agencies of the Federal Government. The Director of*
8 *Central Intelligence shall establish requirements and prior-*
9 *ities to govern the collection of national intelligence by the*
10 *National Imagery and Mapping Agency. The Secretary of*
11 *Defense and the Director of Central Intelligence, in con-*
12 *sultation with the Chairman of the Joint Chiefs of Staff,*
13 *shall jointly identify deficiencies in the capabilities of the*
14 *National Imagery and Mapping Agency to accomplish as-*
15 *signed national missions and shall jointly develop policies*
16 *and programs to review and correct such deficiencies.*

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

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

 “*Sec. 110. National mission and collection tasking authority for the National Im-*
 agery and Mapping Agency.”.

4 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
5 *section (a) shall take effect on the later of—*

6 (1) *the date of the enactment of the National De-*
7 *fense Authorization Act for Fiscal Year 1997; or*

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

Attest:

Secretary.

104TH CONGRESS
2^D SESSION

H. R. 3259

AMENDMENT

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