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THE WHITE HOUSE

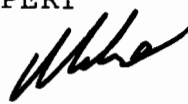
WASHINGTON

January 23, 1976

MEMORANDUM FOR

CHARLIE LEPPERT

FROM:

MIKE DUVAL 

SUBJECT:

McCLORY'S VIEWS CONCERNING  
THE PIKE COMMITTEE REPORT

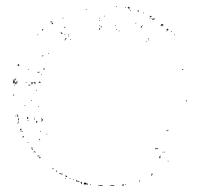
I have very briefly reviewed the draft you sent me. In general, I think the points that Mr. McClory makes are contradictory. He has made some excellent comments concerning the attempts of the Administration to cooperate with the Committee's work but, overall, these views do not seem to me to add much to the debate.

The following are some specific comments:

1. I don't think it's appropriate for us to in any way imply endorsement of his proposed oversight committee which has budgetary control.
2. He proposes a statute which would require Executive agencies to keep such an oversight committee "fully and completely informed". This language, of course, is taken from the Atomic Energy Act and is not at all appropriate for intelligence oversight. I think we should oppose this vigorously.
3. His procedures for imposing a discipline on such a committee, in terms of handling classified information, seems to me very weak and probably unworkable.
4. Concerning declassification or publication of classified materials, the thrust of his argument that the Executive and the Congress should attempt to work these out in the spirit of cooperation is, of course, sound. However, I think in fairness Mr. McClory should cite the sad history of the Pike Committee as evidence that this is not likely to work out.

5. Concerning covert operations, he believes that appropriate committees of Congress should give prior approval before these operations are undertaken. This is unrealistic and unconstitutional. The only way that Congress can bind the United States is by a legislative act, and the only way that this can be accomplished over the objection of the President, is by a two-thirds vote of both Houses. McClory's proposal lacks merit because it is directly contrary to the balance of powers established by Articles I and II of the Constitution, and it could lead to the absurd result where one committee (or member via disclosure) overrules the President perhaps when other committees agree with the President.
6. It is not realistic for Congress to authorize funds for the Intelligence Community by the same process as for other agencies, as McClory is proposing. Such a process would render it impossible to keep the funds secret.
7. McClory's idea of creating a "Director of Foreign Intelligence" has been analyzed by the Executive Branch and found to be impractical. Such a free-floating intelligence "czar" in the Executive Office would have no real authority -- only apparent power -- and thus would soon become ineffective. As a practical matter, the McClory proposal would simply layer another coordinator, thus further diffusing responsibility and accountability. In short, nothing gained and quite a bit lost compared to the existing system.

Do you want me to talk to Mr. McClory?



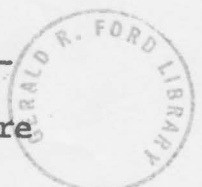
*- draft of proposed additional views*  
*Comments*  
*Close held*

ADDITIONAL VIEWS OF MR. \_\_\_\_\_

The Select Committee on Intelligence was established by a bi-partisan vote of the House of Representatives to conduct an investigation which far transcends in importance any temptation for momentary partisan advantage. The members of the Committee have reflected the full range of philosophies represented in the Congress. But every member has recognized the critical need for an effective intelligence capability, operating in a manner consistent with both the realities of the international situation and the requirements of democratic accountability.

During the past months of the Committee's inquiry, we have consistently pressed for an objective, balanced, and thorough investigation. We have always believed that attempting to evaluate the performance of individual officials or to fix blame for particular intelligence failures would only detract from fulfilling our primary responsibility: evaluating the structure, organization, and performance of the intelligence community to determine what systemic changes, if any, should be made. It has been important for the Committee to identify past deficiencies and failures, not simply to criticize and demonstrate the wisdom of hindsight, but to determine how future intelligence performance may be improved.

We consider it particularly unfortunate and inappropriate, therefore, that the Committee's hearings and investigations have focused so heavily on events of the past several years. The need for a dispassionate inquiry has been sacrificed to what must be seen as a partisan attack on the policies of this administration. In the selection of subjects and witnesses for its hearings, the Committee majority has frequently been more interested in making a case than in learning the true facts.



We must take exception to the tone and many of the conclusions of the majority report. It is certainly not our contention that the performance of the intelligence agencies has been flawless. On the contrary, we are convinced that there are serious systemic deficiencies for which reforms are both appropriate and necessary. It is neither accurate nor fair, however, to characterize the record of the intelligence community as an unmixd record of failures and improprieties. Yet this is the consistent implication of the majority report. By so distorting the record, the Committee majority makes it exceedingly difficult, if not impossible, for the American people to distinguish the intelligence agencies' successes from their failures, and to appreciate the difference between human error and structural and organizational flaws.

The tasks of the intelligence agencies are exceptionally difficult. They are charged with acquiring information which other governments make every effort to protect. They are expected to anticipate events in an unpredictable world. Their failures inevitably receive greater publicity than their successes. By concentrating on assigning blame and identifying villains, the majority report distracts attention from what can and should be done to improve the intelligence agencies' ability to do their job.

We also reject the manner in which the Committee's majority has characterized the cooperation we have received from the President and the executive branch. It is beyond dispute that this Committee received more classified information than any other committee in the history of the House of Representatives. There is very little, if any, information which the Committee sought and did not ultimately receive. The President personally assured the chairman and ranking minority member of his desire to provide the Committee with any and all information it required.

His only concern was his justifiable interest in ensuring that legitimate secrets would be given the protection they require. Once mutually acceptable procedures were established, the President assured the Committee of his desire to cooperate fully. With the exception of one instance in which the President felt compelled to assert executive privilege, there is absolutely no support for the allegation that this administration sought, as a matter of policy, to hinder the Committee's investigation.

Unfortunately, executive officials did not always act in a manner consistent with the President's assurances of cooperation. There were frequent and, in our view, unnecessary delays in providing the Committee with documents it requested. On a number of occasions, the Committee was compelled to issue subpoenas in order to expedite the delivery of materials we needed for our investigation. We regret the fact that there was not always full and prompt compliance with these subpoenas. The Committee did not issue subpoenas frivolously; the subpoenas which were issued merited timely compliance.

Nonetheless, we consider it inaccurate and unreasonable to attribute to the executive branch generally or to any individual official any desire to obstruct the work of this Committee. Beyond any question, our investigation entered into some of the most sensitive and delicate matters in which the United States has been or is now engaged. The officials of the intelligence community are charged by law with protecting the integrity of their organizations and the secrets entrusted to them. It is only natural, therefore, for the executive branch to have been concerned about leaks and disclosures which might have damaged the future efficacy of their agencies.

Instead of berating the executive branch for the disagreements and delays which did arise, the Committee majority should have made proper note of the extraordinary cooperation we did receive. In particular, the Director of Central Intelligence, Mr. Colby, went to unprecedented lengths to cooperate with the Committee. He appeared before the Committee in public session on at least five occasions, and in executive sessions even more frequently. In addition, other CIA officials and representatives provided us with extensive testimony and assistance at his direction.

It is well worth emphasizing that the overwhelming bulk of the information which this Committee obtained was provided by the intelligence agencies themselves. For example, the Committee investigated the performance of the foreign intelligence agencies before and during crises in the Middle East, Vietnam, Cyprus, and Portugal. In each instance, the Committee found that the intelligence community itself had already conducted extensive post-mortems on its own performance in order to identify and correct whatever weaknesses had emerged. Instead of merely publicizing the failures which the intelligence agencies had already identified for themselves, the Committee majority should have congratulated the intelligence community for its willingness to examine its own performance with an objectivity and detachment uncharacteristic of the federal bureaucracy.

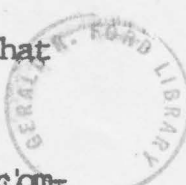
In short, we find that the majority report offers a distorted and unbalanced assessment of intelligence community performance and executive branch cooperation. We deplore the fact that the report seems more concerned with finding fault than with seeking the truth.

Of primary concern to us are the measures which should be adopted to improve the performance of the intelligence community in the future, and to bring the individual intelligence agencies under better control, both within the executive branch and by the Congress.

In the past, most members of Congress have preferred to remain at a distance from the intelligence community. Consequently, Congressional oversight of intelligence tended to be sporadic and superficial. The intelligence agencies complied with the reporting requirements imposed on them, and individual members of both houses were briefed regularly. However, the prevalent attitude within the Congress was to grant the executive branch greater discretion with regard to intelligence than with regard to other administrative activities. Today, both circumstances and attitudes have changed. What has been adequate and acceptable in the past will not be appropriate for the future. We believe that the Congress should make changes in its own procedures at the same time that it recommends changes in executive organization and policies.

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The committees of the House which are now charged with intelligence oversight have other major responsibilities as well. In particular, the Committees on Armed Services and the Judiciary are perhaps more heavily burdened than any other legislative committees. We consider it appropriate, therefore, to concentrate the responsibility for intelligence legislation and oversight in a new committee which will have the time and resources which will be required. Our experience on this Select Committee have convinced us that it is simply unrealistic to demand more continuing Congressional oversight without providing the structure that will make it possible.

Therefore, we join in recommending the creation of a permanent com-






mittee of the House on intelligence affairs. This committee should have exclusive jurisdiction over all foreign intelligence activities of the federal government and all agencies and components of the government with responsibility for collecting, analyzing, and producing intelligence concerning America's international relations. All proposed legislation--including bills which authorize appropriations of funds--should be referred to the committee for its consideration and recommendations. Because there are instances in which foreign and domestic intelligence activities impinge on each other, we also recommend that the committee be given shared oversight jurisdiction over domestic intelligence activities, especially the counter-intelligence and internal security programs of the FBI.

In order for this committee to function effectively, it must have access to the information it requires. For this purpose, the heads of all appropriate departments and agencies should be required by law to keep the committee fully and currently informed concerning their programs and activities, and to provide the committee with whatever specific information and records it considers essential.

A committee with such authority will bear a heavy responsibility for the protection of the information it receives. It is imperative that its members adhere to the highest standards of conduct and that procedures and facilities be established to ensure that sensitive information can be given to the committee without jeopardizing its secrecy. The rules of the House should be amended to make absolutely clear that any unauthorized disclosure of intelligence will be grounds for punitive action by the House.



In this regard, we recommend that any Committee of the House which has access to classified information in pursuit of its legislative and oversight responsibilities be given the authority to discipline any Member which it reasonably believes has disclosed or publicized such information. Specifically, these Committees ought to be delegated authority by the full House to enable them to take appropriate action against a Member who violates the Committee's rules of confidentiality and non-disclosure by a vote of a majority of the Majority Members and a majority of the Minority Members. In some cases, it might be appropriate to bar the offending Member from Executive Sessions of the Committee and from the right to inspect the Committee files containing classified information. For a more serious violation, it might be necessary to expel the Member from the Committee altogether. Under the rules of the House, a Member against whom such disciplinary action has been taken, might reserve a right of appeal to the full House or to the Committee on Standards of Official Conduct. At the very least, the rules of the House ought to be revised to provide for the ultimate sanctions of censure and expulsion for any Member who can be proven to have violated the confidentiality of any Executive Session meeting of any House Committee.

It has been our experience that the executive branch, including the intelligence agencies, tends to classify documents routinely and excessively. Unfortunately, this tendency undermines public and Congressional appreciation for the fact that there are in fact documents and information which, if disclosed, could significantly jeopardize the nation's security. If executive officials exercise greater restraint and selectivity in the future, they will be better able to protect materials which must legitimately remain secret.

The primary responsibility for classifying and declassifying documents must remain with the executive branch. It would be both impractical and inappropriate for the Congress to assume the responsibility for deciding if and when each classified document should be made public. Whatever excesses now exist should be remedied by administrative reform, not by improper Congressional intervention into the day-to-day administrative details of the executive branch. At the same time, we wish to emphasize that such reforms are needed. We urge the President and the leaders of the intelligence community to re-examine their classification practices in the interest of better informing the American people.

If the Congress reserves to itself the right to release certain classified information in specific instances, it should be made clear that this authority does not extend to diplomatic exchanges, dialogues between heads of state, and intra-departmental communications. Further, in all such cases, the greatest deference should be given to the expert judgment of the intelligence agencies and the President, who is charged under the Constitution with seeing to the faithful execution of the laws.

There is a delicate balance which must be struck between preserving legitimate state secrets and ensuring that the American

people are adequately informed about what their government is doing. It is unlikely that any general rules can be developed which will be appropriate in all cases. Instead, case by case judgments must be made in an atmosphere of comity between the executive and legislative branches. The President and the Congress must view themselves as partners in a common enterprise, rather than as adversaries engaged in a struggle for power. This is the spirit which we have consistently sought to foster during the lifetime of this Committee. We continue to believe that the American people will be better served by compromise than by confrontation.

In general, we support the principle that specific decisions to implement national policies must be left to the discretion of the executive branch--subject, of course, to the rigors of Congressional oversight. With respect to covert action programs conducted by the CIA, however, we believe that a more active Congressional role is necessary and justified.

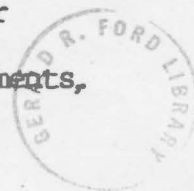
The Constitution charges the Congress with the right and responsibility to declare war. With the recent passage of war powers legislation, the Congress recognized, and made provision for the fact, that the Congress must play a comparable role in instances, short of a declared state of war, in which the United States undertakes significant interventions in the affairs of other nations. This same principle should now be extended to certain covert actions undertaken by the CIA at the direction of the President.

In 1974, the Congress required by law that the President must certify and that the appropriate Congressional committees must receive timely notification of all CIA operations in foreign countries, "other than activities intended solely for obtaining necessary intelligence."

On the basis of this Committee's investigation, we now conclude that timely notification after the fact is not sufficient when the United States contemplates military or paramilitary covert operations, or when the government intends to covertly provide arms or funds which will be used to obtain arms. Such policies impinge directly and immediately on the war powers of the Congress. They should not be undertaken without prior approval by the appropriate committees of the Congress.

We believe that it is an unreasonable construction of the Constitution to assert that the President may take unilateral action in secret which would require Congressional approval if taken publicly. Therefore, a requirement that Congress give prior approval to covert operations with military consequences is nothing more than a legislative implementation of what the Constitution was meant to require. Moreover, it is our conviction that prior Congressional consultation in such cases will also provide the President with the judgment of elected officials with no vested interest in perpetuating or expanding covert paramilitary operations. Consequently, there will be less likelihood of covert paramilitary operations being undertaken which will be unacceptable to the American people.

Traditionally, one of the most effective Congressional controls of administrative activity has been its "power of the purse"--its Constitutional authority to determine how the taxpayers' money should be spent. We therefore concur with various recommendations in the majority report for improving fiscal oversight of the intelligence community. Funds for intelligence should be authorized by the Congress in the same manner that we now authorize funds for other executive agencies and departments,



and the Congress must receive full budgetary information on which to base its decisions. We also support the proposal that the head of the intelligence community should prepare a consolidated budget for the intelligence community as a whole, which would include a comprehensive statement of intelligence and intelligence-related costs, as well as a full accounting of the number of public and contract employees and proprietary entities which are engaged in intelligence activities. This budget should also be available to the appropriate committees of Congress. Finally, we agree that the General Accounting Office should be authorized to audit intelligence spending on behalf of the Congress--subject, of course, to security arrangements to protect the secrecy of intelligence sources and methods.


In the absence of any compelling evidence to the contrary, however, we believe that the Congress must be guided by the intelligence agencies' concern that publication of any budgetary information would reveal vital information of benefit to hostile foreign interests and would have a detrimental effect on American intelligence operations. We have concluded from the Committee's investigation that intelligence work involves a painstaking process of analyzing and assembling individual facts which may appear inconsequential when taken separately. We recommend, therefore, that the Congress must continue to consider intelligence spending in executive session, lest we inadvertently reveal critical information about U.S. intelligence trends and developments.

Collectively, our recommendations constitute a reasonable and effective program for improving Congressional oversight of intelligence activities and ensuring that they are conducted in a manner compatible with democratic principles. However, the primary responsibility for managing the intelligence community will and must rest with the President and

his intelligence advisors and officials. It is important to note that, on its own initiative, the executive branch has conducted frequent studies of intelligence community organization and performance, ranging from post-mortems after specific events to wide-ranging examinations of agency performance and community coordination. Most recently, the Rockefeller and Murphy Commission reports have demonstrated presidential commitment to making improvements in the intelligence community. We applaud the work of these commissions and generally support their recommendations. They have been of great assistance to our Committee, as a source of information and expert judgment. The recommendations made by the two presidential commissions deserve the most serious consideration.

We are also gratified by the President's determination to initiate organizational and structural improvements within the intelligence community. Although the work of this Committee, and its Senate counterpart, have received the greatest publicity, we are aware that the executive branch has simultaneously been conducting its own evaluation of what reforms should be instituted. Before the Congress takes any action on this Committee's recommendations, it should await and carefully consider the fruits of the President's initiative.

Reforms within the executive branch will have the greatest and most immediate effect on the daily management and coordination of intelligence activities. Both the Rockefeller and Murphy Commissions, for example, have recommended a strengthened and expanded role for the President's Foreign Intelligence Advisory Board. We fully concur with this recommendation. At a minimum, the Board should be provided with a full-time staff which will enable it to play a more continuing and significant



role in analyzing and evaluating intelligence community performance. An effort should also be made to better integrate the Board into the organization of the community, perhaps by designating the operating head and coordinator of the intelligence community as the Board's chairman.

We also believe that significant improvements must be made in the organization and management of defense intelligence activities. We have seen compelling evidence that the intelligence operations of the Department of Defense are characterized by excessive duplication and a severe lack of coordination. In part, the problem lies in the very size and extent of defense activities. For this reason, we recommend that the Congress enact a statutory charter for the National Security Agency (now established by presidential directive) which would establish the NSA as an independent civilian agency, but also provide the means for effective coordination with the military services.

We are also convinced that the Defense Intelligence Agency (DIA) has thus far been unable to provide the coordination within the military intelligence community for which the Agency was established. Streamlining within the Defense Department is obviously necessary. On the basis of the evidence received by the Committee, we believe this might best be accomplished by either eliminating DIA or reducing it to a much smaller analytical staff attached directly to the Joint Chiefs of Staff. Centralized responsibility for intelligence matters would be vested in the Assistant Secretary of Defense (Intelligence) or his successor, who would coordinate activities among the service secretaries and serve as the Secretary's principal assistant for intelligence.

Of even greater importance will be improvements in the manner in which the intelligence community as a whole is directed and coordinated.



For these purposes, we concur with the recommendation in the majority report that the current dual roles of the Director of Central Intelligence be divided between two officials--one to serve as the coordinator of the intelligence community generally, and the other to serve as the head of the CIA specifically. The DCI is presently in the anomalous position of coordinating the activities of various agencies--without the authority such coordination requires--while simultaneously serving as manager of one of these agencies. Under these circumstances, we have found that the daily demands of managing the CIA prevents the DCI from giving proper attention to his responsibilities as community coordinator.


We recommend, therefore, that a new office of the Director of Foreign Intelligence be established as an independent office within the Executive Office of the President, the DFI to be subject to confirmation by the Senate and to become a statutory member of the National Security Council. We believe that the President would be well served if he established the DFI as his principal advisor on intelligence matters and as a participant in Cabinet consideration of international affairs.

In order to coordinate foreign intelligence activities effectively, the DFI should be directed, by statute or presidential directive, to prepare the consolidated foreign intelligence budget recommended above. He should also be assigned the staff and responsibility to investigate allegations of improprieties and inefficiencies within individual intelligence agencies. Further, the DFI should be assigned the task of overseeing the preparation of community-wide National Intelligence Estimates for consideration by the President and the Congress. With such authority, the DFI will be better placed to both discover and remedy future deficiencies and duplications in both the collection of raw information and the

production of finished intelligence.

Under current law, the Director of Central Intelligence is assigned responsibility without comparable authority. His dual functions are beyond the capability of any single individual, no matter how skilled and well-intentioned. The creation of an independent Director of Foreign Intelligence will promote greater emphasis on coordination, economy, and long-range planning. It will also establish responsibility within the executive branch for ensuring the integrity of intelligence operations and preventing the recurrence of the abuses which stimulated this Committee's creation.

We believe that implementation of these recommendations will substantially improve both the efficiency and the quality of intelligence operations in the future. They will also provide for better executive-legislative cooperation and understanding--a need which is now fully recognized both on Capitol Hill and in the White House. If such reforms are instituted, then the work of this Select Committee will be judged a success, notwithstanding our objections and disappointments over the majority's procedures and conclusions.



**RED TAG**

**January 26, 1976**

**MEMORANDUM FOR:**

**JACK MARSH**

**FROM:**

**CHARLES LEPPERT, JR.**

**SUBJECT:**

**Pike Committee Recommendations**

**Attached for your information are some recommendations which the Pike Committee is considering.**

**The consensus at the Committee meeting this morning indicated that the Committee should address itself to recommendations in the following categories:**

- 1 - Structure of the Intelligence community**
- 2 - Illegality and Abuses of the Intelligence community**
- 3 - Covert Operations**
- 4 - Congressional Oversight and Responsibilities**

**Attachment**

**cc: Max L. Friedersdorf  
Mike Duval  
Russ Bourke**



### III. RECOMMENDATIONS

#### A. A HOUSE COMMITTEE ON INTELLIGENCE

1. The Select Committee recommends that there be formed a standing Committee on Intelligence of the House of Representatives. The Committee Membership shall reflect a broad representation of political and philosophical views.

a. No Member may serve more than three consecutive terms on the Committee.

b. The Staff Director and Chief Counsel may not serve more than six years, may not be reappointed to the staff, and may not be selected from a present or former member of the staff.

c. Notwithstanding Rule XI(e) of the Rules of the House of Representatives, the Committee shall determine access to its records and files by other Members of the House.

d. The Committee shall have the right to release any information and documents in its possession or control, and may consult with the executive branch with regard to the release of classified material or information.

e. Any Committee Member who shall release, without authorization of the Committee, materials or information obtained by the Committee shall be subject to a recommendation by the Committee to the Democratic Caucus or the Republican Conference that such Member



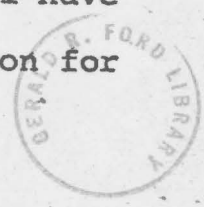
be removed from the Committee, or a recommendation to the House that such Member be censured.

f. Any Committee Member desiring to release classified materials or information notwithstanding the disapproval of the Committee shall, upon petition of one-fifth of the Membership of the House, be entitled to inform the House in a secret session.

g. Any past or current member of the Committee staff who shall release, without authorization of the Committee, materials or information obtained by the Committee shall be immediately terminated from employment and shall be fully subject to criminal and civil action, notwithstanding legislative immunity.

h. The Committee shall be vested with subpoena power and shall have the right to enforce its subpoenas in the U.S. District Court for the District of Columbia or any other court of competent jurisdiction, without authorization from the House. The Committee staff shall be given statutory standing to represent the Committee in any proceeding arising from the issuance of a subpoena.

i. The Committee's jurisdiction shall include all legislative and oversight functions relating to all U.S. agencies and departments engaged in foreign or domestic intelligence. The Committee shall have exclusive jurisdiction for budget authorization for



all intelligence activities and for all covert action operations. All remaining oversight functions may be concurrent with other Committees of the House.





## B. CONTROL AND RELEASE OF INFORMATION

1. The Select Committee recommends that any Member of the House desiring to release classified materials or information shall be entitled to appear before the Committee on Intelligence, which shall vote on such Member's request. Notwithstanding the Committee's disapproval, such Member shall, upon petition of one-fifth of the Membership of the House, be entitled to inform the House as to the materials or information in a secret session.

2. The Select Committee recommends that any Member of the House who releases classified materials or information without obtaining a vote of the Committee on Intelligence or a secret session of the House shall be subject to censure by the House and removal from any Committee having access to classified information.

3. The Select Committee recommends that the United States Code be amended to provide criminal sanctions for the unauthorized disclosure of information tending to identify any U.S. intelligence officer, such sanctions to apply regardless of intent to harm the United States or aid a foreign nation.



### C. COVERT ACTION

1. The Select Committee recommends that activities involving direct or indirect attempts to assassinate any individual shall be proscribed, except in time of war.

2. The Select Committee recommends that as to covert action by any U.S. intelligence component, the following shall be required within 48 hours of initial implementation:

a. The Director of Central Intelligence shall notify the Committee in writing, stating in detail the nature, extent, purpose, and costs of the operation.

b. The President shall certify in writing to the Committee that such a covert action operation is required to protect the national security of the United States.

c. The Committee shall be provided with duplicate originals of the written recommendations of each member of the 40 Committee or its successor.





#### D. NSA AS AN INDEPENDENT AGENCY

1. The Select Committee recommends that the existence of the National Security Agency should be recognized by specific legislation and that such legislation provide for civilian control of NSA. Further, it is recommended that such legislation specifically define the role of NSA with reference to the monitoring of communications of Americans.

#### E. DISCLOSURE OF BUDGET TOTALS

1. The Select Committee recommends that all intelligence related items be included as intelligence expenditures in the President's budget, and that there be disclosure of the total single sum budgeted for each agency involved in intelligence, or if such an item is a part of portion of the budget of another agency or department that it be separately identified as a single item.

#### F. PROHIBITION OF FUND TRANSFERS

1. The Select Committee recommends that there be appropriate legislation to prohibit any significant transfer of funds or significant expenditures of reserve or contingency funds in connection with intelligence activities without specific approval of the proposed Intelligence Committee.

#### G. DCI AS CABINET RANK

1. The Select Committee recommends that the Office of Director of Central Intelligence be accorded



cabinet rank, to be nominated by the President and subject to confirmation by the Senate. This office shall have the following powers and duties:

a. The DCI shall be the chief foreign intelligence officer of the United States, and shall be responsible for the supervision and control of all agencies of the United States engaged in foreign intelligence.

b. The DCI shall be a Member of the National Security Council.

c. The DCI may not hold a position or title with respect to any other agencies of government.

d. The DCI shall, along with such other duties, constitute an Office of Inspector General for all of the foreign intelligence agencies, including other agencies of government or branches of the military which have foreign intelligence functions. Such agencies shall have the obligation to report all instances of misconduct or allegations of misconduct to the DCI. This shall not constitute a limitation upon the respective agencies reporting to the DCI from maintaining their own Inspector General staff or similar body.

e. The DCI shall have an adequate staff for the purposes expressed herein and be responsible for the national intelligence estimates and daily briefings of the President.



f. The DCI shall be responsible for the preparation of the national intelligence estimates and such reports shall be immediately supplied to the appropriate committees of Congress.

g. All budget requests shall be prepared by the agencies under the jurisdiction of the DCI. As to those parts of budget of the military services or components of Department of Defense, they shall be submitted as an independent part of such budgets to the DCI.

h. The DCI shall be charged with the functions of coordinating foreign intelligence agencies under its jurisdiction, the elimination of duplication, the periodic evaluation of the performance and efficiency of the agencies in question, and shall report to Congress on the foregoing at least annually.

#### H. FULL GAO AUDIT AUTHORITY

1. The Select Committee recommends that the General Accounting Office be empowered to conduct a full and complete management as well as financial audit of all intelligence agencies. There shall be no limitation on the GAO in the performance of these functions by any executive classification system, and the audit function of GAO shall specifically apply to those funds which presently may be expended on certification of a Director of an Agency alone.



## I. INTERNAL FINANCIAL MANAGEMENT

1. The Select Committee recommends that the CIA internal audit staff be increased and given complete access to CIA financial records, and that overseas stations be audited at least annually. It is further recommended that all procurement mechanisms be subjected to annual comprehensive review.

## J. FULL DISCLOSURE TO CONGRESS

1. The Select Committee recommends that existing legislation (National Security Act of 1947, Sect. 102(d)(3)) restricting the Directors and heads of foreign intelligence agencies from providing full information to Congress should be amended to exclude Committees of Congress having appropriate jurisdiction.

## K. NEW FOREIGN OPERATIONS SUBCOMMITTEE OF NSC

1. The Select Committee recommends that the National Security Act of 1947 be amended to provide for the establishment of a permanent Foreign Operations Subcommittee of the National Security Council. The Subcommittee's jurisdiction, function and composition shall be as follows:

a. The Subcommittee shall have sole jurisdiction over all activities of U.S. foreign intelligence agencies except those solely related to the gathering of intelligence.





b. All recommendations of covert action considered by the Subcommittee as described in "a" above shall be specifically acted upon by all members of the Subcommittee and their respective positions set forth in writing signed by each member.

c. The Subcommittee shall be chaired by the Assistant to the President for National Security Affairs and shall be composed of:

Assistant to the President for National Security Affairs;

Director of Central Intelligence;

Under-Secretary of State for Political Affairs;

Deputy Secretary of Defense;

Deputy Director for Intelligence of CIA;

Chairman of the Joint Chiefs of Staff.

#### L. DEFENSE INTELLIGENCE AGENCY

1. The Select Committee recommends that the Defense Intelligence Agency be abolished and that its functions be transferred to the Assistant Secretary of Defense for Intelligence and the CIA.

#### M. MEDIA

1. The Select Committee recommends that U.S. intelligence agencies not use general circulation journals of electronic media, or their employees or stringers, for purposes of cover or information-gathering.



## N. -- DETAILEES

1. The Select Committee recommends that intelligence agencies disclose the affiliation of employees on detail to other government agencies or departments to all immediate colleagues and superiors.

## O. ASSISTANT FOR NATIONAL SECURITY AFFAIRS

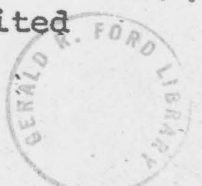
1. The Select Committee recommends that the Assistant to the President for National Security Affairs be prohibited from holding any cabinet-level position.

## P. RESTRICTIONS ON POLICE TRAINING AND RELATIONSHIPS

1. The Select Committee recommends that no agency of the United States engaged principally in foreign or military intelligence, directly or indirectly engage in the training or the supplying of domestic police agencies of the United States, and that contracts between police agencies of the United States and foreign police agencies be limited to those circumstances which shall be required on account of internal security or the normal requirements and functions of such police agencies.

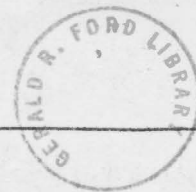
## Q. RESTRICTIONS ON MILITARY INTELLIGENCE

1. The Select Committee recommends that the intelligence functions of the armed services of the United States are limited solely to the gathering of intelligence and such military services be specifically prohibited



from engaging in any other clandestine activities  
within or without the United States.





## HOUSE BLOCKS RELEASE OF INTELLIGENCE REPORT

Siding with the Ford administration rather than its own select intelligence committee, the House Jan. 29 by a decisive 246-124 vote blocked the panel from releasing its 338-page investigative report on the CIA and other intelligence agencies.

On the vote, 119 Republicans and 127 Democrats, majorities of both parties, voted to block the report; 2 Republicans and 122 Democrats voted not to. (*Vote 19, p. 250*)

At issue was the committee's decision to publish classified material in its final report over the objections of the executive branch, which on Oct. 1, 1975, had agreed to furnish the House investigation with secret documents provided that the material was not disclosed to the public without White House approval.

The House vote came on an amendment to a resolution (H Res 982) reported by the Rules Committee authorizing the committee to file the report by Jan. 30 and its recommendations for improved oversight of the intelligence community by Feb. 11. Proposed by Rules Committee member Andrew Young (D Ga.), the amendment stated that the committee could not release a report containing classified material until it "has been certified by the President as not containing information which would adversely affect the intelligence activities of the CIA" or other agencies.

(The Rules Committee Jan. 28 had adopted Young's proposal by a 10-6 vote and attached it to the resolution specifying release dates.)

Otis G. Pike (D N.Y.), chairman of the select intelligence committee, said his panel would vote after Feb. 2 on whether it wanted to submit the disputed report to the President or to kill the study entirely. Favoring the latter course, which would prevent an official release of the study, Pike declared that the October agreement between the administration and the committee "did not apply to our final report." Pike added that he would never have agreed to that because it would have allowed the executive branch to "censor the report."

But other members of the committee had disagreed with its Jan. 23 decision to publish the report with sections of classified material included, reportedly dealing mainly with Angola and Italy. Dale Milford (D Texas), who along with three others on the 13-member committee opposed publication, told the House during debate on H Res 982: "The issue is, can nine members of the House release information unilaterally."

Robert McClory (R Ill.), ranking minority member of the panel, maintained that releasing the report without deletions would be a violation of the "solemn agreement" reached with the President in 1975.

"I do not interpret the mandate given to our select committee to permit it to undertake unilaterally to declassify secret information....," he added.

But defenders of the report appeared to disagree with this assertion—the underlying issue of the controversy. "Our choice today is whether or not to continue hiding

shameful conduct and faulty judgment," said James P. Johnson of Colorado, the one Republican on the Pike committee who voted Jan. 23 for the report's release. "It is not the national security that is involved; it is the national shame."

Johnson, challenging the classification system, said it is "used to hide from the American people conduct which the government is ashamed to release." Declared Richard Bolling (D Mo.): "A vote for the Young amendment... destroys any hope...of the House ever exercising any effective oversight of executive activities that involve secrecy."

After the House approved the Young amendment, H Res 982 was approved by voice vote. In a statement later released by the White House, President Ford said he was "pleased" that the House "has taken proper and responsible action to safeguard classified foreign intelligence."

### Report Disclosures

The House action followed the publication Jan. 26 of sections of the intelligence committee's report leaked to *The New York Times*. The leak had drawn sharp criticism from many lawmakers and executive officials, becoming an issue itself during debate on H Res 982.

The President's press secretary, Ron Nessen, had said the "unauthorized release raises serious questions about how classified material can be handled by Congress when national security is at stake."

But A. Searle Field, director of the intelligence committee's staff, asserted that he was "as certain as I can be" that the leak did not come from the committee, and that it may have originated with the executive branch itself; several federal agencies had been provided with copies of the final report.

As for the contents of the staff report, outgoing CIA Director William E. Colby denounced the material Jan. 26 as "totally biased and a disservice to our nation, giving a thoroughly wrong impression of American intelligence." The CIA's special counsel, Mitchell Rogovin, earlier had written Pike that the staff report was "an unrelenting indictment couched in biased, pejorative and factually erroneous terms."

Among the disclosures contained in the intelligence report as leaked to the Times were the following:

- Significant portions of the federal intelligence budget, estimated at \$10-billion annually, had not been reported to Congress in recent years.

- "Thousands, if not millions, of dollars of unwarranted mark-ups" were added to the cost of bugging equipment purchased by the FBI.

- Sen. Henry M. Jackson (D Wash.) secretly advised the CIA in 1973 on how to protect itself against an investigation into the agency's relations with the International Telephone and Telegraph Corp. in Chile.

- The FBI violated its own manual of regulations by preserving "intimate sexual gossip" picked up by agents during a criminal investigation.



THE WHITE HOUSE  
WASHINGTON

February 16, 1976

TO: CHARLIE LEPPERT

FROM: RUSSELL A. ROURKE

*Rurke*

\_\_\_\_\_ For Direct Reply

\_\_\_\_\_ For Draft Response

  X   For Your Information

\_\_\_\_\_ Please advise

Charlie, please note Jack's  
comment. Thanks.

*Noted 2-17-76  
CLP*



THE WHITE HOUSE

WASHINGTON

February 13, 1976

MEMORANDUM FOR: JACK MARSH

FROM: RUSS ROURKE *Rourke*

I returned your call from Peter Peyser. He wanted you to know that he intends to introduce a resolution in the House on Monday stating that if, on investigation, any Member of Congress is found to have been involved in the leaking of the Intelligence Report to the Village Voice, that Member should be expelled. Likewise, any staff member having involvement should be fired.

"In order that I remain evenhanded, my resolution will also call for the firing of any member of the Administration who is found to have had an involvement in the leaking of the report."

Peyser spoke with Speaker Albert about his intentions. He has also conveyed this same information to Ron Nessen.

*R -*  
*Refer to Leppert - but*  
*a. No adm. position on House or Senate rules for ask's*  
*b. Have to study provision re Adm. people*



RED TAG

February 17, 1976

MEMORANDUM FOR:

JACK MARSH

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

House Select Committee on Intelligence

On Monday, February 16, 1976, the Speaker of the House of Representatives announced that the Pike Committee report has been referred to the Committee on Appropriations, Armed Services, International Relations, Judiciary, and Rules. The Committee Report is available for inspection by all members at the rooms of these Committees.

cc: Max L. Friedersdorf  
Vern Loon  
Tom Loeffler  
Mike Duval



RED TAG

THE WHITE HOUSE  
WASHINGTON

February 19, 1976

MEMORANDUM FOR: JACK MARSH  
FROM: CHARLES LEPPERT *CLP.*  
SUBJECT: Rep. Dave Treen (R-La.)

Attached is a copy of Rep. Treen's letter to Chairman Otis Pike requesting a meeting of the Committee to entertain a motion for the House Select Committee on Intelligence to conduct an investigation on the unauthorized disclosure of the Committee Report.

Treen tells me that you have been advised of this through Rogovin and wanted you to have a copy of his request to Pike. Treen also requests that we advise him as soon as possible if we see any problem with the request.

cc: Max Friedersdorf  
Vern Loen  
Tom Loeffler  
Mike Duval





DAVID C. TREEN  
THIRD DISTRICT, LOUISIANA

MEMBER:  
COMMITTEE ON  
ARMED SERVICES

MEMBER:  
COMMITTEE ON  
MERCHANT MARINE AND  
FISHERIES

MEMBER:  
REPUBLICAN TASK FORCE ON  
ENERGY AND RESOURCES

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

February 18, 1976

TELEPHONE: CODE 202: 225-4

DISTRICT OFFICES:  
FEDERAL BUILDING, SUITE 1C  
HOUMA, LOUISIANA 70360  
TELEPHONE: 504-876-3033

4990 VETERANS MEMORIAL BOUL  
METAIRIE, LOUISIANA 7000  
TELEPHONE: 504-889-2303-4

210 EAST MAIN STREET  
NEW ISBERIA, LOUISIANA 7051  
TELEPHONE: 318-365-7149

Honorable Otis G. Pike  
Chairman  
Select Committee on Intelligence  
House of Representatives  
Washington, D. C. 20515

Dear Mr. Chairman:

The purpose of this letter is to request that you convene a meeting of the Select Committee on Intelligence pursuant to the Rule 2.1 of the committee's rules. Although we have filed our final report and recommendations the authority of this committee does not expire until April 30, 1976. (Section 9, H. Res. 591.)

My purpose in requesting a meeting of the committee is so that I might have considered a motion to conduct an investigation with regard to the unauthorized disclosure of the committee's draft report or any portions thereof. A copy of my motion is enclosed. Of course, that motion would be subject to amendment and I would welcome any such amendments which might more appropriately or effectively accomplish the purposes of the motion. My request is for a meeting in which such a motion could be offered. I am not suggesting a meeting for that exclusive purpose; I would leave to your judgment whether the meeting would be called for a limited purpose or for general purposes.

I offer the following as sincere thoughts about what I consider to be a very legitimate objective. First, there can be no doubt about the fact that at least portions of our report, and apparently the entire report, have fallen into unauthorized hands. The New York Times, in its January 26, 1976, edition, in an article by John M. Crewdson, states that a copy of the 338-page report "was obtained by the New York Times". And, of course, CBS reporter Daniel Schorr claims to have gotten possession of a full copy of the report of the committee (or perhaps a copy of the draft report). Numerous other reports allegedly are based on disclosures of classified information.



Charges and countercharges have been made with regard to the source of the disclosures. You have suggested that the executive branch itself might be responsible. Others have suggested that the disclosures came from the committee. In an Associated Press story by Jim Adams, as reported by the January 26 edition of the Washington Star, the following passage appears: "The Associated Press was read portions of the CIA memorandum involving Jackson by a committee source, while other items in the final report were described by a source close to the committee." This suggests that Adams may have gotten information from both the committee and from someone off the committee. It is also possible, it seems to me, that the disclosures resulted from non-intentional behavior; that is, that the information was accidentally leaked, or that it resulted from negligent handling of documents and/or reports. It is also possible that material was unlawfully obtained by surreptitious means.

The point is that there are a variety of ways in which these unfortunate disclosures might have occurred. My motion, and the investigation I propose, is not directed at just one of those possibilities -- it is directed to all of those possibilities.

A cloud of suspicion hangs heavily over the Select Committee on Intelligence. Wouldn't it be wise for us to demonstrate to the House, and to the American public, that we are willing to investigate our own operation? What I am proposing is that we call members of the committee staff to determine what each of them may know about the situation, including the methods and procedures employed in the handling of classified documents and the various drafts of the report. We should then call as witnesses persons in the executive branch who received copies of the drafts and have them tell us under oath how they handled the material coming into their hands. Whether or not news media people, who allegedly received portions or entire copies of the report, should be called to testify, is a decision that can be made by the committee as a whole. It takes a majority to support a subpoena.

It is just possible that we might be able to determine how the improper disclosures occurred, or uncover evidence which might lead to the eventual discovery of how the disclosures occurred. We will have made a record of available evidence, a record which will become more and more difficult to put together as time goes on due to the dispersion of witnesses (particularly our staff who are departing for various parts of the world), and due to the frailty of human recollection.

Do we have the authority to conduct such an inquiry? There is no doubt in my mind but that we do. Indeed, Section 6(a) of H.Res. 591,

the resolution creating our committee, mandates us to take action to prevent unauthorized disclosure of information obtained from the CIA and other agencies. One might possibly argue that this gives us the authority to act prospectively only. I believe that would be a weak excuse for non-performance on our part, especially in view of the fact that we still have an obligation to prevent disclosure of any material remaining in our possession. Most importantly, however, the resolution charges us with taking certain safeguards and we would be derelict if we do not discharge that obligation, both in letter and in spirit.

As you may know, there is talk on the floor of the House about various means of conducting an investigation. It is likely that some member or members will introduce a resolution or resolutions designed to try to investigate the disclosure problem. If this happens, obviously our committee will be one of the targets, at least insofar as the staff is concerned. I believe that it is extremely important that we act now, and before such moves are made. Even should such action be taken before you have an opportunity to make a decision on this request, I believe that we should still go forward with our own inquiry.

Mr. Chairman, I implore your prompt consideration of this request. I think that every day that passes without us taking action is detrimental to the reputation of the committee and to the House of Representatives. Permit me to remind you that my request is for the calling of a meeting at which my motion would be entertained; the calling of this meeting would not in any way commit you to support my motion. What I am asking for, Mr. Chairman, is an opportunity to be heard on the motion and to have the members vote on the question.

I am authorized by Messrs. McClory, Milford and Kasten, all members of the committee, to advise you that they join me in the request for a meeting, although they reserve all rights with respect to their positions on my motion or any other proposals.

With many thanks for your time in considering this rather lengthy letter, I am

Sincerely,

A handwritten signature in dark ink, appearing to read "David C. Treen", with a stylized, flowing script.

David C. Treen

cc: All members of  
House Select Committee  
on Intelligence

SELECT COMMITTEE ON INTELLIGENCE

MOTION BY DAVID C. TREEN

Resolved, that the Committee conduct an investigation and inquiry into the circumstances surrounding and pertaining to (1) the obtaining by unauthorized persons of portions or entire copies of the draft report (or reports) and/or the final report of the Committee, and (2) other alleged unauthorized disclosures of documents, materials and information in the possession of or produced by the Committee.

It is the intent of this resolution that the investigation be conducted by the Committee as a whole, and that it cover all possible means by which the events described above may have occurred.





RED TAG.

THE WHITE HOUSE  
WASHINGTON

February 19, 1976

MEMORANDUM FOR: JACK MARSH  
FROM: CHARLES LEPPERT *CLP.*  
SUBJECT: Rep. Dave Treen (R-La.)

Attached is a copy of Rep. Treen's letter to Chairman Otis Pike requesting a meeting of the Committee to entertain a motion for the House Select Committee on Intelligence to conduct an investigation on the unauthorized disclosure of the Committee Report.

Treen tells me that you have been advised of this through Rogovin and wanted you to have a copy of his request to Pike. Treen also requests that we advise him as soon as possible if we see any problem with the request.

cc: Max Friedersdorf  
Vern Loen  
Tom Loeffler  
Mike Duval

Monday, May 17

Jack Marsh has cleared several staff people to talk w/Frank Hudson, investigator, House Ethics Committee, about the leak of the Pike committee report. They should get in touch directly with Mr. Hudson at 225-2323 to set up interviews.

Capt. John Matheney x 2255 Nancy  
Mrs. Sheila Lopez 2236 \*  
Phil Buchen 2632 Eva  
Mike Duval 6478 Helen  
Mason Cargill 2352 Tim Hardy (in Europe till June 1)  
→ Ray Waldron <sup>men</sup> ~~6422~~ ~~7012~~ 223-4990 \* (5/18 - 10:45)  
Tim Hardy 2352 \*  
Jim Wilderotter 376-4250 Jerri Washington

