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DICK CHENEY



The President's Actions
concerning the
Foreign Intelligence Community

February 1976

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SPEECH ON INTELLIGENCE DECISIONS

Tonight I will tell you the actions I have taken to improve and strengthen the Federal Government's foreign intelligence capability. This is a serious matter involving the future security of the United States and the individual rights of each American.

For over a year, there have been sensational disclosures of abuses and illegalities involving our intelligence agencies, including the Central Intelligence Agency, the National Security Agency and others. Much of the Nation has focused on stories of abuses -- some serious mistakes which must never be repeated and others embellished by sensationalism.

But while revelations of abuses captured headlines, serious work was underway in the Executive Branch to determine how well the Nation's Intelligence Community is serving the national defense and foreign policy needs we now have in this changing world.

I believe that most Americans are asking the same two questions that I have asked:

Are the intelligence agencies providing the United States with the protection it must have; and

Are they operating within appropriate legal bounds?



Tonight as I speak, the answer to both questions is yes. Yet they can be strengthened.

Nineteen seventy-six will see a change in the foreign Intelligence Community, but it must not be triggered by a false impression of our need for the capability it gives the country. The reason for change is because we have faced squarely, for the first time in our history, the question of how a Constitutional democracy should conduct foreign intelligence. The lesson of the past year is that just as the Nation needs a strong Intelligence Community, so does the Community need the strong support of the Nation. In our Constitutional democracy, individuals, not institutions, must be responsible and responsive to the people.

Our history is replete with examples of why we need effective foreign intelligence. No nation has ever been able to operate without the knowledge of what its world neighbors are doing. One of the first acts of the Continental Congress was to establish a Secret Committee charged with clandestinely procuring arms and ammunition for the American Revolutionary forces.

This week we celebrate the 244th birthday of George Washington. General Washington relied on intelligence and covert operations. In a letter to Governor Patrick Henry of Virginia on February 24, 1777, George Washington wrote: "...there are some Secrets, on the keeping of which so depends, oftentimes,



the salvation of an Army: Secrets which cannot, at least ought not to, be entrusted to paper, nay, which none but the Commander in Chief at that time should be acquainted with."

Last week we celebrated the 167th birthday of Abraham Lincoln. He, too, relied on intelligence and covert actions. He recruited an agent who remained behind Confederate lines throughout the war transmitting information to the President on troop movements and strengths, and procuring the plans of Confederate fortifications.

Many of us remember the activities of intelligence during World War II. For example, the Allies successfully made the Germans believe in two non-existent armies. This kept German forces tied down and shielded Allied plans to land in Normandy.

The need for effective intelligence and the ability to conduct covert operations has not diminished as the Nation continues to grow. Indeed, with the new realities facing us in the world today, the need has increased. The threat of nuclear proliferation is very real. The military might of our adversaries is growing.

It is essential that we continue our efforts to limit the strategic arms race. Intelligence made the first agreements possible, and we cannot move forward to new agreements if we do not have intelligence to monitor compliance and to keep us informed of foreign weapons development.

We must also face other realities that will cause tension among nations in the coming years. The resources of our planet




are finite. Yet population growth in many nations continues unchecked. With more demand for fewer resources, nations as well as people can turn to radical means to satisfy their needs. We have already seen that economic cartels, controlling a vital raw material, can damage our way of life. Terrorists and extremists have repeatedly demonstrated their abilities to disrupt our lives.

We must expect to see more, not fewer, of these problems. Our Nation cannot be prepared to deal with them without the essential foreknowledge that good intelligence can and must provide. Our policymakers must have the best possible understanding of the forces at work beyond our borders. Such understanding is made possible by good intelligence.

With foreknowledge and understanding, our Nation can often take steps to avert crises -- to iron our problems while they are still problems, not full-blown crises. Some of these steps may well be secret ones.

You have heard people ask why America cannot openly help nations or people abroad, why we must sometimes do things secretly. In an ideal world, perhaps we could proceed just with open assistance and open diplomacy. But we must recognize that in the real world many who support democratic forms of government would find acknowledging American help could handicap or even make their efforts impossible. We must not foreclose our options for helping those abroad who, like Americans, see democracy as the lasting hope for a peaceful world. Nor should we forget that this nation was much helped through its



first few years by aid from outside -- a French covert action program.

I have taken action today to insure that the foreign intelligence system of the United States provides the support necessary to develop and implement national security and foreign relations policies while protecting the Constitutional rights of every American.

As the Nation's Chief Executive Officer and Commander in Chief of our Armed Forces, I must provide for the national security and conduct the foreign policy of this country. I also have the responsibility to faithfully execute the laws of the United States and a moral responsibility to adhere to standards which are even stricter than the law or the Constitution.

On both counts, I am accountable to the Congress and to the country for the activities of the Executive Branch.

Tonight, I will address three issues. First, you will learn what the intelligence agencies have been ordered to do; second, what it is they are prohibited from doing; and, third, how I propose to hold them accountable to these standards -- to me, to Congress and, most importantly, to the 214 million Americans we all serve.

First, what should the intelligence agencies do? In the field of foreign intelligence, the new realities of 1976 require a fundamental change. For two hundred years, the Nation has conducted foreign intelligence activities under a veil of secrecy which was rarely penetrated. The activities



were secret, the identities of the people involved were secret, and even the organizations themselves were secret.

While the need for secrecy remains, and indeed new laws are required to enforce secrecy, there must be a better public understanding and acceptance of why we need the intelligence agencies and of what it is they should be doing.

Up until now, the responsibilities of our intelligence agencies have not generally been defined publicly. The National Security Act of 1947, which created the CIA, appropriately does not refer to other intelligence organizations, such as the National Security Agency. Also, the command of the overall Intelligence Community has again, appropriately, been done by secret Executive directives. However, the public debate of 1975 demonstrates that we can no longer expect the people to support our intelligence efforts just on blind faith and the rhetoric of government officials. There must be a rational basis for that support and for the legitimate secrecy that must accompany effective foreign intelligence.

Accordingly, today I signed an Executive Order establishing, for the first time in our history, ~~providing~~ public policy guidance for the foreign intelligence agencies and a specific command structure for the Community. These charters will permit the American people to judge the appropriateness and effectiveness of their intelligence agencies.



This action today will establish a framework within which the foreign intelligence agencies can serve this Nation in a manner that provides the national security protection and foreign policy support we need and^{yet} encourage public confidence.

I have put into this Executive Order the responsibilities currently assigned to these agencies which I believe should continue. I have also imposed additional duties and restrictions. In summary, the foreign intelligence responsibilities have been assigned as follows:

The CIA has primary responsibility to produce what we call national intelligence. This is the information concerning world events designed to enable top policy-makers within the Executive Branch to conduct foreign policy and plan for our national security. This Agency will also maintain and improve a national intelligence analytical base and conduct foreign counterintelligence activities, as well as other activities, such as covert operations, necessary to carry out the specific responsibilities in the Executive Order.

The Department of State is responsible for the overt collection of foreign, non-military information. It also shall produce departmental intelligence and work with the CIA in the production of national intelligence.

The Department of Treasury is responsible for the overt collection of foreign economic information. It also works with CIA in producing national economic intelligence.



The Department of Defense has broad responsibilities for the overt collection, outside the United States, of foreign military and military-related information. This, then, is used by the Defense Department and the Central Intelligence Agency to produce national intelligence. The Department of Defense also maintains and operates the National Military Intelligence Center, which provides strategic warning. The National Security Agency, which is located in the Defense Department, has full control over all communications intelligence, including cryptological responsibilities. The Defense Department also undertakes special collection efforts referred to as "national collection means" designed to support the basic need for producing information which will be used to develop national intelligence.

As you know, the Federal Bureau of Investigation is responsible for conducting foreign counterintelligence activity within the United States, and other domestic activities related to foreign intelligence here at home.

Other agencies, such as the Energy Research and Development Administration, have specific responsibilities in such areas as nuclear intelligence.

My Executive Order not only improves our ability to develop good intelligence. It is also designed to help prevent our foreign intelligence agencies from being used to spy here at home on lawful citizens.



The most important abuses were first examined in detail by the Rockefeller Commission which I established in January 1975. Their examination was limited to domestic activities of the CIA, the area most troublesome to Americans.

The Executive Order will outlaw domestic physical surveillance and electronic surveillance except in the most carefully controlled circumstances spelled out in the Order. It will also prohibit unauthorized searches, opening of mail, examining tax returns, infiltrating organization in the U.S., testing of drugs without consent, and operating proprietary companies except for clearly defined foreign intelligence objectives. This Order also prevents the collection and dissemination of information on U.S. persons except for limited and valid intelligence purposes spelled out in detail. The Order makes it clear that the CIA will not have domestic police powers or assist law enforcement authorities except as provided by law.

This Order augments steps already taken. Working quietly with departmental and agency heads last year, I established principles which were then implemented with agency guidelines to stop abuses and prevent their recurrence. For example, last August, the CIA implemented comprehensive guidelines covering all their conduct and specifically addressing the following subjects: the proper scope of CIA's relations with other agencies and departments of the Federal Government as well as state and local governments; appropriate CIA relations with American citizens both at home and abroad; ~~and new~~

check

guidelines to define CIA's proper domestic activities. In addition, the total ban issued in 1972 on any CIA involvement with any assassination plot or effort was categorically restated. [FBI guidelines insert]

In addition, the Department of Defense established new guidelines covering the activities of the National Security Agency on , and now has a new command structure to guide its foreign intelligence activities.

[Today, I have also proposed legislation governing the opening of United States citizens' mail, and I endorse and will work for enactment of legislation such as that proposed by the Senate Select Committee to prohibit assassination of foreign leaders during peacetime.]

Let us now turn to the third area of concern, accountability -- accountability to the President, to the Congress and, ultimately, to the people. Much of what has occurred in the past and described as abuses, may be attributed to lack of accountability, but also to changing standards by which we judge the actions of the intelligence agencies.

The standards to which they will be held accountable must be permanent. Nothing is more destructive of one's morale and effectiveness than to be judged by a changing standard. This is as unfair to individuals as it is ineffective to maintaining sound legal and moral standards.

But we must strike a sensible balance between the need for durable standards and sufficient flexibility to enable me and future Presidents to react appropriately to changing



world conditions. The United States has, and will continue to have, enemies. We must never bind our own hands so tightly that we become a helpless giant in a very real and very hostile world.

I have today established by the Omnibus Executive Order, a process to govern and manage the Intelligence Community which will result in holding individuals clearly accountable in the future for their actions and the actions of their institutions.

As you can see from this chart [simple chart of previous Intelligence Community command structure], the Intelligence Community used to be run by a plethora of coordinating mechanisms, committees, groups and other entities, which diffused responsibility and resulted in a lack of accountability.

I have changed this, as you can see here [chart of new organization]. Under this procedure, the President and his National Security Council will be held accountable for the overall policy directions given to the Intelligence Community. This is consistent with and builds on the National Security Act of 1947, and thus implements the clear intention of Congress and the lessons we have learned over the past thirty years.


We will provide direction to the Foreign Intelligence Committee, which I have just created by Executive Order. This will be a very small group, chaired by the Director of

Central Intelligence, George Bush, and assisted by the Deputy Secretary of Defense for Intelligence and the Deputy Assistant to the President for National Security Affairs. They will have responsibility to [insert].

In order to insure that our foreign intelligence activities are providing the kind of information that is relevant to today's problems, the National Security Council will undertake semi-annual reviews of the intelligence product. This will be done in coordination with [insert].

I have also established by Executive Order, an Intelligence Oversight Board. This Board will receive and consider reports by the Inspectors General and General Counsels of the Intelligence Community concerning activities that raise questions of legality or propriety. It will report periodically to the Attorney General, and to me, on activities that raise serious questions about the legality of the Intelligence Community activities. If there are issues of impropriety which do not raise legal questions, they will report these directly to me.

This action has been taken pursuant to my Presidential powers, because that is a responsibility I have under Article II of the Constitution. The founding fathers wisely established a system of government whereby national security and foreign affairs could be conducted with flexibility and appropriate secrecy. This must be done by the President as head of the Executive Branch, but done in a manner in which he can be held accountable by the American people for the actions and policies he undertakes.



I fully endorse the Constitutional responsibilities of Congress to oversee the actions of the Executive. Indeed, I have provided unprecedented support to its recent intelligence investigations, and I feel, personally, appropriate Congressional oversight is imperative.

However, if Congress is to continue an active oversight role, it must do so in a manner that protects legitimate foreign intelligence secrets. The record of the past year does not instill confidence that Congress can keep secrets. Accordingly, I have asked the Vice President to [insert].

In addition to the actions that I have announced tonight, I will also propose limited, but important, legislation to improve the overall performance of secrecy by all individuals under Executive Branch control who handle this classified information. Accordingly, I have sent to the Congress today legislation to enable our government to protect its vital intelligence secrets. This legislation would make it a crime for those who are authorized to know our intelligence secrets to reveal this information improperly.

Let me stress the word "improperly". This legislation would in no way prevent people from reporting questionable activities to appropriate authorities in the Executive and Legislative Branches of the government. It could not be used to cover up abuses.



It is not an official Secrets Act aimed at the news media. It would affect only those who improperly disclose secrets, not those who might receive the information.

But we must halt the irresponsible and downright dangerous exposure of America's proper intelligence secrets. We will not tolerate the loss of the people and technical systems that provide our intelligence. They are our first line of defense, and we must keep them strong.

[Conclusion]

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UNTIL 9:01 P.M. (EST)

February 17, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

The President's Actions Concerning
the Foreign Intelligence Community

SUMMARY

The President has today taken the following comprehensive actions to strengthen the United States foreign intelligence departments and agencies: (1) issued an Omnibus Executive Order establishing policy guidelines and restrictions for the intelligence agencies and a new command structure and oversight mechanism for the intelligence community; (2) proposed new legislation to protect the secrecy of particularly sensitive intelligence information, prevent unauthorized opening of mail and endorsed legislation to prohibit assassinations of foreign leaders; and, (3) proposed a framework in which constructive Congressional oversight can be established without disclosing intelligence secrets.

OBJECTIVES OF THE PRESIDENT'S ACTIONS

The President's actions are designed to insure that:

- (1) The United States has a strong and effective capability to gather and evaluate foreign intelligence and conduct necessary covert operations; and
- (2) These activities are conducted in a Constitutional and lawful manner and never aimed at our own citizens.

The President's actions will strengthen our foreign intelligence capability and establish an effective process to prevent abuses by:

- (A) Setting forth in Executive Order, policy guidance for the foreign intelligence agencies which define what functions they are supposed to carry out and which clearly states what they are not permitted to do.

- (B) Creating a streamlined command structure for intelligence community leadership which makes specifically designated individuals accountable.
- (C) Requiring the NSC to conduct semi-annual reviews of the adequacy of the foreign intelligence "product" and establishing the Intelligence Oversight Board to monitor compliance with the restrictions which have been placed on the intelligence community's activities.

OMNIBUS EXECUTIVE ORDER

(1) Control and Direction of Intelligence Organizations

(A) Overall Policy Development

1. The National Security Council (NSC) will continue to exercise overall policy control over the foreign intelligence community.

2. Statutory members are:

The President

- Vice President
- Secretary of State
- Secretary of Defense

3. The NSC will conduct a semi-annual policy review of foreign intelligence activities focused on, but not limited to, the following:

- Needs of government foreign policy-makers and the responsiveness of foreign intelligence to these needs, including the quality, scope and timeliness of the intelligence product;
- The effective and efficient use of resources in the collection of intelligence information; and
- The continued appropriateness of ongoing covert operations and sensitive intelligence collection missions.



The Assistant to the President for National Security Affairs will have staff responsibility for the semi-annual policy reviews. Heads of the departments and agencies which "use" foreign intelligence will be consulted.

(B) Management and Resource Control

1. Responsibility for management and resource control of the foreign intelligence community is vested by Executive Order in the Foreign Intelligence Committee (FIC), which reports directly to the NSC.

2. Membership is:

The Director of Central Intelligence (DCI), Chrmn.
 - Deputy Secretary of Defense for Intelligence
 - Deputy Assistant to the President for
 National Security Affairs

(NOTE: Staff support shall be provided by the intelligence community staff headed by a new Assistant DCI.)

3. The Foreign Intelligence Committee shall:

- Control budget preparation and resource allocation for the National Foreign Intelligence Program (defined as excluding tactical intelligence).
- Establish management policies for the Foreign Intelligence Program.
- Carry out policy decisions of the NSC with particular emphasis on collection and production of national intelligence.

4. Decisions of the FIC may be reviewed by the NSC upon its own initiative or upon appeal by the Director of Central Intelligence or the Secretary of Defense.

(C) Production of National Intelligence

1. Responsibility for the production of substantive national (i.e., not tactical or departmental) intelligence is vested in the Director of Central Intelligence. The DCI is the President's primary advisor on foreign intelligence.



2. To assist in developing national intelligence requirements and priorities, and in developing finished national intelligence, the DCI shall establish such boards and committees (similar to the former USIB) of the intelligence community as will enable him most effectively to utilize the talent of the community to produce the best possible intelligence product.

(D) Covert Action and Other Special Operations

1. Responsibility to review and advise the President on covert operations and certain sensitive foreign intelligence collection missions is assigned by Executive Order to the Special Intelligence Operations Group (SIOG).
2. New membership is:

Assistant to the President for National Security Affairs, Chairman

- Secretary of State
- Secretary of Defense
- Director of Central Intelligence
- Chairman of the Joint Chiefs of Staff

Observers are:

Attorney General
OMB Representative

3. The Special Intelligence Operations Group shall:
 - Consider and make recommendations to the President on all proposals for covert action and certain sensitive intelligence collection missions.
 - Submit to the NSC a periodic review of ongoing covert operations and sensitive intelligence collection missions.
 - Meet formally to carry out its responsibility to make recommendations to the President.

(E) The following existing committees or organizations are abolished:

- (1) United States Intelligence Board
- (2) Intelligence Resources Advisory Committee
- (3) National Security Council Intelligence Committee
- (4) Executive Committee for resource control of certain intelligence collection activity
- (5) 40 Committee

(2) Responsibilities and Duties of the Intelligence Community

(A) The Senior Official of each organization of the intelligence community shall insure his organization operates in accordance with the Executive Order. He shall establish a system of independent inspection within the organization and provide information to the NSC, FIC, IOB and PFIAB. Other responsibilities as designated in Section IV of the Order.

(B) CIA is responsible, among other duties as defined in Section IV of the Order, for:

- Production of national intelligence
- Maintain and improve a national intelligence analytic base
- Collection by other than normal, overt means
- Foreign counterintelligence activities
- Undertake activities defined in the Executive Order necessary to implement the above

(C) The Department of State is primarily responsible for overt collection of foreign, non-military information. Its Bureau of Intelligence and Research shall also produce departmental intelligence and contribute to national intelligence production.

(D) The Department of Treasury is responsible for overt collection of foreign, economic information.

(E) The Department of Defense and Defense Intelligence Agency are responsible for:

- Overt collection outside the United States of foreign military and military-related information.
- Maintenance and operation of a National Military Intelligence Center to provide strategic warning intelligence.
- Produce that intelligence required to fulfill the responsibilities of DoD.
- Manage the Defense Attache system.
- Provide intelligence staff support to the Joint Chiefs of Staff.

(F) The National Security Agency is responsible for:

- Full control over all signals intelligence collection activities.
- Production and dissemination of signals intelligence.
- Providing communications security services to the U.S. Government.
- Liaison with foreign signals intelligence services.
- Research and development related to signals intelligence.

(G) The Energy Research and Development Administration is responsible for producing intelligence relating to atomic and nuclear matters.

(H) The Federal Bureau of Investigation is responsible for:

- Making available foreign intelligence agencies' foreign intelligence and foreign counterintelligence.
- Conducting foreign counterintelligence activities within the United States.

(3) Restrictions on Intelligence Activities

The Executive Order prohibits or severely restricts the following activities by United States foreign intelligence agencies:

- Collection and analysis of information on the domestic activities of United States citizens, corporations and organizations and permanent resident aliens (referred to as U.S. persons).
- Physical or electronic surveillance or physical searches of United States persons.
- Opening of United States mail in violation of law.
- Illegally obtaining federal tax returns or information.
- Infiltration of domestic groups for the purpose of influencing or reporting on them.
- Experimentation with drugs on humans without the subject's informed consent.
- Sharing among agencies information on the domestic activities of United States persons except in compliance with stringent safeguards.
- Assignment of personnel to other agencies.
- Providing assistance to law enforcement agencies in violation of law.
- Testing of electronic surveillance equipment within the United States.

Limited exceptions are permitted to allow the agencies to meet the legitimate foreign intelligence needs of the Nation. These narrow exceptions are expressed in detail in the Order. They are designed to permit the following activities under carefully defined circumstances:

- Collection of information on the domestic activities of U.S. persons in order to: conduct security checks on intelligence agency employees, contractors, people who are given access to classified information and persons who may assist the agency in the future. Overt collection of certain foreign intelligence information from other government agencies.
- Counterintelligence and counterespionage activities.

(4) Oversight of Intelligence Activities

1. Responsibility to assist the President, the NSC and the Attorney General in overseeing the intelligence community is assigned by Executive Order to the Intelligence Oversight Board (IOB).
2. New membership consists of three members of the PFIAB designated by the President. One of these will be designated by the President to be Chairman.
3. The Board shall:
 - Receive and consider reports by Inspectors General and General Counsels of the intelligence community concerning activities that raise questions of legality or propriety.
 - Review periodically the practices and procedures of the intelligence community Inspectors General and General Counsels designed to assist the Oversight Board.
 - Report periodically and in a timely manner, as appropriate, to the Attorney General and the President on any activities that raise serious questions about legality. It shall report to the President on activities that raise questions of propriety of intelligence community activities.
 - Receive staff support from elements of the Executive Office of the President, other than the PFIAB staff.

(5) Secrecy Protection

All persons given access to information containing intelligence sources and methods shall be required to sign an agreement that they will not disclose that information to persons not authorized to receive it.

MESSAGE TO CONGRESS AND PROPOSED LEGISLATION(A) Message

Today the President sent a message to the Congress which:

- (1) Advised the Congress of the actions he has taken by Executive Order.
- (2) Transmitted legislative proposals as indicated below.
- (3) Urged Congress to establish effective oversight consistent with the following general objectives:
 - The oversight functions should be centralized in a Joint House-Senate Committee to provide better security.
 - Both the House and Senate should adopt rules to insure that secrets will not be improperly disclosed.
 - The President's injunction of secrecy over foreign intelligence information provided to the Congress by the Executive Branch should not be lifted over his objections except by a two-thirds vote of both Houses.
 - The Executive Branch should keep the Joint Oversight Committee fully informed of foreign intelligence matters, but there should be no requirement for prior notification of specific activities.
- (4) Section 662 of the Foreign Assistance Act should be repealed. This requires the intelligence agencies to brief over six committees of Congress on covert operations and has resulted in unauthorized disclosures of classified information.

(B) Legislation

The President submitted the following proposed legislation:

- Secrecy of Sources and Methods

[insert]

- [Insert]

The President endorsed the objectives of the legislation proposed by the Senate Select Intelligence Committee to prohibit the assassination of foreign officials in peacetime.

EXECUTIVE ORDER

DRAFT
February 10, 1976



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E. O. _____

UNITED STATES FOREIGN
INTELLIGENCE ACTIVITIES

By virtue of the authority vested in me as President by the Constitution and statutes of the United States, including the National Security Act of 1947, it is hereby ordered as follows:

SECTION I - PURPOSE

The purpose of this Order is to establish policies to improve the quality of intelligence needed for national security, to clarify the authority and responsibilities of the intelligence departments and agencies, and to establish effective oversight to assure compliance with law in the management and direction of intelligence agencies and departments of the national government.

Information about the capabilities, intentions and activities of other governments is essential to informed decision-making in the field of national defense and foreign relations. The measures employed to acquire such information should be responsive to the legitimate needs of our Government and must be conducted in a manner which preserves and respects our established concepts of privacy and our civil liberties.

Recent events have clearly indicated the desirability of government-wide direction which will ensure a proper balancing of these interests. The rules of operation prescribed by this Order are not intended to extend, or derogate from, any other laws, regulations or directives relating to the activities of our foreign intelligence agencies. In some instances, detailed implementation of this Executive Order will be contained in classified documents because of the sensitivity of the information and its relation to national security. All such classified instructions will be consistent with this Order. Unless otherwise specified, the provisions of this Order apply to activities both inside and outside the United States.

SECTION II - DEFINITIONS

(A) For the purpose of this Order, unless otherwise indicated, the following terms shall have these meanings:

(1) Intelligence means:

(a) Foreign intelligence which means information, other than foreign counterintelligence, on the capabilities, intentions, and activities of foreign powers, organizations or their agents.

(b) Foreign counterintelligence which means activities conducted to protect the United States and United States citizens from foreign espionage, sabotage, subversion, assassination, or terrorism.

(2) Clandestine Collection means obtaining of intelligence information in such a manner as to conceal the act of collection or the identity of the collecting agency.

(3) United States citizens means United States citizens and permanent resident aliens:

(4) Incidental reception means the receipt of information, collection of which by an agency is otherwise prohibited by this order and which is collected incidentally in the course of an agency's authorized foreign intelligence or counterintelligence activities.

(5) Foreign intelligence agency means any department or agency of the United States government, or component thereof, which is primarily engaged in foreign intelligence or foreign counterintelligence activities.

(6) Intelligence Community refers to the following organizations:

- (a) Central Intelligence Agency;
- (b) National Security Agency;
- (c) Defense Intelligence Agency;
- (d) National Reconnaissance Office;
- (e) Intelligence elements of the military services;
- (f) Intelligence element of the Federal Bureau of Investigation;
- (g) Intelligence element of the Department of State;
- (h) Intelligence element of the Department of Treasury; and
- (i) Intelligence element of the Energy Resources and Development Administration.

(7) National Foreign Intelligence Program means the programs of the Central Intelligence Agency, and the National Reconnaissance Office, the Consolidated Cryptologic Program, and those elements of the General Defense Intelligence Program, not including tactical intelligence, designated by the Foreign Intelligence Committee as part of the Program.

(8) Covert Action means activities, other than the collection of intelligence, designed to further official United States programs and policies abroad which are planned and executed so that the role of the United States Government is not apparent or acknowledged to unauthorized persons.

SECTION III - CONTROL AND DIRECTION OF NATIONAL INTELLIGENCE ORGANIZATIONS

(A) National Security Council

(1) The National Security Council was established by virtue of the authority of the National Security Act of 1947 to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Statutory members of the National Security Council are the President, the Vice President, the Secretary of State, and the Secretary of Defense.

(2) Among its responsibilities, the National Security Council shall provide guidance and direction to the development and formulation of national intelligence activities.

(3) The National Security Council shall conduct a semi-annual review of intelligence policies and of ongoing covert action programs. These reviews shall consider the requirements of users of intelligence and the timeliness and quality of intelligence products and the continued appropriateness of ongoing covert action programs. The National Security Council shall consult with the Secretary of the Treasury and such other users of intelligence as designated by the President as part of these reviews.

(B) Foreign Intelligence Committee

(1) The Foreign Intelligence Committee (hereinafter referred to as the FIC) shall be composed of the Director of Central Intelligence, Chairman; the Deputy Secretary of Defense for Intelligence; and the Deputy Assistant to the President for National Security Affairs. The FIC shall report directly to the National Security Council.

(2) The FIC shall:

(a) Control budget preparation and resource allocation for the National Foreign Intelligence Program.

(i) The FIC shall, prior to submission to the Office of Management and Budget, review, and amend as it deems appropriate, the budget for the National Foreign Intelligence Program.

(ii) The FIC shall also adopt regulations governing the reprogramming of funds within this budget. Such regulations may require that reprogrammings of certain types or amounts be given prior approval by the FIC.

(b) Establish policies for and provide guidance on the collection and production of national intelligence.

(c) Establish management policy for the National Foreign Intelligence Program.

(d) Provide guidance on the relationship between tactical and national intelligence; however, neither the DCI nor the FIC shall have responsibility for tactical intelligence.

(e) Provide continuing guidance to the Intelligence Community in order to insure compliance with policy directions of the NSC.

(3) The FIC shall be supported by the Intelligence Community Staff headed by the Deputy to the Director of Central Intelligence for the Intelligence Community.

(4) The FIC shall establish such subcommittees as it deems appropriate to ensure consultation with members of the Intelligence Community on policies and guidance issued by the FIC.

(5) Decisions of the FIC may be reviewed by the National Security Council upon its own motion or upon appeal by the Director of Central Intelligence or Secretary of Defense.



(C) The Special Intelligence Operations Group

(1) The Special Intelligence Operations Group (hereinafter referred to as the SIOG) shall be composed of the Assistant to the President for National Security Affairs, Chairman; the Secretaries of State and Defense; the Chairman of the Joint Chiefs of Staff; and the Director of Central Intelligence. The Attorney General and the Director of the Office of Management and Budget or his representative and others who may be designated by the President shall attend all meetings as observers.

(2) The SIOG shall:

(a) Consider and develop a policy recommendation to the President prior to the implementation of each covert action program.

(b) Conduct periodic reviews of ongoing programs recommended by the SIOG.

(c) Give approval for specific sensitive intelligence collection missions as designated by the SIOG.

(d) Conduct periodic reviews of ongoing sensitive intelligence collection missions.



(3) The SIOG shall discharge the responsibilities assigned by subparagraphs (D)(2)(a) and (D) (2)(c) of this section only after consideration in a formal meeting attended by all members and observers; or, in cases of an emergency when any member or observer is unavailable, when a designated representative of the member or observer attends.

(4) The staff of the National Security Council shall support the SIOG.

(D) Director of Central Intelligence

(1) The Director of Central Intelligence, pursuant to the National Security Act of 1947, shall be responsible directly to the National Security Council and the President to:

(a) Chair the FIC.

(b) Ensure the development and submission of a budget for the National Foreign Intelligence Program to the FIC.

(c) Act as the President's primary adviser on foreign intelligence and provide him and other officials in the Executive Branch with foreign intelligence, including National Intelligence Estimates; develop national intelligence requirements and priorities; and supervise dissemination of intelligence.



(d) Insure appropriate implementation of covert action programs.

(e) Monitor all requests, and responses thereto, from the White House Staff to the Intelligence Community.

(f) Insure that appropriate programs are developed which properly protect intelligence sources, methods and analytical procedures. His responsibility within the United States shall be limited to:

(i) lawful means used to protect against disclosure by present or former employees, agents or sources of the Central Intelligence Agency or persons, or employees of persons or organizations, presently or formerly under contract with the Agency;

(ii) providing leadership, guidance and technical assistance to other government departments and agencies performing foreign intelligence activities; and

(iii) in cases involving serious or continuing security violations, recommending to the Attorney General that the case be referred to the Federal Bureau of Investigation for further investigation.

(g) Establish a vigorous program to downgrade and declassify foreign intelligence information as appropriate and consistent with Executive Order 11652.

(h) Insure the existence of strong Inspector General capabilities in all elements of the Intelligence Community and that each Inspector General submit quarterly to the Intelligence Oversight Board a report which sets forth operational activities in which that intelligence organization has engaged.

(i) Insure the establishment, by the Intelligence Community, of common security standards for managing and handling foreign intelligence systems, information and products, and for granting access thereto.

(j) Insure that the Intelligence Community establishes and follows uniform audit standards, and is appropriately responsive to the overview authorities of the General Accounting Office and appropriate committees of Congress.

(k) Act as the principal Congressional spokesman for the Intelligence Community and facilitate the use of foreign intelligence products by Congress.

(l) Regulate association with intelligence services of foreign countries.

(m) Promote the development and maintenance by the Central Intelligence Agency of services of common concern to the Intelligence Community organizations, including multi-discipline analysis, a family of national level intelligence products, and a national level current intelligence publication.

(n) Establish uniform criteria for the identification, selection, and designation of relative priorities for the transmission of critical intelligence, and provide the Secretary of Defense with continuing guidance as to the communications requirements of the Intelligence Community for the transmission of such intelligence.

(o) Promote policies for career development for the various foreign intelligence services, comparable pay incentives and the free interchange of personnel among Intelligence Community organizations.

(p) Be given by the heads of all departments and agencies in the Executive Branch access to all information relevant to the foreign intelligence needs of the United States. Any information requested by the DCI shall be provided, and the DCI shall take appropriate steps to maintain its confidentiality.

(q) Establish such committees of collectors, producers and users of intelligence to assist in his conduct of his responsibilities as he deems appropriate.

(r) Consult with users and producers of intelligence, including the Departments of State and Treasury, DIA, NSA, the military services, FBI, ERDA and the Council of Economic Advisors, to ensure the timeliness, relevancy and quality of the intelligence product.

(2) To assist the Director of Central Intelligence in the supervision and direction of the Intelligence Community, the position of Deputy to the Director of Central Intelligence for the Intelligence Community is hereby established.

(3) To assist the Director of Central Intelligence in the supervision and direction of the Central Intelligence Agency, the position of Deputy to the Director of Central Intelligence for the CIA is hereby established. The Director of Central Intelligence shall delegate the day-to-day operation of the Central Intelligence Agency to this Deputy.

(4) The Director of Central Intelligence shall designate one of the Deputies to the Director of Central Intelligence established by subsections (2) and (3) of this section as the Deputy Director of Central Intelligence established by Title 50 U.S.C. Section 403 (a), who is confirmed by the Senate.

SECTION IV - RESPONSIBILITIES AND DUTIES OF THE INTELLIGENCE
COMMUNITY

Senior Officials of the Intelligence Community

(A) The senior official of each organization of the Intelligence Community shall insure that all policies and directives relating to intelligence activities are carried out in accordance with law. In conducting intelligence activities, the senior official shall pay particular attention to the following matters for which they are responsible:

(1) Establishing internal policies and guidelines governing employee conduct and insuring that such are made known to, and acknowledged by, each employee.

(2) Providing for a strong and independent organization for identification and inspection of, and reporting on, unauthorized activity.

(3) Reporting to the Justice Department information obtained which relates to the internal security of the United States.

(4) Reporting to the Attorney General any violation of law by an employee of the senior official's department or agency.

(5) Furnishing to the Director of Central Intelligence, the President's Foreign Intelligence Advisory Board, and the Intelligence Oversight Board all of the information required for the performance of their respective duties.



(6) Making appropriate use of the capabilities of the other elements of the Intelligence Community in order to achieve maximum efficiency.

(7) Contributing in areas of his responsibility to the national current, estimative, warning and basic intelligence products produced under auspices of the Director of Central Intelligence.

(8) Participating, as appropriate, and consistent with the restrictions imposed by law and this Order, in the provision of services of common concern and providing other departments and agencies with such mutual assistance as may be within his capabilities and as may be required in the interests of the Intelligence Community for reasons of economy, effectiveness or operational necessity.

(9) Consistent with policies and guidance of the Director of Central Intelligence, protecting intelligence and intelligence sources and methods within his department or agency, and establishing appropriate internal policies and procedures to prevent the unauthorized disclosure of intelligence or intelligence activities of such organization.

(10) Conducting a continuing review of all classified material originating within his organization and promptly declassifying such material as soon as the requirements of national security and the protection of intelligence sources and methods permit.

Being Strengthened

The Central Intelligence Agency

(B) All duties and responsibilities of the Central Intelligence Agency shall be related to the foreign intelligence functions outlined below.

(1) As authorized by the National Security Act of 1947 and the CIA Act of 1949, and in accordance with the provisions of Section V of this order, the Central Intelligence Agency shall:

(a) Produce and disseminate national foreign intelligence, including foreign, political, economic, scientific, technical, military, and geographic intelligence.

(b) Collect information not otherwise obtainable relating to foreign intelligence.

(c) Conduct foreign counter-intelligence activities.

(d) Carry out activities in support of national foreign policy objectives, as directed by the National Security Council and within the limits of applicable law.

(e) Conduct for the Intelligence Community services of common concern as directed by the National Security Council. These shall include monitoring of foreign public radio and television broadcasts and foreign press services, acquisition and translation of foreign publications, and photographic interpretation.

(f) Conduct such administrative, technical, and support activities as may be necessary to perform the functions described in paragraphs (a)-(e) above.

The Department of State

(C) The Department of State shall be consistent with restrictions of Section V of this Order:

- (1) Collect overtly foreign, political, political-military, sociological, economic, scientific, technical and associated biographic information.
- (2) Produce intelligence required for the execution of its responsibilities and to support policymakers involved in foreign relations throughout the Executive Branch.
- (3) Ensure the utility for and consistency with U.S. foreign policy of U.S. intelligence activities and programs.

The Department of the Treasury

(D) The Department of the Treasury shall consistent with the restrictions in Section V of this Order:

- (1) Collect overtly abroad financial and monetary information in countries where a Treasury attache is posted.
- (2) Participate with the Department of State in the collection of general economic information.
- (3) Produce that intelligence required for the execution of its responsibilities and the mission of the Department of the Treasury.
- (4) Nothing in this Order shall be construed to interfere with the responsibilities assigned to the Department of Treasury by law in the field of internal security or law enforcement.

Being Strengthened

Department of Defense

A. The Secretary of Defense under applicable statutes, executive orders, National Security Council Intelligence Directives and other pertinent guidance, shall:

1. Collect military and military-related foreign intelligence.
2. Produce the intelligence required for the execution of responsibilities and missions assigned to the Department of Defense.
3. Satisfy national intelligence requirements as determined by the Director of Central Intelligence, in consultation with the United States Intelligence Board.
4. Provide for the direction, funding, and operation of the Defense Intelligence Agency, National Security Agency, and other intelligence entities of the Department of Defense.
5. Serve as Executive Agent of the Government for the conduct of Signals Intelligence (SIGINT) activities, and Communication Security (COMSEC).
6. Serve as Executive Agent of the Government for the establishment and operation of the communications system necessary to provide the transmission of critical intelligence to higher authorities.

B. In accomplishing assigned responsibilities, the Department of Defense may utilize the following:

1. Reconnaissance vehicles
2. SIGINT
3. Imagery
4. Human Intelligence (HUMINT)
5. Other methods and resources which may be required.

C. The Department of Defense shall conduct all assigned intelligence activities within the provisions of Section V of this Executive Order.

Energy Research and Development Administration

(*) The Energy Research and Development Administration shall:

(1) Produce that intelligence required for the execution of its responsibilities and the mission of ERDA.

(2) Make its technical and analytical expertise available to support other Intelligence Community organizations and be responsive to the guidance of the Director of Central Intelligence and the Foreign Intelligence Committee.

(3) Participate with Intelligence Community agencies and departments in formulating collection requirements where its special technical expertise can contribute to such collection requirements.

(4) Abide by the restrictions contained in Section V of this Order, notwithstanding any provisions of this section.



FBI CHARTER

(1) The FBI shall, under the supervision of the Attorney General and pursuant to such regulations as he may establish:

(a) Detect and prevent espionage, sabotage, subversion, and other unlawful activities by or on behalf of foreign powers through such counterintelligence operations as are necessary or useful for such purposes, including electronic surveillance.

(b) Perform electronic surveillance within the United States and its territories in support of foreign intelligence collection activities, as requested by the Director of Central Intelligence and such other persons as the President may from time to time direct, and as specifically approved by the Attorney General.

(c) Disseminate foreign intelligence and counter-intelligence information which it acquires to appropriate Federal agencies, State and local law enforcement agencies and cooperating foreign governments.

(2) Nothing in this Order shall be construed to interfere with other law enforcement responsibilities of the FBI.

~~(3) Nothing in this Order shall be construed to interfere with the responsibilities of the FBI in the field of internal security and law enforcement.~~

Contributions to National Intelligence by Other
Government Organizations

(H) In view of the increasing diversification of national intelligence questions, particularly in matters of materials resource and economic policy, the Director of Central Intelligence is authorized to call upon from time to time organizations such as the Council of Economic Advisors and the Departments of Agriculture and Commerce, which traditionally have not been associated with intelligence questions, for contributions to national intelligence, consistent with the restrictions contained in Section V of this Order.



SECTION V - RESTRICTIONS ON INTELLIGENCE ACTIVITIES

(A) The following activities shall not be conducted either by any foreign intelligence agency or by any other department or agency in pursuit of foreign intelligence or foreign counterintelligence:

(1) Physical surveillance of United States citizens within the United States except to the extent that such surveillance is in accordance with law and is:

(a) Upon written approval by the head of the foreign intelligence department or agency; and is surveillance of individuals currently or formerly employed by that agency, its present or former contractors, or such contractors' employees, for the purpose of protecting foreign intelligence sources and methods from unauthorized disclosure; or

(b) Of a person having contact with any persons described under subparagraph (a) or with foreign nationals in the United States, in connection with foreign intelligence or counter-intelligence operations, but only to the extent necessary to identify such person.



(2) Electronic surveillance of United States citizens except in accordance with law and under procedures approved by the Attorney General, and in no instance shall the Central Intelligence Agency engage within the United States in the electronic surveillance of United States citizens.

(3) Testing of electronic surveillance equipment within the United States except in accordance with law and under procedures approved by the Attorney General.

(4) Any opening of United States mail or examination of envelopes except in accordance with the provisions of United States postal laws and regulations.

(5) Access to Federal income tax returns or tax information except in accordance with statutes and regulations.

(6) Infiltration or secret participation in any organization composed primarily of United States citizens for the purpose of reporting on its activities or membership.

(7) Experimentation with drugs on human subjects, except with the informed consent of each such human subject and in accordance with the guidelines of the National Commission for the Protection of Human Subjects for Biomedical and Behavioral Research.

(8) Operation of a proprietary company on a commercially competitive basis with United States businesses except to the minimum extent necessary to establish commercial credibility. No investments by a proprietary company shall be made on the basis of any substantive intelligence not available to the public.

(9) Collection, evaluation, correlation or analysis, of information other than information from public sources or given voluntarily by its subject concerning the domestic activities of United States citizens except:

(a) Information about a United States citizen who is reasonably believed to be involved in international terrorist or narcotics activities or working in collaboration with a foreign nation or organization, but only if the information is collected abroad or from foreign sources in the United States in the course of an authorized foreign intelligence or foreign counterintelligence activity.

(b) Information related to the performance of agency contractors or prospective bidders, for purposes of contract administration.

(c) Information concerning criminal activities received through incidental reception, provided it is only transmitted to law enforcement agencies with appropriate jurisdiction.

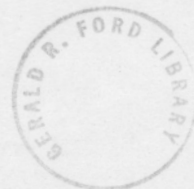
(10) Planning or execution, except in time of war, of any assassinations.

(B) Any federal agency seeking foreign intelligence within the United States from United States citizens shall disclose to such citizens its true identity. When collection of foreign intelligence within the United States results in the incidental reception of information from unknowing United States citizens, however, the receiving agency shall be permitted to make appropriate use of such information.

(C) No information on the domestic activities of United States citizens shall be transmitted to a foreign intelligence agency (or to any other federal agency to aid it in engaging in foreign intelligence or foreign counter-intelligence) from any other federal agency unless:

(1) The information had been lawfully compiled by the transmitting agency in furtherance of its authorized mission;

(2) The information is of a type which the receiving agency would itself have been permitted to collect under the provisions of this order;



(3) The information is provided in furtherance of the authorized mission and responsibilities of the receiving agency.

(4) The information is provided in good faith under a reasonable belief that the information is relevant to the receiving agency.

(5) The information is provided under guidelines and procedures issued by the Attorney General designed to ensure the protection of the constitutional and statutory rights of United States citizens.

(D) Nothing in this Order prohibits an agency from retaining information when retention is required by law, such as retention required to preserve evidence or other information for possible court action.

(E) No foreign intelligence agency shall:

(1) Provide services, equipment, personnel or facilities to the Law Enforcement Assistance Administration or state or local police organizations of the United States except as expressly authorized by law; or

(2) Participate in or fund any law enforcement activity within the United States except as may be authorized by law.

