

create a safe haven, a huge safe haven on the Pakistani border. That situation is deteriorating on a daily basis, and it allows al-Qaida to continue to plan deadly attacks. And, believe me, that is their purpose for existing and living, and that is what they want from us. We have given them what they want from us.

Our struggle to eliminate global terrorism may remain a mystery to our President, but it must not remain a mystery to us in the Congress and to the American people. We do have a responsibility to act. Whether history looks kindly on this Congress or not is not really so important. But we must take every single serious measure available to force the President to face reality and refocus America's mission in that part of the world.

We have created deep and profound sadness and left thousands of people sitting in wheelchairs for the rest of their lives with shards of steel through their bodies that cannot be removed by surgeons. So they sit in wheelchairs in agony for the rest of their lives. They cannot take them out because they are too close to organs, arteries, so they sit in agony, probably a great number of them wishing they had just simply been killed.

I will end that part and simply say that I would also like to remind the President of the United States that signing the CHIP bill won't change anything in Iraq, but it may have a whole lot to do with changing young people in America in the way they grow up, what their opportunities are, and their sense of optimism and commitment to public service and to the good of our country.

Mr. NELSON of Florida. Mr. President, would the Senator yield?

Mr. ROCKEFELLER. I yield to the Senator from Florida.

Mr. NELSON of Florida. Mr. President, I wanted to ask the Senator a question, but first I want to thank him for his very thoughtful and almost scholarly exposition of an examination of the situation in which we find ourselves in Iraq. I thank him for the service to his country, first in State government, rising to the position of Governor of his State, and now these many years as the Senator from West Virginia.

The question I want to ask the Senator is, in his statement about the antipathy between Sunnis and Shiites—and he noted the historical antipathy as it goes back, he said, to the time of Muhammad. Indeed, we saw that first erupt from—I guess it was Muhammad's grandson at the Battle of Karbala in 680 A.D., and as a result of the murder—or the defeat of the grandson at that point, it was that group that was defeated that went on, out of revenge, to become the Shiites—a minority among all Muslims but nevertheless one that was potent and built on revenge. Is this the understanding of history the Senator from West Virginia recalls in his statement and why

it is so difficult for us as an outside power to come in, in the middle of that sectarian strife, and try to bring about reconciliation?

Mr. ROCKEFELLER. Mr. President, the Senator from Florida, as usual, is correct. I thank him for his kind comments; he is not quite so correct about that.

But, yes, that is very much the case. It is simply an example of why it is that America—why intelligence is the spear, the tip of the spear, and that we never do anything ever again without listening to our intelligence—not to Chalabi, not to Richard Perle, but to our intelligence—which told us all of these things, which told us what would happen, timidly at first but more boldly later on.

We just live in a different world. We are homesteaders. I have always felt that way.

After the industrial revolution, the East got sort of flooded up with folks who had come from other places, and they went out West with the Gold Rush and the land rush, they got their 10 square acres and built their houses and picket fences and went about educating their children and doing good things but paying very little attention to the rest of the world because there was no apparent reason to do so. We had never been attacked since 1812, and that was marginal, and 1941 had not arrived. This awakened us in many ways, but, in fact, it really didn't. Conscription for World War II passed the Congress, I believe—or one House of the Congress—I believe by one vote, after Pearl Harbor. We go over and we fight just wars, and then we come back and we disarm.

It is not in our nature to know about the rest of the world. There is not a profound curiosity factor that pulls us, now that we are very much a part of the world, to understand what is going on in other parts of the world and in specific countries where there happens to be a threat of people who have come to see us as greedy, hate our green lawns and picket fences, and think that our view of life and morality is way off. They are very serious about that. We slough it aside, but they are very serious about that.

So how we thought we could somehow do this, come in and mediate something which had been going on I would say since the death of Muhammad in 632—but that doesn't matter; it is a question of how his succession would be carried out. That has lasted ever since. The British and French came in and created a place called Iraq, but the tribal people who kept living all through those years there were always the same and their habits were always the same, and, in fact, it is true throughout most of the rest of the world, if you go to the Philippines, if you go to many places—revenge, tribal loyalties, as opposed to central government loyalties. I have never been convinced that a constitution or a parliament means a whit to the people of Iraq. It meant everything to us because

it is sort of the definition of democracy on the rise, but I don't think it made any difference to them at all.

So we misread because we don't read, we don't read and we don't study, we don't go, we don't learn languages because we don't think we have to, and we have not had to because the world has been very simple—the Soviet soldiers in uniform versus American soldiers in uniform, our various planes, tanks, and all the rest of it, but then a red phone on each side to try to calm things down. The world is no longer simple. Everybody looks like everybody else in very dangerous places.

When we entered into Iraq, it was without thought, it was without study. The decision was more or less made within 2 or 3 days of 9/11, which, when you think about it, is rather silly. So there was no real understanding of Iraq, even as there is no real understanding of Iran today, no understanding of North Korea. There is a superficial understanding, the dramatic parts—nuclear this, something else that, starvation that. But who are they?

Why is it that North Korea and South Korea—44 million in the south, 22 million in the north—that amongst all of those people, 66 million people, there are only 400 surnames—"Nelson" being a surname, "Rockefeller" being a surname—there are only 400 surnames. The world is mixed and varied.

Japan disappeared for 250 years during the Tokugawa era. Nobody could get in, nobody could get out. That was just 150 years ago, and they still bear some of that with them. Do we understand that? I don't think we do. They are a democracy. Are they? They were handed their Constitution by GEN Douglas MacArthur, and except for a period of 3 months—and I was there during those 3 months—in the last 60 years, one party has controlled the country in its entirety.

So there are many things to understand in this world, but among those places we did not understand and still do not are the vicissitudes of Iraq, the Sunni and the Shiites, each of them bearing within them many layers of competition, revenge, family feuds, all the rest of it.

Mr. NELSON of Florida. Mr. President, the Senate has just witnessed one of the most insightful analyses by the chairman of the Senate Intelligence Committee on the present-day changes on planet Earth and how the United States should adapt to it by virtue of the fact of recounting history. This Senator is grateful to his chairman for that statement.

Mr. ROCKEFELLER. I thank the Senator.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2008

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 222, S. 1538.

The ACTING PRESIDENT pro tempore.

The clerk will report the bill by title. The assistant legislative clerk read as follows:

A bill (S. 1538) to authorize appropriations for fiscal year 2008 for the intelligence and intelligence-related activities of the United States Government, the Intelligence Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 1538

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 2008”.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
 Sec. 102. Classified schedule of authorizations.
 Sec. 103. Personnel level adjustments.
 Sec. 104. Intelligence Community Management Account.
 Sec. 105. Incorporation of reporting requirements.
 Sec. 106. Development and acquisition program.
 Sec. 107. Availability to public of certain intelligence funding information.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.
 Sec. 202. Technical modification to mandatory retirement provision of Central Intelligence Agency Retirement Act.

TITLE III—INTELLIGENCE AND GENERAL INTELLIGENCE COMMUNITY MATTERS

Sec. 301. Increase in employee compensation and benefits authorized by law.
 Sec. 302. Restriction on conduct of intelligence activities.
 Sec. 303. Clarification of definition of intelligence community under the National Security Act of 1947.
 Sec. 304. Delegation of authority for travel on common carriers for intelligence collection personnel.
 Sec. 305. Modification of availability of funds for different intelligence activities.
 Sec. 306. Increase in penalties for disclosure of undercover intelligence officers and agents.
 Sec. 307. Extension to intelligence community of authority to delete information about receipt and disposition of foreign gifts and decorations.
 Sec. 308. Public Interest Declassification Board.
 Sec. 309. Enhanced flexibility in non-reimbursable details to elements of the intelligence community.

Sec. 310. Director of National Intelligence report on compliance with the Detainee Treatment Act of 2005 and related provisions of the Military Commissions Act of 2006.

Sec. 311. Terms of service of Program Manager for the Information Sharing Environment and the Information Sharing Council.

Sec. 312. Improvement of notification of Congress regarding intelligence activities of the United States Government.

Sec. 313. Additional limitation on availability of funds for intelligence and intelligence-related activities.

Sec. 314. Vulnerability assessments of major systems.

Sec. 315. Annual personnel level assessments for the intelligence community.

Sec. 316. Business enterprise architecture and business system modernization for the intelligence community.

Sec. 317. Reports on the acquisition of major systems.

Sec. 318. Excessive cost growth of major systems.

Sec. 319. Submittal to Congress of certain court orders under the Foreign Intelligence Surveillance Act of 1978.

Sec. 320. Submittal to Congress of certain President’s Daily Briefs on Iraq.

Sec. 321. National intelligence estimate on global climate change.

Sec. 322. Repeal of certain reporting requirements.

TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

Subtitle A—Office of the Director of National Intelligence

Sec. 401. Requirements for accountability reviews by the Director of National Intelligence.
 Sec. 402. Additional authorities of the Director of National Intelligence on intelligence information sharing.
 Sec. 403. Modification of limitation on delegation by the Director of National Intelligence of the protection of intelligence sources and methods.
 Sec. 404. Additional administrative authority of the Director of National Intelligence.
 Sec. 405. Enhancement of authority of the Director of National Intelligence for flexible personnel management among the elements of the intelligence community.
 Sec. 406. Clarification of limitation on co-location of the Office of the Director of National Intelligence.
 Sec. 407. Additional duties of the Director of Science and Technology of the Office of the Director of National Intelligence.
 Sec. 408. Title of Chief Information Officer of the Intelligence Community.
 Sec. 409. Reserve for Contingencies of the Office of the Director of National Intelligence.
 Sec. 410. Inspector General of the Intelligence Community.
 Sec. 411. Leadership and location of certain offices and officials.
 Sec. 412. National Space Intelligence Office.
 Sec. 413. Operational files in the Office of the Director of National Intelligence.

Sec. 414. Repeal of certain authorities relating to the Office of the National Counter-intelligence Executive.

Sec. 415. Inapplicability of Federal Advisory Committee Act to advisory committees of the Office of the Director of National Intelligence.

Sec. 416. Membership of the Director of National Intelligence on the Transportation Security Oversight Board.

Sec. 417. Applicability of the Privacy Act to the Director of National Intelligence and the Office of the Director of National Intelligence.

Subtitle B—Central Intelligence Agency

Sec. 421. Director and Deputy Director of the Central Intelligence Agency.

Sec. 422. Inapplicability to Director of the Central Intelligence Agency of requirement for annual report on progress in auditable financial statements.

Sec. 423. Additional functions and authorities for protective personnel of the Central Intelligence Agency.

Sec. 424. Technical amendments relating to titles of certain Central Intelligence Agency positions.

Sec. 425. Availability of the Executive Summary of the report on Central Intelligence Agency accountability regarding the terrorist attacks of September 11, 2001.

Sec. 426. Director of National Intelligence report on retirement benefits for former employees of Air America.

Subtitle C—Defense Intelligence Components

Sec. 431. Enhancements of National Security Agency training program.
 Sec. 432. Codification of authorities of National Security Agency protective personnel.

Sec. 433. Inspector general matters.

Sec. 434. Confirmation of appointment of heads of certain components of the intelligence community.

Sec. 435. Clarification of national security missions of National Geospatial-Intelligence Agency for analysis and dissemination of certain intelligence information.

Sec. 436. Security clearances in the National Geospatial-Intelligence Agency.

Subtitle D—Other Elements

Sec. 441. Clarification of inclusion of Coast Guard and Drug Enforcement Administration as elements of the intelligence community.

Sec. 442. Clarifying amendments relating to Section 105 of the Intelligence Authorization Act for Fiscal Year 2004.

TITLE V—OTHER MATTERS

Sec. 501. Technical amendments to the National Security Act of 1947.

Sec. 502. Technical clarification of certain references to Joint Military Intelligence Program and Tactical Intelligence and Related Activities.

Sec. 503. Technical amendments to the Intelligence Reform and Terrorism Prevention Act of 2004.

Sec. 504. Technical amendments to title 10, United States Code, arising from enactment of the Intelligence Reform and Terrorism Prevention Act of 2004.

Sec. 505. Technical amendment to the Central Intelligence Agency Act of 1949.

- Sec. 506. Technical amendments relating to the multiyear National Intelligence Program.
- Sec. 507. Technical amendments to the Executive Schedule.
- Sec. 508. Technical amendments relating to redesignation of the National Imagery and Mapping Agency as the National Geospatial-Intelligence Agency.
- Sec. 509. Other technical amendments relating to responsibility of the Director of National Intelligence as head of the intelligence community.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Office of the Director of National Intelligence.
- (2) The Central Intelligence Agency.
- (3) The Department of Defense.
- (4) The Defense Intelligence Agency.
- (5) The National Security Agency.
- (6) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (7) The Department of State.
- (8) The Department of the Treasury.
- (9) The Department of Energy.
- (10) The Department of Justice.
- (11) The Federal Bureau of Investigation.
- (12) The National Reconnaissance Office.
- (13) The National Geospatial-Intelligence Agency.
- (14) The Coast Guard.
- (15) The Department of Homeland Security.
- (16) The Drug Enforcement Administration.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL LEVELS.—The amounts authorized to be appropriated under section 101, and the authorized personnel levels (expressed as full-time equivalent positions) as of September 30, 2008, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill _____ of the One Hundred Tenth Congress.

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

SEC. 103. PERSONNEL LEVEL ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of National Intelligence may authorize employment of civilian personnel in excess of the number of authorized full-time equivalent positions for fiscal year 2008 under section 102 when the Director of National Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed 5 percent of the number of civilian personnel authorized under such section for such element.

(b) AUTHORITY FOR CONVERSION OF ACTIVITIES PERFORMED BY CONTRACTORS.—In addition to the authority in subsection (a), upon a determination by the head of an element in the intelligence community that activities currently being performed by contractor employees should be performed by government employees, the concurrence of the Director of National Intelligence in such determination, and the approval of the Director of the Office of Management and Budget, the Director of National Intelligence may authorize employment of additional full-time equivalent personnel in such element of the intelligence community equal to the number of full-time equivalent contractor employees performing such activities.

(c) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of National Intelligence shall notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives in writing at least 15 days before each exercise of the authority in subsection (a) or (b).

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Intelligence Community Management Account of the Director of National Intelligence for fiscal year 2008 the sum of \$715,076,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for advanced research and development shall remain available until September 30, 2009.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Intelligence Community Management Account of the Director of National Intelligence are authorized 1768 full-time equivalent personnel as of September 30, 2008. Personnel serving in such elements may be permanent employees of the Intelligence Community Management Account or personnel detailed from other elements of the United States Government.

(c) CONSTRUCTION OF AUTHORITIES.—The authorities available to the Director of National Intelligence under section 103 are also available to the Director for the adjustment of personnel levels in elements within the Intelligence Community Management Account.

(d) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are also authorized to be appropriated for the Intelligence Community Management Account for fiscal year 2008 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts for research and development shall remain available until September 30, 2009.

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2008, there are also authorized such additional personnel for such elements as of that date as are specified in the classified Schedule of Authorizations.

SEC. 105. INCORPORATION OF REPORTING REQUIREMENTS.

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

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

(1) the Select Committee on Intelligence of the Senate; and

(2) the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 106. DEVELOPMENT AND ACQUISITION PROGRAM.

Of the funds appropriated for the National Intelligence Program for fiscal year 2008, and of funds currently available for obligation for any prior fiscal year, the Director of National Intelligence shall transfer not less than the amount specified in the classified annex to the Office of the Director of National Intelligence to fund the development and acquisition of the program specified in the classified annex. The funds as so transferred shall be available without fiscal year limitation.

SEC. 107. AVAILABILITY TO PUBLIC OF CERTAIN INTELLIGENCE FUNDING INFORMATION.

(a) AMOUNTS REQUESTED EACH FISCAL YEAR.—The President shall disclose to the public for each fiscal year after fiscal year 2008 the aggregate amount of appropriations requested by the President for such fiscal year for the National Intelligence Program.

(b) AMOUNTS AUTHORIZED AND APPROPRIATED EACH FISCAL YEAR.—Congress shall disclose to the public for each fiscal year after fiscal year 2007 the aggregate amount of funds authorized to be appropriated, and the aggregate amount of funds appropriated, by Congress for such fiscal year for the National Intelligence Program.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2008 the sum of \$262,500,000.

SEC. 202. TECHNICAL MODIFICATION TO MANDATORY RETIREMENT PROVISION OF CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT.

Section 235(b)(1)(A) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2055(b)(1)(A)) is amended by striking “receiving compensation under the Senior Intelligence Service pay schedule at the rate” and inserting “who is at the Senior Intelligence Service rank”.

TITLE III—INTELLIGENCE AND GENERAL INTELLIGENCE COMMUNITY MATTERS

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

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

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

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

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

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

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

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

(1) by inserting “(1)” before “The Director”;

(2) in paragraph (1), by striking “may only delegate” and all that follows and inserting “may delegate the authority in subsection (a) to the head of any other element of the intelligence community.”; and

(3) by adding at the end the following new paragraph:

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

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

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

(1) the Select Committee on Intelligence of the Senate; and

(2) the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 305. MODIFICATION OF AVAILABILITY OF FUNDS FOR DIFFERENT INTELLIGENCE ACTIVITIES.

Subparagraph (B) of section 504(a)(3) of the National Security Act of 1947 (50 U.S.C. 414(a)(3)) is amended to read as follows:

“(B) the use of such funds for such activity supports an emergent need, improves program effectiveness, or increases efficiency; and”.

SEC. 306. INCREASE IN PENALTIES FOR DISCLOSURE OF UNDERCOVER INTELLIGENCE OFFICERS AND AGENTS.

(a) **DISCLOSURE OF AGENT AFTER ACCESS TO INFORMATION IDENTIFYING AGENT.**—Subsection (a) of section 601 of the National Security Act of 1947 (50 U.S.C. 421) is amended by striking “ten years” and inserting “15 years”.

(b) **DISCLOSURE OF AGENT AFTER ACCESS TO CLASSIFIED INFORMATION.**—Subsection (b) of such section is amended by striking “five years” and inserting “ten years”.

SEC. 307. EXTENSION TO INTELLIGENCE COMMUNITY OF AUTHORITY TO DELETE INFORMATION ABOUT RECEIPT AND DISPOSITION OF FOREIGN GIFTS AND DECORATIONS.

Paragraph (4) of section 7342(f) of title 5, United States Code, is amended to read as follows:

“(4)(A) In transmitting such listings for an element of the intelligence community, the head of such element may delete the information described in subparagraphs (A) and (C) of paragraphs (2) and (3) if the head of such element certifies in writing to the Secretary of State that the publication of such information could adversely affect United States intelligence sources or methods.

“(B) Any information not provided to the Secretary of State pursuant to the authority in subparagraph (A) shall be transmitted to the Director of National Intelligence.

“(C) In this paragraph, the term ‘element of the intelligence community’ means an element of the intelligence community listed in or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).”.

SEC. 308. PUBLIC INTEREST DECLASSIFICATION BOARD.

The Public Interest Declassification Act of 2000 (50 U.S.C. 435 note) is amended—

(1) in section 704(e)—

(A) by striking “If requested” and inserting the following:

“(1) IN GENERAL.—If requested”; and

(B) by adding at the end the following:

“(2) **AUTHORITY OF BOARD.**—Upon receiving a congressional request described in section 703(b)(5), the Board may conduct the review and make the recommendations described in that section, regardless of whether such a review is requested by the President.

“(3) **REPORTING.**—Any recommendations submitted to the President by the Board under section 703(b)(5), shall be submitted to the chairman and ranking member of the committee of Congress that made the request relating to such recommendations.”; and

(2) in section 710(b), by striking “8 years after the date of the enactment of this Act” and inserting “on December 31, 2012”.

SEC. 309. ENHANCED FLEXIBILITY IN NON-REIMBURSABLE DETAILS TO ELEMENTS OF THE INTELLIGENCE COMMUNITY.

(a) **IN GENERAL.**—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h) and section 904(g)(2) of the Counterintelligence Enhancement Act of 2002 (title IX of Public Law 107-306; 50 U.S.C. 402(c)(g)(2)) and notwithstanding any other provision of law, in any fiscal year after fiscal year 2007 an officer or employee of the United States or member of the Armed Forces may be detailed to the staff of an element of the intelligence community funded through the Community Management Account from another element of the United States Government on a reimbursable or non-reimbursable basis, as jointly agreed to by the Director of National Intelligence and the head of the detailing element (or the designees of such officials), for a period not to exceed three years.

(b) **ELEMENTS OF THE INTELLIGENCE COMMUNITY DEFINED.**—In this section, the term “element of the intelligence community” means an element of the intelligence community listed in or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 310. DIRECTOR OF NATIONAL INTELLIGENCE REPORT ON COMPLIANCE WITH THE DETAINEE TREATMENT ACT OF 2005 AND RELATED PROVISIONS OF THE MILITARY COMMISSIONS ACT OF 2006.

(a) **REPORT REQUIRED.**—Not later than September 1, 2007, the Director of National Intelligence shall submit to the [congressional intelligence committees] *appropriate committees of Congress* a comprehensive report on all measures taken by the Office of the Director of National Intelligence and by each element, if any, of the intelligence community with relevant responsibilities to comply with the provisions of the Detainee Treatment Act of 2005 (title X of division A of Public Law 109-148) and related provisions of the Military Commissions Act of 2006 (Public Law 109-366).

(b) **ELEMENTS.**—The report required by subsection (a) shall include the following:

(1) A description of the detention or interrogation methods, if any, that have been determined to comply with section 1003 of the Detainee Treatment Act of 2005 (119 Stat. 2739; 42 U.S.C. 2000dd) and section 6 of the Military Commissions Act of 2006 (120 Stat. 2632; 18 U.S.C. 2441 note) (including the amendments made by such section 6), and, with respect to each such method—

(A) an identification of the official making such determination; and

(B) a statement of the basis for such determination.

(2) A description of the detention or interrogation methods, if any, whose use has been discontinued pursuant to the Detainee

Treatment Act of 2005 or the Military Commissions Act of 2006, and, with respect to each such method—

(A) an identification of the official making the determination to discontinue such method; and

(B) a statement of the basis for such determination.

(3) A description of any actions that have been taken to implement section 1004 of the Detainee Treatment Act of 2005 (119 Stat. 2740; 42 U.S.C. 2000dd-1), and, with respect to each such action—

(A) an identification of the official taking such action; and

(B) a statement of the basis for such action.

(4) Any other matters that the Director considers necessary to fully and currently inform the [congressional intelligence committees] *appropriate committees of Congress* about the implementation of the Detainee Treatment Act of 2005 and related provisions of the Military Commissions Act of 2006.

(5) An appendix containing—

(A) all guidelines for the application of the Detainee Treatment Act of 2005 and related provisions of the Military Commissions Act of 2006 to the detention or interrogation activities, if any, of any element of the intelligence community; and

(B) all legal justifications of any office or official of the Department of Justice about the meaning or application of Detainee Treatment Act of 2005 or related provisions of the Military Commissions Act of 2006 with respect to the detention or interrogation activities, if any, of any element of the intelligence community.

(c) **FORM.**—The report required by subsection (a) shall be submitted in classified form.

(d) **DEFINITIONS.**—In this section:

[(1) The term “congressional intelligence committees” means—

(A) the Select Committee on Intelligence of the Senate; and

(B) the Permanent Select Committee of the House of Representatives.]

(1) *The term “appropriate committees of Congress” means—*

(A) *the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and*

(B) *the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.*

(2) The term “element of the intelligence community” means the elements of the intelligence community specified in or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 311. TERMS OF SERVICE OF PROGRAM MANAGER FOR THE INFORMATION SHARING ENVIRONMENT AND THE INFORMATION SHARING COUNCIL.

Section 1016 of the National Security Intelligence Reform Act of 2004 (title I of Public Law 108-458; 6 U.S.C. 485) is amended—

(1) in subsection (f)(1), by striking “during the two-year period beginning on the date of designation under this paragraph unless sooner” and inserting “until”; and

(2) in subsection (g)(1), by striking “during the two-year period beginning on the date of the initial designation of the program manager by the President under subsection (f)(1), unless sooner” and inserting “until”.

SEC. 312. IMPROVEMENT OF NOTIFICATION OF CONGRESS REGARDING INTELLIGENCE ACTIVITIES OF THE UNITED STATES GOVERNMENT.

(a) **NOTICE ON INFORMATION NOT DISCLOSED.**—

(1) **IN GENERAL.**—Section 502 of the National Security Act of 1947 (50 U.S.C. 413a) is amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

“(b) NOTICE ON INFORMATION NOT DISCLOSED.—

“(1) If the Director of National Intelligence or the head of a department, agency, or other entity of the United States Government does not provide information required by subsection (a) in full or to all the members of the congressional intelligence committees, and requests that such information not be provided, the Director shall, in a timely fashion, notify such committees of the determination not to provide such information in full or to all members of such committees. Such notice shall be submitted in writing in a classified form, include a statement of the reasons for such determination and description that provides the main features of the intelligence activities covered by such determination, and contain no restriction on access to this notice by all members of the committee.

“(2) Nothing in this subsection shall be construed as authorizing less than full and current disclosure to all the members of the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives of any information necessary to keep all the members of such committees fully and currently informed on all intelligence activities covered by this section.”

(2) CONFORMING AMENDMENT.—Subsection (d) of such section, as redesignated by paragraph (1)(A) of this subsection, is amended by striking “subsection (b)” and inserting “subsections (b) and (c)”.

(b) REPORTS AND NOTICE ON COVERT ACTIONS.—

(1) FORM AND CONTENT OF CERTAIN REPORTS.—Subsection (b) of section 503 of such Act (50 U.S.C. 413b) is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting “(1)” after “(b)”; and

(C) by adding at the end the following new paragraph:

“(2) Any report relating to a covert action that is submitted to the congressional intelligence committees for the purposes of paragraph (1) shall be in writing, and shall contain the following:

“(A) A concise statement of any facts pertinent to such report.

“(B) An explanation of the significance of the covert action covered by such report.”

(2) NOTICE ON INFORMATION NOT DISCLOSED.—Subsection (c) of such section is amended by adding at the end the following new paragraph:

“(5) If the Director of National Intelligence or the head of a department, agency, or other entity of the United States Government does not provide information required by subsection (b) in full or to all the members of the congressional intelligence committees, and requests that such information not be so provided, the Director shall, in a timely fashion, notify such committees of the determination not to provide such information in full or to all members of such committees. Such notice shall be submitted in writing in a classified form, include a statement of the reasons for such determination and a description that provides the main features of the covert action covered by such determination, and contain no restriction on access to this notice by all members of the committee.”

(3) MODIFICATION OF NATURE OF CHANGE OF COVERT ACTION TRIGGERING NOTICE REQUIREMENTS.—Subsection (d) of such section is amended by striking “significant” the first place it appears.

SEC. 313. ADDITIONAL LIMITATION ON AVAILABILITY OF FUNDS FOR INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES.

Section 504 of the National Security Act of 1947 (50 U.S.C. 414) is amended—

(1) in subsection (a), by inserting “the congressional intelligence committees have been fully and currently informed of such activity and if” after “only if”;

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

(3) by inserting after subsection (a) the following new subsection (b):

“(b) In any case in which notice to the congressional intelligence committees on an intelligence or intelligence-related activity is covered by section 502(b), or in which notice to the congressional intelligence committees on a covert action is covered by section 503(c)(5), the congressional intelligence committees shall be treated as being fully and currently informed on such activity or covert action, as the case may be, for purposes of subsection (a) if the requirements of such section 502(b) or 503(c)(5), as applicable, have been met.”

SEC. 314. VULNERABILITY ASSESSMENTS OF MAJOR SYSTEMS.

(a) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.) is amended by inserting after section 506A the following new section:

“VULNERABILITY ASSESSMENTS OF MAJOR SYSTEMS

“SEC. 506B. (a) INITIAL VULNERABILITY ASSESSMENTS.—The Director of National Intelligence shall conduct an initial vulnerability assessment for any major system and its items of supply, that is proposed for inclusion in the National Intelligence Program. The initial vulnerability assessment of a major system and its items of supply shall, at a minimum, use an analysis-based approach to—

“(1) identify applicable vulnerabilities;

“(2) define exploitation potential;

“(3) examine the system’s potential effectiveness;

“(4) determine overall vulnerability; and

“(5) make recommendations for risk reduction.

“(b) SUBSEQUENT VULNERABILITY ASSESSMENTS.—(1) The Director of National Intelligence shall conduct subsequent vulnerability assessments of each major system and its items of supply within the National Intelligence Program—

“(A) periodically throughout the life-span of the major system;

“(B) whenever the Director determines that a change in circumstances warrants the issuance of a subsequent vulnerability assessment; or

“(C) upon the request of a congressional intelligence committee.

“(2) Any subsequent vulnerability assessment of a major system and its items of supply shall, at a minimum, use an analysis-based approach and, if applicable, a testing-based approach, to monitor the exploitation potential of such system and reexamine the factors described in paragraphs (1) through (5) of subsection (a).

“(c) MAJOR SYSTEM MANAGEMENT.—The Director of National Intelligence shall give due consideration to the vulnerability assessments prepared for a given major system when developing and determining the annual consolidated National Intelligence Program budget.

“(d) CONGRESSIONAL OVERSIGHT.—(1) The Director of National Intelligence shall provide to the congressional intelligence committees a copy of each vulnerability assessment conducted under subsection (a) or (b)

not later than 10 days after the date of the completion of such assessment.

“(2) The Director of National Intelligence shall provide the congressional intelligence committees with a proposed schedule for subsequent vulnerability assessments of a major system under subsection (b) when providing such committees with the initial vulnerability assessment under subsection (a) of such system as required by subsection (d).

“(e) DEFINITIONS.—In this section:

“(1) The term ‘items of supply’—

“(A) means any individual part, component, subassembly, assembly, or subsystem integral to a major system, and other property which may be replaced during the service life of the major system, including spare parts and replenishment parts; and

“(B) does not include packaging or labeling associated with shipment or identification of items.

“(2) The term ‘major system’ has the meaning given that term in section 506A(e).

“(3) The term ‘vulnerability assessment’ means the process of identifying and quantifying vulnerabilities in a major system and its items of supply.”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947 is amended by inserting after the item relating to section 506A the following:

“Sec. 506B. Vulnerability assessments of major systems.”

SEC. 315. ANNUAL PERSONNEL LEVEL ASSESSMENTS FOR THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by section 314, is further amended by inserting after section 506B, as added by section 314(a), the following new section:

“ANNUAL PERSONNEL LEVEL ASSESSMENTS FOR THE INTELLIGENCE COMMUNITY

“SEC. 506C. (a) REQUIREMENT TO PROVIDE.—The Director of National Intelligence shall, in consultation with the head of the element of the intelligence community concerned, prepare an annual personnel level assessment for such element of the intelligence community that assesses the personnel levels for each such element for the fiscal year following the fiscal year in which the assessment is submitted.

“(b) SCHEDULE.—Each assessment required by subsection (a) shall be submitted to the congressional intelligence committees not later than January 31, of each year.

“(c) CONTENTS.—Each assessment required by subsection (a) submitted during a fiscal year shall contain, at a minimum, the following information for the element of the intelligence community concerned:

“(1) The personnel costs for the upcoming fiscal year.

“(2) The dollar and percentage increase or decrease of such costs as compared to the personnel costs of the current fiscal year.

“(3) The dollar and percentage increase or decrease of such costs as compared to the personnel costs during the prior 5 fiscal years.

“(4) The number of personnel positions requested for the upcoming fiscal year.

“(5) The numerical and percentage increase or decrease of such number as compared to the number of personnel positions of the current fiscal year.

“(6) The numerical and percentage increase or decrease of such number as compared to the number of personnel positions during the prior 5 fiscal years.

“(7) The number and costs of contractors funded by the element for the upcoming fiscal year.

“(8) The numerical and percentage increase or decrease of such costs of contractors as compared to the costs of contractors of the current fiscal year.

“(9) The numerical and percentage increase or decrease of such costs of contractors as compared to the cost of contractors, and the number of contractors, during the prior 5 fiscal years.

“(10) A written justification for the requested personnel and contractor levels.

“(11) A statement by the Director of National Intelligence that, based on current and projected funding, the element concerned will have sufficient—

“(A) internal infrastructure to support the requested personnel and contractor levels;

“(B) training resources to support the requested personnel levels; and

“(C) funding to support the administrative and operational activities of the requested personnel levels.”.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act, as amended by section 314(b), is further amended by inserting after the item relating to section 506B, as added by section 314(b), the following new item:

“Sec. 506C. Annual personnel levels assessment for the intelligence community.”.

SEC. 316. BUSINESS ENTERPRISE ARCHITECTURE AND BUSINESS SYSTEM MODERNIZATION FOR THE INTELLIGENCE COMMUNITY.

(a) BUSINESS ENTERPRISE ARCHITECTURE AND BUSINESS SYSTEM MODERNIZATION.—

(1) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by sections 314 and 315, is further amended by inserting after section 506C, as added by section 315(a), the following new section:

“INTELLIGENCE COMMUNITY BUSINESS SYSTEMS, ARCHITECTURE, ACCOUNTABILITY, AND MODERNIZATION

“SEC. 506D. (a) LIMITATION ON OBLIGATION OF FUNDS FOR INTELLIGENCE COMMUNITY BUSINESS SYSTEM MODERNIZATION.—(1) After April 1, 2008, no funds appropriated to any element of the intelligence community may be obligated for an intelligence community business system modernization described in paragraph (2) unless—

“(A) the approval authority designated by the Director of National Intelligence under subsection (c)(2) makes the certification described in paragraph (3) with respect to the intelligence community business system modernization; and

“(B) the certification is approved by the Intelligence Community Business Systems Management Committee established under subsection (f).

“(2) An intelligence community business system modernization described in this paragraph is an intelligence community business system modernization that—

“(A) will have a total cost in excess of \$1,000,000; and

“(B) will receive more than 50 percent of the funds for such cost from amounts appropriated for the National Intelligence Program.

“(3) The certification described in this paragraph for an intelligence community business system modernization is a certification, made by the approval authority designated by the Director under subsection (c)(2) to the Intelligence Community Business Systems Management Committee, that the intelligence community business system modernization—

“(A) complies with the enterprise architecture under subsection (b); or

“(B) is necessary—

“(i) to achieve a critical national security capability or address a critical requirement in an area such as safety or security; or

“(ii) to prevent a significant adverse effect on a project that is needed to achieve an essential capability, taking into consideration the alternative solutions for preventing such adverse effect.

“(4) The obligation of funds for an intelligence community business system modernization that does not comply with the requirements of this subsection shall be treated as a violation of section 1341(a)(1)(A) of title 31, United States Code.

“(b) ENTERPRISE ARCHITECTURE FOR INTELLIGENCE COMMUNITY BUSINESS SYSTEMS.—(1) The Director of National Intelligence shall, acting through the Intelligence Community Business Systems Management Committee established under subsection (f), develop and implement an enterprise architecture to cover all intelligence community business systems, and the functions and activities supported by such business systems. The enterprise architecture shall be sufficiently defined to effectively guide, constrain, and permit implementation of interoperable intelligence community business system solutions, consistent with applicable policies and procedures established by the Director of the Office of Management and Budget.

“(2) The enterprise architecture under paragraph (1) shall include the following:

“(A) An information infrastructure that, at a minimum, will enable the intelligence community to—

“(i) comply with all Federal accounting, financial management, and reporting requirements;

“(ii) routinely produce timely, accurate, and reliable financial information for management purposes;

“(iii) integrate budget, accounting, and program information and systems; and

“(iv) provide for the systematic measurement of performance, including the ability to produce timely, relevant, and reliable cost information.

“(B) Policies, procedures, data standards, and system interface requirements that apply uniformly throughout the intelligence community.

“(c) RESPONSIBILITIES FOR INTELLIGENCE COMMUNITY BUSINESS SYSTEM MODERNIZATION.—(1) The Director of National Intelligence shall be responsible for review, approval, and oversight of the planning, design, acquisition, deployment, operation, and maintenance of an intelligence community business system modernization if more than 50 percent of the cost of the intelligence community business system modernization is funded by amounts appropriated for the National Intelligence Program.

“(2) The Director shall designate one or more appropriate officials of the intelligence community to be responsible for making certifications with respect to intelligence community business system modernizations under subsection (a)(3).

“(d) INTELLIGENCE COMMUNITY BUSINESS SYSTEM INVESTMENT REVIEW.—(1) The approval authority designated under subsection (c)(2) shall establish and implement, not later than March 31, 2008, an investment review process for the review of the planning, design, acquisition, development, deployment, operation, maintenance, modernization, and project cost, benefits, and risks of the intelligence community business systems for which the approval authority is responsible.

“(2) The investment review process under paragraph (1) shall—

“(A) meet the requirements of section 11312 of title 40, United States Code; and

“(B) specifically set forth the responsibilities of the approval authority under such review process.

“(3) The investment review process under paragraph (1) shall include the following elements:

“(A) Review and approval by an investment review board (consisting of appropriate representatives of the intelligence community) of each intelligence community business system as an investment before the obligation of funds for such system.

“(B) Periodic review, but not less often than annually, of every intelligence community business system investment.

“(C) Thresholds for levels of review to ensure appropriate review of intelligence community business system investments depending on the scope, complexity, and cost of the system involved.

“(D) Procedures for making certifications in accordance with the requirements of subsection (a)(3).

“(E) Mechanisms to ensure the consistency of the investment review process with applicable guidance issued by the Director of National Intelligence and the Intelligence Community Business Systems Management Committee established under subsection (f).

“(F) Common decision criteria, including standards, requirements, and priorities, for purposes of ensuring the integration of intelligence community business systems.

“(e) BUDGET INFORMATION.—For each fiscal year after fiscal year 2009, the Director of National Intelligence shall include in the materials the Director submits to Congress in support of the budget for such fiscal year that is submitted to Congress under section 1105 of title 31, United States Code, the following information:

“(1) An identification of each intelligence community business system for which funding is proposed in such budget.

“(2) An identification of all funds, by appropriation, proposed in such budget for each such system, including—

“(A) funds for current services to operate and maintain such system; and

“(B) funds for business systems modernization identified for each specific appropriation.

“(3) For each such system, identification of approval authority designated for such system under subsection (c)(2).

“(4) The certification, if any, made under subsection (a)(3) with respect to each such system.

“(f) INTELLIGENCE COMMUNITY BUSINESS SYSTEMS MANAGEMENT COMMITTEE.—(1) The Director of National Intelligence shall establish an Intelligence Community Business Systems Management Committee (in this subsection referred to as the ‘Committee’).

“(2) The Committee shall—

“(A) recommend to the Director policies and procedures necessary to effectively integrate all business activities and any transformation, reform, reorganization, or process improvement initiatives undertaken within the intelligence community;

“(B) review and approve any major update of—

“(i) the enterprise architecture developed under subsection (b); and

“(ii) any plans for an intelligence community business systems modernization;

“(C) manage cross-domain integration consistent with such enterprise architecture;

“(D) be responsible for coordinating initiatives for intelligence community business system modernization to maximize benefits and minimize costs for the intelligence community, and periodically report to the Director on the status of efforts to carry out an intelligence community business system modernization;

“(E) ensure that funds are obligated for intelligence community business system modernization in a manner consistent with subsection (a); and

“(F) carry out such other duties as the Director shall specify.

“(g) RELATION TO ANNUAL REGISTRATION REQUIREMENTS.—Nothing in this section shall be construed to alter the requirements of section 8083 of the Department of Defense Appropriations Act, 2005 (Public Law 108-287; 118 Stat. 989), with regard to information technology systems (as defined in subsection (d) of such section).

“(h) RELATION TO DEFENSE BUSINESS SYSTEMS ARCHITECTURE, ACCOUNTABILITY, AND MODERNIZATION REQUIREMENTS.—An intelligence community business system that receives more than 50 percent of its funds from amounts available for the National Intelligence Program shall be exempt from the requirements of section 2222 of title 10, United States Code.

“(i) RELATION TO CLINGER-COHEN ACT.—(1) The Director of National Intelligence and the Chief Information Officer of the Intelligence Community shall fulfill the executive agency responsibilities in chapter 113 of title 40, United States Code, for any intelligence community business system that receives more than 50 percent of its funding from amounts appropriated for National Intelligence Program.

“(2) Any intelligence community business system covered by paragraph (1) shall be exempt from the requirements of such chapter 113 that would otherwise apply to the executive agency that contains the element of the intelligence community involved.

“(j) REPORTS.—Not later than March 15 of each of 2009 through 2014, the Director of National Intelligence shall submit to the congressional intelligence committees a report on the compliance of the intelligence community with the requirements of this section. Each such report shall—

“(1) describe actions taken and proposed for meeting the requirements of subsection (a), including—

“(A) specific milestones and actual performance against specified performance measures, and any revision of such milestones and performance measures; and

“(B) specific actions on the intelligence community business system modernizations submitted for certification under such subsection;

“(2) identify the number of intelligence community business system modernizations that received a certification described in subsection (a)(3)(B); and

“(3) describe specific improvements in business operations and cost savings resulting from successful intelligence community business systems modernization efforts.

“(k) DEFINITIONS.—In this section:

“(1) The term ‘enterprise architecture’ has the meaning given that term in section 3601(4) of title 44, United States Code.

“(2) The terms ‘information system’ and ‘information technology’ have the meanings given those terms in section 11101 of title 40, United States Code.

“(3) The term ‘intelligence community business system’ means an information system, other than a national security system, that is operated by, for, or on behalf of the intelligence community, including financial systems, mixed systems, financial data feeder systems, the business infrastructure capabilities shared by the systems of the business enterprise architecture that build upon the core infrastructure, used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management.

“(4) The term ‘intelligence community business system modernization’ means—

“(A) the acquisition or development of a new intelligence community business system; or

“(B) any significant modification or enhancement of an existing intelligence community business system (other than necessary to maintain current services).

“(5) The term ‘national security system’ has the meaning given that term in section 3542 of title 44, United States Code.”

(2) CLERICAL AMENDMENT.—The table of contents in the first section of that Act, as amended by section 314 and 315, is further amended by inserting after the item relating to section 506C, as added by section 315(b) the following new item:

“Sec. 506D. Intelligence community business systems, architecture, accountability, and modernization.”

(b) IMPLEMENTATION.—

(1) CERTAIN DUTIES.—Not later than 60 days after the date of the enactment of this Act, the Director of National Intelligence shall—

(A) complete the delegation of responsibility for the review, approval, and oversight of the planning, design, acquisition, deployment, operation, maintenance, and modernization of intelligence community business systems required by subsection (c) of section 506D of the National Security Act of 1947 (as added by subsection (a)); and

(B) designate a vice chairman and personnel to serve on the Intelligence Community Business System Management Committee established under subsection (f) of such section 506D (as so added).

(2) ENTERPRISE ARCHITECTURE.—The Director shall develop the enterprise architecture required by subsection (b) of such section 506D (as so added) by not later than March 1, 2008. In so developing the enterprise architecture, the Director shall develop an implementation plan for the architecture, including the following:

(A) The acquisition strategy for new systems that are expected to be needed to complete the enterprise architecture, including specific time-phased milestones, performance metrics, and a statement of the financial and nonfinancial resource needs.

(B) An identification of the intelligence community business systems in operation or planned as of December 31, 2006, that will not be a part of the enterprise architecture, together with the schedule for the phased termination of the utilization of any such systems.

(C) An identification of the intelligence community business systems in operation or planned as of December 31, 2006, that will be a part of the enterprise architecture, together with a strategy for modifying such systems to ensure that such systems comply with such enterprise architecture.

SEC. 317. REPORTS ON THE ACQUISITION OF MAJOR SYSTEMS.

(a) IN GENERAL.—Title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), as amended by sections 314 through 316, is further amended by inserting after section 506D, as added by section 316(a)(1), the following new section:

“REPORTS ON THE ACQUISITION OF MAJOR SYSTEMS

“SEC. 506E. (a) ANNUAL REPORTS REQUIRED.—(1) The Director of National Intelligence shall submit to the congressional intelligence committees each year, at the same time the budget of the President for the fiscal year beginning in such year is submitted to Congress pursuant to section 1105 of title 31, United States Code, a separate report on each acquisition of a major system by an element of the intelligence community.

“(2) Each report under this section shall be known as a ‘Report on the Acquisition of Major Systems’.

“(b) ELEMENTS.—Each report under this section shall include, for the acquisition of a major system, information on the following:

“(1) The current total anticipated acquisition cost for such system, and the history of such cost from the date the system was first included in a report under this section to the end of the calendar quarter immediately preceding the submittal of the report under this section.

“(2) The current anticipated development schedule for the system, including an estimate of annual development costs until development is completed.

“(3) The current anticipated procurement schedule for the system, including the best estimate of the Director of National Intelligence of the annual costs and units to be procured until procurement is completed.

“(4) A full life-cycle cost analysis for such system.

“(5) The result of any significant test and evaluation of such major system as of the date of the submittal of such report, or, if a significant test and evaluation has not been conducted, a statement of the reasons therefor and the results of any other test and evaluation that has been conducted of such system.

“(6) The reasons for any change in acquisition cost, or schedule, for such system from the previous report under this section (if applicable).

“(7) The significant contracts or subcontracts related to the major system.

“(8) If there is any cost or schedule variance under a contract referred to in paragraph (7) since the previous report under this section, the reasons for such cost or schedule variance.

“(c) DETERMINATION OF INCREASE IN COSTS.—Any determination of a percentage increase in the acquisition costs of a major system for which a report is filed under this section shall be stated in terms of constant dollars from the first fiscal year in which funds are appropriated for such contract.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘acquisition cost’, with respect to a major system, means the amount equal to the total cost for development and procurement of, and system-specific construction for, such system.

“(2) The term ‘full life-cycle cost’, with respect to the acquisition of a major system, means all costs of development, procurement, construction, deployment, and operation and support for such program, without regard to funding source or management control, including costs of development and procurement required to support or utilize such system.

“(3) The term ‘major system’, has the meaning given that term in section 506A(e).”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act, as amended by sections 314 through 316, is further amended by inserting after the item relating to section 506D, as added by section 316(a)(2), the following new item:

“Sec. 506E. Reports on the acquisition of major systems.”

SEC. 318. EXCESSIVE COST GROWTH OF MAJOR SYSTEMS.

(a) NOTIFICATION.—Title V of the National Security Act of 1947, as amended by sections 314 through 317, is further amended by inserting after section 506E, as added by section 317(a), the following new section:

“EXCESSIVE COST GROWTH OF MAJOR SYSTEMS

“SEC. 506F. (a) COST INCREASES OF AT LEAST 20 PERCENT.—(1) On a continuing basis, and separate from the submission of any report on a major system required by

section 506E of this Act, the Director of National Intelligence shall determine if the acquisition cost of such major system has increased by at least 20 percent as compared to the baseline cost of such major system.

“(2)(A) If the Director determines under paragraph (1) that the acquisition cost of a major system has increased by at least 20 percent, the Director shall submit to the congressional intelligence committees a written notification of such determination as described in subparagraph (B), a description of the amount of the increase in the acquisition cost of such major system, and a certification as described in subparagraph (C).

“(B) The notification required by subparagraph (A) shall include—

“(i) an independent cost estimate;

“(ii) the date on which the determination covered by such notification was made;

“(iii) contract performance assessment information with respect to each significant contract or sub-contract related to such major system, including the name of the contractor, the phase of the contract at the time of the report, the percentage of work under the contract that has been completed, any change in contract cost, the percentage by which the contract is currently ahead or behind schedule, and a summary explanation of significant occurrences, such as cost and schedule variances, and the effect of such occurrences on future costs and schedules;

“(iv) the prior estimate of the full life-cycle cost for such major system, expressed in constant dollars and in current year dollars;

“(v) the current estimated full life-cycle cost of such major system, expressed in constant dollars and current year dollars;

“(vi) a statement of the reasons for any increases in the full life-cycle cost of such major system;

“(vii) the current change and the total change, in dollars and expressed as a percentage, in the full life-cycle cost applicable to such major system, stated both in constant dollars and current year dollars;

“(viii) the completion status of such major system expressed as the percentage—

“(I) of the total number of years for which funds have been appropriated for such major system compared to the number of years for which it is planned that such funds will be appropriated; and

“(II) of the amount of funds that have been appropriated for such major system compared to the total amount of such funds which it is planned will be appropriated;

“(ix) the action taken and proposed to be taken to control future cost growth of such major system; and

“(x) any changes made in the performance or schedule of such major system and the extent to which such changes have contributed to the increase in full life-cycle costs of such major system.

“(C) The certification described in this subparagraph is a written certification made by the Director and submitted to the congressional intelligence committees that—

“(i) the acquisition of such major system is essential to the national security;

“(ii) there are no alternatives to such major system that will provide equal or greater intelligence capability at equal or lesser cost to completion;

“(iii) the new estimates of the full life-cycle cost for such major system are reasonable; and

“(iv) the management structure for the acquisition of such major system is adequate to manage and control full life-cycle cost of such major system.

“(b) COST INCREASES OF AT LEAST 40 PERCENT.—(1) If the Director of National Intelligence determines that the acquisition cost

of a major system has increased by at least 40 percent as compared to the baseline cost of such major system, the President shall submit to the congressional intelligence committees a written certification stating that—

“(A) the acquisition of such major system is essential to the national security;

“(B) there are no alternatives to such major system that will provide equal or greater intelligence capability at equal or lesser cost to completion;

“(C) the new estimates of the full life-cycle cost for such major system are reasonable; and

“(D) the management structure for the acquisition of such major system is adequate to manage and control the full life-cycle cost of such major system.

“(2) In addition to the certification required by paragraph (1), the Director of National Intelligence shall submit to the congressional intelligence committees an updated notification, with current accompanying information, as required by subsection (a)(2).

“(c) PROHIBITION ON OBLIGATION OF FUNDS.—(1) If a written certification required under subsection (a)(2)(A) is not submitted to the congressional intelligence committees within 30 days of the determination made under subsection (a)(1), funds appropriated for the acquisition of a major system may not be obligated for a major contract under the program. Such prohibition on the obligation of funds shall cease to apply at the end of the 30-day period of a continuous session of Congress that begins on the date on which Congress receives the notification required under subsection (a)(2)(A).

“(2) If a written certification required under subsection (b)(1) is not submitted to the congressional intelligence committees within 30 days of the determination made under subsection (b)(1), funds appropriated for the acquisition of a major system may not be obligated for a major contract under the program. Such prohibition on the obligation of funds for the acquisition of a major system shall cease to apply at the end of the 30-day period of a continuous session of Congress that begins on the date on which Congress receives the notification required under subsection (b)(2).

“(d) DEFINITIONS.—In this section:

“(1) The term ‘acquisition cost’ has the meaning given that term in section 506E(d).

“(2) The term ‘baseline cost’, with respect to a major system, means the projected acquisition cost of such system on the date the contract for the development, procurement, and construction of the system is awarded.

“(3) The term ‘full life-cycle cost’ has the meaning given that term in section 506E(d).

“(4) The term ‘independent cost estimate’ has the meaning given that term in section 506A(e).

“(5) The term ‘major system’ has the meaning given that term in section 506A(e).”.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act, as amended by sections 314 through 317 of this Act, is further amended by inserting after the items relating to section 506E, as added by section 317(b), the following new item:

“Sec. 506F. Excessive cost growth of major systems.”.

SEC. 319. SUBMITTAL TO CONGRESS OF CERTAIN COURT ORDERS UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

(a) INCLUSION OF CERTAIN ORDERS IN SEMI-ANNUAL REPORTS OF ATTORNEY GENERAL.—Subsection (a)(5) of section 601 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1871) is amended by striking “(not including orders)” and inserting “, orders;”.

(b) REPORTS BY ATTORNEY GENERAL ON CERTAIN OTHER ORDERS.—That section is further amended by adding at the end the following new subsection:

“(c) The Attorney General shall submit to the committees of Congress referred to in subsection (a)—

“(1) a copy of any decision, order, or opinion issued by the Foreign Intelligence Surveillance Court or the Foreign Intelligence Surveillance Court of Review that includes significant construction or interpretation of any provision of this Act, and any pleadings associated with such decision, order, or opinion, not later than 45 days after such decision, order, or opinion is issued; and

“(2) a copy of any such decision, order, or opinion, and the pleadings associated with such decision, order, or opinion, that was issued during the 5-year period ending on the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2008 and not previously submitted in a report under subsection (a).”.

SEC. 320. SUBMITTAL TO CONGRESS OF CERTAIN PRESIDENT'S DAILY BRIEFS ON IRAQ.

(a) IN GENERAL.—The Director of National Intelligence shall submit to the congressional intelligence committees any President's Daily Brief (PDB), or any portion of a President's Daily Brief, of the Director of Central Intelligence during the period beginning on January 20, 1997, and ending on March 19, 2003, that refers to Iraq or otherwise addresses Iraq in any fashion.

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

(1) the Select Committee on Intelligence of the Senate; and

(2) the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 321. NATIONAL INTELLIGENCE ESTIMATE ON GLOBAL CLIMATE CHANGE.

(a) REQUIREMENT FOR NATIONAL INTELLIGENCE ESTIMATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), not later than 270 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to Congress a National Intelligence Estimate (NIE) on the anticipated geopolitical effects of global climate change and the implications of such effects on the national security of the United States.

(2) NOTICE REGARDING SUBMITTAL.—If the Director of National Intelligence determines that the National Intelligence Estimate required by paragraph (1) cannot be submitted by the date specified in that paragraph, the Director shall notify Congress and provide—

(A) the reasons that the National Intelligence Estimate cannot be submitted by such date; and

(B) an anticipated date for the submittal of the National Intelligence Estimate.

(b) CONTENT.—The Director of National Intelligence shall prepare the National Intelligence Estimate required by this section using the mid-range projections of the fourth assessment report of the Intergovernmental Panel on Climate Change—

(1) to assess the political, social, agricultural, and economic risks during the 30-year period beginning on the date of the enactment of this Act posed by global climate change for countries or regions that are—

(A) of strategic economic or military importance to the United States and at risk of significant impact due to global climate change; or

(B) at significant risk of large-scale humanitarian suffering with cross-border implications as predicted on the basis of the assessments;

(2) to assess other risks posed by global climate change, including increased conflict

over resources or between ethnic groups, within countries or transnationally, increased displacement or forced migrations of vulnerable populations due to inundation or other causes, increased food insecurity, and increased risks to human health from infectious disease;

(3) to assess the capabilities of the countries or regions described in subparagraph (A) or (B) of paragraph (1) to respond to adverse impacts caused by global climate change; and

(4) to make recommendations for further assessments of security consequences of global climate change that would improve national security planning.

(c) **COORDINATION.**—In preparing the National Intelligence Estimate under this section, the Director of National Intelligence shall consult with representatives of the scientific community, including atmospheric and climate studies, security studies, conflict studies, economic assessments, and environmental security studies, the Secretary of Defense, the Secretary of State, the Administrator of the National Oceanographic and Atmospheric Administration, the Administrator of the National Aeronautics and Space Administration, the Administrator of the Environmental Protection Agency, the Secretary of Energy, and the Secretary of Agriculture, and, if appropriate, multilateral institutions and allies of the United States that have conducted significant research on global climate change.

(d) **ASSISTANCE.**—

(1) **AGENCIES OF THE UNITED STATES.**—In order to produce the National Intelligence Estimate required by subsection (a), the Director of National Intelligence may request any appropriate assistance from any agency, department, or other entity of the United States Government and such agency, department, or other entity shall provide the assistance requested.

(2) **OTHER ENTITIES.**—In order to produce the National Intelligence Estimate required by subsection (a), the Director of National Intelligence may request any appropriate assistance from any other person or entity.

(3) **REIMBURSEMENT.**—The Director of National Intelligence is authorized to provide appropriate reimbursement to the head of an agency, department, or entity of the United States Government that provides support requested under paragraph (1) or any other person or entity that provides assistance requested under paragraph (2).

(4) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Director of National Intelligence such sums as may be necessary to carry out this subsection.

(e) **FORM.**—The National Intelligence Estimate required by this section shall be submitted in unclassified form, to the extent consistent with the protection of intelligence sources and methods, and include unclassified key judgments of the National Intelligence Estimate. The National Intelligence Estimate may include a classified annex.

(f) **DUPLICATION.**—If the Director of National Intelligence determines that a National Intelligence Estimate, or other formal, coordinated intelligence product that meets the procedural requirements of a National Intelligence Estimate, has been prepared that includes the content required by subsection (b) prior to the date of the enactment of this Act, the Director of National Intelligence shall not be required to produce the National Intelligence Estimate required by subsection (a).

SEC. 322. REPEAL OF CERTAIN REPORTING REQUIREMENTS.

(a) **ANNUAL REPORT ON INTELLIGENCE.**—

(1) **REPEAL.**—Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) is repealed.

(2) **CLERICAL AMENDMENT.**—The table of contents in the first section of the National Security Act of 1947 is amended by striking the item relating to section 109.

(b) **ANNUAL AND SPECIAL REPORTS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS.**—Section 112 of the National Security Act of 1947 (50 U.S.C. 404g) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.

(c) **ANNUAL REPORT ON SAFETY AND SECURITY OF RUSSIAN NUCLEAR FACILITIES AND FORCES.**—Section 114 of the National Security Act of 1947 (50 U.S.C. 404i) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively.

(d) **ANNUAL CERTIFICATION ON COUNTER-INTELLIGENCE INITIATIVES.**—Section 1102(b) of the National Security Act of 1947 (50 U.S.C. 442a(b)) is amended—

(1) by striking “(1)”;

(2) by striking paragraph (2).

(e) **REPORT AND CERTIFICATION UNDER TERRORIST IDENTIFICATION CLASSIFICATION SYSTEM.**—Section 343 of the Intelligence Authorization Act for Fiscal Year 2003 (50 U.S.C. 404n–2) is amended—

(1) by striking subsection (d); and

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

(f) **ANNUAL REPORT ON COUNTERDRUG INTELLIGENCE MATTERS.**—Section 826 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107–306; 116 Stat. 2429; 21 U.S.C. 873 note) is repealed.

(g) **SEMIANNUAL REPORT ON CONTRIBUTIONS TO PROLIFERATION EFFORTS OF COUNTRIES OF PROLIFERATION CONCERN.**—Section 722 of the Combatting Proliferation of Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2369) is repealed.

(h) **CONFORMING AMENDMENTS.**—Section 507(a) of the National Security Act of 1947 (50 U.S.C. 415b(a)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraphs (A) and (B); and

(B) by redesignating subparagraphs (C) through (N) as subparagraphs (A) through (L), respectively; and

(2) in paragraph (2)—

(A) by striking subparagraphs (A) and (D);

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(C) in subparagraph (A), as redesignated by subparagraph (B) of this paragraph, by striking “114(c)” and inserting “114(b)”.

TITLE IV—MATTERS RELATING TO ELEMENTS OF THE INTELLIGENCE COMMUNITY

Subtitle A—Office of the Director of National Intelligence

SEC. 401. REQUIREMENTS FOR ACCOUNTABILITY REVIEWS BY THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) **RESPONSIBILITY OF THE DIRECTOR OF NATIONAL INTELLIGENCE.**—Subsection (b) of section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended—

(1) in paragraph (2), by striking “and” at the end;

(2) in paragraph (3)—

(A) by striking “2004,” and inserting “2004 (50 U.S.C. 403 note),”; and

(B) by striking the period at the end and inserting a semicolon and “and”; and

(3) by inserting after paragraph (3), the following new paragraph:

“(4) conduct accountability reviews of elements of the intelligence community and the personnel of such elements, if appropriate.”.

(b) **TASKING AND OTHER AUTHORITIES.**—Subsection (f) of section 102A of such Act (50 U.S.C. 403–1) is amended—

(1) by redesignating paragraphs (7) and (8), as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6), the following new paragraph:

“(7)(A) The Director of National Intelligence shall, if the Director determines it is necessary or if requested by a congressional intelligence committee, conduct accountability reviews of elements of the intelligence community or the personnel of such elements in relation to significant failures or deficiencies within the intelligence community.

“(B) The Director of National Intelligence, in consultation with the Attorney General, shall establish guidelines and procedures for conducting accountability reviews under subparagraph (A).

“(C) The requirements of this paragraph shall not limit any authority of the Director of National Intelligence under subsection (m) or with respect to supervision of the Central Intelligence Agency.”.

SEC. 402. ADDITIONAL AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE ON INTELLIGENCE INFORMATION SHARING.

(a) **AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE.**—Section 102A(g)(1) of the National Security Act of 1947 (50 U.S.C. 403–1(g)(1)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

“(G) in carrying out this subsection, without regard to any other provision of law (other than this Act and the National Security Intelligence Reform Act of 2004 (title I of Public Law 108–458)), expend funds and make funds available to other department or agencies of the United States for, and direct the development and fielding of, systems of common concern related to the collection, processing, analysis, exploitation, and dissemination of intelligence information; and

“(H) for purposes of addressing critical gaps in intelligence information sharing or access capabilities, have the authority to transfer funds appropriated for a program within the National Intelligence Program to a program funded by appropriations not within the National Intelligence Program, consistent with paragraphs (3) through (7) of subsection (d).”.

(b) **AUTHORITIES OF HEADS OF OTHER DEPARTMENTS AND AGENCIES.**—Notwithstanding any other provision of law, the head of any department or agency of the United States is authorized to receive and utilize funds made available to the department or agency by the Director of National Intelligence pursuant to section 102A(g)(1) of the National Security Act of 1947 (50 U.S.C. 403–1(g)(1)), as amended by subsection (a), and receive and utilize any system referred to in such section that is made available to the department or agency.

SEC. 403. MODIFICATION OF LIMITATION ON DELEGATION BY THE DIRECTOR OF NATIONAL INTELLIGENCE OF THE PROTECTION OF INTELLIGENCE SOURCES AND METHODS.

Section 102A(i)(3) of the National Security Act of 1947 (50 U.S.C. 403–1(i)(3)) is amended by inserting before the period the following: “, any Deputy Director of National Intelligence, or the Chief Information Officer of the Intelligence Community[, or the head of any element of the intelligence community]”.

SEC. 404. ADDITIONAL ADMINISTRATIVE AUTHORITY OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

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

“(s) **ADDITIONAL ADMINISTRATIVE AUTHORITIES.**—(1) Notwithstanding section 1346 of title 31, United States Code, or any other provision of law prohibiting the interagency financing of activities described in subparagraph (A) or (B), upon the request of the Director of National Intelligence, any element of the intelligence community may use appropriated funds to support or participate in the interagency activities of the following:

“(A) National intelligence centers established by the Director under section 119B.

“(B) Boards, commissions, councils, committees, and similar groups that are established—

“(i) for a term of not more than two years; and

“(ii) by the Director.

“(2) No provision of law enacted after the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2008 shall be construed to limit or supersede the authority in paragraph (1) unless such provision makes specific reference to the authority in that paragraph.”

SEC. 405. ENHANCEMENT OF AUTHORITY OF THE DIRECTOR OF NATIONAL INTELLIGENCE FOR FLEXIBLE PERSONNEL MANAGEMENT AMONG THE ELEMENTS OF THE INTELLIGENCE COMMUNITY.

Section 102A of the National Security Act of 1947 (50 U.S.C. 403-1), as amended by section 404 of this Act, is further amended by adding at the end the following new subsections:

“(t) **AUTHORITY TO ESTABLISH POSITIONS IN EXCEPTED SERVICE.**—(1) The Director of National Intelligence may, with the concurrence of the head of the department or agency concerned and in coordination with the Director of the Office of Personnel Management—

“(A) convert such competitive service positions, and their incumbents, within an element of the intelligence community to excepted service positions as the Director of National Intelligence determines necessary to carry out the intelligence functions of such element; and

“(B) establish the classification and ranges of rates of basic pay for positions so converted, notwithstanding otherwise applicable laws governing the classification and rates of basic pay for such positions.

“(2)(A) At the request of the Director of National Intelligence, the head of a department or agency may establish new positions in the excepted service within an element of such department or agency that is part of the intelligence community if the Director determines that such positions are necessary to carry out the intelligence functions of such element.

“(B) The Director of National Intelligence may establish the classification and ranges of rates of basic pay for any position established under subparagraph (A), notwithstanding otherwise applicable laws governing the classification and rates of basic pay for such positions.

“(3) The head of the department or agency concerned is authorized to appoint individuals for service in positions converted under paragraph (1) or established under paragraph (2) without regard to the provisions of chapter 33 of title 5, United States Code, governing appointments in the competitive service, and to fix the compensation of such individuals within the applicable ranges of rates of basic pay established by the Director of National Intelligence.

“(4) The maximum rate of basic pay established under this subsection is the rate for level III of the Executive Schedule under section 5314 of title 5, United States Code.

“(u) **PAY AUTHORITY FOR CRITICAL POSITIONS.**—(1) Notwithstanding any pay limitation established under any other provision of law applicable to employees in elements of the intelligence community, the Director of National Intelligence may, in consultation with the Director of the Office of Personnel Management and the Director of the Office of Management and Budget, grant authority to fix the rate of basic pay for one or more positions within the intelligence community at a rate in excess of any applicable limitation, subject to the provisions of this subsection. The exercise of authority so granted is at the discretion of the head of the department or agency employing the individual in a position covered by such authority, subject to the provisions of this subsection and any conditions established by the Director of National Intelligence when granting such authority.

“(2) Authority under this subsection may be granted or exercised—

“(A) only with respect to a position which requires an extremely high level of expertise and is critical to successful accomplishment of an important mission; and

“(B) only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position.

“(3) A rate of basic pay may not be fixed under this subsection at a rate greater than the rate payable for level II of the Executive Schedule under section 5312 of title 5, United States Code, except upon written approval of the Director of National Intelligence or as otherwise authorized by law.

“(4) A rate of basic pay may not be fixed under this subsection at a rate greater than the rate payable for level I of the Executive Schedule under section 5311 of title 5, United States Code, except upon written approval of the President in response to a request by the Director of National Intelligence or as otherwise authorized by law.

“(5) Any grant of authority under this subsection for a position shall terminate at the discretion of the Director of National Intelligence.

“(v) **EXTENSION OF FLEXIBLE PERSONNEL MANAGEMENT AUTHORITIES.**—(1) Notwithstanding any other provision of law, in order to ensure the equitable treatment of employees across the intelligence community, the Director of National Intelligence may, with the concurrence of the head of the department or agency concerned, or for those matters that fall under the responsibilities of the Office of Personnel Management under statute or Executive Order, in coordination with the Director of the Office of Personnel Management, authorize one or more elements of the intelligence community to adopt compensation authority, performance management authority, and scholarship authority that have been authorized for another element of the intelligence community if the Director of National Intelligence—

“(A) determines that the adoption of such authority would improve the management and performance of the intelligence community, and

“(B) submits to the congressional intelligence committees, not later than 60 days before such authority is to take effect, notice of the adoption of such authority by such element or elements, including the authority to be so adopted, and an estimate of the costs associated with the adoption of such authority.

“(2) To the extent that an existing compensation authority within the intelligence community is limited to a particular category of employees or a particular situation,

the authority may be adopted in another element of the intelligence community under this subsection only for employees in an equivalent category or in an equivalent situation.

“(3) In this subsection, the term ‘compensation authority’ means authority involving basic pay (including position classification), premium pay, awards, bonuses, incentives, allowances, differentials, student loan repayments, and special payments, but does not include authorities as follows:

“(A) Authorities related to benefits such as leave, severance pay, retirement, and insurance.

“(B) Authority to grant Presidential Rank Awards under sections 4507 and 4507a of title 5, United States Code, section 3151(c) of title 31, United States Code, and any other provision of law.

“(C) Compensation authorities and performance management authorities provided under provisions of law relating to the Senior Executive Service.”

SEC. 406. CLARIFICATION OF LIMITATION ON COLOCATION OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

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

(1) by striking “WITH” and inserting “OF HEADQUARTERS WITH HEADQUARTERS OF”;

(2) by inserting “the headquarters of” before “the Office”; and

(3) by striking “any other element” and inserting “the headquarters of any other element”.

SEC. 407. ADDITIONAL DUTIES OF THE DIRECTOR OF SCIENCE AND TECHNOLOGY OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

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

(1) in paragraph (3)(A), by inserting “and prioritize” after “coordinate”; and

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

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

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

(1) in subsection (c)—

(A) in paragraph (4), by striking “and” at the end;

(B) by redesignating paragraph (5) as paragraph (9); and

(C) by inserting after paragraph (4) the following new paragraphs:

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

“(6) under the direction of the Director, establish engineering standards and specifications applicable to each acquisition of a major system (as that term is defined in section 506A(e)(3)) by the intelligence community;

“(7) develop 15-year projections and assessments of the needs of the intelligence community to ensure a robust Federal scientific and engineering workforce and the means to recruit such a workforce through integrated scholarships across the intelligence community, including research grants and cooperative work-study programs;

“(8) ensure that each acquisition program of the intelligence community for a major system (as so defined) complies with the standards and specifications established under paragraph (6); and”

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

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

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

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

“(3) assist the Director of National Intelligence in establishing research and development priorities and projects for the intelligence community that—

“(A) are consistent with current or future national intelligence requirements;

“(B) address deficiencies or gaps in the collection, processing, analysis, or dissemination of national intelligence;

“(C) take into account funding constraints in program development and acquisition; and

“(D) address system requirements from collection to final dissemination (also known as ‘end-to-end architecture’).”.

(c) REPORT.—

(1) IN GENERAL.—Not later than June 30, 2008, the Director of National Intelligence shall submit to Congress a report containing a strategy for the development and use of technology in the intelligence community through 2021.

(2) ELEMENTS.—The report under paragraph (1) shall include—

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

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

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

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

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

(3) FORM.—The report under paragraph (1) may be submitted in classified form.

SEC. 408. TITLE OF CHIEF INFORMATION OFFICER OF THE INTELLIGENCE COMMUNITY.

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

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

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

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

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

SEC. 409. RESERVE FOR CONTINGENCIES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) ESTABLISHMENT.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by inserting after section 103G the following new section:

“RESERVE FOR CONTINGENCIES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

“SEC. 103H. (a) IN GENERAL.—There is established a fund to be known as the ‘Reserve for Contingencies of the Office of the Director of National Intelligence’ (in this section referred to as the ‘Reserve’).

“(b) ELEMENTS.—(1) The Reserve shall consist of the following elements:

“(A) Amounts authorized to be appropriated to the Reserve.

“(B) Amounts authorized to be transferred to or deposited in the Reserve by law.

“(2) No amount may be transferred to the Reserve under subparagraph (B) of paragraph (1) during a fiscal year after the date on which a total of \$50,000,000 has been transferred to or deposited in the Reserve under subparagraph (A) or (B) of such paragraph.

“(c) AMOUNTS AVAILABLE FOR DEPOSIT.—Amounts deposited into the Reserve shall be amounts appropriated to the National Intelligence Program.

“(d) AVAILABILITY OF FUNDS.—(1) Amounts in the Reserve shall be available for such purposes as are provided by law for the Office of the Director of National Intelligence or the separate elements of the intelligence community for support of emerging needs, improvements to program effectiveness, or increased efficiency.

“(2)(A) Subject to subparagraph (B), amounts in the Reserve may be available for a program or activity if—

“(i) the Director of National Intelligence, consistent with the provisions of sections 502 and 503, notifies the congressional intelligence committees of the intention to utilize such amounts for such program or activity; and

“(ii) 15 calendar days elapses after the date of such notification.

“(B) In addition to the requirements in subparagraph (A), amounts in the Reserve may be available for a program or activity not previously authorized by Congress only with the approval of the Director the Office of Management and Budget.

“(3) Use of any amounts in the Reserve shall be subject to the direction and approval of the Director of National Intelligence, or the designee of the Director, and shall be subject to such procedures as the Director may prescribe.

“(4) Amounts transferred to or deposited in the Reserve in a fiscal year under subsection (b) shall be available under this subsection in such fiscal year and the fiscal year following such fiscal year.”.

(b) APPLICABILITY.—No funds appropriated prior to the date of the enactment of this Act may be transferred to or deposited in the Reserve for Contingencies of the Office of the Director of National Intelligence established in section 103H of the National Security Act of 1947, as added by subsection (a).

(c) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947 is amended by inserting after the item relating to section 103G the following new item:

“Sec. 103H. Reserve for Contingencies of the Office of the Director of National Intelligence.”.

SEC. 410. INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.), as amended by section 409 of this Act, is further amended by inserting after section 103H the following new section:

“INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY

“SEC. 103I. (a) OFFICE OF INSPECTOR GENERAL OF INTELLIGENCE COMMUNITY.—There is within the Office of the Director of National Intelligence an Office of the Inspector General of the Intelligence Community.

“(b) PURPOSE.—The purpose of the Office of the Inspector General of the Intelligence Community is to—

“(1) create an objective and effective office, appropriately accountable to Congress,

to initiate and conduct independently investigations, inspections, and audits on matters within the responsibility and authority of the Director of National Intelligence;

“(2) recommend policies designed—

“(A) to promote economy, efficiency, and effectiveness in the administration and implementation of matters within the responsibility and authority of the Director of National Intelligence; and

“(B) to prevent and detect fraud and abuse in such matters;

“(3) provide a means for keeping the Director of National Intelligence fully and currently informed about—

“(A) problems and deficiencies relating to matters within the responsibility and authority of the Director of National Intelligence; and

“(B) the necessity for, and the progress of, corrective actions; and

“(4) in the manner prescribed by this section, ensure that the congressional intelligence committees are kept similarly informed of—

“(A) significant problems and deficiencies relating to matters within the responsibility and authority of the Director of National Intelligence; and

“(B) the necessity for, and the progress of, corrective actions.

“(c) INSPECTOR GENERAL OF INTELLIGENCE COMMUNITY.—(1) There is an Inspector General of the Intelligence Community, who shall be the head of the Office of the Inspector General of the Intelligence Community, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The nomination of an individual for appointment as Inspector General shall be made—

“(A) without regard to political affiliation;

“(B) solely on the basis of integrity, compliance with the security standards of the intelligence community, and prior experience in the field of intelligence or national security; and

“(C) on the basis of demonstrated ability in accounting, financial analysis, law, management analysis, public administration, or auditing.

“(3) The Inspector General shall report directly to and be under the general supervision of the Director of National Intelligence.

“(4) The Inspector General may be removed from office only by the President. The President shall immediately communicate in writing to the congressional intelligence committees the reasons for the removal of any individual from the position of Inspector General.

“(d) DUTIES AND RESPONSIBILITIES.—Subject to subsections (g) and (h), it shall be the duty and responsibility of the Inspector General of the Intelligence Community—

“(1) to provide policy direction for, and to plan, conduct, supervise, and coordinate independently, the investigations, inspections, and audits relating to matters within the responsibility and authority of the Director of National Intelligence to ensure they are conducted efficiently and in accordance with applicable law and regulations;

“(2) to keep the Director of National Intelligence fully and currently informed concerning violations of law and regulations, violations of civil liberties and privacy, and fraud and other serious problems, abuses, and deficiencies that may occur in matters within the responsibility and authority of the Director, and to report the progress made in implementing corrective action;

“(3) to take due regard for the protection of intelligence sources and methods in the preparation of all reports issued by the Inspector General, and, to the extent consistent with the purpose and objective of

such reports, take such measures as may be appropriate to minimize the disclosure of intelligence sources and methods described in such reports; and

“(4) in the execution of the duties and responsibilities under this section, to comply with generally accepted government auditing standards.

“(e) LIMITATIONS ON ACTIVITIES.—(1) The Director of National Intelligence may prohibit the Inspector General of the Intelligence Community from initiating, carrying out, or completing any investigation, inspection, or audit if the Director determines that such prohibition is necessary to protect vital national security interests of the United States.

“(2) If the Director exercises the authority under paragraph (1), the Director shall submit an appropriately classified statement of the reasons for the exercise of such authority within 7 days to the congressional intelligence committees.

“(3) The Director shall advise the Inspector General at the time a report under paragraph (2) is submitted, and, to the extent consistent with the protection of intelligence sources and methods, provide the Inspector General with a copy of such report.

“(4) The Inspector General may submit to the congressional intelligence committees any comments on a report of which the Inspector General has notice under paragraph (3) that the Inspector General considers appropriate.

“(f) AUTHORITIES.—(1) The Inspector General of the Intelligence Community shall have direct and prompt access to the Director of National Intelligence when necessary for any purpose pertaining to the performance of the duties of the Inspector General.

“(2)(A) The Inspector General shall have access to any employee, or any employee of a contractor, of any element of the intelligence community whose testimony is needed for the performance of the duties of the Inspector General.

“(B) The Inspector General shall have direct access to all records, reports, audits, reviews, documents, papers, recommendations, or other material which relate to the programs and operations with respect to which the Inspector General has responsibilities under this section.

“(C) The level of classification or compartmentation of information shall not, in and of itself, provide a sufficient rationale for denying the Inspector General access to any materials under subparagraph (B).

“(D) Failure on the part of any employee, or any employee of a contractor, of any element of the intelligence community to cooperate with the Inspector General shall be grounds for appropriate administrative actions by the Director or, on the recommendation of the Director, other appropriate officials of the intelligence community, including loss of employment or the termination of an existing contractual relationship.

“(3) The Inspector General is authorized to receive and investigate complaints or information from any person concerning the existence of an activity constituting a violation of laws, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health and safety. Once such complaint or information has been received from an employee of the Federal Government—

“(A) the Inspector General shall not disclose the identity of the employee without the consent of the employee, unless the Inspector General determines that such disclosure is unavoidable during the course of the investigation or the disclosure is made to an official of the Department of Justice respon-

sible for determining whether a prosecution should be undertaken; and

“(B) no action constituting a reprisal, or threat of reprisal, for making such complaint may be taken by any employee in a position to take such actions, unless the complaint was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

“(4) The Inspector General shall have authority to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the duties of the Inspector General, which oath, affirmation, or affidavit when administered or taken by or before an employee of the Office of the Inspector General of the Intelligence Community designated by the Inspector General shall have the same force and effect as if administered or taken by or before an officer having a seal.

“(5)(A) Except as provided in subparagraph (B), the Inspector General is authorized to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of the duties and responsibilities of the Inspector General.

“(B) In the case of departments, agencies, and other elements of the United States Government, the Inspector General shall obtain information, documents, reports, answers, records, accounts, papers, and other data and evidence for the purpose specified in subparagraph (A) using procedures other than by subpoenas.

“(C) The Inspector General may not issue a subpoena for or on behalf of any other element of the intelligence community, including the Office of the Director of National Intelligence.

“(D) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, the subpoena shall be enforceable by order of any appropriate district court of the United States.

“(g) COORDINATION AMONG INSPECTORS GENERAL OF INTELLIGENCE COMMUNITY.—(1)(A) In the event of a matter within the jurisdiction of the Inspector General of the Intelligence Community that may be subject to an investigation, inspection, or audit by both the Inspector General of the Intelligence Community and an Inspector General, whether statutory or administrative, with oversight responsibility for an element or elements of the intelligence community, the Inspector General of the Intelligence Community and such other Inspector or Inspectors General shall expeditiously resolve the question of which Inspector General shall conduct such investigation, inspection, or audit.

“(B) In attempting to resolve a question under subparagraph (A), the Inspectors General concerned may request the assistance of the Intelligence Community Inspectors General Forum established under subparagraph (C). In the event that the Inspectors General are unable to resolve the question with assistance of that Forum, the Inspectors General shall submit the question to the Director of National Intelligence for resolution. *In the event of a dispute between an Inspector General within the Department of Defense and the Inspector General of the Intelligence Community that has not been resolved with the assistance of the Forum, the Inspectors General shall submit the question to the Director of National Intelligence and the Secretary of Defense for resolution.*

“(C) There is established the Intelligence Community Inspectors General Forum which shall consist of all statutory or administrative Inspectors General with oversight responsibility for an element or elements of the intelligence community. The Inspector

General of the Intelligence Community shall serve as the chair of the Forum. The Forum shall have no administrative authority over any Inspector General, but shall serve as a mechanism for informing its members of the work of individual members of the Forum that may be of common interest and discussing questions about jurisdiction or access to employees, employees of a contractor, records, audits, reviews, documents, recommendations, or other materials that may involve or be of assistance to more than one of its members.

“(2) The Inspector General conducting an investigation, inspection, or audit covered by paragraph (1) shall submit the results of such investigation, inspection, or audit to any other Inspector General, including the Inspector General of the Intelligence Community, with jurisdiction to conduct such investigation, inspection, or audit who did not conduct such investigation, inspection, or audit.

“(h) STAFF AND OTHER SUPPORT.—(1) The Inspector General of the Intelligence Community shall be provided with appropriate and adequate office space at central and field office locations, together with such equipment, office supplies, maintenance services, and communications facilities and services as may be necessary for the operation of such offices.

“(2)(A) Subject to applicable law and the policies of the Director of National Intelligence, the Inspector General shall select, appoint, and employ such officers and employees as may be necessary to carry out the functions of the Inspector General. The Inspector General shall ensure that any officer or employee so selected, appointed, or employed has security clearances appropriate for the assigned duties of such officer or employee.

“(B) In making selections under subparagraph (A), the Inspector General shall ensure that such officers and employees have the requisite training and experience to enable the Inspector General to carry out the duties of the Inspector General effectively.

“(C) In meeting the requirements of this paragraph, the Inspector General shall create within the Office of the Inspector General of the Intelligence Community a career cadre of sufficient size to provide appropriate continuity and objectivity needed for the effective performance of the duties of the Inspector General.

“(3)(A) Subject to the concurrence of the Director, the Inspector General may request such information or assistance as may be necessary for carrying out the duties and responsibilities of the Inspector General from any department, agency, or other element of the United States Government.

“(B) Upon request of the Inspector General for information or assistance under subparagraph (A), the head of the department, agency, or element concerned shall, insofar as is practicable and not in contravention of any existing statutory restriction or regulation of the department, agency, or element, furnish to the Inspector General, or to an authorized designee, such information or assistance.

“(C) The Inspector General of the Intelligence Community may, upon reasonable notice to the head of any element of the intelligence community, conduct, as authorized by this section, an investigation, inspection, or audit of such element and may enter into any place occupied by such element for purposes of the performance of the duties of the Inspector General.

“(i) REPORTS.—(1)(A) The Inspector General of the Intelligence Community shall, not later than January 31 and July 31 of each year, prepare and submit to the Director of National Intelligence a classified, and, as appropriate, unclassified semiannual report

summarizing the activities of the Office of the Inspector General of the Intelligence Community during the immediately preceding 6-month periods ending December 31 (of the preceding year) and June 30, respectively. *The Inspector General of the Intelligence Community shall provide that portion of the report involving components of the Department of Defense to the Secretary of Defense simultaneously with submission of the report to the Director of National Intelligence.*

“(B) Each report under this paragraph shall include, at a minimum, the following:

“(i) A list of the title or subject of each investigation, inspection, or audit conducted during the period covered by such report, including a summary of the progress of each particular investigation, inspection, or audit since the preceding report of the Inspector General under this paragraph.

“(ii) A description of significant problems, abuses, and deficiencies relating to the administration and implementation of programs and operations of the intelligence community, and in the relationships between elements of the intelligence community, identified by the Inspector General during the period covered by such report.

“(iii) A description of the recommendations for corrective or disciplinary action made by the Inspector General during the period covered by such report with respect to significant problems, abuses, or deficiencies identified in clause (ii).

“(iv) A statement whether or not corrective or disciplinary action has been completed on each significant recommendation described in previous semiannual reports, and, in a case where corrective action has been completed, a description of such corrective action.

“(v) A certification whether or not the Inspector General has had full and direct access to all information relevant to the performance of the functions of the Inspector General.

“(vi) A description of the exercise of the subpoena authority under subsection (f)(5) by the Inspector General during the period covered by such report.

“(vii) Such recommendations as the Inspector General considers appropriate for legislation to promote economy, efficiency, and effectiveness in the administration and implementation of matters within the responsibility and authority of the Director of National Intelligence, and to detect and eliminate fraud and abuse in such matters.

“(C) Not later than the 30 days after the date of receipt of a report under subparagraph (A), the Director shall transmit the report to the congressional intelligence committees together with any comments the Director considers appropriate. *The Director shall transmit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives that portion of the report involving components of the Department of Defense simultaneously with submission of the report to the congressional intelligence committees.*

“(2)(A) The Inspector General shall report immediately to the Director whenever the Inspector General becomes aware of particularly serious or flagrant problems, abuses, or deficiencies relating to matters within the responsibility and authority of the Director of National Intelligence.

“(B) The Director shall transmit to the [congressional intelligence committees] *congressional intelligence committees, and as appropriate the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives relating to matters within the Department of Defense, each report under subparagraph (A) within seven calendar days of receipt of such report, together with such comments as the Director considers appropriate.*

“(3) In the event that—

“(A) the Inspector General is unable to resolve any differences with the Director affecting the execution of the duties or responsibilities of the Inspector General;

“(B) an investigation, inspection, or audit carried out by the Inspector General focuses on any current or former intelligence community official who—

“(i) holds or held a position in an element of the intelligence community that is subject to appointment by the President, whether or not by and with the advice and consent of the Senate, including such a position held on an acting basis;

“(ii) holds or held a position in an element of the intelligence community, including a position held on an acting basis, that is appointed by the Director of National Intelligence; or

“(iii) holds or held a position as head of an element of the intelligence community or a position covered by subsection (b) or (c) of section 106;

“(C) a matter requires a report by the Inspector General to the Department of Justice on possible criminal conduct by a current or former official described in subparagraph (B);

“(D) the Inspector General receives notice from the Department of Justice declining or approving prosecution of possible criminal conduct of any current or former official described in subparagraph (B); or

“(E) the Inspector General, after exhausting all possible alternatives, is unable to obtain significant documentary information in the course of an investigation, inspection, or audit,

the Inspector General shall immediately notify and submit a report on such matter to the congressional intelligence committees.

“(4) Pursuant to title V, the Director shall submit to the congressional intelligence committees any report or findings and recommendations of an investigation, inspection, or audit conducted by the office which has been requested by the Chairman or Vice Chairman or Ranking Minority Member of either committee.

“(5)(A) An employee of an element of the intelligence community, an employee assigned or detailed to an element of the intelligence community, or an employee of a contractor to the intelligence community who intends to report to Congress a complaint or information with respect to an urgent concern may report such complaint or information to the Inspector General.

“(B) Not later than the end of the 14-calendar day period beginning on the date of receipt from an employee of a complaint or information under subparagraph (A), the Inspector General shall determine whether the complaint or information appears credible. Upon making such a determination, the Inspector General shall transmit to the Director a notice of that determination, together with the complaint or information.

“(C) Upon receipt of a transmittal from the Inspector General under subparagraph (B), the Director shall, within seven calendar days of such receipt, forward such transmittal to the congressional intelligence committees, together with any comments the Director considers appropriate.

“(D)(i) If the Inspector General does not find credible under subparagraph (B) a complaint or information submitted under subparagraph (A), or does not transmit the complaint or information to the Director in accurate form under subparagraph (B), the employee (subject to clause (ii)) may submit the complaint or information to Congress by contacting either or both of the congressional intelligence committees directly.

“(ii) An employee may contact the intelligence committees directly as described in clause (i) only if the employee—

“(I) before making such a contact, furnishes to the Director, through the Inspector General, a statement of the employee's complaint or information and notice of the employee's intent to contact the congressional intelligence committees directly; and

“(II) obtains and follows from the Director, through the Inspector General, direction on how to contact the intelligence committees in accordance with appropriate security practices.

“(iii) A member or employee of one of the congressional intelligence committees who receives a complaint or information under clause (i) does so in that member or employee's official capacity as a member or employee of such committee.

“(E) The Inspector General shall notify an employee who reports a complaint or information to the Inspector General under this paragraph of each action taken under this paragraph with respect to the complaint or information. Such notice shall be provided not later than 3 days after any such action is taken.

“(F) An action taken by the Director or the Inspector General under this paragraph shall not be subject to judicial review.

“(G) In this paragraph, the term ‘urgent concern’ means any of the following:

“(i) A serious or flagrant problem, abuse, violation of law or Executive order, or deficiency relating to the funding, administration, or operation of an intelligence activity involving classified information, but does not include differences of opinions concerning public policy matters.

“(ii) A false statement to Congress, or a willful withholding from Congress, on an issue of material fact relating to the funding, administration, or operation of an intelligence activity.

“(iii) An action, including a personnel action described in section 2302(a)(2)(A) of title 5, United States Code, constituting reprisal or threat of reprisal prohibited under subsection (f)(3)(B) of this section in response to an employee's reporting an urgent concern in accordance with this paragraph.

“(H) In support of this paragraph, Congress makes the findings set forth in paragraphs (1) through (6) of section 701(b) of the Intelligence Community Whistleblower Protection Act of 1998 (title VII of Public Law 105-272; 5 U.S.C. App. 8H note).

“(6) In accordance with section 535 of title 28, United States Code, the Inspector General shall report to the Attorney General any information, allegation, or complaint received by the Inspector General relating to violations of Federal criminal law that involves a program or operation of an element of the intelligence community, or in the relationships between the elements of the intelligence community, consistent with such guidelines as may be issued by the Attorney General pursuant to subsection (b)(2) of such section. A copy of each such report shall be furnished to the Director.

“(j) SEPARATE BUDGET ACCOUNT.—The Director of National Intelligence shall, in accordance with procedures to be issued by the Director in consultation with the congressional intelligence committees, include in the National Intelligence Program budget a separate account for the Office of Inspector General of the Intelligence Community.

“(k) CONSTRUCTION OF DUTIES REGARDING ELEMENTS OF INTELLIGENCE COMMUNITY.—Except as resolved pursuant to subsection (g), the performance by the Inspector General of the Intelligence Community of any duty, responsibility, or function regarding an element of the intelligence community shall not be construed to modify or effect the duties and responsibilities of any other Inspector General, whether statutory or administrative, having duties and responsibilities relating to such element.”

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947, as amended by section 409 of this Act, is further amended by inserting after the item relating to section 103H the following new item:

“Sec. 103I. Inspector General of the Intelligence Community.”.

(b) REPEAL OF SUPERSEDED AUTHORITY TO ESTABLISH POSITION.—Section 8K of the Inspector General Act of 1978 (5 U.S.C. App.) is repealed.

(c) EXECUTIVE SCHEDULE LEVEL IV.—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

“Inspector General of the Intelligence Community.”.

SEC. 411. LEADERSHIP AND LOCATION OF CERTAIN OFFICES AND OFFICIALS.

(a) NATIONAL COUNTER PROLIFERATION CENTER.—Section 119A(a) of the National Security Act of 1947 (50 U.S.C. 4040-1(a)) is amended—

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

“(a) IN GENERAL.—

“(1) ESTABLISHMENT.—The”; and

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

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

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

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

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

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

“(9) The Chief Information Officer of the Intelligence Community.

“(10) The Inspector General of the Intelligence Community.

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

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

SEC. 412. NATIONAL SPACE INTELLIGENCE OFFICE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

“NATIONAL SPACE INTELLIGENCE OFFICE

“SEC. 119C. (a) ESTABLISHMENT.—There is established within the Office of the Director of National Intelligence a National Space Intelligence Office.

“(b) DIRECTOR OF NATIONAL SPACE INTELLIGENCE OFFICE.—The National Intelligence Officer for Science and Technology, or a successor position designated by the Director of National Intelligence, shall act as the Director of the National Space Intelligence Office.

“(c) MISSIONS.—The National Space Intelligence Office shall have the following missions:

(1) To coordinate and provide policy direction for the management of space-related intelligence assets.

(2) To prioritize collection activities consistent with the National Intelligence Collection Priorities framework, or a successor framework or other document designated by the Director of National Intelligence.

(3) To provide policy direction for programs designed to ensure a sufficient cadre

of government and nongovernment personnel in fields relating to space intelligence, including programs to support education, recruitment, hiring, training, and retention of qualified personnel.

“(4) To evaluate independent analytic assessments of threats to classified United States space intelligence systems throughout all phases of the development, acquisition, and operation of such systems.

“(d) ACCESS TO INFORMATION.—The Director of National Intelligence shall ensure that the National Space Intelligence Office has access to all national intelligence information (as appropriate), and such other information (as appropriate and practical), necessary for the Office to carry out the missions of the Office under subsection (c).

“(e) SEPARATE BUDGET ACCOUNT.—The Director of National Intelligence shall include in the National Intelligence Program budget a separate line item for the National Space Intelligence Office.”.

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947 is amended by inserting after the item relating to section 119B the following new item:

“Sec. 119C. National Space Intelligence Office.”.

(b) REPORT ON ORGANIZATION OF OFFICE.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Director of the National Space Intelligence Office shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives a report on the organizational structure of the National Space Intelligence Office established by section 119C of the National Security Act of 1947 (as added by subsection (a)).

(2) ELEMENTS.—The report required by paragraph (1) shall include the following:

(A) The proposed organizational structure of the National Space Intelligence Office.

(B) An identification of key participants in the Office.

(C) A strategic plan for the Office during the five-year period beginning on the date of the report.

SEC. 413. OPERATIONAL FILES IN THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) IN GENERAL.—Title VII of the National Security Act of 1947 (50 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

“PROTECTION OF CERTAIN FILES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

“SEC. 706. (a) RECORDS FROM EXEMPTED OPERATIONAL FILES.—(1) Any record disseminated or otherwise provided to an element of the Office of the Director of National Intelligence from the exempted operational files of elements of the intelligence community designated in accordance with this title, and any operational files created by the Office of the Director of National Intelligence that incorporate such record in accordance with subparagraph (A)(ii), shall be exempted from the provisions of section 552 of title 5, United States Code that require search, review, publication or disclosure in connection therewith, in any instance in which—

“(A)(i) such record is shared within the Office of the Director of National Intelligence and not disseminated by that Office beyond that Office; or

“(ii) such record is incorporated into new records created by personnel of the Office of the Director of National Intelligence and maintained in operational files of the Office of the Director of National Intelligence and such record is not disseminated by that Office beyond that Office; and

“(B) the operational files from which such record has been obtained continue to remain

designated as operational files exempted from section 552 of title 5, United States Code.

“(2) The operational files of the Office of the Director of National Intelligence referred to in paragraph (1)(A)(ii) shall be similar in nature to the originating operational files from which the record was disseminated or provided, as such files are defined in this title.

“(3) Records disseminated or otherwise provided to the Office of the Director of National Intelligence from other elements of the intelligence community that are not protected by paragraph (1), and that are authorized to be disseminated beyond the Office of the Director of National Intelligence, shall remain subject to search and review under section 552 of title 5, United States Code, but may continue to be exempted from the publication and disclosure provisions of that section by the originating agency to the extent that such section permits.

“(4) Notwithstanding any other provision of this title, records in the exempted operational files of the Central Intelligence Agency, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, the National Security Agency, or the Defense Intelligence Agency shall not be subject to the search and review provisions of section 552 of title 5, United States Code, solely because they have been disseminated to an element or elements of the Office of the Director of National Intelligence, or referenced in operational files of the Office of the Director of National Intelligence and that are not disseminated beyond the Office of the Director of National Intelligence.

“(5) Notwithstanding any other provision of this title, the incorporation of records from the operational files of the Central Intelligence Agency, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, the National Security Agency, or the Defense Intelligence Agency, into operational files of the Office of the Director of National Intelligence shall not subject that record or the operational files of the Central Intelligence Agency, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, the National Security Agency or the Defense Intelligence Agency to the search and review provisions of section 552 of title 5, United States Code.

“(b) OTHER RECORDS.—(1) Files in the Office of the Director of National Intelligence that are not exempted under subsection (a) of this section which contain information derived or disseminated from exempted operational files shall be subject to search and review under section 552 of title 5, United States Code.

“(2) The inclusion of information from exempted operational files in files of the Office of the Director of National Intelligence that are not exempted under subsection (a) shall not affect the exemption of the originating operational files from search, review, publication, or disclosure.

“(3) Records from exempted operational files of the Office of the Director of National Intelligence which have been disseminated to and referenced in files that are not exempted under subsection (a), and which have been returned to exempted operational files of the Office of the Director of National Intelligence for sole retention, shall be subject to search and review.

“(c) SEARCH AND REVIEW FOR CERTAIN PURPOSES.—Notwithstanding subsection (a), exempted operational files shall continue to be subject to search and review for information concerning any of the following:

“(1) United States citizens or aliens lawfully admitted for permanent residence who have requested information on themselves

pursuant to the provisions of section 552 or 552a of title 5, United States Code.

“(2) Any special activity the existence of which is not exempt from disclosure under the provisions of section 552 of title 5, United States Code.

“(3) The specific subject matter of an investigation by any of the following for any impropriety, or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity:

“(A) The Select Committee on Intelligence of the Senate.

“(B) The Permanent Select Committee on Intelligence of the House of Representatives.

“(C) The Intelligence Oversight Board.

“(D) The Department of Justice.

“(E) The Office of the Director of National Intelligence.

“(F) The Office of the Inspector General of the Intelligence Community.

“(d) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once every 10 years, the Director of National Intelligence shall review the operational files exempted under subsection (a) to determine whether such files, or any portion of such files, may be removed from the category of exempted files.

“(2) The review required by paragraph (1) shall include consideration of the historical value or other public interest in the subject matter of the particular category of files or portions thereof and the potential for declassifying a significant part of the information contained therein.

“(3) A complainant that alleges that Director of National Intelligence has improperly withheld records because of failure to comply with this subsection may seek judicial review in the district court of the United States of the district in which any of the parties reside, or in the District of Columbia. In such a proceeding, the court's review shall be limited to determining the following:

“(A) Whether the Director has conducted the review required by paragraph (1) before the expiration of the 10-year period beginning on the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2008 or before the expiration of the 10-year period beginning on the date of the most recent review.

“(B) Whether the Director of National Intelligence, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.

“(e) SUPERSEDITION OF OTHER LAWS.—The provisions of this section may not be superseded except by a provision of law that is enacted after the date of the enactment of this section and that specifically cites and repeals or modifies such provisions.

“(f) APPLICABILITY.—The Director of National Intelligence will publish a regulation listing the specific elements within the Office of the Director of National Intelligence whose records can be exempted from search and review under this section.

“(g) ALLEGATION; IMPROPER WITHHOLDING OF RECORDS; JUDICIAL REVIEW.—(1) Except as provided in paragraph (2), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that the Office of the Director of National Intelligence has withheld records improperly because of failure to comply with any provision of this section, judicial review shall be available under the terms set forth in section 552(a)(4)(B) of title 5, United States Code.

“(2) Judicial review shall not be available in the manner provided for under paragraph (1) as follows:

“(A) In any case in which information specifically authorized under criteria established by an Executive order to be kept secret in the interests of national defense or

foreign relations is filed with, or produced for, the court by the Office of the Director of National Intelligence, such information shall be examined ex parte, in camera by the court.

“(B) The court shall determine, to the fullest extent practicable, the issues of fact based on sworn written submissions of the parties.

“(C) When a complainant alleges that requested records are improperly withheld because of improper placement solely in exempted operational files, the complainant shall support such allegation with a sworn written submission based upon personal knowledge or otherwise admissible evidence.

“(D)(i) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, the Office of the Director of National Intelligence shall meet its burden under section 552(a)(4)(B) of title 5, United States Code, by demonstrating to the court by sworn written submission that exempted operational files likely to contain responsive records currently meet the criteria set forth in subsection.

“(ii) The court may not order the Office of the Director of National Intelligence to review the content of any exempted operational file or files in order to make the demonstration required under clause (i), unless the complainant disputes the Office's showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

“(E) In proceedings under subparagraphs (C) and (D), the parties may not obtain discovery pursuant to rules 26 through 36 of the Federal Rules of Civil Procedure, except that requests for admissions may be made pursuant to rules 26 and 36.

“(F) If the court finds under this subsection that the Office of the Director of National Intelligence has improperly withheld requested records because of failure to comply with any provision of this section, the court shall order the Office to search and review the appropriate exempted operational file or files for the requested records and make such records, or portions thereof, available in accordance with the provisions of section 552 of title 5, United States Code, and such order shall be the exclusive remedy for failure to comply with this section.

“(G) If at any time following the filing of a complaint pursuant to this paragraph the Office of the Director of National Intelligence agrees to search the appropriate exempted operational file or files for the requested records, the court shall dismiss the claim based upon such complaint.”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947 is amended by inserting after the item relating to section 705 the following new item:

“Sec. 706. Operational files in the Office of the Director of National Intelligence.”

SEC. 414. REPEAL OF CERTAIN AUTHORITIES RELATING TO THE OFFICE OF THE NATIONAL COUNTER-INTELLIGENCE EXECUTIVE.

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

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

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

(3) in subsection (f), as redesignated by paragraph (2), by striking paragraphs (3) and (4).

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

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

(2) in subsection (e), as so redesignated—

(A) in paragraph (1), by striking “subsection (e)(1)” and inserting “subsection (d)(1)”; and

(B) in paragraph (2), by striking “subsection (e)(2)” and inserting “subsection (d)(2)”.

SEC. 415. INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT TO ADVISORY COMMITTEES OF THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

Section 4(b) of the Federal Advisory Committee Act (5 U.S.C. App.) is amended—

(1) in paragraph (1), by striking “or”;

(2) in paragraph (2), by striking the period and inserting “; or”;

(3) by adding at the end the following new paragraph:

“(3) the Office of the Director of National Intelligence.”

SEC. 416. MEMBERSHIP OF THE DIRECTOR OF NATIONAL INTELLIGENCE ON THE TRANSPORTATION SECURITY OVERSIGHT BOARD.

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

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

SEC. 417. APPLICABILITY OF THE PRIVACY ACT TO THE DIRECTOR OF NATIONAL INTELLIGENCE AND THE OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

Subsection (j) of section 552a of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “or” at the end;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

“(2) maintained by the Office of the Director of National Intelligence; or”.

Subtitle B—Central Intelligence Agency

SEC. 421. DIRECTOR AND DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY.

(a) ESTABLISHMENT OF POSITION OF DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE AGENCY.—Subsection (a) of section 104A of the National Security Act of 1947 (50 U.S.C. 403-4a) is amended—

(1) by redesignating subsections (b), (c), (d), (e), (f), and (g) as subsections (d), (e), (f), (g), (h), and (i) respectively; and

(2) by inserting after subsection (a) the following new subsections (b) and (c):

“(b) DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE AGENCY.—(1) There is a Deputy Director of the Central Intelligence Agency who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Deputy Director of the Central Intelligence Agency shall assist the Director of the Central Intelligence Agency in carrying out the duties and responsibilities of the Director.

“(3) The Deputy Director of the Central Intelligence Agency shall act for, and exercise the powers of, the Director of the Central Intelligence Agency during the absence or disability of the Director of the Central Intelligence Agency or during a vacancy in the position of Director of the Central Intelligence Agency.

“(c) MILITARY STATUS OF DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY AND DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE AGENCY.—(1) Not more than one of the individuals serving in the positions specified in subsection (a) and (b) may be a commissioned officer of the Armed Forces in active status.

“(2) A commissioned officer of the Armed Forces who is serving as the Director or Deputy Director of the Central Intelligence Agency or is engaged in administrative performance of the duties of Director or Deputy Director of the Central Intelligence Agency shall not, while continuing in such service, or in the administrative performance of such duties—

“(A) be subject to supervision or control by the Secretary of Defense or by any officer or employee of the Department of Defense; or

“(B) exercise, by reason of the officer’s status as a commissioned officer, any supervision or control with respect to any of the military or civilian personnel of the Department of Defense except as otherwise authorized by law.

“(3) Except as provided in subparagraph (A) or (B) of paragraph (2), the service, or the administrative performance of duties, described in that paragraph by an officer described in that paragraph shall not affect the status, position, rank, or grade of such officer in the Armed Forces, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of such status, position, rank, or grade.

“(4) A commissioned officer described in paragraph (2), while serving, or continuing in the administrative performance of duties, as described in that paragraph and while remaining on active duty, shall continue to receive military pay and allowances. Funds from which such pay and allowances are paid shall be reimbursed from funds available to the Director of the Central Intelligence Agency.”

(b) **CONFORMING AMENDMENT.**—Paragraph (2) of subsection (e) of such section, as redesignated by subsection (a)(1) of this section, is further amended by striking “subsection (d)” and inserting “subsection (f)”.

(c) **EXECUTIVE SCHEDULE LEVEL III.**—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

“Deputy Director of the Central Intelligence Agency.”

(d) **ROLE OF DNI IN APPOINTMENT.**—Section 106(b)(2) of the National Security Act of 1947 (50 U.S.C. 403-6(b)(2)) is amended by adding at the end the following new subparagraph:

“(J) The Deputy Director of the Central Intelligence Agency.”

(e) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply upon the earlier of—

(1) the date of the nomination by the President of an individual to serve as Deputy Director of the Central Intelligence Agency, except that the individual administratively performing the duties of the Deputy Director of the Central Intelligence Agency as of the date of the enactment of this Act may continue to perform such duties after such date of nomination and until the individual appointed to the position of Deputy Director of the Central Intelligence Agency, by and with the advice and consent of the Senate, assumes the duties of such position; or

(2) the date of the cessation of the performance of the duties of Deputy Director of the Central Intelligence Agency by the individual administratively performing such duties as of the date of the enactment of this Act.

SEC. 422. INAPPLICABILITY TO DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY OF REQUIREMENT FOR ANNUAL REPORT ON PROGRESS IN AUDITABLE FINANCIAL STATEMENTS.

Section 114A of the National Security Act of 1947 (50 U.S.C. 404i-1) is amended by striking “the Director of the Central Intelligence Agency,”

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

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

(1) by inserting “(A)” after “(4)”;

(2) in subparagraph (A), as so designated—

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

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

(3) by adding at the end the following new subparagraph:

“(B) Authorize personnel engaged in the performance of protective functions authorized pursuant to subparagraph (A), when engaged in the performance of such functions, to make arrests without warrant for any offense against the United States committed in the presence of such personnel, or for any felony cognizable under the laws of the United States, if such personnel have reasonable grounds to believe that the person to be arrested has committed or is committing such felony, except that any authority pursuant to this subparagraph may be exercised only in accordance with guidelines approved by the Director and the Attorney General and such personnel may not exercise any authority for the service of civil process or for the investigation of criminal offenses.”

SEC. 424. TECHNICAL AMENDMENTS RELATING TO TITLES OF CERTAIN CENTRAL INTELLIGENCE AGENCY POSITIONS.

Section 17(d)(3)(B)(ii) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(d)(3)(B)(ii)) is amended—

(1) in subclause (I), by striking “Executive Director” and inserting “Associate Deputy Director”;

(2) in subclause (II), by striking “Deputy Director for Operations” and inserting “Director of the National Clandestine Service”; and

(3) in subclause (IV), by striking “Deputy Director for Administration” and inserting “Director for Support”.

SEC. 425. AVAILABILITY OF THE EXECUTIVE SUMMARY OF THE REPORT ON CENTRAL INTELLIGENCE AGENCY ACCOUNTABILITY REGARDING THE TERRORIST ATTACKS OF SEPTEMBER 11, 2001.

(a) **PUBLIC AVAILABILITY.**—Not later than September 1, 2007, the Director of the Central Intelligence Agency shall prepare and make available to the public a version of the Executive Summary of the report entitled the “Office of Inspector General Report on Central Intelligence Agency Accountability Regarding Findings and Conclusions of the Joint Inquiry into Intelligence Community Activities Before and After the Terrorist Attacks of September 11, 2001” issued in June 2005 that is declassified to the maximum extent possible, consistent with national security.

(b) **REPORT TO CONGRESS.**—The Director of the Central Intelligence Agency shall submit to Congress a classified annex to the redacted Executive Summary made available under subsection (a) that explains the reason that any redacted material in the Executive Summary was withheld from the public.

SEC. 426. DIRECTOR OF NATIONAL INTELLIGENCE REPORT ON RETIREMENT BENEFITS FOR FORMER EMPLOYEES OF AIR AMERICA.

(a) **IN GENERAL.**—Not later than 120 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to Congress a report on the advisability of providing Federal retirement bene-

fits to United States citizens for the service of such individuals before 1977 as employees of Air America or an associated company while such company was owned or controlled by the United States Government and operated or managed by the Central Intelligence Agency.

(b) **REPORT ELEMENTS.**—(1) The report required by subsection (a) shall include the following:

(A) The history of Air America and associated companies before 1977, including a description of—

(i) the relationship between such companies and the Central Intelligence Agency and other elements of the United States Government;

(ii) the workforce of such companies;

(iii) the missions performed by such companies and their employees for the United States; and

(iv) the casualties suffered by employees of such companies in the course of their employment with such companies.

(B) A description of the retirement benefits contracted for or promised to the employees of such companies before 1977, the contributions made by such employees for such benefits, the retirement benefits actually paid such employees, the entitlement of such employees to the payment of future retirement benefits, and the likelihood that former employees of such companies will receive any future retirement benefits.

(C) An assessment of the difference between—

(i) the retirement benefits that former employees of such companies have received or will receive by virtue of their employment with such companies; and

(ii) the retirement benefits that such employees would have received and in the future receive if such employees had been, or would now be, treated as employees of the United States whose services while in the employ of such companies had been or would now be credited as Federal service for the purpose of Federal retirement benefits.

(D) Any recommendations regarding the advisability of legislative action to treat employment at such companies as Federal service for the purpose of Federal retirement benefits in light of the relationship between such companies and the United States Government and the services and sacrifices of such employees to and for the United States, and if legislative action is considered advisable, a proposal for such action and an assessment of its costs.

(2) The Director of National Intelligence shall include in the report any views of the Director of the Central Intelligence Agency on the matters covered by the report that the Director of the Central Intelligence Agency considers appropriate.

(c) **ASSISTANCE OF COMPTROLLER GENERAL.**—The Comptroller General of the United States shall, upon the request of the Director of National Intelligence and in a manner consistent with the protection of classified information, assist the Director in the preparation of the report required by subsection (a).

(d) **FORM.**—The report required by subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(e) **DEFINITIONS.**—In this section:

(1) The term “Air America” means Air America, Incorporated.

(2) The term “associated company” means any company associated with or subsidiary to Air America, including Air Asia Company Limited and the Pacific Division of Southern Air Transport, Incorporated.

Subtitle C—Defense Intelligence Components
SEC. 431. ENHANCEMENTS OF NATIONAL SECURITY AGENCY TRAINING PROGRAM.

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

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

“(ii) by the employee voluntarily; or

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

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

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

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

“SEC. 21. (a) The Director is authorized to designate personnel of the Agency to perform protective functions for the Director and for any personnel of the Agency designated by the Director.

“(b)(1) In the performance of protective functions under this section, personnel of the Agency designated to perform protective functions pursuant to subsection (a) are authorized, when engaged in the performance of such functions, to make arrests without a warrant for—

“(A) any offense against the United States committed in the presence of such personnel; or

“(B) any felony cognizable under the laws of the United States if such personnel have reasonable grounds to believe that the person to be arrested has committed or is committing such felony.

“(2) The authority in paragraph (1) may be exercised only in accordance with guidelines approved by the Director and the Attorney General.

“(3) Personnel of the Agency designated to perform protective functions pursuant to subsection (a) shall not exercise any authority for the service of civil process or the investigation of criminal offenses.

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

SEC. 433. INSPECTOR GENERAL MATTERS.

(a) **COVERAGE UNDER INSPECTOR GENERAL ACT OF 1978.**—Subsection (a)(2) of section 8G of the Inspector General Act of 1978 (5 U.S.C. App. 8G) is amended—

(1) by inserting “the Defense Intelligence Agency,” after “the Corporation for Public Broadcasting.”;

(2) by inserting “the National Geospatial-Intelligence Agency,” after “the National Endowment for the Arts.”; and

(3) by inserting “the National Reconnaissance Office, the National Security Agency,” after “the National Labor Relations Board.”.

(b) **CERTAIN DESIGNATIONS UNDER INSPECTOR GENERAL ACT OF 1978.**—Subsection (a) of section 8H of the Inspector General Act of 1978 (5 U.S.C. App. 8H) is amended by adding at the end the following new paragraph:

“(3) The Inspectors General of the Defense Intelligence Agency, the National Geospatial-Intelligence Agency, the National Reconnaissance Office, and the National Se-

curity Agency shall be designees of the Inspector General of the Department of Defense for purposes of this section.”.

(c) **POWER OF HEADS OF ELEMENTS OVER INVESTIGATIONS.**—Subsection (d) of section 8G of that Act—

(1) by inserting “(1)” after “(d)”;

(2) in the second sentence of paragraph (1), as designated by paragraph (1) of this subsection, by striking “The head” and inserting “Except as provided in paragraph (2), the head”;

(3) by adding at the end the following new paragraph:

“(2)(A) The Director of National Intelligence or the Secretary of Defense may prohibit the Inspector General of an element of the intelligence community specified in subparagraph (D) from initiating, carrying out, or completing any audit or investigation if the Director or the Secretary, as the case may be, determines that the prohibition is necessary to protect vital national security interests of the United States.

“(B) If the Director or the Secretary exercises the authority under subparagraph (A), the Director or the Secretary, as the case may be, shall submit to the committees of Congress specified in subparagraph (E) an appropriately classified statement of the reasons for the exercise of the authority not later than seven days after the exercise of the authority.

“(C) At the same time the Director or the Secretary submits under subparagraph (B) a statement on the exercise of the authority in subparagraph (A) to the committees of Congress specified in subparagraph (E), the Director or the Secretary, as the case may be, shall notify the Inspector General of such element of the submittal of such statement and, to the extent consistent with the protection of intelligence sources and methods, provide the Inspector General with a copy of such statement. The Inspector General may submit to such committees of Congress any comments on a notice or statement received by the Inspector General under this subparagraph that the Inspector General considers appropriate.

“(D) The elements of the intelligence community specified in this subparagraph are as follows:

“(i) The Defense Intelligence Agency.

“(ii) The National Geospatial-Intelligence Agency.

“(iii) The National Reconnaissance Office.

“(iv) The National Security Agency.

“(E) The committees of Congress specified in this subparagraph are—

“(i) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

“(ii) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.”.

SEC. 434. CONFIRMATION OF APPOINTMENT OF HEADS OF CERTAIN COMPONENTS OF THE INTELLIGENCE COMMUNITY.

(a) **DIRECTOR OF NATIONAL SECURITY AGENCY.**—The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by inserting after the first section the following new section:

“SEC. 2. (a) There is a Director of the National Security Agency.

“(b) The Director of the National Security Agency shall be appointed by the President, by and with the advice and consent of the Senate.

“(c) The Director of the National Security Agency shall be the head of the National Security Agency and shall discharge such functions and duties as are provided by this Act or otherwise by law.”.

(b) **DIRECTOR OF NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY.**—Section 411(b) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

“(2) The Director of the National Geospatial Intelligence Agency shall be appointed by the President, by and with the advice and consent of the Senate.”.

(c) **DIRECTOR OF NATIONAL RECONNAISSANCE OFFICE.**—The Director of the National Reconnaissance Office shall be appointed by the President, by and with the advice and consent of the Senate.

(d) **POSITIONS OF IMPORTANCE AND RESPONSIBILITY.**—

(1) **DESIGNATION OF POSITIONS.**—The President may designate any of the positions referred to in paragraph (2) as positions of importance and responsibility under section 601 of title 10, United States Code.

(2) **COVERED POSITIONS.**—The positions referred to in this paragraph are as follows:

(A) The Director of the National Security Agency.

(B) The Director of the National Geospatial-Intelligence Agency.

(C) The Director of the National Reconnaissance Office.

(e) **EFFECTIVE DATE AND APPLICABILITY.**—

(1) **IN GENERAL.**—The amendments made by subsections (a) and (b), and subsection (c), shall take effect on the date of the enactment of this Act and shall apply upon the earlier of—

(A) the date of the nomination by the President of an individual to serve in the position concerned, except that the individual serving in such position as of the date of the enactment of this Act may continue to perform such duties after such date of nomination and until the individual appointed to such position, by and with the advice and consent of the Senate, assumes the duties of such position; or

(B) the date of the cessation of the performance of the duties of such position by the individual performing such duties as of the date of the enactment of this Act.

(2) **POSITIONS OF IMPORTANCE AND RESPONSIBILITY.**—Subsection (d) shall take effect on the date of the enactment of this Act.

SEC. 435. CLARIFICATION OF NATIONAL SECURITY MISSIONS OF NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY FOR ANALYSIS AND DISSEMINATION OF CERTAIN INTELLIGENCE INFORMATION.

Section 442(a) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3);

(2) by inserting after paragraph (1) the following new paragraph (2):

“(2)(A) As directed by the Director of National Intelligence, the National Geospatial-Intelligence Agency shall also develop a system to facilitate the analysis, dissemination, and incorporation of likenesses, videos, and presentations produced by ground-based platforms, including handheld or clandestine photography taken by or on behalf of human intelligence collection organizations or available as open-source information, into the National System for Geospatial Intelligence.

“(B) The authority provided by this paragraph does not include the authority to manage or direct the tasking of, set requirements and priorities for, set technical requirements related to, or modify any classification or dissemination limitations related to the collection of, handheld or clandestine photography taken by or on behalf of human intelligence collection organizations.”; and

(3) in paragraph (3), as so redesignated, by striking “paragraph (1)” and inserting “paragraphs (1) and (2)”.

SEC. 436. SECURITY CLEARANCES IN THE NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY.

The Secretary of Defense shall, during the period beginning on the date of the enactment of this Act and ending on December 31, 2008, delegate to the Director of the National Geospatial-Intelligence Agency personnel security authority with respect to the National Geospatial-Intelligence Agency (including authority relating to the use of contractor personnel in investigations and adjudications for security clearances) that is identical to the personnel security authority of the Director of the National Security Agency with respect to the National Security Agency.

Subtitle D—Other Elements

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

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

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

(2) in subparagraph (K), by striking “, including the Office of Intelligence of the Coast Guard.”.

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

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

(1) by striking “Director of Central Intelligence” and inserting “Director of National Intelligence”; and

(2) by inserting “or in section 313 of such title,” after “subsection (a).”.

TITLE V—OTHER MATTERS

SEC. 501. TECHNICAL AMENDMENTS TO THE NATIONAL SECURITY ACT OF 1947.

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

(1) In section 102A (50 U.S.C. 403-1)—
(A) in subsection (c)(7)(A), by striking “section” and inserting “subsection”;
(B) in subsection (d)—

(i) in paragraph (3), by striking “subparagraph (A)” in the matter preceding subparagraph (A) and inserting “paragraph (1)(A)”;
(ii) in paragraph (5)(A), by striking “or personnel” in the matter preceding clause (i); and

(iii) in paragraph (5)(B), by striking “or agency involved” in the second sentence and inserting “involved or the Director of the Central Intelligence Agency (in the case of the Central Intelligence Agency)”;
(C) in subsection (1)(2)(B), by striking “section” and inserting “paragraph”; and
(D) in subsection (n), by inserting “AND OTHER” after “ACQUISITION”.

(2) In section 119(c)(2)(B) (50 U.S.C. 404o(c)(2)(B)), by striking “subsection (h)” and inserting “subsection (i)”.
(3) In section 705(e)(2)(D)(i) (50 U.S.C. 432c(e)(2)(D)(i)), by striking “responsible” and inserting “responsive”.

SEC. 502. TECHNICAL CLARIFICATION OF CERTAIN REFERENCES TO JOINT MILITARY INTELLIGENCE PROGRAM AND TACTICAL INTELLIGENCE AND RELATED ACTIVITIES.

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

(1) in subsection (c)(3)(A), by striking “annual budgets for the Joint Military Intelligence Program and for Tactical Intelligence and Related Activities” and insert-

ing “annual budget for the Military Intelligence Program or any successor program or programs”; and

(2) in subsection (d)(1)(B), by striking “Joint Military Intelligence Program” and inserting “Military Intelligence Program or any successor program or programs”.

SEC. 503. TECHNICAL AMENDMENTS TO THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.

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

(1) In section 1016(e)(10)(B) (6 U.S.C. 458(e)(10)(B)), by striking “Attorney General” the second place it appears and inserting “Department of Justice”.

(2) In section 1061 (5 U.S.C. 601 note)—

(A) in subsection (d)(4)(A), by striking “National Intelligence Director” and inserting “Director of National Intelligence”; and
(B) in subsection (h), by striking “National Intelligence Director” and inserting “Director of National Intelligence”.

(3) In section 1071(e), by striking “(1)”.
(4) In section 1072(b), by inserting “AGENCY” after “INTELLIGENCE”.

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

(1) In section 2001 (28 U.S.C. 532 note)—

(A) in subsection (c)(1), by inserting “of” before “an institutional culture”;
(B) in subsection (e)(2), by striking “the National Intelligence Director in a manner consistent with section 112(e)” and inserting “the Director of National Intelligence in a manner consistent with applicable law”; and
(C) in subsection (f), by striking “shall,” in the matter preceding paragraph (1) and inserting “shall”.

(2) In section 2006 (28 U.S.C. 509 note)—
(A) in paragraph (2), by striking “the Federal” and inserting “Federal”; and
(B) in paragraph (3), by striking “the specific” and inserting “specific”.

(3) In section 2001 (28 U.S.C. 532 note)—

(A) in subsection (c)(1), by inserting “of” before “an institutional culture”;
(B) in subsection (e)(2), by striking “the National Intelligence Director in a manner consistent with section 112(e)” and inserting “the Director of National Intelligence in a manner consistent with applicable law”; and
(C) in subsection (f), by striking “shall,” in the matter preceding paragraph (1) and inserting “shall”.

(2) In section 2006 (28 U.S.C. 509 note)—
(A) in paragraph (2), by striking “the Federal” and inserting “Federal”; and
(B) in paragraph (3), by striking “the specific” and inserting “specific”.

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

(2) In section 2006 (28 U.S.C. 509 note)—
(A) in paragraph (2), by striking “the Federal” and inserting “Federal”; and
(B) in paragraph (3), by striking “the specific” and inserting “specific”.

SEC. 504. TECHNICAL AMENDMENTS TO TITLE 10, UNITED STATES CODE, ARISING FROM ENACTMENT OF THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.

(a) REFERENCES TO HEAD OF INTELLIGENCE COMMUNITY.—Title 10, United States Code, is amended by striking “Director of Central Intelligence” each place it appears in a provision as follows and inserting “Director of National Intelligence”:

(1) Section 193(d)(2).
(2) Section 193(e).
(3) Section 201(a).
(4) Section 201(b)(1).
(5) Section 201(c)(1).
(6) Section 425(a).
(7) Section 431(b)(1).
(8) Section 441(c).
(9) Section 441(d).
(10) Section 443(d).
(11) Section 2273(b)(1).
(12) Section 2723(a).

(b) CLERICAL AMENDMENTS.—Such title is further amended by striking “DIRECTOR OF CENTRAL INTELLIGENCE” each place it appears in a provision as follows and inserting “DIRECTOR OF NATIONAL INTELLIGENCE”:

(1) Section 441(c).
(2) Section 443(d).
(c) REFERENCE TO HEAD OF CENTRAL INTELLIGENCE AGENCY.—Section 444 of such title is amended by striking “Director of Central Intelligence” each place it appears and inserting “Director of the Central Intelligence Agency”.

(1) Section 441(c).
(2) Section 443(d).

(c) REFERENCE TO HEAD OF CENTRAL INTELLIGENCE AGENCY.—Section 444 of such title is amended by striking “Director of Central Intelligence” each place it appears and inserting “Director of the Central Intelligence Agency”.

(1) Section 441(c).
(2) Section 443(d).

(c) REFERENCE TO HEAD OF CENTRAL INTELLIGENCE AGENCY.—Section 444 of such title is amended by striking “Director of Central Intelligence” each place it appears and inserting “Director of the Central Intelligence Agency”.

(1) Section 441(c).
(2) Section 443(d).

SEC. 505. TECHNICAL AMENDMENT TO THE CENTRAL INTELLIGENCE AGENCY ACT OF 1949.

Section 5(a)(1) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f(a)(1)) is amended by striking “authorized under paragraphs (2) and (3) of section 102(a), subsections (c)(7) and (d) of section 103, subsections (a) and (g) of section 104, and section 303 of the National Security Act of 1947 (50 U.S.C. 403(a)(2), (3), 403-3(c)(7), (d), 403-4(a), (g), and 405)” and inserting “authorized under section 104A of the National Security Act of 1947 (50 U.S.C. 403-4a).”.

SEC. 506. TECHNICAL AMENDMENTS RELATING TO THE MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.

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

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

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

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

(c) CONFORMING AMENDMENT.—The heading of that section is amended to read as follows: “SEC. 1403. MULTIYEAR NATIONAL INTELLIGENCE PROGRAM.”.

SEC. 507. TECHNICAL AMENDMENTS TO THE EXECUTIVE SCHEDULE.

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

“Director of the Central Intelligence Agency.”.

(b) EXECUTIVE SCHEDULE LEVEL III.—Section 5314 of title 5, United States Code, is amended by striking the item relating to the Deputy Directors of Central Intelligence.

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

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

(d) EXECUTIVE SCHEDULE LEVEL V.—Section 5316 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(e) EXECUTIVE SCHEDULE LEVEL VI.—Section 5317 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(f) EXECUTIVE SCHEDULE LEVEL VII.—Section 5318 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(g) EXECUTIVE SCHEDULE LEVEL VIII.—Section 5319 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(h) EXECUTIVE SCHEDULE LEVEL IX.—Section 5320 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(i) EXECUTIVE SCHEDULE LEVEL X.—Section 5321 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(j) EXECUTIVE SCHEDULE LEVEL XI.—Section 5322 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

(k) EXECUTIVE SCHEDULE LEVEL XII.—Section 5323 of title 5, United States Code, is amended by striking the item relating to the General Counsel of the Office of the National Intelligence Director and inserting the following new item:

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

and Mapping Agency” both places it appears and inserting “National Geospatial-Intelligence Agency”.

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

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

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

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

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

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

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

(f) OTHER ACTS.—

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

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

SEC. 509. OTHER TECHNICAL AMENDMENTS RELATING TO RESPONSIBILITY OF THE DIRECTOR OF NATIONAL INTELLIGENCE AS HEAD OF THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—

(1) The Public Interest Declassification Act of 2000 (50 U.S.C. 435 note) is amended by striking “Director of Central Intelligence” each place it appears in a provision as follows and inserting “Director of National Intelligence”:

(A) Section 704(c)(2)(B).

(B) Section 706(b)(2).

(C) Section 706(e)(2)(B).

(2) Section 705(c) of such Act is amended by striking “the Director of Central Intelligence, as head of the intelligence community,” and inserting “the Director of National Intelligence”.

(b) CONFORMING AMENDMENT.—The heading of section 705(c) of such Act is amended by striking “DIRECTOR OF CENTRAL INTELLIGENCE” and inserting “DIRECTOR OF NATIONAL INTELLIGENCE”.

Mr. ROCKEFELLER. Mr. President, the Senate is poised to take action today that is more than two years overdue. Today we will pass the Fiscal Year 2008 Intelligence Authorization bill.

For the first 27 years after Congress created the intelligence oversight committees, the annual authorization bill was considered absolute-must-pass legislation. Its importance to our national security was obvious to all. But in 2005 and 2006, the bills reported out of the Senate Intelligence Committee were never even brought before the Senate for consideration. I still cannot explain the reasons this happened, but thanks

to hard work of the committee and the support of the majority leader, Senator REID, we are about to correct that failing.

The Intelligence Authorization bill is the tool the Congress uses to provide direction for the execution of some of the most sensitive and important national security programs conducted by the U.S. Government. This year’s bill contains provisions, including specific requests from the Director of National Intelligence, intended to improve the work of the intelligence community. These provisions provide greater flexibility and authority to the DNI; require greater accountability from the intelligence community and its managers; improve the mechanisms for conducting oversight of intelligence programs; and reform intelligence program acquisition procedures.

Let me take a few minutes to provide my colleagues with more detail on the provisions in each of these areas.

The most significant reform of the intelligence community since its inception in 1947 was the creation of the director of National Intelligence. With 2 ½ years of experience behind us, we have begun identifying ways to bolster the DNI’s efforts to better coordinate the 16 different elements of the intelligence community. Starting with personnel authority, this bill uses a more flexible approach to authorize personnel levels and also gives the DNI the ability to exceed those ceilings by as much as 5 percent.

Because control of the budget is a key tool for the DNI, the bill changes reprogramming requirements to make it easier to address emerging needs, authorizes the DNI to use interagency funding to establish national intelligence centers, and establishes a contingency fund for the DNI, to react to emergencies or unforeseen opportunities. The bill also enables the DNI to fund information-sharing efforts that span across the intelligence community. Finally, it repeals several unneeded and burdensome reporting requirements.

As it increases the authority of the DNI, the bill also improves oversight of the intelligence community. The bill creates a strong, independent inspector general for the intelligence community, confirmed by the Senate, within the office of the DNI, and establishes statutory inspectors general at the NSA, NRO, DIA and NGA. The bill also gives the Congress more oversight of the major intelligence agencies by requiring Senate confirmation of the directors of the NSA, NRO and NGA and establishing a Senate-confirmed deputy director for the CIA. And as we increase the DNI’s flexibility to manage personnel, we require an annual assessment of personnel levels across the intelligence community to include a statement that those levels are supported by adequate infrastructure, training and funding, and a review of the appropriate use of contractors.

The committee has been concerned that intelligence failures and pro-

grammatic blunders too often occur without anyone in a position of responsibility being held accountable. The bill gives the DNI the authority to conduct accountability reviews across the intelligence community if he deems it necessary or if requested by Congress. It also improves financial management by requiring a variety of actions related to the production of auditable financial statements—a standard most intelligence agencies cannot currently meet and an issue the committee has focused on for several years.

The final major theme in the bill is the reform of the acquisition process. The bill requires a vulnerability assessment for all major acquisition programs, and attempts to curb the profligate cost overruns and schedule delays we have witnessed in recent years by creating an annual reporting system on all major intelligence community acquisitions similar to the Nunn-McCurdy statute for defense acquisitions.

In addition to these legislative provisions, the bill is accompanied by a classified annex that includes specific budget recommendations. The budgets are necessarily classified, but any Senator wishing to review them has had that opportunity. The committee budget recommendations include a substantial increase for advanced research and development programs. The classified annex also includes language directing the intelligence community to restructure its strategy for acquiring imagery intelligence systems.

All of these provisions, in the public bill and the classified annex, are important to ensuring that the intelligence community has the authority and resources it needs to protect this country, and that there are mechanisms in place for appropriate oversight of these very sensitive programs.

Before I conclude I would be remiss if I did not mention the people who worked so hard to get this bill to this point. First and foremost among those is my incredibly dedicated vice chairman, Senator KIT BOND. He has been tireless in his efforts to identify and remove obstacles to the bill’s passage. We would not have gotten here today without that effort. His commitment to real oversight, conducted in a bipartisan way, represents a return to the way the committee had operated for most of its history.

Next let me thank the members of the staff who played such a key role in preparing the bill and the annex and who have worked many hours on this task. First, the committee staff director, Andy Johnson, has implemented the committee’s aggressive oversight agenda and has led the staff with true professionalism. I rely heavily on his counsel. His counterpart on the minority side, Louis Tucker, has not just supported Vice Chairman BOND but has made an enormous contribution to the success of our efforts so far this year. The general counsel, Mike Davidson, and minority counsel, Jack Livingston,

have been extraordinarily meticulous in drafting the legislative language that makes up the public bill. The committee is lucky to have them both. The budget director, Lorenzo Goco, did a superb job in putting together the classified annex. And as chairmen have been doing for the past 20 years, I give a special thanks to our chief clerk Kathleen McGhee for making everything on the committee work.

I look forward to the passage of this bill and the swift completion of a conference with the House so that we can enact a bill to help secure this nation from its enemies.

Mr. President, at this time I ask unanimous consent that the committee-reported amendments—which Senator BOND is about to say some words to and which he had an enormous amount to do with—be agreed to, the amendment at the desk be considered and agreed to; that the bill, as amended, be read three times; that the Intelligence Committee be then discharged from consideration of H.R. 2082, the House companion, and the Senate then proceed to its consideration; that all after the enacting clause be stricken and the text of S. 1538, as amended, be inserted in lieu thereof; that the bill be read a third time, passed, and the motion to reconsider be laid upon the table; that upon passage, the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate; that S. 1538 be returned to the calendar, and any statements be printed at the appropriate place in the RECORD without intervening action or debate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BOND. No objection on this side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The committee amendments were agreed to.

The amendment (No. 3160) was agreed to.

(The text of the amendment is printed in today's RECORD under "Text of Amendments.")

The bill was ordered to be engrossed for a third reading and was read the third time.

The bill, (H.R. 2082), as amended, was ordered to a third reading, was read the third time, and passed.

Mr. ROCKEFELLER. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, has the time for the majority side expired?

The ACTING PRESIDENT pro tempore. There is 51 seconds remaining. I don't see anyone seeking recognition, so the Senator from Missouri is recognized.

Mr. BOND. I thank the Chair. Most of all, I thank my chairman, Senator

ROCKEFELLER. I thank the chairman of the committee and all of the members of the committee to be able to pass this very important intelligence authorization bill. We have had a 3-year hiatus with no intelligence authorization bill. This came despite multiple attempts on the Senate floor. Today, we see, fortunately, the end of that cycle with the passage of the fiscal year 2008 intelligence authorization bill.

Passing this bill is important and noteworthy because it is one of the committee's most important tools in providing strong congressional oversight of the intelligence activities the American people expect and deserve. This bill we have just passed contains important provisions that would improve the effectiveness of our intelligence agencies, most of which were requested by the intelligence community. It is not a perfect bill, and there are a few things in it that I may not totally agree with, but overall this bill will benefit the intelligence community and marks the important reassertion of congressional oversight over our intelligence agencies and operations.

I commend Chairman ROCKEFELLER for all of his hard work and the diplomacy, skill, and patience in putting together the managers' amendment that brought us to the floor today. In particular, we worked very hard to keep the bill clean and to strip it of challengeable and politically charged amendments, things that would have drawn objections from this side and the other side. Several Senators on both sides of the aisle had to give until it hurt to reach agreements, and I thank them for their flexibility and cooperation. We cannot get this bill done or any bill done in this Senate without bipartisan cooperation. With this bill, the chairman and I and our committee are making a great step forward in returning the work of the Intelligence Committee to nonpartisan oversight and away from the politics that have weakened it over the past few years. We have limited the bill to just those provisions that had strong bipartisan support. Chairman ROCKEFELLER and I were also able to get a number of good-government positions into our bill that will improve the effectiveness of our intelligence agencies.

Having said that, my colleagues should know that the chairman and I will fight very hard to keep this agreement in conference.

If the House were to put in political amendments or other problematic amendments which the Senate would not support, I will not support the bill. Intelligence should be conducted behind closed doors. When we talk about our intelligence matters openly in other committees or on this floor, we hamper our intelligence ability.

I asked the current Director of the Central Intelligence Agency at his confirmation hearing about 16 months ago: How badly have the disclosures of our most sensitive intelligence methods hurt our ability to deal with terrorists?

He ruefully said: We are now applying the Darwinian theory to terrorists. We are only capturing the dumb ones.

Every time we talk in public about how we capture information, it gives a roadmap to the terrorists to know exactly how to avoid being intercepted. Unfortunately, there have in recent days been more examples of such disclosures.

But back to this bill. This bill provides for the empowerment of the Director of National Intelligence to conduct accountability reviews of the individual elements of the intelligence community in relation to significant failures or deficiencies.

This provision will encourage the intelligence community to address their own internal failures or inefficiencies—something they have been reluctant to do on their own. In the event that they are reluctant or unable to do so, this amendment gives the DNI the authority he needs to step in and conduct his own reviews, authority the Director of National Intelligence currently does not have.

The Intelligence authorization bill also contains a wide range of other important provisions that will improve the efficiency and accountability of the intelligence community, while at the same time providing the DNI with additional authority and flexibility, including creation of a strong, independent inspector general for the intelligence community; additional authorities for the DNI to improve information sharing in the intelligence community; measures to protect the cover of our clandestine intelligence officers; and measures to address excessive cost growth in major acquisition programs—a real problem we have seen in recent years.

The intelligence community has now gone 2 years without the detailed guidance from the Congress that only this Intelligence authorization bill can provide. I hope we can move this bill expeditiously through a conference with the House to correct that situation.

We must do a better job of asserting congressional oversight of the intelligence community, and one of the best ways to accomplish that goal is to pass the annual Intelligence authorization bill. I am proud to announce that today we have done that.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 4½ minutes.

Mr. BOND. Mr. President, I want to talk more broadly about the war on terror and say it is with pleasure that we see the President's policy of bringing back troops home when they complete their mission successfully. Return on success is working. Marines are coming home after having pacified Al Anbar Province and turned the responsibility for maintaining security over to the Iraqi security forces. I know about that personally and it is working. The marines are coming home. We know they are coming home because

there was a story this morning on television about how marines were held up for about 2½ hours by the TSA at one of the places they landed in the United States. They refused to allow the marines to go into the terminal because I guess they provided some kind of threat. In any event, the marines are now coming back to face additional challenges—not just the challenges of the TSA that we all undergo, but, regrettably, too many of them have mental health problems, TBI and PTSD, and in the Defense authorization bill we have passed provisions to assist the wounded warriors coming home. But they have been successful, and return on success means al-Qaida is no longer able to exercise control over Al Anbar.

For those who think this is a diversion in the battle in the war on terror, all they have to do is listen to the leaders, Osama bin Laden and Zawahiri, who have said the headquarters of the caliphate from which they are going to conduct worldwide operations is the land between the two rivers. That is, of course, Iraq. If they win there, they are stronger, and they will establish their headquarters there.

The intelligence community leaders, in January of this year, spoke in open session before the Intelligence Committee. They said if we withdraw before we have established relative peace and stability in the area—in other words, if we withdraw on a political timetable dictated by this body—there will be chaos. Three things will happen. There will be increased killing among Shia and Sunni, genocide and bloodshed. Two, that will bring in the other states in the region to protect their co-religionists, and we will see the potential of a regionwide sectarian war. Three, most frighteningly, al-Qaida will establish the safe haven they have sought in Al Anbar and elsewhere from which to embolden their efforts and attack the United States and United States persons abroad, and our allies.

All you have to do to get an idea of the effectiveness of our new counterinsurgency efforts, led by General Petraeus, is to pay attention to what was found in the pocket of Abu al-Tunisi, the Tunisian al-Qaida leader in Iraq who was responsible for bringing foreign fighters into Iraq—the ones from Iran, Syria, Yemen, and others, with all of the resources they had. Al-Tunisi had written letters to his leader, saying: I am suffering. They are strangling us. I cannot get support.

We have hurt them and we have hurt them badly. Yes, al-Qaida is a threat, but al-Qaida is not basing that threat from Iraq. Their leaders are probably in the mountains of Pakistan or Afghanistan. I can assure you we are doing everything we can—and we obviously cannot discuss what we are doing—to capture and kill those leaders. Right now, we have taken advantage and the counterinsurgency strategy is working. I commend our troops and General Petraeus.

I thank the Chair and I yield the floor.

Mr. ROCKEFELLER. Will the Senator yield?

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. ROCKEFELLER. Mr. President, we worked together on this, and I ask unanimous consent to have 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from West Virginia is recognized for 2 minutes.

Mr. DURBIN. Mr. President, my understanding is that the Republican side is going to extend its request for morning business.

Mr. CORNYN. Mr. President, I intend to ask unanimous consent that the time spent on the Intel bill not be deducted from our time.

Mr. DURBIN. The Senator from Missouri spoke for approximately 10 minutes, is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. DURBIN. Mr. President, I ask unanimous consent that the majority side be given 10 additional minutes in morning business, 2 of those to be allocated to the Senator from West Virginia.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. BOND. Mr. President, does that include 10 minutes for my colleague from Texas? I will ask for 10 additional minutes for the minority side, which may have other subjects to talk about.

Mr. DURBIN. Reserving the right to object. I was protecting your side for the 30 minutes initially allocated.

Mr. BOND. In that case, I withdraw my request.

The ACTING PRESIDENT pro tempore. Is the request there would be an additional 10 minutes on the Republican side?

Mr. DURBIN. It is my understanding that 30 minutes was allocated to the Republican side for morning business. The Senator from Missouri spoke for approximately 10 minutes on an issue and asked that that not be deducted from the Republican morning business time. I am happy to acknowledge that, and I ask that we be given 10 minutes, 2 of which will be given to the Senator from West Virginia. So that protects those still here for the 30 minutes originally allocated for Republican morning business.

The ACTING PRESIDENT pro tempore. Without objection, the time will be so adjusted.

The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. Mr. President, I thank the Chair and I thank the Senator from Illinois.

All I wanted to say is that I think the unanimous consent agreement which has been reached is the start. I want to use every fiber in my body to thank the distinguished vice chairman, Senator CHRISTOPHER BOND, from Missouri, for the enormous role he played in making this happen. It was objected to only a few days ago. It was cleared

last night, and I think it exemplified the partnership the Senator from Missouri and myself are trying to bring to the Intelligence Committee. This is an example of our work.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, parliamentary inquiry: Is it now the appropriate time for us to begin our 30-minute allocation for morning business?

The ACTING PRESIDENT pro tempore. The Senator is correct. There is additional time on the Democratic side, but nobody is seeking recognition.

Mr. CORNYN. I thank the Chair. I ask unanimous consent that following my remarks for up to 10 minutes, Senator BENNETT be recognized for up to 10 minutes, and then Senator KYL be recognized for up to 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TAXES

Mr. CORNYN. Mr. President, more than 1 month ago, I spoke on the floor regarding the need for the Senate to confirm Jim Nussle as the head of the Office of Management and Budget and about my constituents' concerns that are regularly voiced to me about the runaway Federal spending in Washington, DC, and its impact on their ability to earn a living or run a business, and their concern about the direction of the economy for the future if the Federal Government continues to occupy more and more space when it comes to their hard-earned tax dollars.

I mentioned my fear that the tax-and-spend season was upon us here in Washington, DC, and there seemed to be some early indications that some of the progress we have made as a result of progrowth, low-tax policies was going to be reversed under the new management in Washington.

In my State of Texas, to give you a snapshot, unemployment is near its lowest level in 30 years, while more than a quarter of a million new jobs have been created over the past year. That is out of the 8.3 million new jobs created in this economy since August of 2003. Instead of talking about how we can preserve these hard-won gains for the American people and my constituents back home in Texas, we hear more and more talk about raising taxes and expanding the size of the Federal Government. Instead of talking about how can we help support and nurture the entrepreneurial spirit in America, we are hearing more folks talking about how can we grow the bureaucracy and Federal programs and the size of the Federal Government.

Unfortunately, we are beginning to see a trend when it comes to raising taxes. Yesterday's suggestion by some members of the House is a disturbing example of that. Yesterday, the chairman of the House Appropriations Committee unveiled a proposal that would