GOVERNMENT
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U.S. PERSONNEL SECURITY PRACTICES

Y4.J89/2 P43/pt.1

HEARINGS

BEFORE THE

COMMITTEE TO INVESTIGATE THE
STRATION OF THE INTERNAL SECURITY
D OTHER INTERNAL SECURITY LAWS

OF THE

MMITTEE ON THE JUDICIARY
UNITED STATES SENATE

EIGHTY-EIGHTH CONGRESS

FIRST SESSION

PART 1

FEBRUARY 20, 26; MARCH 12, 1963

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Pt. 1

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J. G. SOURWINE, *Counsel*
BENJAMIN MANDEL, *Director of Research*

RESOLUTION

Resolved by the Internal Security Subcommittee of the Senate Committee on the Judiciary, That the following testimony taken in executive session be released from the injunction of secrecy, be printed and made public:

Robert T. Andrews, February 20, 1963; Robert Lee Applegate, February 20, 1963; A. Russell Ash, February 26, 1963; Roy R. Banner, Jr., February 20, 1963; Carl Barnes, February 20, 1963; David I. Belisle, February 20, 1963; Lloyd M. Blankenbaker, February 26, 1963; Richard A. Buddeke, February 26, 1963; Francis P. Collins, February 26, 1963; John F. Doherty, February 20 and March 12, 1963; Thomas O. Fleming, February 20, 1963; John Francis, February 20, 1963; Manuel Hiller, February 20, 1963; Frederick P. Hobart, February 20, 1963; Thomas Hoffman, February 26, 1963; Thomas M. Hughes, February 20, 1963; Kimbell Johnson, March 12, 1963; Calvin C. Jones, February 26, 1963; John Leahy, February 20, 1963; Michael L. Keefe, February 20, 1963; George MacClain, February 20, 1963; Paul John McNichol, February 26, 1963; Edward J. McVeigh, February 20, 1963; Lawrence V. Meloy, March 12, 1963; Lt. Col. Bruce F. Meyers, February 20, 1963; Henry B. Montague, February 20, 1963; Orville Montgomery, February 26, 1963; Clifford J. Nelson, February 20, 1963; John W. Phillips, February 26, 1963; John F. Reilly, February 20, 1963; Frederick Schmidt, February 20, 1963; Bertram Schur, February 20, 1963; Edwin H. Stevens, February 26, 1963; Raymond J. Sumser, February 20, 1963; J. A. Waters, Jr., February 20, 1963; and J. W. Yeagley, February 20, 1963.

JAMES O. EASTLAND,
Chairman.
THOMAS J. DODD,
Vice Chairman.
OLIN D. JOHNSTON.
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SAM J. ERVIN.
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EVERETT M. DIRKSEN.
KENNETH B. KEATING.
HUGH SCOTT.

Dated July 29, 1963.

[1] Appointed to committee on Aug. 23, 1963, to succeed Senator Kefauver wh

CONTENTS

WITNESSES

	Page
Andrews, Robert T	10
Applegate, Robert Lee	10
Ash, A. Russell	42
Banner, Roy R., Jr	24
Barnes, Carl	25
Belisle, David I	22
Blankenbaker, Lloyd M	38
Buddeke, Richard A	38
Collins, Francis P	51
Doherty, John F	19, 53
Fleming, Thomas O	27
Francis, John	25
Hiller, Manuel	33
Hobart, Frederick P	30
Hoffman, Thomas	46
Hughes, Thomas M	29
Johnson, Kimbell	65
Jones, Calvin C	43
Leahy, John	22
Keefe, Michael L	16
MacClain, George	10
McNichol, Paul John	46
McVeigh, Edward J	32
Meloy, Lawrence V	65
Meyers, Lt. Col. Bruce F	10
Montague, Henry B	16
Montgomery, Orville	46
Nelson, Clifford J	19
Phillips, John W	35
Reilly, John F	22
Schmidt, Frederick	33
Schur, Bertram	27
Stevens, Edwin H	38
Sumser, Raymond J	32
Waters, J. A., Jr	27
Yeagley, J. W	19

PERSONNEL SECURITY PRACTICES

WEDNESDAY, FEBRUARY 20, 1963

U.S. SENATE,
SUBCOMMITTEE, TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY ACT
AND OTHER INTERNAL SECURITY LAWS, OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The subcommittee met, pursuant to call, at 10:45 a.m., in room 2300, New Senate Office Building, Senator Hugh Scott presiding.

Also present: J. G. Sourwine, chief counsel; Samuel J. Scott, assistant counsel.

Senator SCOTT. The committee will come to order.

I have a statement for the record at the opening of these hearings.

This executive session of the Internal Security Subcommittee of the Senate Judiciary Committee is being held, pursuant to the rules of the committee and subcommittee, under the authority of the inherent power of the Congress and its committees to conduct investigations as a part of the legislative process, and also under specific authority of Senate Resolution 366 of the 81st Congress, 2d session, as amended and extended, and sections 134(a) and 136 of the Legislative Reorganization Act. Under authority of the Senate, the Committee on the Judiciary, and the Internal Security Subcommittee, a quorum of one is sufficient for the purpose of administering the oath and taking sworn testimony in executive session. Delegation of authority by the full committee to the subcommittee, as well as knowledge and approval by the full committee of the subcommittee's activities, was recognized and reaffirmed as late as January 31, 1963, when Senate Report No. 5 of the 88th Congress was filed with the Senate by Senator Eastland.

The subcommittee's authority, as referred to, includes the making of a continuing study and investigation of the administration, operation, and enforcement of the Internal Security Act of 1950, and the administration, operation, and enforcement of other laws relating to the protection of the internal security of the United States. This necessarily includes seeking information respecting the administration, operation, and enforcement of the existing rules and regulations of the Federal departments and agencies through their implementing practices and procedures designed to prevent the employment or infiltration of subversive persons.

It is in the public interest in the protection of the internal security of the United States, and in keeping with legislative intentions that thorough investigation and study be accorded these matters in order to determine the adequacy of present laws, the desirability of additional or new laws, or the amendment of old ones.

Thus any recommendation of the subcommittee for legislation or for departmental action, or its determination at any time that no further regulatory or legislative action is currently necessary, may be based upon the full scope of the testimony of a number of witnesses charged with the responsibility of the administration, operation, and enforcement of the personnel security practices and procedures of the various Federal departments and agencies.

Our purpose today is to make a record of all the written documents fixing or limiting such responsibility, or controlling or regulating the exercise of it in such form, with respect to each department, that comparisons may be made between departments.

Our first witness, I understand, is Mr. Applegate. Mr. Applegate, will you be sworn?

Mr. SCOTT. First, before we swear the witness, I do have some background laws and Executive orders that I would like to place in the record, Mr. Chairman, in connection with our survey and study of the personnel security practices and procedures in the United States departments and agencies.

Senator SCOTT. Will you offer them?

Mr. SCOTT. First we have Public Law 733, 81st Congress. That is the act to protect the national security of the United States by permitting the summary suspension of employment of civilian officers and employees of various departments and agencies of the Government, and for other purposes. I would like to have that placed in the record.

Senator SCOTT. Without objection, that will be received.

(The document referred to was marked "Exhibit No. 1" and reads as follows:)

EXHIBIT NO. 1

[PUBLIC LAW 733—81ST CONGRESS]

[CHAPTER 803—2D SESSION]

[H.R. 7439]

AN ACT To protect the national security of the United States by permitting the summary suspension of employment of civilian officers and employees of various departments and agencies of the Government, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, not withstanding the provisions of section 6 of the Act of August 24, 1912 (37 Stat. 555), as amended (5 U. S. C. 652), or the provisions of any other law the Secretary of State; Secretary of Commerce; Attorney General; the Secretary of Defense; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Secretary of the Treasury; Atomic Energy Commission; the Chairman, National Security Resources Board; or the Director, National Advisory Committee for Aeronautics, may, in his absolute discretion and when deemed necessary in the interest of national security, suspend, without pay, any civilian officer or employee of the Department of State (including the Foreign Service of the United States), Department of Commerce, Department of Justice, Department of Defense, Department of the Army, Department of the Navy, Department of the Air Force, Coast Guard, Atomic Energy Commission, National Security Resources Board, or National Advisory Committee for Aeronautics, respectively, or of their several field services: *Provided*, That to the extent that such agency head determines that the interests of the national security permit, the employee concerned shall be notified of the reasons for his suspension and within thirty days after such notification any such person shall have an opportunity to submit any statements or affidavits to the official designated by the head of the agency concerned to show why he should be reinstated or restored to duty. The agency head concerned

may, following such investigation and review as he deems necessary, terminate the employment of such suspended civilian officer or employee whenever he shall determine such termination necessary or advisable in the interest of the national security of the United States, and such determination by the agency head concerned shall be conclusive and final: *Provided further*, That any employee having a permanent or indefinite appointment, and having completed his probationary or trial period, who is a citizen of the United States whose employment is suspended under the authority of this Act, shall be given after his suspension and before his employment is terminated under the authority of this Act, (1) a written statement within thirty days after his suspension of the charges against him, which shall be subject to amendment within thirty days thereafter and which shall be stated as specifically as security considerations permit; (2) an opportunity within thirty days thereafter (plus an additional thirty days if the charges are amended) to answer such charges and to submit affidavits; (3) a hearing, at the employee's request, by a duly constituted agency authority for this purpose; (4) a review of his case by the agency head, or some official designated by him, before a decision adverse to the employee is made final; and (5) a written statement of the decision of the agency head: *Provided further*, That any person whose employment is so suspended or terminated under the authority of this Act may, in the discretion of the agency head concerned, be reinstated or restored to duty, and if so reinstated or restored shall be allowed compensation for all or any part of the period of such suspension or termination in an amount not to exceed the difference between the amount such person would normally have earned during the period of such suspension or termination, at the rate he was receiving on the date of suspension or termination, as appropriate, and the interim net earnings of such person: *Provided further*, That the termination of employment herein provided shall not affect the right of such officer or employee to seek or accept employment in any other department or agency of the Government: *Provided further*, That the head of any department or agency considering the appointment of any person whose employment has been terminated under the provisions of this Act may make such appointment only after consultation with the Civil Service Commission, which agency shall have the authority at the written request of either the head of such agency or such employee to determine whether any such person is eligible for employment by any other agency or department of the Government.

SEC. 2. Nothing herein contained shall impair the powers vested in the Atomic Energy Commission by the Atomic Energy Act of 1946 or the requirements of section 12 of that Act that adequate provision be made for administrative review of any determination to dismiss any employee of said Commission.

SEC. 3. The provisions of this Act shall apply to such other departments and agencies of the Government as the President may, from time to time, deem necessary in the best interests of national security. If any departments or agencies are included by the President, he shall so report to the Committees on the Armed Services of the Congress.

SEC. 4. Section 3 of the Act of December 17, 1942 (56 Stat. 1053), and section 104 of the Act of July 20, 1949 (Public Law 179, Eighty-first Congress), and section 630 of the Act of October 29, 1949 (Public Law 434, Eighty-first Congress), are hereby repealed.

Approved August 26, 1950.

Mr. SCOTT. We have a copy of Executive Order 10450, setting forth the security requirements for Government employment, which we would like to have placed in the record.

Senator SCOTT. Without objection, that will be inserted in the record.

(The document referred to was marked "Exhibit No. 2" and reads as follows:)

EXHIBIT NO. 2

EXECUTIVE ORDER 10450

SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

Whereas the interests of the national security require that all persons privileged to be employed in the departments and agencies of the Government shall be reliable, trustworthy, of good conduct and character, and of complete and unswerving loyalty to the United States; and

Whereas the American tradition that all persons should receive fair, impartial, and equitable treatment at the hands of the Government requires that all persons seeking the privilege of employment or privileged to be employed in the departments and agencies of the Government be adjudged by mutually consistent and no less than minimum standards and procedures among the departments and agencies governing the employment and retention in employment of persons in the Federal service:

Now, therefore, by virtue of the authority vested in me by the Constitution and statutes of the United States, including section 1753 of the Revised Statutes of the United States (5 U.S.C. 631); the Civil Service Act of 1883 (22 Stat. 403; 5 U.S.C. 632, *et seq.*): section 9A of the Act of August 2, 1939, 53 Stat. 1148 (5 U.S.C. 118j); and the Act of August 26, 1950, 64 Stat. 476 (5 U.S.C. 22–1, *et seq.*), and as President of the United States, and deeming such action necessary in the best interests of the national security, it is hereby ordered as follows:

SECTION 1. In addition to the departments and agencies specified in the said act of August 26, 1950, and Executive Order No. 10237 of April 26, 1951, the provisions of that act shall apply to all other departments and agencies of the Government.

SEC. 2. The head of each department and agency of the Government shall be responsible for establishing and maintaining within his department or agency an effective program to insure that the employment and retention in employment of any civilian officer or employee within the department or agency is clearly consistent with the interests of the national security.

SEC. 3. (a) The appointment of each civilian officer or employee in any department or agency of the Government shall be made subject to investigation. The scope of the investigation shall be determined in the first instance according to the degree of adverse effect the occupant of the position sought to be filled could bring about, by virtue of the nature of the position, on the national security, but in no event shall the investigation include less than a national agency check (including a check of the fingerprint files of the Federal Bureau of Investigation), and written inquiries to appropriate local law-enforcement agencies, former employers and supervisors, references, and schools attended by the person under investigation: *Provided*, That upon request of the head of the department or agency concerned, the Civil Service Commission may, in its discretion, authorize such less investigation as may meet the requirements of the national security with respect to per-diem, intermittent, temporary, or seasonal employees, or aliens employed outside the United States. Should there develop at any stage of investigation information indicating that the employment of any such person may not be clearly consistent with the interests of the national security, there shall be conducted with respect to such person a full field investigation, or such less investigation as shall be sufficient to enable the head of the department or agency concerned to determine whether retention of such person is clearly consistent with the interests of the national security.

(b) The head of any department or agency shall designate, or cause to be designated, any position within his department or agency the occupant of which could bring about, by virtue of the nature of the position, a material adverse effect on the national security as a sensitive position. Any position so designated shall be filled or occupied only by a person with respect to whom a full field investigation has been conducted: *Provided*, That a person occupying a sensitive position at the time it is designated as such may continue to occupy such position pending the completion of a full field investigation, subject to the other provisions of this order: *And provided further*, That in case of emergency a sensitive position may be filled for a limited period by a person with respect to whom a full field preappointment investigation has not been completed if the head of the department or agency concerned finds that such action is necessary in the national interest, which finding shall be made a part of the records of such department or agency.

SEC. 4. The head of each department and agency shall review, or cause to be reviewed, the cases of all civilian officers and employees with respect to whom there has been conducted a full field investigation under Executive Order No. 9835 of March 21, 1947, and, after such further investigation as may be appropriate, shall readjudicate, or cause to be readjudicated, in accordance with the said Act of August 26, 1950, such of those cases as have not been adjudicated under a security standard commensurate with that established under this order.

SEC. 5. Whenever there is developed or received by any department or agency information indicating that the retention in employment of any officer or employee of the Government may not be clearly consistent with the interests of the national security, such information shall be forwarded to the head of the employing department or agency or his representative, who, after such investigation as may be appropriate, shall review, or cause to be reviewed, and, where necessary, readjudicate, or cause to be readjudicated, in accordance with the said Act of August 26, 1950, the case of such officer or employee.

SEC. 6. Should there develop at any stage of investigation information indicating that the employment of any officer or employee of the Government may not be clearly consistent with the interests of the national security, the head of the department or agency concerned or his representative shall immediately suspend the employment of the person involved if he deems such suspension necessary in the interests of the national security and, following such investigation and review as he deems necessary, the head of the department or agency concerned shall terminate the employment of such suspended officer or employee whenever he shall determine such termination necessary or advisable in the interests of the national security, in accordance with the said Act of August 26, 1950.

SEC. 7. Any person whose employment is suspended or terminated under the authority granted to heads of departments and agencies by or in accordance with the said Act of August 26, 1950, or pursuant to the said Executive Order No. 9835 or any other security or loyalty program relating to officers or employees of the Government, shall not be reinstated or restored to duty or reemployed in the same department or agency, and shall not be reemployed in any other department or agency, unless the head of the department or agency concerned finds that such reinstatement, restoration, or reemployment is clearly consistent with the interests of the national security, which finding shall be made a part of the records of such department or agency: *Provided*, That no person whose employment has been terminated under such authority thereafter may be employed by any other department or agency except after a determination by the Civil Service Commission that such person is eligible for such employment.

SEC. 8. (a) The investigations conducted pursuant to this order shall be designed to develop information as to whether the employment or retention in employment in the Federal service of the person being investigated is clearly consistent with the interests of the national security. Such information shall relate, but shall not be limited, to the following:

(1) Depending on the relation of the Government employment to the national security:

(i) Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.

(ii) Any deliberate misrepresentations, falsifications, or omission of material facts.

(iii) Any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addition, or sexual perversion.

(iv) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.

(v) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the best interests of the national security.

(2) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, espionage, treason, or sedition.

(3) Establishing or continuing a sympathetic association with a saboteur, spy, traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States, or with any person who advocates the use of force or violence to overthrow the Government of the United States or the alteration of the form of government of the United States by unconstitutional means.

(4) Advocacy of use of force or violence to overthrow the Government of the United States, or of the alteration of the form of Government of the United States by unconstitutional means.

(5) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement, group, or combination of persons

which is totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.

(6) Intentional, unauthorized disclosure to any person or security information, or of other information disclosure of which is prohibited by law, or willful volation or disregard of security regulations.

(7) Performing or attempting to perform his duties, or otherwise acting, so as to serve the interests of another government in preference to the interests of the United States.

(b) The investigations of persons entering or employed in the competitive service shall primarily be the responsibility of the Civil Service Commission, except in cases in which the head of a department or agency assumes that responsibility pursuant to law or by agreement with the Commission. The Commission shall furnish a full investigative report to the department or agency concerned.

(c) The investigation of persons (including consultants, however employed), entering employment of, or employed by, the Government other than in the competitive service shall primarily be the responsibility of the employing department or agency. Departments and agencies without investigative facilities may use the investigative facilities of the Civil Service Commission, and other departments and agencies may use such facilities under agreement with the Commission.

(d) There shall be referred promptly to the Federal Bureau of Investigation all investigations being conducted by any other agencies which develop information indicating that an individual may have been subjected to coercion, influence, or pressure to act contrary to the interests of the national security, or information relating to any of the matters described in subdivisions (2) through (7) of subsection (a) of this section. In cases so referred to it, the Federal Bureau of Investigation shall make a full field investigation.

SEC. 9. (a) There shall be established and maintained in the Civil Service Commission a security-investigations index covering all persons as to whom security investigations have been conducted by any department or agency of the Government under this order. The central index established and maintained by the Commission under Executive Order No. 9835 of March 21, 1947, shall be made a part of the security investigations index. The security-investigations index shall contain the name of each person investigated, adequate identifying information concerning each such person, and a reference to each department and agency which has conducted an investigation concerning the person involved or has suspended or terminated the employment of such person under the authority granted to heads of departments and agencies by or in accordance with the said Act of August 26, 1950.

(b) The heads of all departments and agencies shall furnish promptly to the Civil Service Commission information appropriate for the establishment and maintenance of the security-investigations index.

(c) The reports and other investigative material and information developed by investigations conducted pursuant to any statute, order, or program described in section 7 of this order shall remain the property of the investigative agencies conducting the investigations, but may, subject to considerations of the national security, be retained by the department or agency concerned. Such reports and other investigative material and information shall be maintained in confidence, and no access shall be given thereto except, with the consent of the investigative agency concerned, to other departments and agencies conducting security programs under the authority granted by or in accordance with the said act of August 26, 1950, as may be required for the efficient conduct of Government business.

SEC. 10. Nothing in this order shall be construed as eliminating or modifying in any way the requirement for any investigation or any determination as to security which may be required by law.

SEC. 11. On and after the effective date of this order the Loyalty Review Board established by Executive Order No. 9835 of March 21, 1947, shall not accept agency findings for review, upon appeal or otherwise. Appeals pending before the Loyalty Review Board on such date shall be heard to final determination in accordance with the provisions of the said Executive Order No. 9835, as amended. Agency determinations favorable to the officer or employee concerned pending before the Loyalty Review Board on such date shall be acted upon by such Board, and whenever the Board is not in agreement with such favorable deter-

mination the case shall be remanded to the department or agency concerned for determination in accordance with the standards and procedures established pursuant to this order. Cases pending before the regional loyalty boards of the Civil Service Commission on which hearings have not been initiated on such date shall be referred to the department or agency concerned. Cases being heard by regional loyalty boards on such date shall be heard to conclusion, and the determination of the board shall be forwarded to the head of the department or agency concerned: *Provided*, That if no specific department or agency is involved, the case shall be dismissed without prejudice to the applicant. Investigations pending in the Federal Bureau of Investigation or the Civil Service Commission on such date shall be completed, and the reports thereon shall be made to the appropriate department or agency.

SEC. 12. Executive Order No. 9835 of March 21, 1947, as amended, is hereby revoked. For the purposes described in section 11 hereof the Loyalty Review Board and the regional loyalty boards of the Civil Service Commission shall continue to exist and function for a period of one hundred and twenty days from the effective date of this order, and the Department of Justice shall continue to furnish the information described in paragraph 3 of Part III of the said Executive Order No. 9835, but directly to the head of each department and agency.

SEC. 13. The Attorney General is requested to render to the heads of departments and agencies such advice as may be requisite to enable them to establish and maintain an appropriate employee-security program.

SEC. 14. (a) The Civil Service Commission, with the continuing advice and collaboration of representatives of such departments and agencies as the National Security Council may designate, shall make a continuing study of the manner in which this order is being implemented by the department and agencies of the Government for the purpose of determining:

(1) Deficiencies in the department and agency security programs established under this order which are inconsistent with the interests of, or directly or indirectly weaken, the national security.

(2) Tendencies in such programs to deny to individual employees fair, impartial, and equitable treatment at the hands of the Government, or rights under the Constitution and laws of the United States or this order.

Information affecting any department or agency developed or received during the course of such continuing study shall be furnished immediately to the head of the department or agency concerned. The Civil Service Commission shall report to the National Security Council, at least semiannually, on the results of such study, and shall recommend means to correct any such deficiencies or tendencies.

(b) All departments and agencies of the Government are directed to cooperate with the Civil Service Commission to facilitate the accomplishment of the responsibilities assigned to it by subsection (a) of this section.

SEC. 15. This order shall become effective thirty days after the date hereof.

THE WHITE HOUSE, *April 27, 1953.*

Mr. SCOTT. Then I have a series of Executive orders which are amendments to Executive Order 10450. These are Executive Orders 10491, 10531, 10548, and 10550.

Senator SCOTT. Without objection, they will be made a part of the record.

(The documents referred to were marked "Exhibits Nos. 3, 4, 5, and 6" and read as follows:)

EXHIBIT NO. 3

EXECUTIVE ORDER 10491

AMENDMENT OF EXECUTIVE ORDER NO. 10450 OF APRIL 27, 1953, RELATING TO SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 1753 of the Revised Statutes of the United States (5 U.S.C. 631); the Civil Service Act of 1883 (22 Stat. 403; 5 U.S.C. 632, *et seq.*); section 9A of the act of August 2, 1939, 53 Stat. 1148 (5 U.S.C. 118j); and the act of August 26, 1950, 64 Stat. 476 (5 U.S.C. 22–1, *et seq.*), and as President of

the United States, and finding such action necessary in the best interests of the national security, it is hereby ordered as follows:

Subsection (a) of section 8 of Executive Order No. 10450 of April 27, 1953, relating to security requirements for Government employment, is hereby amended by adding thereto at the end thereof paragraph (8) as follows:

"(8) Refusal by the individual, upon the ground of constitutional privilege against self-incrimination, to testify before a congressional committee regarding charges of his alleged disloyalty or other misconduct."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *October 13, 1953.*

EXHIBIT NO. 4

EXECUTIVE ORDER 10531

AMENDMENT OF EXECUTIVE ORDER NO. 10450 OF APRIL 27, 1953, AS AMENDED, RELATING TO SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 1753 of the Revised Statutes of the United States (5 U.S.C. 631); the Civil Service Act of 1883 (22 Stat. 403; 5 U.S.C. 632, *et seq.*); section 9A of the act of August 2, 1939, 53 Stat. 1148 (5 U.S.C. 118j); and the act of August 26, 1950, 64 Stat. 476 (5 U.S.C. 22–1, *et seq.*), and as President of the United States, and finding such action necessary in the best interests of the national security, it is hereby ordered as follows:

Subsection (d) of section 8 of Executive Order No. 10450 of April 27, 1953, as amended by Executive Order No. 10491 of October 13, 1953, relating to security requirements for Government employment is hereby amended by striking out after the words "subdivisions (2)" the words "through (7)" and substituting the words "through (8)" so that the last clause of the first sentence of that section will read as follows: "or information relating to any of the matters described in subdivisions (2) through (8) of subsection (a) of this section."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 27, 1954.*

EXHIBIT NO. 5

EXECUTIVE ORDER 10548

AMENDMENT OF EXECUTIVE ORDER NO. 10450 OF APRIL 27, 1953, RELATING TO SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 1753 of the Revised Statutes of the United States (5 U.S.C. 631); the Civil Service Act of 1883 (22 Stat. 403; 5 U.S.C. 632, *et seq.*); section 9A of the act of August 2, 1939, 53 Stat. 1148 (5 U.S.C. 118j); and the act of August 26, 1950, 64 Stat. 476 (5 U.S.C. 22–1, *et seq.*), and as President of the United States, and finding such action necessary in the best interests of the national security, it is hereby ordered as follows:

Subsection (a)(1)(iv) of section 8 of Executive Order No. 10450 of April 27, 1953, relating to security requirements for Government employment, is hereby amended to read as follows:

"(iv) Any illness, including any mental condition, of a nature which in the opinion of competent medical authority may cause significant defect in the judgment or reliability of the employee, with due regard to the transient or continuing effect of the illness and the medical findings in such case."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 2, 1954.*

EXHIBIT NO. 6

EXECUTIVE ORDER 10550

AMENDMENT OF EXECUTIVE ORDER NO. 10450 OF APRIL 27, 1953, RELATING TO SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 1753 of the Revised Statutes of the United States (5 U.S.C. 631), the Civil Service Act of 1883 (22 Stat. 403; 5 U.S.C. 632, *et seq.*); section 9A of the act of August 2, 1939, 53 Stat. 1148 (5 U.S.C. 118j); and the act of August 26, 1950, 64 Stat. 476 (5 U.S.C. 22–1, *et seq.*), and as President of the United States, and finding such action necessary in the best interests of the national security, it is hereby ordered as follows:

Section 14 of Executive Order No. 10450 of April 27, 1953, relating to security requirements for Government employment is hereby amended as follows:

1. The last sentence of subsection (a) thereof is amended to read:

"The Civil Service Commission shall report to the National Security Council, at least semiannually, on the results of such study, shall recommend means to correct any such deficiencies or tendencies, and shall inform the National Security Council immediately of any deficiency which is deemed to be of major importance."

2. The following subsection is added at the end thereof:

"(c) To assist the Civil Service Commission in discharging its responsibilities under this order, the head of each department and agency shall, as soon as posible and in no event later than ninety days after receipt of the final investigative report on a civilian officer or employee subject to a full field investigation under the provisions of this order, advise the Commission as to the action taken with respect to such officer or employee. The information furnished by the heads of the departments and agencies pursuant to this section shall be included in the reports which the Civil Service Commission is required to submit to the National Security Council in accordance with subsection (a) of this section. Such reports shall set forth any deficiencies on the part of the heads of departments and agencies in taking timely action under this order, and shall mention specifically any instances of noncompliance with this subsection."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 5, 1954.*

Mr. SCOTT. As an outgrowth of Executive orders, and implementation of Public Law 733, we have two cases that are significant, involving the personal security, and the dismissal of individuals under the rules and regulations that were formulated or promulgated on the Executive orders. We would like to have those placed in the appendix to the present hearing.

First is the case of *Cole* v. *Young*.

Senator SCOTT. Without objection, it will be placed in the appendix of the record.

(The document referred to was marked "Appendix I" and is printed at p. 1.)

Mr. SCOTT. The second is the case of *Greene* v. *McElroy*.

Senator SCOTT. Without objection, it is so ordered.

(The document referred to was marked "Appendix II" and is printed at p. 35.)

Mr. SCOTT. May we have the witness sworn, sir?

Senator SCOTT. Yes.

Mr. Applegate, do you swear that the statements you make to this subcommittee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. APPLEGATE. I do.

TESTIMONY OF ROBERT LEE APPLEGATE; ACCOMPANIED BY ROBERT T. ANDREWS, OFFICE OF GENERAL COUNSEL, OFFICE, SECRETARY OF DEFENSE; GEORGE MacCLAIN, LEGAL ADVISER AND SPECIAL ASSISTANT TO DIRECTOR, OFFICE OF INDUSTRIAL PERSONNEL SECURITY, ACCESS AUTHORIZATION REVIEW, DEPARTMENT OF DEFENSE; LT. COL. BRUCE F. MEYERS, U.S. MARINE CORPS, DEPUTY DIRECTOR, LEGISLATIVE AFFAIRS, OFFICE OF SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE

Senator SCOTT. Would you state your full name and your title.

Mr. APPLEGATE. Robert Lee Applegate; I am Staff Director of the Security Programs Division, Office of the Deputy Assistant Secretary of Defense for Security Policy, Assistant Secretary of Defense for Manpower.

Senator SCOTT. In what department of the Government?

Mr. APPLEGATE. The Department of Defense.

Senator SCOTT. Will you go ahead, Counsel?

Mr. SCOTT. Will you state briefly the nature of your duties, Mr. Applegate?

Mr. APPLEGATE. The Security Programs Division is responsible for promulgating security policies and practices used throughout the entire Department of Defense. This not only includes internal security practices within the Department of Defense, but also our industrial security program, which is conducted in nondefense facilities throughout the United States.

To effect this operation, we issue from time to time a number of security directives, that are called Department of Defense directives, and the military department and other agencies of the Department of Defense promulgate these through their own specific rules and regulations.

Mr. SCOTT. In your capacity there, you are familiar with and have knowledge of the personnel security practices and procedures of the Department of Defense.

Mr. APPLEGATE. Yes, sir.

Mr. SCOTT. And you have issued certain rules and regulations?

Mr. APPLEGATE. We have, yes.

Mr. SCOTT. Do you have——

Mr. APPLEGATE. Not rules and regulations. We have issued DOD directives.

Mr. SCOTT. Directives?

Mr. APPLEGATE. That is correct. These are issued in regulation form by the three military departments.

Mr. SCOTT. Do you have copies of those with you?

Mr. APPLEGATE. No, I do not. I was not requested to furnish these specifically. I want to assure you, however, that anything that the committee wants in the way of such background information, we would be happy to supply.

Mr. SCOTT. I have here a copy—Special Regulations 620–220–1, which governs the processing of cases under the civilian personnel security program.

Mr. APPLEGATE. Is that Department of the Army regulations?

Mr. SCOTT. Yes. These were furnished—may I hand these to you?

Mr. APPLEGATE. Are you referring to the August 24 letter?

(The letter referred to appears in Appendix III at p. 87.)

Mr. SCOTT. Yes.

Mr. APPLEGATE. I am in a position to report on that—if you want me to.

Mr. SCOTT. Yes. Would you identify them by the tabs?

Mr. APPLEGATE. Yes.

Our letter of August 24 was in response to a request from this committee of June 29 for material which it felt would be helpful in a survey of the personnel security practices and procedures of the departments and agencies of the U.S. Government. This, of course, would apply only to the Department of Defense.

In presenting a résumé of the personnel security practices and procedures relative to the civilian employees of each military department, we submitted, in our correspondence of August 24, at tab A, Army Special Regulations 620–220–1, which govern the processing of civilian cases.

(The documents referred to with the prefix "tab" are printed in Appendix IV, beginning at p. 91.)

At tab B is the organizational chart as of July 1962. This is for the Department of the Army—for processing cases.

At that time we stated that the figures on clearances granted during the specific 4 years requested were not available, but they were being compiled.

I wish to report to the committee that as of yesterday a letter addressed to the chairman transmits to you this information. I have an extra copy, which I can leave with the committee until you receive the original.

Senator SCOTT. Would you like that offered in evidence, counsel?

Mr. SCOTT. No, sir; I believe not, at this time.

Senator SCOTT. All right. Proceed.

Mr. APPLEGATE. At tab C, are the number of cases considered during the past 4 years. This is going back to the tabs in our transmittal.

As far as the Navy Department is concerned, at tab D, Navy instruction NCPI 732, governing civilian personnel security program of the Department of the Navy is presented.

At tab E is an organizational chart showing the location of the personnel security functions and their relationship with other Navy components.

At tabs F and G are charts depicting the processing of cases where suspension has been proposed and where it has not been proposed.

At tab H, is the number of clearances and security cases for fiscal years 1959–62.

Then we took up the Air Force: at tab I are data pertaining to security cases handled by the Air Force during the past 4 years.

At tab I–1 are the number of sensitive positions in the Air Force, together with the percentage of turnover for the same period.

At tab J is an organizational chart of the Air Force.

Tab K is an organizational chart of the Office of the Secretary of the Air Force.

At tab L is an organizational chart showing the placement of responsibility for the civilian personnel security program within the Department of the Air Force.

At tab M is a chart outlining the routing and processing of cases under the program, with an explanatory text.

That covers fairly generally our transmittal of August 24 of the material.

In your letter of January 3, you requested that certain information be given to the committee on our industrial security program. Before I lead into the information that was requested, I would like to make a few comments about our industrial security program.

Mr. SCOTT. Mr. Applegate, may I interrupt to ask you, on this material which you have just discussed and identified, I also have a tab N.

Mr. APPLEGATE. That is Air Force Regulation 40–23A: Investigation for Employment for Civilian Personnel for the Department of the Air Force.

Mr. SCOTT. Now, this completes this section?

Mr. APPLEGATE. That is right.

Mr. SCOTT. May we offer these?

Senator SCOTT. Yes. They may be received in evidence and made a part of the record. I assume you will want them made a part of the record rather than by reference.

Mr. SCOTT. Yes, sir. They are to be placed in the appendix.

(The documents referred to were marked "Appendix IV–A through C" and will be found at pp. 91–471.)

Mr. SOURWINE. If I might make a suggestion, Mr. Chairman—it is possible that, in the hearing of a number of witnesses today, something might get included in this record a little out of the best order to make sense of the record.

If the Chair would permit, since these are all friendly witnesses, and there is no question of an adverse position, if the Chair would care to rule that alterations in the position of material in the record might be made by the staff, with the approval of the chairman, so that, before it is printed, it is well organized as possible.

Senator SCOTT. The chairman will have no objection to that provided that the witness or witnesses are notified of the general nature of the alterations in order or sequence.

Mr. SOURWINE. Thank you, sir.

Mr. SCOTT. We had additional material furnished by you by letter under date of July 31, 1962.

(The letter referred to appears in Appendix III, at p. 89.)

Mr. APPLEGATE. I beg your pardon—yes. We were asked also in the original communication of June 29 to submit to the committee copies of internal Department of Defense directives which governed the issuance of the rules and regulations of the three military departments and defense components. These were submitted to you by our transmittal of July 31, 1962, and included DOD Directives Nos. 5210.7 and 5210.8.

(The directives referred to appear in Appendix V, at pp. 473 and 486.)

Mr. SCOTT. Mr. Chairman, these are offered.

Senator SCOTT. They may be received in evidence and made a part of the record.

Mr. APPLEGATE. Shall I proceed?

Mr. SCOTT. Surely.

Mr. APPLEGATE. I thought it might be helpful to the committee to have a thumbnail presentation on the industrial security program, since your letter asks for a résumé of the program.

I will avoid tedious details, but there are some basic facts which I believe will be helpful to you.

The industrial security program of the Department of Defense is concerned with the protection of classified information in the custody of non-Government activities. These primarily are plants, universities, research organizations and such.

At the present time there are approximately 25,000 such facilities throughout the United States that have a clearance for access to this type of information.

In such facilities, down through the years, of approximately 5 million, we, the Government, have cleared approximately 1.75 million people. On the basis of our estimates, there are about 17,000 plants currently that have custody of classified information. We have no figures on exactly how many are currently working on classified information.

Each facility is assigned to one or another of the three military departments for what we call security cognizance, so that any problem that arises of a security nature in any one of those plants which pertains to the protection of the information which is furnished to the contractor is taken up and resolved by the cognizant security office.

We have 112 such offices scattered throughout the United States.

In addition to this, we not only take care of our own classified information in the hands of non-Government activities, but also that of seven other agencies. These are the Department of State, Department of Commerce, the National Aeronautics and Space Agency, the Federal Aviation Agency, General Services Administration, the Small Business Administration, and the National Science Foundation.

The facilities which we have cleared for access to the information I have discussed have been cleared approximately 10 percent for access to confidential information, 85 percent for secret information, and 5 percent for top secret information. That may appear a little lopsided, but we can easily explain that to you when the time comes.

To conduct this program we have a set of regulations which we, within the Department of Defense, follow—these cognizance security offices that I mentioned follow—which represent the Government's side of the operation.

We also have a manual which is binding upon the contractor.

I want to, if I may, at this time submit to the committee for its use two copies of the regulation which we call the "Armed Forces Industrial Security Regulation," and two copies of the "Industrial Security Manual for Safeguarding Classified Information."

I would like to add one point here.

The manual has just been reprinted.

This document, the Armed Forces industrial security regulation, also is being reprinted. I thought I would have the new copies avail-

able today, but just as soon as they are available, we will get them over to you.[1]

Mr. SCOTT. May these be received to be placed in the appendix?

Senator SCOTT. Yes. These may be received but held in the files of the subcommittee and not printed.

The Chair suggests that if it is necessary to secure additional copies, that they be included in such copies of the transcript as are necessary, so as to omit the necessity for retyping by the reporter.

(The document "Armed Forces Industrial Security Regulation," was marked "Appendix VI"; the document "Industrial Security Manual for Safeguarding Classified Information" was marked "Appendix VII" and one copy of each is retained in subcommittee files.)

Mr. APPLEGATE. In addition, we are supplying, if I may proceed——

Mr. SCOTT. Surely.

Mr. APPLEGATE (continuing). Two copies of DOD Directive 5220.6, entitled "Industrial Personnel Access Authorization Review Regulation."

These were specifically requested in your letter of January 3.

Mr. SCOTT. May these be received?

Senator SCOTT. This may be received and, without objection, will be held in the files of the subcommittee.

(The document was marked "Appendix VIII" for identification and retained in the subcommittee files.)

Mr. APPLEGATE. We would also like to submit two copies of Executive Order 10909, dated January 17, 1961, which provides several modifications for Executive Order 10865, which was read into the record earlier.

Mr. SCOTT. Safeguarding classified information within industry.

Mr. APPLEGATE. That is right. This is in connection with our review program. This provides certain modifications.

Senator SCOTT. This may also be received and included in the appendix to the record, without objection, and under the same understanding.

(The material referred to was marked "Appendix IX" and will be found at p. 509.)

Mr. APPLEGATE. May we invite the committee's attention to the fact that 10865 is the basic order on which our industrial security program is established. It is an appendix to the Department of Defense Directive 5220.6.

Mr. SCOTT. It is an amendment of Executive Order 10865.

Mr. APPLEGATE. I am sorry—Executive Order 10865 is appended to the DOD directive—as a part of 5220.6, which I have already submitted.

Mr. SOURWINE. Mr. Applegate, are all of these documents that you have furnished currently in force, except where on their face or by amendment they show otherwise?

Mr. APPLEGATE. That is correct; yes, sir.

We wanted to submit two copies of an organizational chart of the industrial personnel access authorization review, which makes deter-

[1] The new print of this document was received by Counsel Scott on Feb. 28, 1962, under the following memo, dated Feb. 26, 1962, and signed by Mr. Applegate:

"Attached are 2 copies of the newly issued "Armed Forces Industrial Security Regulation" which have been received from the printers. As discussed by phone these are intended to replace the copies furnished your committee on Feb. 20.

mination on all industrial cases which have been referred by the military departments for decision.

Mr. SCOTT. May those be received in the record?

Senator SCOTT. These may be received and incorporated in the record without objection.

(The document referred to was marked "Appendix X" and appears at p. 511.)

Mr. APPLEGATE. Our industrial access authorization review program has been conducted for a number of years. We are prepared today to submit the review statistics which were requested. Incidentally, the statistics we will submit cover three separate periods—one, July 1953 to March 1955; two, from April 1955 to June of 1959; and three, from August of 1960 to December of 1962.

I would like to submit for the record two copies of the statistics on those three periods.

Mr. SCOTT. Yes, sir. Mr. Chairman, may those be received?

Senator SCOTT. They may be incorporated in the record, without objection.

(The material referred to was marked "Appendix Nos. XI, XI–A, and XI–B" and appears at pp. 513, 514, and 515.)

Mr. APPLEGATE. This constitutes the material which we have prepared to submit today. We certainly thank you for the opportunity of coming over here.

Mr. SOURWINE. Mr. Applegate, as you know this hearing today is preliminary. We are going to try to get the writing which constitute the body of controls of all the departments over security into one place, and one document. That is why we are so brief today.

I might say, Mr. Chairman, that the work on this did not begin today. It has been underway for a good year. The departments, as you can see from the example of Mr. Applegate's presentation, have done a great deal of work at the committee's request. The staff is all extremely grateful for their very fine cooperation. It was a job of several months just to consult with the security people in the various departments and get our questions in such a form that they could all give us answers, and there would be some rough comparability between them. So that this is kind of an iceberg. The tip is just appearing above the surface now.

Senator SCOTT. The chairman is aware of the considerable burden put on members of the executive department of the Government by the necessity for testifying before so many committees and subcommittees. We do very much appreciate all the care and effort that has gone into the presentation. We thank you for it.

Mr. APPLEGATE. Thank you.

Mr. SCOTT. One other question I wanted to ask you, Mr. Applegate—as to whether you have any additional orders, directives, opinions—that is formal or informal—interpretations, letters, interdepartmental memos, intradepartmental memos, or any other instructions or writing which are now in force respecting the enforcement of security, your security policies, which you feel might be helpful to the committee in its legislative consideration of this matter.

Mr. APPLEGATE. I would hesitate to make a statement to that effect without checking into it rather carefully. However, I am sure that if you proceed as most committees do in matters of this kind, that we will have a little time to deliberate on this.

Mr. SCOTT. Surely.

Mr. SOURWINE. Might I ask, Mr. Chairman—this is a very good question that counsel has asked—that time be given to the witness to furnish anything else in this entire category, and that if there is anything else found and furnished, it may be ordered into the record at this point also, so we will have in one place everything in writing that affects the administration of the security program in the Department.

Senator SCOTT. Without objection this may be done.

(The following letter, submitting material in response to the subcommittee's request above, was later received and ordered into the record at this point.)

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 7, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, U.S. Senate,
Committee on the Judiciary, Washington, D.C.

DEAR MR. SCOTT: This is in response to your letter of April 5, 1963, in which you requested that the Department submit any additional data, not previously furnished your subcommittee, respecting the enforcement of security policies within the Department of Defense.

Attached at tabs 1, 2, and 3 are copies of additional materials now in force which have been obtained informally from the three military departments.

Sincerely yours,

R. L. APPLEGATE,
Director, Security Programs Division.

(The additional documents covering the Department's personnel security program were ordered published in the appendix and appear at pp. 91 and 119.)

The Chair suggests that the names of the other persons present and titles or designations be included in the record also, in view of the statement by Mr. Applegate and the agreement of counsel that he is the only witness whom we need to hear today.

Anything further, gentlemen?

Mr. Montague, Mr. Keefe, do you and both of you swear that, in the matter of testimony, before this subcommittee, you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF HENRY B. MONTAGUE, CHIEF POSTAL INSPECTOR, PERSONNEL SECURITY OFFICER, POST OFFICE DEPARTMENT; AND MICHAEL L. KEEFE, DIRECTOR, PERSONNEL SECURITY, POST OFFICE DEPARTMENT

Mr. MONTAGUE. I do.

Mr. KEEFE. I do.

Senator SCOTT. Mr. Montague, would you give your full name and title to the reporter?

Mr. MONTAGUE. Henry B. Montague, Chief Postal Inspector, Personnel Security Officer of the Post Office Department.

Mr. SCOTT. Mr. Montague, in your capacity, you are familiar with and have knowledge of the current rules and regulations governing personnel security in the Post Office Department?

Mr. MONTAGUE. Yes, sir.

Mr. SCOTT. I have here a letter of October 5, 1962, transmitting the rules and regulations, the organization of the bureaus and offices of the Post Office Department, of the Chief Postal Inspector. These are the copies?

Mr. MONTAGUE. Yes, sir. There is one other chart, Mr. Scott—chart 811. It applies to the Chief Postal Inspector's bureau.

Mr. SCOTT. Is the one that you have the current one that contains that?

Mr. MONTAGUE. Yes, sir.

Mr. SCOTT. Are these rules, regulations, the organizational setup of the Post Office Department and the Office of the Postal Inspector, which handles the security matters which you have supplied those that are now currently in force?

Mr. MONTAGUE. Yes, sir.

Mr. SCOTT. Mr. Chairman, I would like to submit these to be placed in the appendix.

Senator SCOTT. Without objection, they may be received and incorporated in the record.

(The material referred to was marked "Appendix XII" and will be found at pp. 517–519.)

Mr. SCOTT. Mr. Montague, do you have any other orders, directives, opinions (formal or informal), interpretations, letters of instruction, interdepartmental memos, intradepartmental memos, or any other writings now in force with respect to the enforcement of security policies in the Post Office Department?

Mr. MONTAGUE. No, sir. The only letters we have would be to clarify questions which might be raised about our general instructions, but nothing which would supersede or take the place of any of these instructions.

Mr. SOURWINE. Would they be letters of general applicability or letters applying only to particular cases?

Mr. MONTAGUE. Generally applying only to particular cases, matters of interpretation.

Mr. SOURWINE. Would an interpretation so stated be controlling in a similar situation if it arose later?

Mr. MONTAGUE. The instructions which have just been submitted are the controlling documents and instructions. Any decisions that are made are based on those instructions.

Mr. SOURWINE. Thank you.

Mr. SCOTT. I have no further questions, Mr. Chairman.

(The following letter was later received by the subcommittee:)

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., April 19, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel,
Senate Internal Security Subcommittee
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: Reference is made to your communication of April 5, 1963, concerning regulations and instructions of this Department covering personnel security. Copies of part 837 of the postal manual containing this Department's security regulations were furnished during the hearing on February 20, 1963.

As of possible information we call attention to the fact the actual operating part of the security regulations proper ends with section 837.128(1). (See App. XII, pp. 525–528.) Instructions covering matters collateral to the general op-

eration of the program throughout the Postal Service, instead of being issued as separate directives, appear in part 837.131 through 837.154 included in the copies furnished you. Also see marked copy attached.

Sincerely yours,

H. B. MONTAGUE,
Personnel Security Officer.

Senator SCOTT. Mr. Montague, approximately how many security cases are received and disposed of in a given year?

Mr. MONTAGUE. Senator, they have been averaging out to about 15,600. Our latest figures show 16,584 cases, for calendar year 1962.

Senator SCOTT. What is the general nature of the complaints as to security violations?

Mr. MONTAGUE. Today the general nature of the complaints apply more to suitability than to disloyalty—such things as homosexuality, use of narcotics, theft, criminal records, and so on are brought to our attention, and these people are checked out to see whether or not they are suitable for employment in the Post Office.

Senator SCOTT. The percentage of disloyalty, then, is rather small?

Mr. MONTAGUE. Yes, sir.

Senator SCOTT. Would you estimate or hazard an informed guess as to about what percentage of these cases would be connected with alleged disloyalty charges?

Mr. MONTAGUE. May I ask Mr. Keefe to reply to that question? He works with this problem on a day-to-day basis.

Senator SCOTT. Go ahead, Mr. Keefe.

Mr. KEEFE. Well, I would like to put it this way: First to answer your question strictly, a very few. Maybe, in the course of a year, 25 or something of that sort. We get around to the point, however, that we just do not receive in cases today the evidence, such as Communist Party cards, voting lists, payment of dues and things of that kind, that identified loyalty-security cases in the past. Today you get an indication, and it is difficult with nothing more, to always definitely place such cases in a loyalty category. So within this limitation, where there is some reasonable inference of disloyalty, I would say we get 25 or 30 such cases in the course of a year. But we do not get the evidence today like we used to that can come out and speak for itself.

Senator SCOTT. That is all I have.

Mr. SOURWINE. Are you presently using the standard of evidence that employment is in the interest of the Government, or do you use the standard of evidence that employment is not in the interest of the Government?

Do you understand me?

Mr. KEEFE. Not exactly.

Mr. SOURWINE. Well, you know there has been a good deal of controversy in the past over who was going to get the edge, or who was going to get the break. And the standard at one time was that you would retain only those concerning whom it was found, on a review of all the facts, that retention was in the best interests of the Government. Then the standard was changed, I believe, and it was made that you would discharge only those where it was clearly shown that the retention was not in the best interests of the Government. This has proven to be, I think, a more substantial difference than it may

sound. But I do not mean to get into the philosophy of it at the moment. Just what is your present standard?

Mr. KEEFE. We go on this particular basis—in a question of doubt, the doubts are resolved in favor of the Government.

Mr. SOURWINE. That is what I was trying to get at; yes, sir.

One more thing perhaps needs clearing up.

Is there a distinction in your activity, in your Department, between security cases and suitability cases?

Mr. MONTAGUE. Yes, sir.

Mr. SOURWINE. Or is suitability simply a factor in a security case?

Mr. MONTAGUE. It is a factor in a security case. All of the reports which contain derogatory information clear through the personnel security division. But the loyalty cases would be handled separately and differently.

Mr. SOURWINE. Your distinction is, within security cases: on the one hand, loyalty cases and, on the other hand, suitability cases.

Mr. MONTAGUE. Yes, sir.

Mr. SOURWINE. Thank you.

Senator SCOTT. That is all. Thank you very much, gentlemen.

Would you rise, please?

Do you solemnly swear that, in the proceedings before this subcommittee, you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF J. W. YEAGLEY, ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF JUSTICE; ACCOMPANIED BY JOHN F. DOHERTY, FIRST ASSISTANT, INTERNAL SECURITY DIVISION; AND CLIFFORD J. NELSON, SECURITY OFFICER, DEPARTMENT OF JUSTICE

Mr. YEAGLEY. Yes, sir.

Senator SCOTT. Would you give the reporter your name and title?

Mr. YEAGLEY. My name is J. W. Yeagley. I am Assistant Attorney General, Department of Justice.

Senator SCOTT. Go ahead, counsel.

Mr. SCOTT. Mr. Yeagley, in your position, you handle the policies of personnel security and also personnel security practices and procedures in the Department of Justice.

Mr. YEAGLEY. Yes.

Mr. SCOTT. And as such, in such position, you are familiar with and have knowledge of your rules and regulations.

Mr. YEAGLEY. Correct.

Mr. SCOTT. I have here a copy of the order No. 25–53, dated August 31, 1953, which was sent to the staff of the Department of Justice and it says that the attached personnel security regulations of the Department of Justice are hereby approved and made effective immediately, signed by Herbert Brownell, Jr., Attorney General. Are these the regulations now that are currently in force?

Mr. YEAGLEY. Yes, they are.

Mr. SCOTT. Is this correct—the amendment of May 19, 1954, order 47–54; the amendment dated September 24, 1954; and then the amendment of January 20?

Mr. YEAGLEY. That is missing from my copy. Maybe we should supply you with another one.

Mr. SCOTT. Mr. Chairman, may I offer these for the appendix?

Senator SCOTT. Yes. These may be received and without objection incorporated into the record.

(The material referred to will be found in Appendix XIII, p. 529.)

Mr. SCOTT. Mr. Yeagley, do you have any additional orders, directives, opinions—formal or informal—interpretations, letters, interdepartmental memos, intradepartmental memos, instructions or other writings now in force respecting the enforcement of security policies in the Department of Justice?

Mr. YEAGLEY. Well, such a broad question as that I would have to answer in the affirmative. We have over the years, of course, had a number of legal studies made of the law and the Executive order and our regulations, and a number of interpretations that have been made as to what the law and Executive order are and how it should be applied, that it would probably come within the meaning of the question, although they have never been promulgated as an amendment to our regulations.

Mr. SCOTT. I see. So those are the only three amendments that you have.

Mr. YEAGLEY. These are the only ones—only amendments to the regulations officially, that is right. But we have rather voluminous files, and in those there are some things that I would consider legal opinions.

Mr. SCOTT. As you understand, this is a preliminary discussion here. You are submitting for the record your rules and regulations. If you were given sufficient time, that could be made available?

Mr. YEAGLEY. These that I have introduced in the record here are the official rules and regulations as amended, current to date. All I am saying is that—I thought your question was broader than that. And we do have legal studies, memorandums, legal opinions.

Mr. SOURWINE. What we are trying to do is get in one place in a printed record all of the writings which control the administration of security programs in each of the departments.

Mr. YEAGLEY. These would be the writings that control the procedures.

Mr. SOURWINE. That is why Mr. Scott has the checklist which we are running over with the idea that, at the end of each person's testimony, you will be furnished a copy of this, and if in your judgment there is anything else that would be useful or helpful or in any way controlling with regard to the administration of security in your Department, if you will furnish it, I believe we have an order from the chairman that material so furnished may go into the record.

Mr. NELSON. I think included in your question would be the *Cole* v. *Young* decision, which was not written in the regulations.

Mr. SOURWINE. Which we have already put in our record, because it belongs in this record.

Mr. NELSON. That would be an example.

Mr. SCOTT. Interpretations that you may have issued as to the meaning of your certain regulations or explanations of certain sections.

Mr. NELSON. I can't think of any.

Mr. SCOTT. In the event that subsequently it comes up, they can be made available.

Mr. YEAGLEY. Surely.

Mr. SOURWINE. This is a formidable checklist that counsel has offered here. I think you ought to be given a chance to look at it and think about it.

Mr. YEAGLEY. In our area it is, because we try to make sure that we are operating with our eyes open, and that we are putting the proper legal interpretation on the law and the Executive order.

Mr. SOURWINE. Sometimes your opinions are very important—they may even control what another department does.

Mr. YEAGLEY. I don't think that we have anything that you would want produced here. But I am cautious because it is a broad question. I do not know right now what would be in those files.

Mr. SCOTT. At this time I have no further questions.

Senator SCOTT. All right. That is all. Thank you, gentlemen.

(Mr. Yeagley later submitted a group of letters which he listed as follows in his Mar. 20, 1963, communications to the chairman:)

DEPARTMENT OF JUSTICE,
Washington, March 20, 1963.

Hon. JAMES O. EASTLAND,
Chairman, Senate Internal Security Subcommittee,
U.S. Senate, Washington, D.C.

DEAR SENATOR: In the course of my testimony before your subcommittee on February 20, 1963, regarding procedures under Executive Order 10450 I indicated I would forward such additional orders, letters, or memorandums as would affect those procedures.

Accordingly there are attached copies of the following letters and memorandums:

February 12, 1954, from Robert W. Minor, Acting Deputy Attorney General, to Hugh L. Dryden, Director, National Advisory Committee for Aeronautics.

August 23, 1954, from the Deputy Attorney General to Philip Young, Chairman, U.S. Civil Service Commission.

March 4, 1955, from the Attorney General to President Dwight D. Eisenhower.

March 4, 1955, from President Dwight D. Eisenhower to the Attorney General.

January 16, 1956, from Assistant Attorney General William F. Tompkins to Philip Young, Chairman, Civil Service Commission.

June 14, 1956, from Assistant Attorney General William F. Tompkins to Philip Young, Chairman, Civil Service Commission.

June 14, 1956, U.S. Civil Service Commission Departmental Circular No. 859 to heads of departments and independent establishments.

August 1, 1956, from the Attorney General to the heads of all departments and agencies.

August 23, 1956, from Assistant Attorney General William F. Tompkins to Philip Young, Chairman, Civil Service Commission.

March 1, 1961, from J. Walter Yeagley, Chairman, Personnel Security Advisory Committee, to heads of all departments and agencies.

I hope that this material will be of use to your committee.

Sincerely,

J. WALTER YEAGLEY,
Assistant Attorney General.

(The material referred to above is printed in Appendix XIII, at pp. 544, 546, 547, 550–554, 556, and 557.)

Mr. SCOTT. Mr. Reilly, will you stand up, please? You do swear in this proceeding before the Internal Security Subcommittee that your testimony will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. REILLY. Yes, sir.

TESTIMONY OF JOHN F. REILLY, DEPUTY ASSISTANT SECRETARY OF STATE FOR SECURITY; ACCOMPANIED BY DAVID I. BELISLE, SPECIAL ASSISTANT FOR PERSONNEL SECURITY; AND JOHN LEAHY, OFFICE OF CONGRESSIONAL RELATIONS

Senator SCOTT. Would you give your full name and title for the record?

Mr. REILLY. John F. Reilly, Deputy Assistant Secretary of State for Security.

Mr. SCOTT. Mr. Reilly, do you have an organizational chart representing your position with respect to the Secretary of State or the Assistant Secretary of State?

Mr. REILLY. I'm terribly sorry I did not bring such a chart with me. I would be more than happy to furnish it. If I might explain where we stand, however, orally: I report directly to the Deputy Under Secretary for Administration, Mr. William H. Orrick, Jr.

(Two charts were later supplied, ordered marked "Appendix XIV" and are printed at pp. 559 and 560.)

Mr. SCOTT. In your official position, you have occasion to be and are familiar with the rules and regulations governing the personnel security practice and procedures in the State Department.

Mr. REILLY. That is correct.

Mr. SCOTT. Do you have copies of the current rules and regulations that are now in force?

Mr. REILLY. Yes, I do, sir.

Mr. SCOTT. Will you identify them for the record?

Mr. REILLY. I am placing in the record two copies each of the Department of State security regulations as they pertain to (1) departmental personnel and as they pertain to (2) foreign service personnel.

(The documents referred to are printed in Appendix XIV, pp. 561, 579, and 586.)

Mr. SOURWINE. I believe one copy would be enough to be printed in our record, Mr. Chairman.

Mr. REILLY. Thank you. They are in short supply.

Mr. SCOTT. May these be received to be placed in the appendix?

Senator SCOTT. Yes; they may, without objection, be received and incorporated in the appendix to the record.

Mr. SCOTT. Now, what other rules or directives do you have?

Mr. REILLY. Those are the rules and directives. I brought with me, however, if they are of interest to the subcommittee, the application forms and the instructions that go to all applicants. Do you want them further identified for the record, Mr. Chairman?

Mr. SCOTT. I think that would be sufficient.

Mr. SOURWINE. Mr. Chairman, may I respectfully suggest the order on these might be that they be received subject to consideration by the Chair as to whether they should be printed, or simply reserved as a part of our record by reference?

Senator SCOTT. That will be so ordered.

Mr. REILLY. These consist of the standard form 57; the Department of State form, or standard form 86, which is security investigation

data for sensitive position and the standard form 87, which is the fingerprint chart.

Mr. SCOTT. May these be received and held in the files?

Senator SCOTT. Yes; they may be received under the reservations noted, without objection.

(The documents referred to were marked "Appendix XIV E, F, and G" and are retained in the committee files.)

Mr. REILLY. Additionally I would like to offer, under the same reservations, the certificate of nonmembership in certain organizations, which is required of every applicant.

Mr. SCOTT. May these be similarly received?

Senator SCOTT. Yes, these may be received under the same reservations, without objection.

(The material referred to was marked "Appendix XIV–J" and ordered retained in the subcommittee files and not printed.)

Mr. REILLY. Additionally, under the same reservation I would like to offer the committee the appointment affidavit that is executed by all applicants about to become employees, together with the instruction sheet which is given to them prior to their signing the affidavit.

Mr. SCOTT. May these be received?

Senator SCOTT. This may be received, without objection, under the same reservation.

(The material referred to was marked "Appendix XIV–H and I" and retained in the subcommittee files.)

Mr. SCOTT. Mr. Reilly, do you have any other directives, opinions (formal or informal), orders, interpretations, letters, interdepartmental memos, intradepartmental memos, or any instructions or other writings in force now respecting the enforcement of your security policies?

Mr. REILLY. Personal security policies?

Mr. SCOTT. Yes, sir.

Mr. REILLY. Other than any intraoffice memos that go to intraoffice procedures as distinguished from the criteria to be applied; no, sir. These that I have furnished you are the criteria.

Mr. SOURWINE. May I respectfully suggest this is a rather formidable checklist Mr. Scott has gone through. I know you are aware of our objective to get into one place all the writings that affect the control of the security and the administration of the program.

Let us furnish you the checklist. We have an order of the Chair that if you find anything within it that is pertinent or in any way controlling, it may go in the record.

Mr. REILLY. I would be most happy to do that.

Mr. SOURWINE. That won't pin you down today to a firm no.

Senator SCOTT. This is so ordered.

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. I have no questions.

May I have your name?

Mr. BANNER. Roy Banner.

Senator SCOTT. Mr. Banner, in these proceedings before the Internal Security Subcommittee of the Senate Committee on the Judiciary, you do swear that the matters to which you may testify are the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF ROY R. BANNER, JR., LEGAL ADVISER, NATIONAL SECURITY AGENCY

Mr. BANNER. I do, sir.

Senator SCOTT. Give the reporter your full name and title.

Mr. BANNER. Yes, sir. Roy R. Banner, Jr., legal adviser, National Security Agency.

Mr. SCOTT. Mr. Banner, in your position you have an opportunity to be and are familiar with the security practices—that is, personnel security practices and procedures—in the National Security Agency?

Mr. BANNER. Yes, sir.

Mr. SCOTT. And also with the rules and regulations?

Mr. BANNER. Yes, sir.

Mr. SCOTT. I have here copies of the rules and regulations furnished by you. I would like to have you look at them and tell the committee if they are your current rules and regulations and identify them.

Mr. BANNER. Yes, sir. These come right out of our security manual. These are our current rules and regulations.

In addition to these, we are bound by the Department of Defense Directives 5210.7 and 5210.8, since we are an agency of the Department of Defense. And these regulations govern personnel security matters within the Department.

Mr. SCOTT. May these be received in the record for incorporation in the appendix?

(The directives referred to appear in Appendix V, pp. 473 and 486, respectively.)

Senator SCOTT. I think there is one more there.

Mr. BANNER. There is one more directive here, Mr. Chairman, DOD Directive 5100.23. It prescribes the administrative arrangements for the National Security Agency and delegates authority to the Director, NSA, from the Secretary of Defense. This is necessary since, as I pointed out before, NSA is an agency of the Department of Defense.

Senator SCOTT. These may also be received in the appendix to the record. They may be incorporated, without objection.

(The material referred to will be found in Appendix XV, p. 596.)

Mr. SCOTT. Mr. Banner, I have one other question, a general question, to ask you: Do you have any other orders, directives, opinions (formal or informal), interpretations, letters, interdepartmental memos, intradepartmental memos, instructions or any other writings now in force respecting the enforcement of security policy?

The purpose of this is to have made available to the committee any other interpretations that might have been made or directives that might have been promulgated on the basis of your regulations which you think would be pertinent and beneficial to the committee in considering the legislative need for additional laws.

Mr. BANNER. Not to my knowledge, but——

Mr. SCOTT. If you do——

Mr. BANNER. The question is pretty broad. I will provide it to the committee.

Mr. SCOTT. I will provide you a copy of this list, and then you will also have sufficient time to make this available.

Mr. SOURWINE. The purpose, sir, is to get into the record every writing that currently has force with respect to your security program.

Mr. BANNER. That is, every writing with respect to personnel security, or the entire security program?

Mr. SOURWINE. Personnel security.

Mr. BANNER. Personnel security; fine.

Mr. SOURWINE. And this check list that Mr. Scott has gone over was just a list of possible writings in that area, so as to be sure that nothing was missing.

Mr. SCOTT. I can furnish you a copy of that.

Mr. BANNER. Fine.

Mr. SCOTT. Mr. Chairman, I have no further questions.

(The following letter later was received by the subcommittee:)

NATIONAL SECURITY AGENCY,
Fort George G. Meade, Md., April 24, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, Internal Security Subcommittee, Judiciary Committee, U.S. Senate, Washington, D.C.

DEAR MR. SCOTT: There are inclosed two copies of additional data, not previously furnished your subcommittee, concerning the enforcement of this Agency's personnel security policies.

This information is submitted pursuant to your request of April 5, 1963.

Sincerely,

ROY R. BANNER, *Legal Adviser.*

Includes (see app. XV, pp. 648, 663, 665, 668, and 674, respectively):

1. Booklet "Guide to Individual Conduct."
2. Form "Conditions of Employment With the National Security Agency."
3. Copy of letter from John H. Rubel, Assistant Secretary of Defense, to chairman, Committee on Un-American Activities, dated August 8, 1962.
4. Chapter S4, NSA Civilian Personnel Manual.
5. Administrations' Memorandum dated April 11, 1963.

Senator SCOTT. I have no further questions.

Thank you, Mr. Banner.

Senator SCOTT. Will you gentlemen rise and take the oath?

You and each of you do swear that in the matter now before the subcommittee, you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF CARL BARNES, DIRECTOR OF PERSONNEL, DEPARTMENT OF AGRICULTURE; ACCOMPANIED BY JOHN FRANCIS, CHIEF, DIVISION OF SECURITY AND EMPLOYEE CONDUCT, OFFICE OF PERSONNEL, DEPARTMENT OF AGRICULTURE

Mr. BARNES. I do.

Mr. FRANCIS. I do.

Senator SCOTT. Will you give your name and title to the reporter, please?

Mr. BARNES. I am Carl Barnes, Director of Personnel of Agriculture.

On my left is John Francis, Chief of the Division of Security and Employee Conduct in the Office of Personnel.

Mr. FRANCIS. And I am also Department Security Officer.

Mr. SCOTT. Mr. Francis, as the Department Security Officer, you are familiar with and have knowledge of the organizational setup of the Security Office in the Department of Agriculture?

Mr. FRANCIS. Yes, I do.

Mr. SCOTT. I have here an organizational chart I will ask you to identify—if that is the current existing chart.

Mr. FRANCIS. Well, this has been revised, as I informed you in the letter. We are prepared to submit——

Mr. SCOTT. Do you have a copy of the revised copy?

Mr. FRANCIS. Yes, sir. Do you need more than one?

Mr. SCOTT. I would like to have two. This is dated January 21, 1963. That is now the current——

Mr. FRANCIS. That is correct.

Mr. SCOTT. Would you identify this, as to where your office is?

Mr. FRANCIS. It is the Division under Mr. Barnes here called the Security and Employee Conduct Division. It is the third, reading from the left.

Mr. SCOTT. Mr. Chairman, I submit this to be incorporated in the appendix.

Senator SCOTT. It may be received and incorporated in the appendix without objection.

(The chart referred to was marked "Appendix XVI" and is printed at pp. 704–705.)

Mr. SCOTT. And you have copies of your personnel security program, your rules, and regulations?

Mr. FRANCIS. The procedures, yes, sir, the regulations. Incidentally, as I also advised you, they have been revised procedurally. I have copies of the revisions now. I want to make a comment, though, on one thing.

Mr. SCOTT. Would you identify them and then make your comment?

Mr. FRANCIS. This is the Department of Agriculture Administrative Regulations dealing with the personnel security program pursuant to Executive Order 10450. Now, the comment I want to make, is that this was revised at the same time this chart I just submitted was revised. When the chart was going through, a late decision was made as to the name of my division. It has been changed. And so they do not agree. The name of the division does not agree in the chart with the name in these regulations.

Mr. SOURWINE. Which is right?

Mr. FRANCIS. Well, this latest is—the chart is correct. Security and Employee Conduct Division is the present name of my Division. It was formerly called Conduct and Security Division.

Mr. SOURWINE. That is a small change. Will there eventually be a revision of the regulations?

Mr. FRANCIS. Yes, it has already gone in as a change.

Mr. SCOTT. And when the write-in or errata sheet is made, you will provide us with a copy?

Mr. FRANCIS. Yes.

Mr. SCOTT. May these regulations be received?

Senator SCOTT. Without objection, so ordered.

(The documents referred to were ordered printed in Appendix XVI and may be found at pp. 675 and 706.)

Mr. SCOTT. Mr. Francis, also we are interested if you have any other orders, directives, opinions, formal or informal that you have issued, interpretations, letters, interdepartmental memos, intradepartmental memos, or instructions or other writings affecting your security policies.

Now, that is a rather broad list there.

Mr. FRANCIS. Yes, it is.

Mr. SCOTT. We do not expect you to have them here today. But if we give you time to make a check, and if you do have them, they could be made available to the committee?

Mr. FRANCIS. There is one that is going to be out very shortly. It is a revision of the statement of the duties of the department security officer. I think it is going to be Secretary's Memorandum No. 1511 revised.

Mr. SOURWINE. Do you know when that will be effective?

Mr. FRANCIS. It should be within the next 30 days.

Mr. SCOTT. When it is available, Mr. Francis, would you provide the committee, at your earliest convenience, a copy, or two copies?

Mr. FRANCIS. Yes, sir; two copies.[1]

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. That is all, gentlemen. Thank you.

Admiral Waters, do you swear that in the matter now before this subcommittee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF J. A. WATERS, JR., DIRECTOR, DIVISION OF SECURITY, ATOMIC ENERGY COMMISSION; ACCOMPANIED BY BERTRAM SCHUR, ASSOCIATE GENERAL COUNSEL, ATOMIC ENERGY COMMISSION; AND THOMAS O. FLEMING, LEGISLATIVE COUNSEL, OFFICE OF GENERAL COUNSEL, ATOMIC ENERGY COMMISSION

Mr. WATERS. I do.

Senator SCOTT. Would you state your full name and title, Mr. Waters?

Mr. WATERS. My name is John A. Waters, Jr. I am the Director of the Division of Security of the Atomic Energy Commission.

Senator SCOTT. And the names of your two associates here.

Mr. WATERS. Mr. Schur and Mr. Fleming, of the General Counsel's Office.

Mr. SCHUR. Bertram Schur, Associate General Counsel, Atomic Energy Commission.

Mr. FLEMING. Thomas O. Fleming, Legislative Counsel, Office of the General Counsel.

Mr. SCOTT. Admiral Waters, in your position in the security office, you are familiar with and handle the issuance of your rules and regulations governing personnel security practices and procedures in the Atomic Energy Commission?

Mr. WATERS. Yes, sir.

Mr. SCOTT. You have copies of those?

Mr. WATERS. I do, sir.

I have copies of the summary of our procedures, which I transmitted to you, Mr. Scott.

Mr. SCOTT. Would you identify the summary—the rules and regulations? And also I believe you have an organizational chart.

Mr. WATERS. Yes.

I have here copies of a letter, a memorandum to Mr. Scott dated August 13, 1962, transmitting a summary of the Atomic Energy

[1] Copies of Secretary's Memorandum No. 1511, Secretary's Memorandum No. 1511 revised, and Secretary's Memorandum No. 1537 were received on July 20, 1963, and will be printed in connection with Mr. Francis' later testimony.

Commission personnel security program, and as attachments to that summary, I have copies of the organization chart of the Commission, showing the position of the Division of Security in that organization and a copy of our published criteria and Procedures for Determining Eligibility for Access to Restricted Data or Defense Information published in the Federal Register under title 10: Atomic Energy. I have three copies.

Mr. SCOTT. One copy is enough.

Mr. Chairman, may we submit this in a similar manner as the others?

Senator SCOTT. Yes; for the record or appendix?

Mr. SCOTT. In the appendix.

Senator SCOTT. These may be received in the appendix.

(The material referred to will be found in Appendix XVII, at pp. 707, 725, 726, and 731, respectively.)

Mr. SCOTT. Admiral Waters, also I would like to ask you if you have any additional orders, directives, opinions, interpretations, letters, interdepartmental memos, intradepartmental memos, instructions or any other writings now in force respecting the enforcement of your security policies?

Mr. WATERS. Yes, we do.

Mr. SCOTT. In the event that it is so desired, given sufficient time, you could make those available to the committee?

Mr. WATERS. Yes, sir.

Mr. SOURWINE. Sir, the object here is to try to gather into one place for printing, all of the writings which are currently in effect with respect to your security program. You may not have writings of all those kinds, but that is to be sure we do not overlook anything.

Mr. WATERS. Yes. I noticed it is quite comprehensive.

Mr. SOURWINE. We can furnish you a copy of this list, and your people can check it. Whatever else we should have to serve our objective, if you give it to us, the chairman has ordered it may go in the record.

Mr. WATERS. Yes. We do have specific directives and other published and written material concerning the security program which can be made available.

(The following letter, submitting material in response to the subcommittee's request above, was later received and ordered printed at this point in the record.)

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., May 7, 1963.

Memorandum for: Mr. Samuel Scott, assistant counsel, Senate Subcommittee on Internal Security.
Subject: AEC personnel security program.

In response to your letter of April 5, 1963, I am enclosing a set of the AEC manual chapters containing the standards, policies, and procedures of the Atomic Energy Commission's personnel security program.

We are in the process of revising and updating these chapters in a new format; and as soon as they are printed, I will make them available. The new issuances will contain no basic changes in our program.

I am returning a copy of the transcript of my testimony before the Senate Internal Security Subcommittee on February 20, 1963, on which I have inserted several minor corrections.

Sincerely yours,

J. A. WATERS,
Director, Division of Security.

(The additional documents covering the Commission's personnel security program were ordered published in the appendix and appear at p. 738.)

Mr. SCOTT. Mr. Chairman, I have no further questions.

Senator SCOTT. The Chair has no further questions. Thank you, gentlemen, very much.

Mr. Hughes, in this matter now before the Internal Security Subcommittee, you do solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF THOMAS M. HUGHES, DIRECTOR OF THE OFFICE OF SECURITY, TREASURY DEPARTMENT

Mr. HUGHES. I do.

Senator SCOTT. Will you state your name and title?

Mr. HUGHES. Thomas M. Hughes, Director of the Office of Security for the Treasury Department.

Mr. SCOTT. Mr. Hughes, in your official capacity you are familiar with and have knowledge of the security program of the Treasury Department and the rules and regulations promulgated thereby?

Mr. HUGHES. I do, sir.

Mr. SCOTT. Do you have copies of those with you?

Mr. HUGHES. I do, sir.

Mr. SCOTT. Will you identify the copies and state what they are, the rules and regulations that are now in force?

Mr. HUGHES. Treasury Department Order No. 82 revised, dated April 10, 1962, signed by the Secretary of the Treasury, Douglas Dillon.

I also have Personnel Circular No. 118 revised, dated October 9, 1953. This has been rewritten, but we are waiting for the civil service—the Federal Personnel Manual, before publishing it in final form.

Senator SCOTT. When you have the revision available, will you make it available to the committee at your earliest convenience?

Mr. HUGHES. Yes, sir. I have a note to that effect.

Mr. SCOTT. Also I have a copy here of the organization chart of the Department of the Treasury. That is dated November 1, 1962.

Will you point out and identify the position occupied by the Office of Security?

Mr. HUGHES. The Office of Security is directly under the Administrative Assistant Secretary, Mr. A. E. Wetherby in the organization chart of the Treasury dated November 1, 1962.

Mr. SCOTT. That is now the current chart?

Mr. HUGHES. Yes, sir; that is right.

Mr. SCOTT. Mr. Chairman, may I submit these documents for inclusion in the appendix.

Senator SCOTT. They may be incorporated without objection in the appendix to the record.

(The documents referred to will be found in Appendix XVIII, pp. 821 and 836.)

Mr. SOURWINE. Mr. Hughes, we have the purpose here to put in one record all the writings currently in effect with respect to your security program and its administration. Mr. Scott has a checklist of pos-

sible writings of this nature. If this is furnished to you, and there are any such additional writings, will you let us have them for the record?

Mr. HUGHES. I certainly will; yes, sir.

(The following letter was later received by the subcommittee:)

APRIL 11, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, U.S. Senate Internal Security Subcommittee,
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: Reference is made to your letter dated April 5, 1963, in which you requested any additional data in force respecting the enforcement of Treasury Department security policies.

Attached hereto is a copy of "Instructions for Conducting Security Investigations Pursuant to Executive Order 10450." Other than these instructions and the rules and regulations submitted in connection with my testimony before your committee on February 20, 1963, there are no regulations, memorandums, or instructions currently in force with respect to the enforcement of the Treasury Department security policies.

The "Instructions for Conducting Security Investigations Pursuant to Executive Order 10450," are currently under revision and a copy of the revised instructions will be furnished to you upon publication.

Sincerely yours,

THOMAS M. HUGHES,
Director, Office of Security.

(The documents referred to will be found in Appendix XVIII, pp. 840, 841, and 842, respectively.)

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. I have no questions, Mr. Hughes. Thank you very much.

Mr. Hobart, will you take the oath?

You do swear that, in this matter before the Internal Security Subcommittee, you will testify to the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF FREDERICK P. HOBART, STAFF ASSISTANT, DIVISION OF SECURITY, DEPARTMENT OF THE INTERIOR

Mr. HOBART. Yes sir; I do.

Senator SCOTT. Mr. Hobart, what is your full name and title?

Mr. HOBART. Frederick P. Hobart, staff assistant, Division of Security, Department of Interior.

Senator SCOTT. Go ahead.

Mr. SCOTT. Mr. Hobart, you have copies of the Department of Interior security program and your orders and rules and regulations?

Mr. HOBART. Yes, sir.

Mr. SCOTT. That are currently in force?

Mr. HOBART. Yes, sir.

Mr. SCOTT. Will you identify them and make them available to the committee?

Mr. HOBART. Well, of course, you have a copy of the report that I gave to you. Do you want that also put in?

Mr. SCOTT. No; I have that.

Mr. HOBART. It is our Secretarial Order No. 2738, and it is entitled "Security Requirements for Employment." How many copies would you like of it?

Mr. SCOTT. One copy. But the other documents that you have—also your order No. 2546.

Mr. HOBART. Yes. Order No. 2546, amendment 5, which establishes the Division of Security. And then I have this chart here, organizational chart, which shows the Division of Security under the Administrative Assistant Secretary's Office.

Mr. SCOTT. Does that also include this organizational series—chapter 2 "Organization Structure"?

Mr. HOBART. No, I do not have a copy of that, I am sorry.

Mr. SCOTT. Is that the current one?

Mr. HOBART. Yes, this is the current one. It is part 110 of the Office of the Secretary, chapter 2, "Organization Structure," which establishes the Division of Security also.

Do you want an additional copy of this?

Mr. SCOTT. No, I do not think that will be necessary.

Now I want to recheck here. The memo here on the Department of Interior security program dated January 3, 1963—do you have that?

Mr. HOBART. Yes.

Mr. SOURWINE. That is a memorandum furnished by you to the committee.

Mr. HOBART. That is right.

Mr. SOURWINE. Do you want that in the record, too?

Mr. SCOTT. Yes.

Mr. HOBART. I have copies of it.

Mr. SCOTT. Mr. Chairman, may these documents be received and made part of the evidence by placing them in the appendix?

Senator SCOTT. Without objection, that is so ordered.

(The documents referred to will be found in Appendix XIX, at pp. 859, 861, 874, 877, and 878, respectively.)

Mr. SCOTT. Mr. Hobart, this, of course, is a preliminary discussion, toward getting available information, rules and regulations of the various agencies and departments. In the future we probably will call or ask you if you have any additional orders, directives, and so forth. We have a checklist. If that is provided you, and you are given sufficient time, you could make those available?

Mr. HOBART. Yes, if they are plainly identified.

Mr. SOURWINE. We don't know that there are any, sir. But the objective here is to get into this record every writing which is currently in effect with regard to your security program and its administration.

Mr. HOBART. These that I have filed with you are our basic regulations.

Mr. SOURWINE. Yes, sir. And the checklist is to help your people to determine if there is anything else that ought to be here. I think this is the first time, or will be the first time, that all this security material from the executive branches has ever been brought together in one place, and we want to make it complete so it will be as valuable as possible.

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. I have no questions.

Mr. HOBART. Thank you very much.

Senator SCOTT. Mr. McVeigh, do you solemnly swear that in the matter now before the subcommittee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF EDWARD J. McVEIGH, ASSISTANT TO ADMINISTRATIVE ASSISTANT SECRETARY, DEPARTMENT OF LABOR; ACCOMPANIED BY RAYMOND J. SUMSER, CHIEF, DIVISION OF INVESTIGATION AND SECURITY, DEPARTMENT OF LABOR

Mr. McVeigh. I do.

Senator Scott. Your full name and title, Mr. McVeigh?

Mr. McVeigh. My full name is Edward J. McVeigh.

Senator Scott. And the name of your associate here?

Mr. Sumser. Raymond J. Sumser. I am currently Chief of the Division of Investigation and Security.

Mr. McVeigh. My title, for the record, is Assistant, Administrative Assistant Secretary.

Senator Scott. Go ahead, Mr. Scott.

Mr. Scott. Mr. McVeigh, I have here a copy of the security program of the U.S. Department of Labor and your orders and amendments, rules and regulations, the organizational charts and the chart showing, I suppose, the paperwork flow or the order in which you handle cases. May I give these to you and ask you to identify them?

Mr. McVeigh. Yes, Mr. Scott.

The first document entitled "The Security Program of the U.S. Department of Labor" was transmitted to you by letter of Assistant Secretary James Reynolds of July 24, 1962.

The next document is general order No. 61 revised of the Secretary of Labor which was dated May 21, 1960. Attached thereto is amendment No. 1 of general order No. 61, which is dated June 26, 1961.

The next document is an organizational chart of the U.S. Department of Labor. It is not dated but it represented the organization as it stood in July of 1962.

The next document is an organization chart of the Office of Personnel Administration of the U.S. Department of Labor, taken from the administrative handbook of the Department and dated September 15, 1956.

Mr. Sourwine. Are those charts currently correct?

Mr. McVeigh. They are correct in essence. There may be some redesignation in terms of names of units.

Mr. Sourwine. Before this record is printed, would you like to have an opportunity, at the last possible moment, to check these charts and see if you want to make any corrections?

Mr. McVeigh. We would be glad to do that, sir.

Mr. Sourwine. May it be the order that that will be permitted, Mr. Chairman?

Senator Scott. So ordered, without objection.

Mr. McVeigh. The next document I submit is a one-page statement of the responsibilities of the Division of Investigations and Security.

Mr. Sourwine. This was a statement prepared for this committee?

Mr. McVeigh. It is taken from the Department's administrative handbook.

Mr. Sourwine. It is then an official departmentally approved statement.

Mr. McVeigh. This is right, sir.

The next document is a procedural chart depicting the flow of documents in the security clearance procedure. This is dated July of 1962.

Mr. SCOTT. Mr. Chairman, may I submit these documents to be included in the appendix?

Senator SCOTT. Without objection, so ordered.

(The documents referred to will be found in Appendix XX, at pp. 879, 886, 895, and 897–903, respectively.)

Mr. SOURWINE. Mr. McVeigh, our purpose here today is to try to gather together in one place all of the writings which affect the security program of your Department or its administration.

Mr. Scott has a checklist of writings of this general nature, some of which you might or might not have. If it is furnished to you, would you be willing to go over it and see if there are any that fall in that category, and if so furnish them for the committee's purposes?

Mr. MCVEIGH. Surely, sir.

Mr. SOURWINE. We already have an order, I believe, that they may be admitted if so furnished.

(The following letter was later received by the subcommittee:)

APRIL 10, 1963.

Mr. SAMUEL SCOTT,
Assistant Counsel for Internal Security, Senate Subcommittee, New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: Mr. Sumser has brought your letter of April 5 to my attention.

We submitted all formal documentations of our security program to you at the hearing on February 20.

Sincerely yours,

EDWARD J. MCVEIGH,
Assistant Administrative Assistant Secretary.

Mr. SCOTT. I have no further questions.

Senator SCOTT. I have no further questions. Thank you very much.

Mr. Schmidt, would you stand for just a moment. Do you swear that in the matter before this subcommittee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF FREDERICK SCHMIDT, DIRECTOR OF SECURITY, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE; ACCOMPANIED BY MANUEL B. HILLER, ASSISTANT GENERAL COUNSEL, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. SCHMIDT. I do.

Senator SCOTT. Your full name and title, Mr. Schmidt?

Mr. SCHMIDT. Frederick Schmidt, Director of Security, Department of Health, Education, and Welfare.

Senator SCOTT. And Mr. Hiller?

Mr. HILLER. Manuel B. Hiller, Assistant General Counsel.

Mr. SCOTT. Mr. Schmidt, I have here copies of the security program for the Department of Health, Education, and Welfare reflecting the organization, the authority for the administration of the security program and the personnel security regulations.

Would you identify them and tell us if they are the ones that are currently in force?

Mr. SCHMIDT. Yes, sir; these are the ones currently in force.

Mr. SCOTT. Would you identify each one?

Mr. SCHMIDT. Well, the first is the organizational setup of the Office of Internal Security as set forth in the organizational manual of the Department, chapter 2–050.

The second is a copy of the personnel security regulations of the Department of Health, Education, and Welfare, which were issued in revised form on March 1, 1962.

The third is a writeup dated October 8, 1962, which is a narrative of the operations of the Security Office of Health, Education, and Welfare.

Mr. SCOTT. Mr. Chairman, may these be submitted as evidence and placed in the appendix?

Senator SCOTT. Without objection, so ordered.

(The documents referred to will be found in Appendix XXI, pp. 905, 912, and 923.)

Mr. SOURWINE. Mr. Schmidt, our purpose here today is to make a record in one place of all the writings that are in effect currently with respect to the security program or its administration. There may or may not be any others that you have not furnished. Mr. Scott has a checklist of possible writings in this area. If he furnishes it, would you be willing to have your people go over it and consult to see if there is anything else we ought to have?

Mr. SCHMIDT. Surely, yes, sir.

Mr. SCOTT. I have no further questions.

Senator SCOTT. I have no further questions.

Mr. Schmidt, we have continued on a little overtime so as not to bring you back today or some other day. We know what your problems are. Thank you for coming.

Mr. SCHMIDT. Thank you.

Senator SCOTT. The hearing is adjourned.

(Whereupon, at 12:25 p.m., the subcommittee was adjourned, subject to the call of the Chair.)

PERSONNEL SECURITY PRACTICES

TUESDAY, FEBRUARY 26, 1963

U.S. SENATE,
SUBCOMMITTEE, TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY ACT
AND OTHER INTERNAL SECURITY LAWS,
OF THE COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The subcommittee met, pursuant to call, at 10:40 a.m., in room 2300, New Senate Office Building, Senator Hugh Scott presiding.

Present: Senator Scott.

Also present: Samuel J. Scott, assistant counsel.

Senator SCOTT. Come to order, please.

Do you swear that the matter now before this committee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PHILLIPS. I do.

Senator SCOTT. Will you state your name and position for the record, please.

TESTIMONY OF JOHN W. PHILLIPS

Mr. PHILLIPS. My name is John W. Phillips. I am Director of the Office of Investigations and Security, U.S. Department of Commerce.

Senator SCOTT. Go ahead, Mr. Scott.

Mr. SCOTT. In your official capacity as Director of Security, you are familiar with and have intimate knowledge of the personnel security practices and procedures in the Department of Commerce.

Mr. PHILLIPS. I am.

Mr. SCOTT. And you are familiar with all of your rules and regulations, your orders and so forth?

Mr. PHILLIPS. Yes, sir.

Mr. SCOTT. I have here a letter from you dated February 21, 1963, forwarding copies of your rules, regulations, and other information.

Mr. Phillips, would you take that and look at it, identify it, and comment as to each of the enclosures that you have?

Mr. PHILLIPS. All right. This is a letter of February 21, 1963, addressed to Mr. Scott, with which I transmitted two copies of Department Order 98, and two copies of supplement 5 of Department Order 134.

I also transmitted with it two copies of an amended order 207–4.

The amended order was issued subsequent to the time that I submitted a copy of Administrative Order 207–4 back in August of last year.

The purpose of this letter was to bring up to date Mr. Scott's file on our orders.

The supplement 5 of Department Order 134 has taken the place of Department Order 98 which I previously sent up to Mr. Scott in August. Therefore I sent the supplement 5 to 134 for that purpose, to take the place of Department Order 98.

Mr. SCOTT. Is this an additional order here that you have?

Mr. PHILLIPS. Administrative Order 207–5 amended, dated July 5, 1955, is the order that sets up the Department's personnel security regulations under Executive Order 10450. This is a copy of the order that I previously submitted with my letter of August 3, 1962.

Mr. SCOTT. We have the letter of February 26 transmitting additional material.

Mr. PHILLIPS. My letter of February 26, 1963, transmits two copies of appendix D, Administrative Order 202–5, which is a staffing order of the Department. My reason for submitting it is because it sets forth supplemental investigative requirements for the employment of aliens. We do have some requirements on the employment of aliens that probably go beyond the normal requirements of Executive Order 10450.

Mr. SCOTT. Mr. Phillips, I have here a copy of an organizational chart which has been previously provided the committee by you. Would you identify that and tell us whether that represents your current organization?

Mr. PHILLIPS. This is an organizational chart that was transmitted with my letter of August 3, 1962, and it is still a correct chart.

Mr. SCOTT. I also have here a memorandum furnished by you reflecting or setting forth certain background information on your security practices and procedures, the historical sketch, and so forth. Would you identify that?

Mr. PHILLIPS. Yes. This is a copy of the historical sketch that was prepared and transmitted with our letter of August 3, 1962.

Mr. SCOTT. Mr. Phillips, do you have any other rules, amendments, regulations, orders, directives, opinions (formal or informal), interpretations, letters of instruction, interdepartmental memorandums, intradepartmental memorandums, or other writings now in force respecting the enforcement of your security policies and procedures?

Mr. PHILLIPS. We have none affecting the personnel security program. We do have other regulations in force with regard to documentary and physical security. I have copies of those here this morning. I understand that you are interested only in the personnel security program.

Mr. SCOTT. That is correct.

Mr. Chairman, I have here the documents submitted by Mr. Phillips and the accompanying letters and enclosures, which I would like to submit for the record—the letters to be placed in the record; the rules and regulations to be part of the appendixes.

Senator SCOTT. Without objection, so ordered.

Mr. SCOTT. And the memorandum giving the background information to be included in the record also.

Senator SCOTT. Without objection, so ordered.

(The letters referred to were marked "Exhibit 7 *a*, *b*, and *c*," and read as follows; the documents supplied, as described in the letters will be found in Appendix XXII, pp. 925, 932, 946, 954, 955, and 956.)

EXHIBIT NO. 7*a*

U.S. DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, D.C., August 3, 1962.

Mr. SAMUEL J. SCOTT,
Assistant Council, Senate Internal Security Subcommittee,
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: On June 25, 1962, I visited your office at your request at which time you asked that I furnish to you certain information concerning the Office of Investigations and Security in the Department of Commerce and the regulations under which it operates.

In accordance with your request, I am attaching an organizational chart of my Office, together with a memorandum which sets forth a historical sketch of the Office, the legislative and executive authority under which it operates, as well as a description of the functions of the Office by major organizational units. Also attached are two copies of Department Order 98 which sets up the Office of Investigations and Security and two copies each of Administrative Order 207–5 dated July 5, 1955 and 207–4 dated September 2, 1954. Administrative Order 207–5 sets forth the personnel security regulations of the Department and Administrative Order 207–4 establishes procedures by which security checks and investigations under Executive Order 10450 are made.[2]

You also inquired as to the approximate number of cases handled for the past 4 years. A check of our files reflects that we have opened approximately 21,500 cases since January 1, 1958. This does not necessarily mean that we have taken this many individuals on the rolls of the Department. However, it means that we have processed this many security cases, some of whom declined employment after investigation and others were possibly rejected after investigation.

In answer to your question concerning the number of security risk cases handled by the Office, I will have to answer as I did when I talked to you, that we have maintained no statistics in this regard. I can tell you that we have not proceeded against anyone under the provisions of Executive Order 10450 since November 1955. We have had, however, many resignations after investigation and had some removals under regular civil service proceedings.

Insofar as the need for further legislation is concerned, we have experienced no difficulty in removing undesirable persons from our rolls through the use of regular civil service proceedings. However, I assure you that if we found a person on our rolls who was deemed to be a security risk and we found it difficult to remove the individual through the use of civil service proceedings, we would proceed under Executive Order 10450.

I trust that the above will suffice to answer the questions which you put to me during my visit with you. I want to take this opportunity to apologize for the delay in giving you this information.

Sincerely yours,

JOHN W. PHILLIPS,
Director, Investigations and Security.

EXHIBIT NO. 7*b*

U.S. DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, D.C., February 21, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, Senate Internal Security Subcommittee,
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: Reference is made to my letter of August 3, 1962, with which I transmitted, as a result of your oral request, copies of various orders issued by this Department in connection with our security program.

Since my letter of August 3, two of these orders have been amended. In accordance with our discussion of February 18, 1963, I am forwarding two copies of each of the amended orders. Your attention is called to the fact

[2] EDITOR'S NOTE.—Only the latest version of the documents provided the subcommittee under this series of letters is published. Earlier versions may be found in the committee files.

that our former Department Order 98, of which you received copies, has been replaced by Supplement 5 of Department Order 134. In order that you may fully understand the significance of Supplement 5, there are also attached two copies of Department Order 134 dated January 28, 1963, which in itself is a delegation of authority by the Secretary to the Assistant Secretary for Administration.

Sincerely yours,

JOHN W. PHILLIPS,
Director, Investigations and Security.

EXHIBIT NO. 7c

U.S. DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, D.C., February 26, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, Senate Internal Security Subcommittee,
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: Reference is made to my letters of August 3, 1962 and February 21, 1963, with which were forwarded copies of security regulations along with other material concerning the Office of Investigations and Security of the Department of Commerce.

Upon further review of the material submitted, I note that through inadvertency I failed to inform you of special investigative requirements concerning the employment of aliens in our Department. These requirements are set forth in appendix D to Administrative Order 202–5, which is a "Staffing order." I am attaching two copies of appendix D which should be included with the material previously furnished.

Sincerely yours,

JOHN W. PHILLIPS,
Director, Investigations and Security.

Mr. SCOTT. I have no further questions.

Senator SCOTT. Well, then, that is all.

Mr. SCOTT. Thank you, very much, Mr. Phillips.

Senator SCOTT. Would you stand up and raise your right hand. Do you swear that in the matter now before this committee, you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF LLOYD W. BLANKENBAKER, DIRECTOR OF SECURITY, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION; ACCOMPANIED BY EDWIN H. STEVENS, CHIEF, PERSONNEL SECURITY BRANCH, SECURITY DIVISION, AND RICHARD A. BUDDEKE, ASSISTANT DIRECTOR, LEGISLATIVE AFFAIRS

Mr. BLANKENBAKER. I do.

Senator SCOTT. Would you give your full name and title, Mr. Blankenbaker.

Mr. BLANKENBAKER. The name is Lloyd W. Blankenbaker, Director of Security for the National Aeronautics and Space Administration.

Mr. SCOTT. Mr. Blankenbaker, in your capacity as Director of Security, you are familiar with and have the responsibility for handling your personnel security procedures and practices in NASA.

Mr. BLANKENBAKER. Yes.

Mr. SCOTT. I have here a letter sent to the committee on February 13, 1963, transmitting certain rules and regulations. They are marked with tabs. I would like to have you identify those as your

rules and regulations that are now in force, and identify each item under the tabs.

Mr. BLANKENBAKER. Tab A is an organizational chart of the National Aeronautics and Space Administration, and that is a current organizational chart.

Mr. SCOTT. Will you tell the committee where your Office of Security fits in this organization?

Mr. BLANKENBAKER. The Security Division reports immediately to the Director of the Office of Administration. The Director of the Office of Administration in turn reports directly to the Associate Administrator, who is in effect the general manager of the agency. The Associate Administrator reports right in to the Administrator and the Deputy Administrator of NASA.

Mr. SCOTT. Very well.

Mr. BLANKENBAKER. Tab B is one that I will have to say at this point is now out of date, since the transmission of this package—there has been a superceding instruction which I will be glad to send you copies of.

Mr. SCOTT. Then may we delete tab B and substitute for it the current order when supplied by Mr. Blankenbaker?

Senator SCOTT. Without objection, that may be done.

Mr. BLANKENBAKER. Tab C is an organization chart of the NASA Security Division that is current. Tab D, a NASA management instruction, No. 24–2–1, dated September 15, 1961, on the subject of "Security Investigations and Clearances." That is a current instruction.

Tab E, NASA instruction No. 3–4–5, effective September 1, 1962, subject "Determination Regarding the Filling of Sensitive Positions Prior to Completion of a Full Field Investigation." That is a current instruction.

Tab F, NASA Circular No. 192, dated December 27, 1961, on the subject, "Security Processing of Certain Appointees in Critical Shortage Categories." That is a current circular.

Tab G covers an exchange of correspondence between the Administrator of NASA and the Secretary of Defense, constituting the NASA–DOD agreement in the area of industrial security. The complete package is a current agreement.

Mr. SCOTT. One question on the industrial security program. Do you handle that or is it delegated to DOD?

Mr. BLANKENBAKER. The answer is: Partially DOD handles our industrial security for us. However, under the DOD industrial security program itself, the contracting agency, in this case NASA, retains certain security responsibilities over and above those security functions and responsibilities delegated to the various military services under the industrial security program. So the answer is partially "yes" and partially "no."

Mr. SCOTT. Could you tell us or explain briefly what those certain security responsibilities you retain are?

Mr. BLANKENBAKER. Yes, I can. And I might point out that in the next exhibit covered under tab H there is an enumeration.

Mr. SCOTT. Then this is explanatory and answers my question.

Mr. BLANKENBAKER. Yes—much more authoritatively than I could right here, having not prepared for that.

Then may I proceed to tab H?

Mr. SCOTT. Surely.

Mr. BLANKENBAKER. Tab H is NASA management instruction 24–3–1, dated April 21, 1961, on the subject "Industrial Security Policies and Procedures." That is a current instruction.

Tab I, Department of Defense Directive No. 5220.6, dated July 28, 1960, on the subject "Industrial Personnel Access Authorization Review Regulation."

To the best of my knowledge it is a current regulation. However, I would have to defer to the Department of Defense witnesses on stating with any certainty that this is a current regulation.

Mr. SCOTT. That completes it?

Mr. BLANKENBAKER. That completes the package, Mr. Scott.

Mr. SCOTT. Mr. Chairman, I would like to submit this for the record, the letter to be included in the record, and the memorandum, together with the various orders and directives under tabs A through I, to be placed in the appendix.

Senator SCOTT. Without objection, so ordered.

(A letter from Mr. Paul G. Dembling, dated March 5, submitted a later draft of exhibit B was received subsequently and the new copy ordered substituted for the earlier draft.)

(The letters referred to follow as Exhibits Nos. 8 and 8*a*; the other material will be found in Appendix XXIII, pp. 961, 968, 969, 973, 974, 997, 1000, 1001, 1005, 1019, 1054, 1056, 1059, 1062, and 1065.)

EXHIBIT NO. 8

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., February 13, 1963.

Hon. JAMES O. EASTLAND,
Chairman, Special Subcommittee on Internal Security, Committee on Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to a request by Mr. Samuel J. Scott, assistant counsel, subcommittee staff, we are submitting herewith a memorandum, with attachments, concerning the personnel and industrial security program of the National Aeronautics and Space Administration.

Mr. Scott also requested that the subcommittee be furnished with certain statistical information concerning the "security risk" cases handled by the National Aeronautics and Space Administration during the past 4 years. This material will be forwarded to you when the compilation is completed.

Sincerely yours,

PAUL G. DEMBLING,
Director, Office of Legislative Affairs.

EXHIBIT NO. 8*a*

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., March 5, 1963.

Hon. JAMES O. EASTLAND,
Chairman, Special Subcommittee on Internal Security, Committee on Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Mr. Lloyd W. Blankenbaker, Director of Security of the National Aeronautics and Space Administration, in his appearance before the Subcommittee on Internal Security, on February 26, 1963, testified that the material submitted as tab B in the enclosure to my letter of February 13, 1963, had been superseded.

To complete the record, I am transmitting herewith two copies of NASA general management instruction 2–1–8.4, dated January 29, 1963, entitled, "Functions and Authority—Security Division," to replace tab B of my letter of February 13, 1963. In addition, I understand that the committee asked for additional copies of tabs D, E, H, and I, to my letter of February 13, 1963. Copies of these attachments are also enclosed.

If we can be of further assistance to you, please let us know.

Sincerely yours,

PAUL G. DEMBLING,
Director, Office of Legislative Affairs.

Mr. SCOTT. Mr. Blankenbaker, do you have any other rules or amendments, regulations, orders, directives, opinions (formal or informal), interpretations, letters of instructions, any interdepartmental memorandrums, intradepartmental memorandums, or any other writings now in force respecting the enforcement of your security program?

Mr. BLANKENBAKER. That was quite a listing, Mr. Scott.

Mr. SCOTT. It is quite a listing. The purpose, of course, is to place in the record all the information compiled of the various agencies and departments. I wouldn't expect you to be able to give us here today any of those. But after going back to your office, and in the event that you do have any of those, after a check, would you at your earliest convenience supply that information to the committee?

Mr. BLANKENBAKER. I certainly will. I would also like a rundown of those.

Mr. SCOTT. Yes, we will give you a list of those—because it is a rather extensive list.

Mr. BLANKENBAKER. It is.

(The following letter was later received by the subcommittee:)

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., April 19, 1963.

Hon. JAMES O. EASTLAND,
Chairman, Special Subcommittee on Internal Security,
Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This replies to Mr. Samuel J. Scott's letter of April 5, 1963, to Mr. Lloyd W. Blankenbaker, requesting certain information with respect to rules, regulations, and other documents issued by the National Aeronautics and Space Administration. It also provides certain data which had been previously requested by the subcommittee.

We have taken this matter up with Mr. Blankenbaker who is the Director of the National Aeronautics and Space Administration's Office of Security. He has provided us with, and we are enclosing for your information as attachments A through D, four additional documents, i.e.:

A. NASA Management Instruction 17–3–4, dated October 24, 1961, Processing of Emergency Appointments or Reassignments to Sensitive Positions in NASA Headquarters.

B. NASA Management Instruction 17–3–8, dated October 1, 1960, Employment of Noncitizen (Alien) Scientists.

C. NASA Circular 193, dated December 27, 1961, Designation of Classes of Positions in Critical Shortage Categories.

D. NASA Circular 211, dated March 23, 1962, Expediting Security Clearances for Headquarters Sensitive Positions.

Mr. Blankenbaker assures us that these documents, taken with those previously submitted to the subcommittee, are the only instructional documents issued by National Aeronautics and Space Administration headquarters, and now in force, respecting the enforcement of its personnel and industrial security policies.

Mr. Blankenbaker has asked us to call to your attention the fact that, as reflected by the documents previously sent you, the security offices established at National Aeronautics and Space Administration field installations are responsible to the management of the installation and to the director of security programs for establishing and conducting security programs consistent with approved NASA policies, standards, and procedures. Current files are not kept in Washington on instructional and operational issuances of field centers, pursuant to these general policy instructions, and we have assumed that such items are not within the purview of your request. Should you desire us to secure current compilations of such instructions for you, by center, please advise and we will request our field installations to begin gathering such material at once.

Additionally, in our letter of February 13, 1963, we indicated that we would furnish the subcommittee with statistical information concerning the security risk cases handled by the National Aeronautics and Space Administration during the last 4 years. Attached, and marked "E," is a compilation of such statistics.

If we can be of further assistance to you, please do not hesitate to let us know.

Sincerely yours,

PAUL G. DEMBLING,
Director, Office of Legislative Affairs.

Mr. SCOTT. I have no further questions.

Senator SCOTT. Thank you very much, Mr. Blankenbaker.

Mr. Ash, do you swear that in the matter now before this Committee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ASH. I do.

TESTIMONY OF A. RUSSELL ASH, MEMBER OF THE STAFF, NATIONAL SECURITY COUNCIL

Senator SCOTT. Would you give the reporter your full name and title?

Mr. ASH. My name is A. Russell Ash. I am a member of the staff of the National Security Council. One of my responsibilities is for the processing of personnel from a security standpoint when they are considered for employment on the NSC staff.

Senator SCOTT. Mr. Scott?

Mr. SCOTT. Mr. Ash, in your official position, you are familiar with the personnel security practices and procedures of the National Security Council.

Mr. ASH. I am.

Mr. SCOTT. I have here a letter from your office dated July 19, 1962, from Mr. Bromley Smith, the Executive Secretary of NSC, to Senator Eastland, explaining the position of the National Security Council, and also pointing out that you do not have a typical setup such as we might find in the various agencies and departments.

I hand you this letter. Would you identify it so we can submit it for the record?

Mr. ASH. I do identify it as you described it.

Mr. SCOTT. Mr. Chairman, I would like to submit this for the record, the letter from the National Security Council, setting forth the position of the National Security Council and their personnel security practice and procedure program.

Senator SCOTT. Without objection, it may be so received.

(The letter referred to was marked "App. XXIV" and appears at p. 1067.)

Mr. SCOTT. From the letter there indicated, you have not issued any formal rules and regulations.

Mr. ASH. No, we have not, Mr. Scott. That is solely because of the small size of the NSC staff.

Mr. SCOTT. Could you tell the committee briefly just what security program you do have with respect to the employees in the National Security Council?

Mr. ASH. I would be glad to, Mr. Chairman.

Our procedures are based on the Executive Order 10450. The criteria of that Executive order are applied as minimum criteria in the personnel security processing on the NSC staff.

The procedure briefly is that, upon receipt of an application for the consideration of employment of a person on this staff, appropriate name checks are made with appropriate agencies of the Government, and the requirement is that there be a full-scale background investigation of each such person. Those investigations are performed by the Federal Bureau of Investigation.

In my capacity, with my responsibility for this processing, I make known the results of the investigation to the Executive Secretary of the NSC, who heads the NSC staff—that is Mr. Bromley Smith. He then determines the eligibility of the person for employment on the staff.

Mr. SCOTT. Mr. Ash, although you do not have any formal rules and regulations issued as such, do you have any orders, directives, interpretations, letters of instruction, interdepartmental memoranda, intradepartmental memoranda, or any other writings or orders that are in force with respect to the enforcement of your personnel security policy?

Mr. ASH. No, sir; we do not have any such documents or papers or regulations as you have described.

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. Thank you very much, Mr. Ash.

Mr. Jones, do you swear the matter now before this committee, you will tell the truth, the whole truth, and nothing but the truth?

TESTIMONY OF CALVIN C. JONES, PERSONNEL OFFICER, NATIONAL SCIENCE FOUNDATION

Mr. JONES. I do.

Senator SCOTT. Give us your full name, Mr. Jones, and your title.

Mr. JONES. Calvin C. Jones. I am the personnel officer for the National Science Foundation.

Senator SCOTT. Go ahead, Mr. Scott.

Mr. SCOTT. Mr. Jones, in your official position as personnel officer, you do have charge of or the responsibility for personnel security practices and procedures in the National Science Foundation?

Mr. JONES. I have a degree of responsibility for it, sir. In the personnel office, there is located the personnel security officer. This position has been vacant and the incumbent of it just came to work yesterday. The previous incumbent transferred to the State Department, and the processing of the new incumbent began only yesterday.

Now, this gentleman does report to me. However, the security officer does have direct reporting authority to our Director, the head of the agency. It is a procedure we have worked out.

In other words, he would bypass me and the gentleman to whom I report, the Associate Director for Administration, on security matters that he feels he must take up with the Director.

Mr. SCOTT. Well, in your position——

Mr. JONES. But I do have a degree of responsibility in that the security officer does report to me for other matters that are his responsibility.

Mr. SCOTT. In your position you are familiar with and have knowledge of your security practices and procedures.

Mr. JONES. Absolutely, sir.

Mr. SCOTT. And your rules and regulations.

Mr. JONES. Yes, sir.

Mr. SCOTT. Mr. Jones, I have here a copy of a letter dated August 29, 1962, to me from Mr. S. D. Anderson, your personnel security officer.

Mr. JONES. Right, sir.

Mr. SCOTT. This is transmitting your rules and regulations, administrative instructions and so forth.

I would like to hand that to you and ask you to identify it and also identify and tell us what each of the enclosures is.

Mr. JONES. This is a letter from Mr. Anderson, who was the personnel security officer for the Foundation at the time he wrote this letter. Attached to the letter is our Administrative Instruction No. 26, dated October 20, 1954, subject, "Personnel Security Program." Also amendment No. 1 to this Administrative Instruction No. 26, dated October 6, 1955, and amendment No. 2, dated July 22, 1957, to the same basic Administrative Instruction No. 26; and a memorandum by our Director dated February 11, 1960, No. OD–6, promulgating additional policy with respect to the personnel security program and the National Science Foundation.

These are our basic rules and regulations, sir.

Mr. SCOTT. Mr. Chairman, may this be submitted for the record, the letter to be included in the record and the instructions and orders to be made a part of the appendixes?

Senator SCOTT. Without objection, so ordered.

(The instructions and orders referred to will be found in Appendix XXV, pp. 1069, 1072, 1073, and 1074.)

(The letter referred to was marked "Exhibit No. 9" and reads as follows:)

EXHIBIT NO. 9

NATIONAL SCIENCE FOUNDATION,
Washington, D.C., August 29, 1962.

Mr. SAMUEL J. SCOTT,
Assistant Counsel,
Internal Security Subcommittee,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR MR. SCOTT: This is in response to your request asking for certain statistics and other information regarding our personnel security program.

Our current procedures, which are being revised, are patterned in large part on the Sample Security Regulations issued by the Department of Justice.

In addition to the basic Government-wide security requirements established by Executive Order 10450 pursuant to law which are applicable to this agency, the Foundation is also subject to the security provisions of the National Science Foundation Act of 1950, as amended (Public Law 507, 81st Congress). In pertinent part, these provide that access by an employee to information or property with respect to which access restrictions have been established will not be permitted until the Foundation shall have determined that permitting such individual to have access will not endanger the common defense and security.

Pursuant to these requirements, the Foundation has established and identified sensitive positions and has provided for a personnel security officer who evaluates reports and, based on these, grants clearances or makes retention determinations for applicants and incumbents. There is also established a Security Clearance Review Board, which considers cases involving derogatory information of a serious nature. In addition a Security Hearing Board is provided under the criteria and procedures essentially contained in the Sample Security Regulations.

The personnel security officer, for purposes of administering the security regulations, reports to the Director via the Assistant (now Associate) Director for Administration. His determinations on clearances or retention are final if favorable to the employee. He cannot independently suspend or withhold clearances. If in his judgment suspension is warranted or a favorable determination cannot be reached, the case is reviewed by the Security Clearance Review Board and/or the Director.

Annual statistics for the past 4 years follow:

	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
(*a*) No. of clearances	15	18	22	21
(*b*) No. of security risk cases (involving hearings)	0	0	0	0
(*c*) Disposition of cases under (*b*)	0	0	0	0

We have no recommendations for proposed legislation to make at this time with respect to our personnel security program.

If additional information is desired, I will be happy to provide it. Copies of our current security instructions are enclosed.

Thank you for the opportunity to comment on the security program.

Sincerely yours,

S. D. ANDERSON,
Personnel Security Officer.

Mr. SCOTT. Mr. Jones, do you have an organizational chart of your Security Office?

Mr. JONES. Not of the Security Office as such.

Mr. SCOTT. Or of the National Science Foundation, which reflects the position of your Security Office?

Mr. JONES. Yes, sir. I have two charts. One is of the entire National Science Foundation and one is the personnel office, showing the personnel security function and the function repsonsibilities. The entire chart of the Foundation will locate the personnel office. The second functional organizational chart indicates the position of the personnel security function in the personnel office and the functional responsibility.

Mr. SCOTT. May we submit these to be included in the appendixes, together with the order and instructions?

Senator SCOTT. Yes. Without objection they will be so included.

(The material referred to will be found in the Appendix XXV, at pp. 1075 and 1076, respectively.)

Mr. SCOTT. Mr. Jones, do you have any other orders, directives, opinions—formal or informal—interpretations, letters, interdepartmental memorandums, intradepartmental memorandums, or any other writings, that is, any other orders in writing or instructions respecting the enforcement of your personnel security program?

Mr. JONES. No, sir.

Mr. SCOTT. These orders, instructions, and directives that you have just supplied to the committee here for the record, they are now in force, they are current and in effect?

Mr. JONES. Yes, sir.

Mr. SCOTT. I have no further questions.

Senator SCOTT. Thank you very much, Mr. Jones.

(The following letter was later received by the subcommittee:)

NATIONAL SCIENCE FOUNDATION,
Washington, D.C., April 10, 1963.

MR. SAMUEL J. SCOTT,
Assistant Counsel,
Senate Internal Security Subcommittee,
New Senate Office Building,
Washington, D.C.

DEAR MR. SCOTT: In reply to your letter concerning the hearing of February 20, 1963, you are advised that my testimony was that there are no other writings in force respecting the enforcement of the Foundation's security policies.

Sincerely yours,

CALVIN C. JONES, *Personnel Officer.*

Senator SCOTT. Mr. McNichol, do you swear that, in the matter now before this committee, you will tell the truth, the whole truth and nothing but the truth, so help you God?

TESTIMONY OF PAUL JOHN McNICHOL, DIRECTOR OF THE OFFICE OF SECURITY FOR THE U.S. INFORMATION AGENCY; ACCOMPANIED BY THOMAS HOFFMAN, CHIEF OF THE PERSONNEL SECURITY DIVISION OF THE OFFICE OF SECURITY; AND ORVILLE MONTGOMERY, GENERAL COUNSEL

Mr. MCNICHOL. I do.

Mr. MONTGOMERY. Mr. Chairman, I would like to state for the record that Mr. Murrow is extremely anxious and willing to cooperate with the committee and asks particularly that we give you his very warm regards.

Senator SCOTT. I appreciate that.

Mr. MONTGOMERY. I would also like for the record to introduce a short biographical sketch of our Office of Security people—Mr. McNichol and Mr. Hoffman. We are extremely proud of the level of competence that we have in our Office of Security.

We thought that the committee might be interested in some of the personal qualifications to rather augment the organizational structure that you have questioned and requested from us.

Senator SCOTT. Yes. These will be received.

Mr. MONTGOMERY. Mr. McNichol and Mr. Hoffman will be extremely pleased to answer any questions that you have.

Senator SCOTT. They will be received, but we will only introduce the matter in the record through Mr. McNichol as the presently sworn witness.

Mr. McNichol, your full name and title?

Mr. MCNICHOL. Paul John McNichol, Director of the Office of Security for the U.S. Information Agency.

Senator SCOTT. Mr. Scott, will you proceed?

Mr. SCOTT. I have here a biographic résumé of yours, Mr. McNichol. Would you identify that? Does that reflect true biographic data?

Mr. MCNICHOL. Yes, it does.

Mr. SCOTT. Mr. Chairman, may I submit the biography of Mr. McNichol and ask that it be included at this point in the record?

Senator SCOTT. Without objection.

(The biographic data referred to was marked "Exhibit No. 10" and reads as follows:)

PAUL J. MCNICHOL

Paul J. McNichol, Director, Office of Security, serves as the personal adviser to the Agency Director on all security matters. He was born in the State of Pennsylvania on July 25, 1908. He was educated at St. Joseph's College in Pennsylvania, graduating from that institution with a BS degree in 1932. He served with the Federal Bureau of Investigation for approximately 12 years prior to his appointment in USIA in 1953 as Chief of the Investigation Division. He served in that capacity until 1956 when he was appointed Deputy Director of the Office of Security. He was appointed Director of the Office of Security in 1958, in which position he still serves.

Mr. SCOTT. Mr. McNichol, I have some biographic data here for Mr. Thomas Hoffman. Will you tell us, for the record, who Mr. Thomas Hoffman is; his position?

Mr. MCNICHOL. Yes. Mr. Thomas Hoffman is Chief of the Personnel Security Division of the Office of Security. This is correct.

Mr. SCOTT. Mr. Chairman, may I submit the biographic résumé of Mr. Hoffman to be included at this point in the record.

Senator SCOTT. Without objection, it is so ordered.

(The biographic data referred to was marked "Exhibit No. 11" and reads as follows:)

THOMAS E. HOFFMAN

Thomas E. Hoffman, born in the State of Ohio, March 24, 1918, graduated from DeSales College with an AB degree in 1939. He received his masters degree from the University of Toledo in 1941. Mr. Hoffman served with the Department of State from 1941 to 1945 in the Visa Office evaluating visa applications under wartime security standards. From 1952 to 1953 he served as Chief of the Personnel Security Division, State Department. In August 1953, he was appointed Chief of the Personal Security Division for USIA in which position he now serves.

Mr. SCOTT. In your official position, Mr. McNichol, you are familiar with and have responsibility under the personnel practices and procedures program of the U.S. Information Agency?

Mr. MCNICHOL. Yes; I do.

Mr. SCOTT. I have here a letter dated August 9, 1962, from Mr. Orville Montgomery, Assistant General Counsel in the Office of General Counsel and Congressional Liaison, in the U.S. Information Agency, transmitting certain rules and regulations, orders and directives, organizational charts, and so forth.

Would you identify them and also comment on and identify the enclosures, each of them?

Mr. McNichol. The reason I am taking the time to review them, sir, is because I believe the submission that we made previously was not an up-to-date submission. We injected a new section, section 213.3, entitled, "Extended Absence From Duty," which is not contained therein, and which I would like to make available to you at the present time. Otherwise they are identical.

Mr. Scott. You said that it was not an up-to-date submission. It was up to date at the time you submitted it; subsequently you have had certain revisions?

Mr. McNichol. I believe that—I was given this at my office and I am not—I believe this is not up to date. I think that is a correct statement—in that the section to which I just referred was not included in the enclosure that I submitted, or rather that General Counsel submitted to you in his letter of August 9.

Mr. Scott. Is this correct: The enclosures included are correct and in force, but not complete; is that it?

Mr. McNichol. That is correct. This is complete.

Mr. Scott. And this is merely a supplement?

Mr. McNichol. That is correct.

Mr. Scott. All right. Will you identify these for the record?

Mr. McNichol. Yes, sir. I do so.

Mr. Scott. Now, this represents the rules, regulations, directives, which are currently in force?

Mr. McNichols. Yes, sir.

Mr. Scott. Mr. Chairman, I would like to submit here for the record, together with the enclosures which cover the rules and regulations, organizational charts, and so forth, to be included in the appendix.

Senator Scott. Without objection, so ordered.

(The material referred to will be found in Appendix XXVI, pp. 1077, 1093, and 1098.)

Mr. McNichol. May I just volunteer something?

Mr. Scott. Yes, sir.

Mr. McNichol. In our letter of August 9, we transmitted to you on page 2 the number of full field investigations, and by that we meant the number of full field investigations that were handled by the Personnel Security Division.

In order to be of maximum assistance—I do not know if this would be helpful or not—the agency wishes to introduce a supplemental letter dated February 26 which indicates the total number of full field investigations requested, either of the Civil Service Commission or the Federal Bureau of Investigation.

In other words, you asked previously, Mr. Scott, for the number of clearances. The number of clearances and the number of security denials do not necessarily indicate the number of full field investigations processed.

Mr. Scott. Mr. Chairman, may this explanatory letter, supplemental letter of February 26, 1963, be included in the record following the letter of August 9, 1962?

Senator Scott. Without objection, it is so ordered.

(The letters above referred to were marked "Exhibits Nos. 12 and 12*a*" and read as follows:)

EXHIBIT NO. 12

U.S. INFORMATION AGENCY,
Washington, February 26, 1963.

Mr. SAMUEL SCOTT,
Assistant Counsel,
Subcommittee on Internal Security,
U.S. Senate.

DEAR MR. SCOTT: In letter dated August 9, 1962, the Agency transmitted to the Senate Subcommittee on Internal Security statistics on preemployment investigatory operations of the Office of Security which showed a total number of 4,498 full field investigations initiated during the period July 1, 1958, through June 30, 1962. This number represents both categories of investigations—applicants for employment and domestic personal services contractors.

In order to be of maximum assistance to the subcommittee in its survey, we are amplifying our report in the following respect. The total number of full field investigations reported, 4,498, does not include 349 investigations which were initiated but for one reason or another were not processed to final security adjudication under Executive Order 10450. Some of these investigations represent cases where applicants or contractors withdrew their applications before the investigations were completed. Others involve cases where the Personnel Division of the Agency withdrew consideration of individual applications for suitability reasons based upon disclosures contained in the investigative report. In any event, however, none of the 349 investigations was processed to the point of granting or denying security clearances.

Sincerely,

ORVILLE J. MONTGOMERY,
Assistant General Counsel.

EXHIBIT NO. 12*a*

U.S. INFORMATION AGENCY,
Washington, August 9, 1962.

Mr. SAMUEL SCOTT,
Assistant Counsel, Subcommittee on Internal Security,
U.S. Senate.

DEAR MR. SCOTT: At a meeting in your office on June 22, 1962, with Mr. Paul J. McNichol, Director of our Office of Security, and myself, you outlined briefly the study being conducted by the subcommittee into personnel security procedures and practices throughout the Government. In connection with the study, you requested certain information from this Agency concerning its personnel security procedures and experience together with any suggestions or recommendations we may have for legislative or regulatory changes.

The information requested has now been assembled and we are pleased to forward herewith the following material:

1. Two copies of the Agency's personnel security regulations.
2. Two copies of Agency Security Regulations pertaining to domestic personal services contractors and reimbursable detail employees.
3. Two copies of the organizational structure of the Office of Security.

The following is in response to your request for information concerning any statutory security requirements unique to the Agency, and for data pertaining to the security operations of our Office of Security during the last 4 years:

SPECIAL STATUTORY REQUIREMENTS

Section 1001 of the act which established the U.S. Information Agency (the U.S. Information and Educational Exchange Act of 1948 as amended by Public Law 298, 82d Congress [22 U.S.C. 1431]) provides that no person may be employed or assigned to duties under the act until such person has been investigated by the U.S. Civil Service Commission and a report thereon made to the Agency. It is provided further that any such investigations which develop questions of loyalty shall be referred to the Federal Bureau of Investigation.

THE OFFICE OF SECURITY, USIA

Under the provisions of law cited above, no person is employed with the Agency until a full background investigation has been completed and its results evaluated by the Office of Security under the provisions of Executive Order 10450, as amended. The Office of Security maintains a program of continuing review of employee security data to assure that continued employment of each Agency employee is clearly consistent with the interest of national security as required by Executive Order 10450. The following data reflects the security investigatory operations of the Office during the period July 1, 1958 through June 30, 1962:

Preemployment actions

Applicants for employment:	
Number of full field investigations	3,868
Number of security clearances granted	3,841
Number of security clearances denied	27
Domestic personal services contractors:	
Number of full field investigations	630
Number of security clearances granted	622
Number of security clearances denied	8

Postemployment actions

Number of security investigations under Executive Order 10450	82
Number of charges preferred under Executive Order 10450	0
Cases closed (employees security clearances continued)	44
Cases closed (employee resigned or otherwise separated)	32
Investigations pending	6

Our experience to date indicates that the provisions of Executive Order 10450 adequately meet the requirements of our security program. A review of our operations over the past 4 years has revealed no problems which would warrant our recommending new legislation or any changes in the Executive order. We have had no difficulties arising out of the decision of the U.S. Supreme Court in *Cole* v. *Young* because all positions in the Agency have been designated as sensitive except those in foreign countries encumbered by indigenous personnel. This is consistent with the statutory requirements that a security investigation be made on all employees before they are assigned to duty in the Agency.

The Director of the Office of Security reports directly to the head of the Agency and advises him on all security matters. The Office of Security is set up along lines designed to meet in the most effective manner the security responsibilities incident to the sensitive work of the Agency as well as those specifically imposed by law. Personnel in the office, including the Director, who make security evaluations have an average of 14 years' investigatory and security evaluation experience. The high level of competency maintained by the Office is reflected in commendatory reports issued by the Civil Service Commission in connection with its inspections of Agency security operations under section 14 of Executive Order 10450. For your information we include the following excerpt from the last inspection report made in 1960:

"During the course of the appraisal various matters concerning the operating procedures within your Agency were discussed with the Director of the Office of Security and his staff. It appears that the Office of Security is doing careful, intelligent work which follows closely the procedures set forth in your regulations and demonstrates a noteworthy awareness of all phases of personnel security problems."

I hope the material furnished herewith will be of assistance in the subcommittee's study and if we can be of further service, please let us know.

Sincerely,

ORVILLE J. MONTGOMERY,
Assistant General Counsel, Office of General Counsel and Congressional Liaison.

Mr. SCOTT. Mr. McNichol, do you have any other rules, regulations, orders, directives, opinions (formal or informal), interpretations, letters, interdepartmental memorandums, intradepartmental memorandums, instructions, or any other writings now in force respecting the enforcement of your personnel security program?

Mr. McNICHOL. Other than what I have submitted here this morning, sir?

Mr. SCOTT. Yes.

Mr. McNICHOL. You are not interested in the contractual relationships with our agency?

Mr. SCOTT. No.

Mr. McNICHOL. You are interested in employees, is that correct?

Mr. SCOTT. Yes.

Mr. McNICHOL. No, sir.

(The following letter later was received by the subcommittee:)

U.S. INFORMATION AGENCY,
Washington, April 19, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel,
Committee on the Judiciary, U.S. Senate.

DEAR MR. SCOTT: Responding to your letter of April 5, 1963, my answer at the hearing on February 26, 1963, to the question posed in your referenced letter was "No."

I have given this matter, as has the staff of this office, considerable thought and I believe my response to your blanket question was accurate.

Sincerely yours,

PAUL J. McNICHOL,
Director, Office of Security.

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. Well, I guess that is it, Mr. McNichol. Thank you.

Do you swear that in the matter now before this subcommittee you will tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF FRANCIS P. COLLINS, ASSISTANT ADMINISTRATIVE OFFICER, EXPORT-IMPORT BANK

Mr. COLLINS. I do.

Senator SCOTT. Would you give your full name and title to the reporter, please?

Mr. COLLINS. Francis P. Collins, assistant administrative officer, Export-Import Bank of Washington.

Mr. SCOTT. Mr. Collins, in your official capacity you are familiar with and have certain responsibilities in the handling of personnel security practices and procedures in the Export-Import Bank in Washington?

Mr. COLLINS. Yes, sir.

Mr. SCOTT. I have here a letter under date of July 2, 1962, from Mr. John R. Crown, security officer, transmitting certain information, together with certain enclosures which are orders or memorandums or directives on your personnel security procedures.

Mr. COLLINS. Yes, sir.

Mr. SCOTT. I would like to hand that to you and ask you to identify the letter and also identify the enclosures, tell us what they are.

Mr. COLLINS. Yes, sir. The enclosures are our staff memorandum No. 41, which is dated October 19, 1959, and it outlines entirely our security programs under our personnel security program. I think we have two copies of it here, as I recall. Yes, sir.

Mr. SCOTT. Mr. Chairman, may we submit these for the record—the letter to be included in the record, and the staff memorandum

No. 41, reflecting the personnel security procedures, to be included in the appendix?

Senator SCOTT. Without objection, so ordered.

(The staff memorandum No. 41 will be found in Appendix XXIX, p. 1175.)

(The letter of July 2, 1962, to Mr. Scott from Mr. Crown was marked "Exhibit No. 13" and reads as follows:)

EXHIBHIT NO. 13

EXPORT-IMPORT BANK OF WASHINGTON,
Washington, D.C., July 2, 1962.

Mr. SAMUEL J. SCOTT,
Assistant Counsel, Senate Internal Security Subcommittee, New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: The following is to supply information requested by you in our discussion on June 21, 1962:

1. Two copies of the Bank's personnel security regulations (staff memorandum No. 41) are enclosed.

2. No changes are contemplated at this time in regard to our personnel security regulations.

3. There are no suggestions offered at this time as to new legislation which might be helpful in this field.

4. Statistics from July 1, 1958, through June 30, 1962:

(*a*) Number of full field security investigations initiated by this agency, 75.

(*b*) Number of risk cases resulting from (*a*), none.

(*c*) Disposition of risk cases, not available.

5. The administrative officer of the Export-Import Bank is also the personnel security officer and in this capacity he reports directly to the head of the agency.

6. The case of *Cole* v. *Young* has had no material effect on the Bank's personnel security program. Through care and thoroughness in our screening and selection process we have not been faced with the need for any special personnel actions due to the development of adverse security information.

Sincerely,

JOHN R. CROWN, *Security Officer.*

Mr. SCOTT. Mr. Collins, do you have an organizational chart?

Mr. COLLINS. Yes, sir.

Mr. SCOTT. Reflecting the position of your security office?

Mr. COLLINS. Yes, sir. I do not have it with me, but we report directly to the chairman.

Mr. SCOTT. But you do have a chart?

Mr. COLLINS. I do not have it with me.

Mr. SCOTT. Could you provide that for the committee to be included along with the other material?

Mr. COLLINS. Yes, sir.

Senator SCOTT. It may be so received.

(The chart, later supplied, appears in Appendix XXIX, at p. 1185.)

Mr. SCOTT. Mr. Collins, do you have any other rules, regulations, orders, directives, opinions (formal or informal), interpretations, letters, interdepartmental memoranda, intradepartmental memoranda, instructions or any other writings now in force respecting the enforcement of your personnel security program?

Mr. COLLINS. No, sir. The staff memorandum which is in the record embodies our entire program.

Mr. SCOTT. I have no further questions, Mr. Chairman.

Senator SCOTT. Thank you very much.

The hearing is adjourned.

(Whereupon, at 11:25 p.m., the subcommittee adjourned to reconvene subject to the call of the Chair.)

PERSONNEL SECURITY PRACTICES

TUESDAY, MARCH 12, 1963

U.S. SENATE,
SUBCOMMITTEE, TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER
INTERNAL SECURITY LAWS, OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The subcommittee met, pursuant to call, at 2:10 p.m., in room 2300, New Senate Office Building, Senator Hugh Scott presiding.

Also present: J. G. Sourwine, chief counsel; Samuel J. Scott, assistant counsel.

Senator SCOTT. Do you wish the witness sworn?

Mr. SOURWINE. If you would, Mr. Chairman.

Senator SCOTT. Will you please rise and raise your right hand?

Do you swear that your testimony on this matter before the committee will be the truth, the whole truth and nothing but the truth, so help you God?

Mr. DOHERTY. I do.

TESTIMONY OF JOHN F. DOHERTY, FIRST ASSISTANT TO THE ASSISTANT ATTORNEY GENERAL IN CHARGE OF THE INTERNAL SECURITY DIVISION, DEPARTMENT OF JUSTICE

Senator SCOTT. Go right ahead, Mr. Scott.

Mr. SCOTT. Will you state your name?

Mr. DOHERTY. My name is John F. Doherty.

Mr. SCOTT. What is your title and position in the Government?

Mr. DOHERTY. I am the First Assistant to the Assistant Attorney General in charge of the Internal Security Division of the Department of Justice. I am also chairman of the Interdepartmental Committee on Internal Security.

Mr. SCOTT. As previously discussed with you, Mr. Doherty, and as you know, the purpose of the hearing now is to have you inform the committee on the Interdepartmental Committee on Internal Security, of which Committee you are the chairman. We would like you, if you will, please, to tell us about the functions of the Committee, its organizational structure, its areas of responsibility, the authority under which it operates, and so forth.

Mr. DOHERTY. I will be glad to do that.

Mr. SCOTT. Do you have a statement?

Mr. DOHERTY. This is all I have, sir, but I would be glad to submit it for the record.

Mr. SCOTT. Yes, would you go ahead with that statement?

Mr. DOHERTY. Pursuant to the provisions of section 101 of the National Security Act and National Security Council directives approved by the President, the Interdepartmental Committee on Internal Security was authorized and directed to effect the coordination of all phases of the internal security field except those which pertained to functions assigned to the Interdepartmental Intelligence Conference (IIC), such as the coordination of the investigation of all domestic espionage, counterespionage, sabotage, and subversion, and other related intelligence matters affecting internal security.

The Interdepartmental Committee on Internal Security, hereinafter referred to as the ICIS, is composed of representatives from the Departments of State, Treasury, Defense, and Justice; its Chairman is designated by the President from the membership of the Committee, after consultation with the Attorney General.

The ICIS, in its field, or in collaboration with the IIC, has the responsibility to take the necessary action to insure the establishment and maintenance of the highest practicable state of internal security, including the making of necessary plans and preparations for adequate internal security in the event of a war-related emergency. It makes appropriate studies and takes necessary action to insure that complete coverage is maintained by all appropriate departments and agencies in those matters under its jurisdiction. It endeavors to take the necessary action to insure that there is no duplication of effort by governmental departments and agencies in those matters under its jurisdiction. The ICIS takes the necessary steps to procure resolution of any conflicts of jurisdiction that may arise in the field of internal security for which ICIS is responsible and determines what agency or department shall be assigned the necessary action. This Committee makes studies and recommendations at times with reference to legislation, Executive orders, and regulations deemed necessary to achieve its objectives, and promotes appropriate exchange and coordination of information, as well as action, among the several agencies and departments of the Government.

The ICIS is authorized to establish such ad hoc and working committees as may be necessary for the purpose of discharging its responsibilities and shall initiate and coordinate necessary studies, projects and surveys relating to its responsibilities.

The ICIS operates through subcommittees composed of experts representing various departments and agencies having a primary interest in the problem under study. Representatives of departments and agencies other than those usually called upon are invited when problems of interest to them are being considered. The subcommittees do not meet regularly but are called upon only when a problem in a particular area of interest to one of the subcommittees requires resolution.

The whole field of internal security for which ICIS has coordinating responsibility has been divided into five problem areas and a subcommittee has been organized to discuss problems falling into these areas, and they are as follows:

(1) Unconventional attack;
(2) Entry and exits;
(3) Protection of classified data;
(4) Diplomatic and official personnel; and
(5) Industrial security.

Although the areas of responsibility and manner of operations of the ICIS has not changed, it may be of interest to the committee to know that, on June 9, 1962, a memorandum was issued transferring the supervision of the two committees, the IIC and ICIS, from the National Security Council to the Attorney General. Another memorandum, dated August 17, 1962, to the heads of departments and agencies from the Attorney General advised of his responsibility for the supervision of the two committees and of the continued need for them.

This, Mr. Chairman, concludes this statement.

Senator SCOTT. Thank you.

Mr. SCOTT. Do you have or could you make available to the committee, Mr. Doherty, copies of the two memorandums that you just mentioned, the one transferring the functions of the ICIS and the IIC from the National Security Council to the Justice Department?

Mr. DOHERTY. I will.

Mr. SCOTT. And then the other memorandum from the Attorney General to the heads of the various departments and agencies advising them of that?

Mr. DOHERTY. All right.

Mr. SOURWINE. Mr. Chairman, may that go into the record?

Senator SCOTT. Without objection, so ordered.

(The following letter from Mr. Doherty was later received by the subcommittee:)

APRIL 17, 1963.

Hon. JAMES O. EASTLAND,
Chairman, Senate Internal Security Subcommittee,
U.S. Senate, Washington, D.C.

DEAR SENATOR: On March 12, 1963, in my capacity as chairman of the Interdepartmental Committee on Internal Security, I appeared before the U.S. Senate Subcommittee, To Investigate the Administration of the Internal Security Act and Other Internal Security Laws, of the Committee on the Judiciary. During the course of my testimony, I was requested to furnish certain documents and items of information which were not available at that time.

In line with his continuing effort of assigning primary responsibility for the initiative on major matters of policy and administration in a given field to a key member of his administration, the President, on June 9, 1962, directed the Attorney General to take the initiative in the Government in insuring the development of plans, programs and action proposals to protect the internal security of the United States. Under this direction, the supervision of the ICIS was transferred from the National Security Council to the Attorney General.

Enclosed herewith are items of information requested by the subcommittee:

Memorandum to heads of departments and agencies dated August 17, 1962.

List of members of the ICIS.

Present at ICIS meeting of March 14, 1963.

List of ICIS subcommittees and membership as of March 13, 1963.

Presidential directive, March 22, 1949, as amended.

Charter of the ICIS, July 18, 1949, as amended.

The specific question was raised as to whether ICIS has authority to direct agency action in any circumstances. After a review of the appropriate documents describing the jurisdiction and responsibility of the ICIS, it is my opinion that the ICIS does not have authority to direct agency action.

Sincerely yours,

JOHN F. DOHERTY,
Chairman, Interdepartmental Committee on Internal Security.

(The documents supplied by Mr. Doherty as above described, will be found in Appendix XXVII, pp. 1099–1101, 1103, and 1105.)

Mr. SOURWINE. Thank you, Mr. Chairman.

Mr. SCOTT. Mr. Doherty, do you have a list of the members of the Interdepartmental Committee on the Internal Security for any particular time? As I understand it, from time to time the membership on the committee changes; that is, you may call a meeting and at that time you are advised by the particular agencies that will be affected as to who will represent them?

Mr. DOHERTY. Well, I think that, as of a given time, we could probably get a list of the individuals representing the various departments and agencies. But this list just changes so often that I do not see any good purpose that could be served by making it available to you.

Mr. SOURWINE. Mr. Doherty, we understand that. We understand that the membership of this committee is vested in the departments and the agencies.

Mr. DOHERTY. That is right.

Mr. SOURWINE. Rather than in individuals.

Mr. DOHERTY. That is right.

Mr. SOURWINE. And the only individual named, as such, is yourself, perhaps, named as the Chairman.

Mr. DOHERTY. That is right.

Mr. SOURWINE. And you can give a list of the departments and agencies which are members?

Mr. DOHERTY. I think I did that, Mr. Sourwine, in the record.[3]

Mr. SOURWINE. Well, can you give us a list as of the last meeting date of the ICIS, of those who appeared that date representing the various departments and agencies, as of that day, or of record as the representatives of the departments and agencies? Their individual identities may be of little value, sir, but I think it would be of some value to this committee to show the type of person or the grade or the title or the rank which they bear. That would not be difficult, would it?

Mr. DOHERTY. No; not difficult at all.

Mr. SOURWINE. Well, will you do that for us?

Mr. DOHERTY. I will submit to you a list of the representatives who represented the departments or agencies at the last meeting of the ICIS.

Mr. SOURWINE. Yes; and without regard to whether they were present at the meeting. We are not asking for a rollcall, just those who were accredited at the time of the meeting.

Do I make myself clear? There might have been some department which was not in fact represented by a person at the meeting, but you would have had notice as to who was accredited to represent the Department, would you not?

Mr. DOHERTY. Well, if I understand your question correctly, Mr. Sourwine, I pointed out in my prepared statement that there were four members of the Interdepartmental Committee on Internal Security. These members represented the Departments of State, Treasury, Justice, and Defense.

Now, I would be very happy to point out the individuals that represented those departments at the last meeting of the ICIS.

Mr. SOURWINE. Well, I think that is adequate.

Mr. DOHERTY. Or any other individual present.

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[3] State, Treasury, Defense, Justice (see par. 2, p. 54).

Mr. SOURWINE. That is all that I am trying to get, plus the fact that there may have been a meeting at which a department might not have been physically represented—or am I in error there?

Mr. DOHERTY. I think you are in error.

Mr. SOURWINE. They are always represented?

Mr. DOHERTY. Absolutely.

Mr. SOURWINE. Then simply the list of the individual or individuals who represented each of the four departments, and any other individual present at the last meeting, that would give us the flavor of the thing, don't you see?

Mr. DOHERTY. Well, I don't want to be technical, but, since the last meeting, the Department of State has named another individual to represent them, you see.

Mr. SOURWINE. I see, and who was that person who has been named?

Mr. DOHERTY. I have forgotten the fellow's name.

Mr. SOURWINE. Well, you can furnish that to the committee with the other information, can you not?

Mr. DOHERTY. Oh, yes.

Mr. SOURWINE. And you can show us the representatives who were present at the last meeting and any changes that occurred, that you know of, between the time of the last meeting and the time that you make the submission—that won't freeze it, but it will show the picture.

Mr. DOHERTY. Fine.

Mr. SOURWINE. And may that be received in the record when it is furnished, Mr. Chairman?

Senator SCOTT. Yes, without objection, so ordered.

(The material referred to is printed in Appendix XXVII, p. 1100.)

Mr. SOURWINE. Excuse me, Mr. Scott.

Mr. SCOTT. How often does the Committee meet?

Mr. DOHERTY. Well, I would say that we had our last meeting in, I believe, November, last November.

Mr. SCOTT. November 1962?

Mr. DOHERTY. Yes.

Mr. SCOTT. How many meetings did you have in the calendar year 1962?

Mr. DOHERTY. I would have to find that out. I would say not more than probably three or four.

Mr. SOURWINE. And does the Committee meet at regularly scheduled intervals or only at the call of the Chair?

Mr. DOHERTY. At the call of the Chair.

Mr. SOURWINE. And who decides when there is to be a meeting?

Mr. DOHERTY. Usually I do.

Mr. SOURWINE. And on what basis do you make this decision?

Mr. DOHERTY. Well, when we feel there are problems that need decision by those—by participation of the Committee.

Mr. SOURWINE. You say "when we feel there are problems." Does that mean when the Department of Justice sees it or you see it or what does it mean?

Mr. DOHERTY. When I see it.

Mr. SCOTT. Then you would call a meeting if a request was initiated by another member of the Committee?

Mr. DOHERTY. Oh, yes.

Mr. SCOTT. Has that occurred?

Mr. DOHERTY. That has occurred in the past.

Mr. SCOTT. But that would be the exception rather than the general rule? Is that right?

Mr. DOHERTY. Yes.

Mr. SCOTT. Would you tell us some of the typical items which you have on your agenda at the meeting?

Mr. DOHERTY. Problems that fall into one of these five categories that I enumerated.

Mr. SCOTT. Can you enumerate some specific problems that were taken up by you?

Mr. DOHERTY. Well, for example, the Committee for the Protection of Classified Data, we discussed how the Executive Order 10501 was being implemented.

Mr. SCOTT. That was a subcommittee?

Mr. DOHERTY. That was a subcommittee, but they were working for the full Committee.

Mr. SCOTT. They reported to the full Committee?

Mr. DOHERTY. That is right. Then, as a result, there was an amendment to the Executive order that was prepared.

Mr. SOURWINE. How many members do you normally have on these subcommittees?

Mr. DOHERTY. That varies from—really, it varies depending upon the problems being discussed.

Mr. SOURWINE. Do you have a subcommittee of one?

Mr. DOHERTY. No.

Mr. SOURWINE. Do you have a subcommittee of five?

Mr. DOHERTY. Sometimes, yes.

Mr. SOURWINE. How many members are there on the full committee?

Mr. DOHERTY. Four.

Mr. SOURWINE. Well, how would you have a subcommittee of five if there are only four members on the committee?

Mr. DOHERTY. Well, when you have a subcommittee, the representation on it is not limited to the members represented on the ICIS permanent committee.

Mr. SOURWINE. I see.

Mr. DOHERTY. When a problem is considered it is referred to a subcommittee, one of the five enumerated.

Mr. SCOTT. You may have a subcommittee made up or composed of representatives from other departments or agencies; that is, other than the four?

Mr. DOHERTY. Oh, yes; that is right.

Mr. SCOTT. They operate as a sort of a task force, then, to consider the problems coming up and they then come up with their findings, conclusions, and recommendations?

Mr. DOHERTY. Usually they are experts in a particular field and they represent the particular department or agency that has an interest in the problem being discussed.

Mr. SOURWINE. Mr. Doherty, could you give us a list of the subcommittees and their membership as of this moment?

Mr. DOHERTY. I think that can be done.

Mr. SOURWINE. May that go in the record, Mr. Chairman, when it is furnished?

Senator SCOTT. Without objection.

(The material referred to is printed in Appendix XXVII, pp. 1101, 1102.)

Mr. SCOTT. After those recommendations or findings are received——

Mr. DOHERTY. Excuse me, please, if I may go back to this specific question. "As they exist now" bothers me because the list that I have, I might have representatives that are no longer on the committee and I wouldn't know who a department or agency would send as a representative.

Mr. SOURWINE. Well, the list as of the latest date for which the information is available.

Mr. DOHERTY. Fine.

Mr. SOURWINE. And indicate the date.

Mr. DOHERTY. Fine.

Mr. SOURWINE. Is that agreeable with you, Mr. Chairman?

Senator SCOTT. Yes.

Mr. SCOTT. When you receive the studies and findings, the conclusions and recommendations from the various subcommittees, that is taken under consideration by the full committee of the ICIS?

Mr. DOHERTY. Right.

Mr. SCOTT. Do you ever overrule their recommendations?

Mr. DOHERTY. Of the subcommittee?

Mr. SCOTT. Yes.

Mr. DOHERTY. I imagine at times we differ.

Mr. SCOTT. What additional facts do you have beside what they would furnish you in considering the subject that is under study?

Mr. DOHERTY. Well, it might be necessary to see to it that they went into the problem more extensively from the full committee's point of view, because they represent a particular department and they have probably a wider and better knowledge of the operations of that department, and that may have limited their views.

Mr. SOURWINE. Are you ex officio a member of all the subcommittees?

Mr. DOHERTY. Yes.

Mr. SCOTT. After you have made a final determination, do you give a decision or recommendation—is it advisory in nature?

Mr. DOHERTY. We give a recommendation, usually.

Mr. SCOTT. To whom?

Mr. DOHERTY. Well, to the departments. If, for example, it is a problem which is one that should be primarly implemented by, we will say, the Department of Commerce, then I would send a letter to the Secretary of the Department of Commerce and advise him that ICIS has considered a particular problem that appeared to fall within his responsibility and we would appreciate it if he undertook to implement it.

Mr. SOURWINE. Mr. Doherty, can you furnish us with the pertinent portions of the Executive order and directives that you spoke of at the outset of your statement?

Mr. DOHERTY. I don't know whether I am authorized to do that, Mr. Sourwine.

Mr. SOURWINE. Do you think there is anything classified about that Executive order?

Mr. DOHERTY. Well, no. As I say, it was a directive of the National Security Council.

Mr. SOURWINE. The Executive order was an Executive order of the President, was it not?

Mr. DOHERTY. I did not talk about it being an Executive order, sir, at the outset of the statement, I don't think.

Mr. SOURWINE. May I see that statement there?

Mr. DOHERTY. Yes, sir.

Mr. SOURWINE. "Pursuant to the provisions of section 101 of the National Security Act"—may that section go into the record at this point, Mr. Chairman?

Senator SCOTT. Without objection.

Mr. SOURWINE. And "National Security Council directives approved by the President."

May the order stand, Mr. Chairman, that the committee request that the pertinent portions of those directives with respect to the setting up and operation of ICIS be furnished for the record and then if there is a reason why they cannot be, the witness supply us with an explanation?

Mr. DOHERTY. Fine.

Senator SCOTT. Without objection, so ordered, with the explanation as stated.

(The material referred to is printed in Appendix XXVII, p. 1103.)

Mr. SOURWINE. Does ICIS report in line of command directly to the Attorney General?

Mr. DOHERTY. Yes.

Mr. SOURWINE. Before the transfer of 1962 it reported directly to the National Security Council?

Mr. DOHERTY. Yes.

Mr. SOURWINE. Were you the Chairman when it was reporting to the National Security Council?

Mr. DOHERTY. Yes.

Mr. SOURWINE. Does ICIS have authority to direct agency action in any circumstances.

Mr. DOHERTY. Well, I cannot answer that question because I don't know. In other words, the way we usually do it is to ask the agency to do it and usually they do it. Well, now, if I order them to do it—I don't know that I could do that.

Mr. SOURWINE. Well, where could the committee get an answer to that question if you don't know?

Mr. DOHERTY. Would you repeat the specific question?

Mr. SOURWINE. Yes, surely.

Whether ICIS has authority to direct agency action in any circumstances.

Mr. DOHERTY. I would have to try to get that answer for you.

Mr. SOURWINE. And can you get us an answer?

Mr. DOHERTY. I don't know.

Mr. SOURWINE. May the record show that we request the answer—we request the question to be answered, if possible?

Senator SCOTT. Without objection, so ordered.

(The material referred to is printed in Appendix XXVII, at p. 1105.)

Mr. SOURWINE. Does ICIS have authority to direct cessation of agency action or to inhibit agency action?

(No response.)

Mr. SOURWINE. Can you stop an agency from doing something or delay it, postpone it?

Mr. DOHERTY. We can request the agency action be discontinued.

Mr. SOURWINE. Do you know whether you have any actual power to stop it or suspend it?

Mr. DOHERTY. I think not.

Mr. SOURWINE. Does ICIS have authority to call on other agencies in the executive branch for assistance—clerical, professional, or expert?

Mr. DOHERTY. Yes, sir, we do.

Mr. SOURWINE. Is that on a reimbursable basis?

Mr. DOHERTY. Yes; it is.

Mr. SOURWINE. And may individuals be assigned from other agencies, at the expense of those agencies, to assist ICIS or to do work for ICIS?

Mr. DOHERTY. Yes.

Mr. SOURWINE. So you can get them both ways?

Mr. DOHERTY. Yes.

Mr. SOURWINE. Is there any written description of the jurisdiction of ICIS?

Mr. DOHERTY. None other than what I have incorporated in the prepared statement.

Mr. SOURWINE. It has never been set down anywhere, just what your jurisdiction is? You don't know what the limits of it are?

Mr. DOHERTY. Well, we know that we have a coordinating responsibility insofar as internal security is concerned.

Mr. SOURWINE. Well, is that together with a responsibility involving the entire scene of internal security in all of the agencies of the government that might have anything to do with it?

Mr. DOHERTY. With the exception of this—those presently allocated to the Interdepartmental Intelligence Conference.

Mr. SOURWINE. And which are those?

Mr. DOHERTY. They have to do with the review of domestic espionage and counterespionage and subversion, just those three.

Mr. SOURWINE. Well, now——

Mr. DOHERTY. And those are investigative and intelligence matters.

Mr. SOURWINE. Well, that is a pretty broad phrase. Do you know what that means? Has anybody defined it, sir?

Mr. DOHERTY. Well, it means anything having to do with the investigation or intelligence activities is usually the responsibility of the conference.

Mr. SOURWINE. Well, "anything to do with intelligence," I suppose that would include intelligence gathering or evaluating or investigating information or the gathering or evaluation of intelligence—and that is not your business, is that right?

Mr. DOHERTY. Anything that has to do with the investigation is within the IIC responsiiblity.

Mr. SOURWINE. With investigation?

Mr. DOHERTY. Anything relating to intelligence or investigation in matters affecting internal security is the responsibility of IIC—it is not our business in ICIS.

Mr. SOURWINE. Anything related to intelligence, then, is not your business?

Mr. DOHERTY. That is right.

Mr. SOURWINE. And everything else in the security field, internal security field, over the whole area of Government is your responsibility?

Mr. DOHERTY. Except investigation of espionage, counter-espionage, and subversion.

Mr. SOURWINE. Yes. I think that is pretty clear.

How is ICIS financed? Do you have a regular annual appropriation?

Mr. DOHERTY. I believe it is primarily financed by the four departments and agencies represented on the ICIS itself, in other words, Justice pays my salary and State pays the salary of their representatives, and so on.

Mr. SOURWINE. How about the housekeeping for ICIS, who provides that?

Mr. DOHERTY. The Justice Department provides the space, the furniture, and I believe two positions on the secretarial staff.

Mr. SOURWINE. Well, where does the budget item show up? In the Justice Department budget or in the budgets of more than one department?

Mr. DOHERTY. I believe that shows up in the budgets of more than one department.

Mr. SOURWINE. I see. Do you know what part of those budgets that comes under?

Mr. DOHERTY. Well, only that under the Justice Department budget it comes under the policy or planning section of the Internal Security Division.

Mr. SOURWINE. Do you know where it falls in the other departments which are members?

Mr. DOHERTY. No; I do not.

Mr. SOURWINE. Have you ever appeared or testified at an Appropriations Committee meeting?

Mr. DOHERTY. Yes, I have.

Mr. SOURWINE. Have you read the Appropriations Committee hearings with regard to ICIS?

Mr. DOHERTY. Yes.

Mr. SOURWINE. And what subcommittee of the Appropriations Committee handles this, do you know?

Mr. DOHERTY. It is chaired by Chairman Rooney.

Mr. SOURWINE. Then it comes under State, Justice, and Commerce, does it not?

Mr. DOHERTY. Yes.

Mr. SOURWINE. And the other items would come under other subcommittees of the Appropriations Committee—or would they all be under the name "State, Justice, and Commerce"?

Mr. DOHERTY. "The other items"—what other items are you referring to?

Mr. SOURWINE. Well, I understood you to say that the budget for you appeared in the budget estimates of several different departments.

Mr. DOHERTY. That is correct.

Mr. SOURWINE. And I am asking you whether each of those budget estimates is handled by the same subcommittee of the Appropriations Committee or whether it is handled by several different subcommittees of the Appropriations Committee. In other words, would each departmental budget item for ICIS be handled by whatever subcommittee normally handles the appropriations for that department?

Mr. DOHERTY. Well, I think that insofar as the expenses of representations, for example, by the other three members of ICIS is concerned—I don't know what Appropriations Committee handles that particular budget.

Mr. SOURWINE. I see. As far as you know it is a part of the regular budget presentation of the department in each case?

Mr. DOHERTY. As far as I know.

Mr. SOURWINE. Well, when you employ someone assigned from an agency on a reimbursable basis what appropriation is it chargeable to?

Mr. DOHERTY. I don't know the answer to that one.

Mr. SOURWINE. Have you ever had such an occasion?

Mr. DOHERTY. Well, I believe we have one in the secretariat at the present time.

Mr. SOURWINE. Can you find out what appropriation it is chargeable to?

Mr. DOHERTY. I believe that that person is on the Justice rolls, which is reimbursed by the Department of Treasury.

Mr. SOURWINE. I have no more questions, Senator Scott.

Senator SCOTT. All right.

Mr. Scott. I have some.

You told us previously, Mr. Doherty, that a memorandum under the date of June 9, 1962, changed the procedure of reporting so that, instead of reporting directly to the National Security Council, you now report to the Attorney General?

Mr. DOHERTY. Yes.

Mr. SCOTT. Do you know why that change was made?

Mr. DOHERTY. Yes. I believe it was in keeping with the policy of the present administration to assign to key officials the responsibilities formerly assigned to various committees. The responsibility that formerly rested in the two committees is now the responsibility of the Attorney General, who has assigned it or delegated it, so to speak, to the two committees, the ICIS and the IIC.

Mr. SCOTT. But first was the responsibility rested in these two committees, the ICIS and IIC—and they were to report to the National Security Council, whose responsibility it is to advise the President?

Mr. DOHERTY. Right.

Mr. SCOTT. On the overall picture?

Mr. SCOTT. Right.

Mr. SOURWINE. Now, that was removed from the initial security council and rested, as you say, in the hands of a particular individual or key individual in the administration?

Mr. DOHERTY. Right.

Mr. SOURWINE. And that was the purpose of it?

Mr. DOHERTY. I think, I believe that is the purpose.

Mr. SOURWINE. I have one more question, sir.

In reporting, and I think you will agree that that is an important subject, do you report directly to the Attorney General or do you report to the National Security Council?

Mr. DOHERTY. The Attorney General.

Mr. SOURWINE. To the Attorney General directly?

Mr. DOHERTY. ICIS does.

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. SOURWINE. No more questions.

Mr. SCOTT. Mr. Doherty, one more question. Could you give the committee an approximation of the percentage of time that you devote to the job of being Chairman of the Interdepartmental Committee on Internal Security; that is, what percentage of your time in your present office do you devote to that?

Mr. DOHERTY. I would be hard put to give you a reasonable estimate, really, because the activities of the committee vary. It could well be that next month we will get a problem that would require a considerable amount of my time. It could well be that subsequent to that there wouldn't be another problem for an extended period of time, don't you see.

Mr. SOURWINE. Well, you wear two hats all the time, don't you?

Mr. DOHERTY. All the time.

Mr. SOURWINE. And so, really, you are available at any hour of the working day, are you not, even in your job as No. 2 man in the Security Division or as chairman of this committee?

Mr. DOHERTY. That is right, and not only days, but any night, too, I might add.

Mr. SCOTT. No further questions.

Mr. SOURWINE. That is all, thank you.

Senator SCOTT. Thank you very much.

Mr. SCOTT. Mr. Chairman, our next witness is Kimbell Johnson of the Civil Service Commission, and I believe he has a General Counsel of the Civil Service Commission with him.

Senator SCOTT. All right.

Mr. Johnson, do you swear that your testimony on the matter now before the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JOHNSON. I do.

Mr. SOURWINE. Well, Mr. Meloy—Mr. Johnson, would Mr. Meloy be giving any testimony?

Mr. JOHNSON. It depends on the questions that you ask. He is here to give testimony regarding the legal background and so forth.

Senator SCOTT. We will swear him in, too.

Mr. Meloy, do you swear that your testimony on the matter before the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MELOY. I do.

Senator SCOTT. Mr. Scott, will you proceed?

TESTIMONY OF KIMBELL JOHNSON, DIRECTOR, BUREAU OF PERSONNEL INVESTIGATIONS, CIVIL SERVICE COMMISSION; ACCOMPANIED BY LAWRENCE V. MELOY, GENERAL COUNSEL, CIVIL SERVICE COMMISSION

Mr. SCOTT. Mr. Johnson, as the head of the Bureau of Personnel Investigations, you also have the responsibility or function of making periodic surveys and appraisals of the various departments and agencies?

Mr. JOHNSON. That is correct.

Mr. SCOTT. I have here a letter under date of March 5, 1963, written to me by you, outlining the plan, including a list of the more or less major standard items that you look into during an appraisal survey, together with enclosures that were sent up by you.

Mr. JOHNSON. Yes, sir.

Mr. SCOTT. May I hand you that letter and will you identify the enclosures?

Mr. JOHNSON. These are true copies.

Mr. SCOTT. The enclosures consist of the memorandum to the Attorney General from President Eisenhower under date of March 4, 1955; and a memorandum under the date of March 4, 1955, to the heads of all departments and agencies of the executive branch from the Attorney General on the subject of the Federal employee security program. May I submit these for the record?

Senator SCOTT. Yes, they may be included in the record. They are received without objection.

(The documents referred to follow:)

U.S. CIVIL SERVICE COMMISSION,
BUREAU OF PERSONNEL INVESTIGATIONS,
Washington, D.C., March 5, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel of the Senate Internal Security Subcommittee,
New Senate Office Building, Washington, D.C.

DEAR MR. SCOTT: As we discussed in our meeting on February 26, 1963, I am sending you a list of the major items which must be covered in any security appraisal. Of course, depending upon the individual situation in an agency other items may be involved in the appraisal. Again, we take into account such factors as number of previous security appraisals made in an agency and the recency of the latest one. In some instances, our principal attention is focused on significant changes since the most recent appraisal. However, the following are major standard items included in each security appraisal:

1. Organization of the Security Office. This includes such matters as delegation of authority to the security officer, his relationship to the personnel officer, General Counsel, and other top agency officials responsible for security within the agency, the qualifications and responsibilities of the security officer, security clearances, and investigative files of other personnel employed in the Security Office, and relationship of field offices to the central office in the agency's security program.

2. Agency security regulations and procedures noting any deviations from the sample regulations issued by the Attorney General.

3. Records maintained by the security officer, including controls used to see that appropriate security investigations are made and security decisions carried out.

4. Delegations of authority to evaluate cases, both favorable and unfavorable.

5. Methods of designating sensitive positions and verifying that appropriate investigations have been made for these positions.

6. Roster of security hearing board nominees to determine proper certification and completion of full field investigation.

7. Methods used by the agency to protect personnel security investigative material from unauthorized access.

8. Cases involving suspensions and terminations under the act of August 26, 1950, (Public Law 733, 81st Cong.) to determine:

(*a*) Dates of suspension, letter of charges, security board hearing, if any, and date of final action.

(*b*) Whether the rights and privileges of the employees were protected.

(*c*) Whether the agency's actions were in compliance with numbered paragraphs 1 through 6 of the Attorney General's letter of March 4, 1955, to the President suggesting certain procedures for the security program. (I am attaching a copy of the Attorney General's letter for your convenience.)

9. Representative sampling of other types of cases processed in the Security Office to insure that appropriate procedures have been applied.

10. Detailed information concerning agency's personnel security workload and whether cases are being acted on without undue delay.

11. Closeout interview to discuss significant matters developed during the appraisal with agency heads or with agency officials responsible for security.

At the conclusion of the appraisal, the security appraisal officer prepares a report of the appraisal and drafts a letter for the Chairman or Executive Director's signature to the agency head when warranted by the information developed. Such letters to the members of the Cabinet are for the Chairman's signature; letters to other agencies are prepared for the signature of the Executive Director. These letters require my approval.

If I can be of further assistance to you, please do not hesitate to call upon me.

Sincerely yours,

KIMBALL JOHNSON, *Director.*

THE WHITE HOUSE,
Washington, March 4, 1955.

To the Attorney General:

I approve the contents of your letter of March 4th on the employee security program.

Will you please take steps to see that a copy of that letter, with this endorsement, is furnished to the head of each governmental department, independent agency, and other interested individuals of the executive branch?

DWIGHT D. EISENHOWER.

DEPARTMENT OF JUSTICE,
Washington, D.C., March 4, 1955.

MEMORANDUM

To: The heads of all departments and agencies, executive branch.
From: The Attorney General.
Subject: Federal employee security program.

I am transmitting herewith a copy of a letter which I addressed to the President on March 4, 1955, together with the President's reply of the same date, both of which are self-explanatory.

MARCH 4, 1955.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: You requested the Internal Security Division of the Department of Justice to review the employee security program, and to recommend any needed improvements based upon a study of the actual operating practices thereunder.

The program operates under a 1950 statute (Public Law 733, 81st Congress, approved August 26, 1950, 64 Stat. 476), and a 1953 Executive order (No. 10450, dated April 27, 1953, 18 F.R. 2489). Congress by enacting the 1950 statute in effect made the head of each participating department and agency of the executive branch responsible for suspending and terminating the employment of any civilan officer or employee of the Government whenever he shall determine that such action is necessary or advisable in the interest of the national security of the United States.

This imposes a grave responsibility upon each department and agency head. In our review we have kept in mind not only this responsibility but also your emphasis on a policy that the individual employee be accorded fair and impartial treatment at the hands of the Government.

The program requires, first, that the files of those employees who had been the subject of a full field investigation under prior loyalty programs be reexamined in accordance with the new security standards and appropriate action taken. That phase of the security program is well on the way to completion. The second phase of the program involves the investigation of all employees occupying sensitive positions and the taking of appropriate action based upon any derogatory information disclosed concerning them. This phase is likewise well along and can, with diligence, be brought to substantial completion shortly. After these two phases have been completed, the cases of applicants for jobs and probationary new employees will be the principal concern of the security program.

I believe that the program will continue to be improved by emphasizing the following procedures which experience has shown to be most helpful in protecting both the national security and the rights of the employees.

1. The statement of charges against the employee should be drawn as specifically as possible, consistent with the requirements of protecting the national security. In all instances, the general counsel (or if there is no general counsel, the top legal officer) of the agency or department should be consulted on the drafting of the statement of charges and his opinion secured to insure that the charges are specific enough to be meaningful to the employee. To expedite the disposition of these cases it is suggested that the statement of charges be given to the employee at the time of notice of suspension.

2. Meticulous care should be exercised in the matter of suspension of employees against whom derogatory information has been received. It is suggested that a personal interview with the employee prior to suspension is helpful in most instances. The general counsel of the department or agency should be consulted and his opinion should be secured as to the sufficiency of the information justifying suspension. The final decision as to suspension should not be delegated below the Assistant Secretary level.

3. A legal officer should be present at security board hearings to act as an adviser to the board as to procedural matters and to the employee, if he is not represented by counsel, as to his rights under the act of August 26, 1950, Executive Order No. 10450, as amended, and the pertinent regulations.

4. In order to assure the high caliber of security hearing boards, each agency head should periodically and personally review the list of persons made available by his agency for service on such boards. The courts have recognized that Congress did not provide, or intend to provide, that hearing procedures under the security program be made identical with judicial processes. But it is our experience that by having persons possessing the highest degree of integrity, ability, and good judgment as members of security boards the rights of the Government and of the employee are fully safeguarded.

5. Whenever an agency head proposes to make an adverse security evaluation with respect to a person who has been cleared previously in another agency, he should consult promptly with the head of the other agency to make certain that all relevant information has been given consideration and that the security standards have been properly applied. The objective should be to avoid conflicting evaluations which are not based upon a difference in the sensitivity of the jobs. The Justice Department would be willing to assist in any such consultations. The results should be recorded in each of the agencies concerned.

6. Even though the statute does not provide subpena power for witnesses, every effort should be made to produce witnesses at security board hearings to testify in behalf of the Government so that such witnesses may be confronted and cross-examined by the employee, so long as the production of such witnesses would not jeopardize the national security.

7. All violations of law as disclosed in the investigations or proceedings under the program should be reported immediately to the Division of Internal Security, Department of Justice.

In this connection I should like to inform you that conferences of the security officers of the larger departments and agencies are being held at the Justice Department regularly. At such conferences extensive discussions are held with respect to various phases of the security program and difficult problems arising in any department or agency are considered. This is serving to improve the operation of the program in many respects. It is now proposed to extend these conferences to the security officers of all agencies. In cooperation with the

Civil Service Commission these conferences will be utilized to bring about better coordination of all agencies and departments in carrying out more efficiently the purposes of Executive Order 10450.

Respectfully,

HERBERT BROWNELL, Jr., *Attorney General.*

(EDITOR'S NOTE.—The letters appearing above are also printed in Appendix XXVIII, p. 1107.)

Mr. SCOTT. Mr. Johnson, will you please inform the committee of your responsibilities for conducting personnel security investigations of the Civil Serivce Commission?

Mr. JOHNSON. Yes. May I just give a brief statement for our Chairman, Mr. John W. Macy, Jr.?

Senator SCOTT. Surely.

Mr. JOHNSON. Mr. Macy asked me to assure this committee of his willingness to appear before the committee if they should desire or if there are matters that either Mr. Meloy or I cannot answer. He has asked that we, Mr. Meloy and I, come here and cooperate fully in the committee's worthwhile review of the program.

Mr. Meloy is General Counsel. He was formerly executive secretary of the old Loyalty Board. The Loyalty Review Board participated in the Presidential committee establishing the loyalty program under Executive Order 9835, so he is well qualified to help in this discussion.

Senator SCOTT. We appreciate the statement of your Chairman.

Mr. JOHNSON. He wants to make it clear that he will be happy to come here if you want him at a subseqent time.

Mr. SOURWINE. And may I just add, Mr. Chairman, that we have had at all times this same cooperation of the Civil Service Commission and that we appreciate the desire of the Chairman of that Commission that we should be helped in every way by his people, that cooperation has been clearly evidenced and I think that it is well illustrated in the record that we have had that cooperation; and that cooperation has not been wasted, they are going to make a very helpful recommendation.

Senator SCOTT. That is very gratifying, that cooperation, and we appreciate it.

Mr. JOHNSON. Our Chairman wanted me to make sure that the thing you just said is true, that we should give you every cooperation in this worthwhile endeavor. We welcome your approach to this problem and we have seen already that you are concerned about the same thing as we are, in personnel security. The matter of requiring investigation and evaluation, before appointment to a sensitive position, and the fact that a waiver should be limited to emergency appointments only.

Mr. SOURWINE. Yes; you know what we are trying to do here in the subcommittee. And that is, we are trying to get in the record an outline of what the various agencies do in the field of personnel security, whether they really employ all of the documents effective as of this time with reference to the authority for implementation of the policies and practices followed in connection with Government employment and employee security.

Mr. JOHNSON. Right.

Mr. SOURWINE. May I make one suggestion, Mr. Chairman, if you will permit and order it? Might we have inserted in this record at this point a little biographical sketch of each of these gentlemen?

I think that it will help qualify them as the experts that they undoubtedly are.

Senator SCOTT. By all means, it may be done. So ordered, without objection.

Senator SCOTT. I gather that you do not have a biographical sketch available.

Mr. JOHNSON. No, but I will be happy to make one available.

Mr. SOURWINE. And in that connection, Mr. Chairman, if they are overly modest, we will have our director of research prepare it.

Mr. JOHNSON. Well, lest you run through the whole file, it may be safer to supply it ourselves. We have had 20 years experience, both Mr. Meloy and myself. We have been going about this for about the same period of time, his more in the legal end and mine in the investigative end.

Mr. SOURWINE. I might say, Mr. Chairman, if there is anybody more knowledgeable in the Government personnel security program than these two gentlemen, I don't know who they are.

Senator SCOTT. Well—Off the record.

(Discussion off the record.)

(The biographical sketches, later supplied the subcommittee, read as follows:)

LAWRENCE V. MELOY

Self-employed, general law practice, 1926–40.

Civil Service Commission, adjudicator, June 26, 1940.

Civil Service Commission, attorney in charge of Hatch Act work, November 23, 1940.

Civil Service Commission, chairman, Loyalty Review Board, May 9, 1944.

Civil Service Commission, assistant chief law officer, February 7, 1946.

Civil Service Commission, executive secretary, Loyalty Review Board, November 16, 1947.

Civil Service Commission, assistant, acting, and general counsel, April 27, 1952, to present time.

BIOGRAPHICAL DATA FOR KIMBELL JOHNSON

Prior to entry into the Government service in 1939 had been employed 5 years as a teacher in the public schools of Alabama. Entered Government service in 1939. Employed 1 year as field examiner for Railroad Retirement Board. Began employment with the Civil Service Commission as an investigator in June 1940; became Chief, Regional Investigations Division, San Francisco, Calif., in 1942; returned to the central office of the Commission in 1944 in charge of management operations; served successively as Assistant Chief, Central Office Investigations; became Chief of Division in 1954; present position is Director, Bureau of Personnel Investigations.

Represented the Civil Service Commission with the Personnel Security Advisory Committee established in the White House in 1954; represented the Civil Service Commission with the Commission on Government Security (Wright Commission); participated as a representative of the Commission in a study of the Federal employees security program by the Bar Association of the State of New York.

As Director of Bureau of Personnel Investigations, has responsibility for directing a program for the investigation of all persons entering nonsensitive positions and most of the full field investigations of persons entering sensitive positions in the Federal service or employed by private contractors doing work for AEC. Also has responsibility under section 14 of Executive Order 10450 for appraisals of the security programs of departments and agencies.

Mr. SCOTT. On the record.

Mr. JOHNSON. Would you mind going back to the original question?

Mr. SCOTT. The responsibility for conducting personnel security investigations.

Mr. JOHNSON. That is our biggest activity. We conduct most of the security investigations required for employees in the Federal Government——

Mr. SCOTT. May I interrupt?

Mr. JOHNSON. Surely.

Mr. SCOTT. Before we get into that—the actual implementation and operation do you have copies of Public Law 298 which gives you that authority and do you have a copy of Executive Order 10450; that is, section 8(b) which places the responsibility upon you?

Mr. JOHNSON. I did not bring copies of those, but I might say that Public Law 298 of the 82d Congress, enacted April 5, 1952, was sponsored principally by the Federal Bureau of Investigation, because Mr. Hoover felt that his Bureau was being diverted from its essential mission of law enforcement, that his staff was being shifted into personnel investigatory activities to the detriment of his law-enforcement mission. I will be happy to give you my copy for the record.

Mr. SCOTT. You will give that for the record. Mr. Chairman, may that be received?

Senator SCOTT. Without objection, so ordered.

(The document referred to is printed in Appendix XXVIII, p. 1115.)

Mr. JOHNSON. I would also insert for the record, or I may do it later, with your permission a copy of Executive Order 10450 which places primary responsibility on the Civil Service Commission to conduct investigations of all persons in the competitive service.

Mr. SCOTT. And the applicable responsibility is under section 8(b)?

Mr. JOHNSON. Yes.

Mr. SCOTT. May section 8(b) of Executive Order 10450 be inserted in the record at this point, Mr. Chairman?

Senator SCOTT. Without objection, yes, so ordered, it will be included in the record.

(The excerpt referred to reads as follows:)

SEC. 8(b). The investigation of persons entering or employed in the competitive service shall primarily be the responsibility of the Civil Service Commission, except in cases in which the head of a department or agency assumes that responsibility pursuant to law or by agreement with the Commission. The Commission shall furnish a full investigative report to the department or agency concerned.

Mr. SOURWINE. While on that subject, that order places this responsibility and authority in you with an exception, does it not?

Mr. JOHNSON. It gives to the Civil Service Commission the authority to delegate that responsibility to other departments and agencies.

Mr. SOURWINE. And in effect did the order say that departments and agencies already having a staff to conduct such investigations, may continue to conduct them?

Mr. JOHNSON. It may by indirection, but not specifically. The order says——

Mr. SOURWINE. Well, the exact language, of course, will speak for itself and that language is already in the record. I am just asking you for your understanding of it.

Mr. JOHNSON. If I may go off the record——

Senator SCOTT. Yes.

(Discussion off the record.)

Mr. SOURWINE. Back on the record.

Mr. JOHNSON. Let me say that, as to the authority of other agencies, my understanding is that the Civil Service Commission clearly had the authority, as far as appointees in the competitive civil service are concerned. The intent of the Congress is reflected in Public Law 298, as far as the Commission's responsibility is concerned. The order clearly gave the Commission the right to delegate that authority to other departments and agencies.

When Executive Order 10450 came out, the executive branch was confronted with a sizable problem. The order required all positions that were sensitive to be so designated, and if the incumbents had not previously had a full field investigation, one would then be conducted.

At that time we had estimates in the early stages of that order, that 200,000 or 300,000 full field investigations would be necessary if the order was fully implemented.

The Civil Service Commission recognized that it would be foolish to try to staff up and handle that big a workload for 1 year and then cut back the staff. We urged departments and agencies with facilities already in business to join the Civil Service Commission and share that load. That is how the practice was continued under Executive Order 10450.

Of course, our action created a moral obligation as far as we are concerned. Initially the delegation to agencies was encouraged by the Civil Service Comission. We could not go in and withdraw the delegation without consulting the agencies. We need consent and an agreement.

Mr. SOURWINE. Well, are your hands bound in that respect, or do you have authority to go in and withdraw that delegation after reasonable notice to the department or the agency?

Mr. JOHNSON. Under the language of the Executive order, I would say we have such authority. It would never be exercised until we had a reasonable discussion of the pros and cons, or the arguments, where——

Mr. SOURWINE. But the Commission is in the driver's seat?

Mr. JOHNSON. Yes, insofar as the requirements of the order.

Mr. SOURWINE. You would be in the driver's seat, that is, unless the other agencies could put pressure upon you from a point higher up, which would mean the White House?

Mr. JOHNSON. Let me say at this point that it is the policy of the White House that this investigative responsibility should be centralized——

Mr. SOURWINE. Yes, I understand that.

Mr. JOHNSON. And any deviations must be justified by practical considerations.

Mr. SOURWINE. And the authority to give applicants investigations, investigations for employee applicants not under the civil service classified system, where is that authority?

Mr. JOHNSON. The basic authority under the order, if he is not in the competitive service, is in the employing agency, but the order says that, if that agency is without investigative facilities, it may use the services of the Commission.

Mr. SOURWINE. The Civil Service Commission?

Mr. JOHNSON. The Civil Service Commission.

Mr. SOURWINE. That is not mandatory?

Mr. JOHNSON. No, it is——

Mr. SOURWINE. Permissive?

Mr. JOHNSON. Permissive.

Mr. SOURWINE. But the State Department, for instance, could give it to the Civil Service Commission even with respect to Foreign Service personnel, could they not, if they cared to?

Mr. JOHNSON. That would be at the discretion of the Secretary.

Mr. SOURWINE. All right. Sorry to have interrupted you, Mr. Scott.

Mr. SCOTT. That is all right. Mr. Johnson, do you have a copy of the enclosures that you furnished?

Mr. JOHNSON. Yes.

Mr. SCOTT. Under your comments on your responsibility for conducting personnel security investigations, would you care to elaborate or comment further on that?

Mr. JOHNSON. We find that our experience coincides with the published statements of this subcommittee, referred to earlier, that the principal value of the full field investigation lies in its use as a preemployment selection device.

Those agencies that religiously use the full field investigation as a part of the selection of people are able to make highly selective judgments in terms of who will be selected for sensitive and high-level positions.

That is not possible if the man is actually on duty and the decision is to discharge——

Mr. SOURWINE. As a practical matter, nobody has a right to a Government position; is that correct?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. That is always considered as axiomatic, but it applies today only with respect to an applicant for such a position, because there have been court decisions which do give the impression—well, they do give the employee certain rights once they are on the payroll; do they not?

Mr. JOHNSON. There have been both court decisions and public opinion, and many, many factors in addition to the regulations and——

Mr. SOURWINE. Well, of course, but my question is, they have got so far, in one respect, as to regard a Government job as a property right of which a man may not be deprived by Government action without due process of law; isn't that so?

Mr. JOHNSON. I have heard arguments that sounded almost that strong, but not quite. Mr. Meloy should answer——

Mr. SOURWINE. Yes. Mr. Johnson, I will ask Mr. Meloy.

Mr. Meloy, is that a fair statement?

Mr. MELOY. I would say it is a fair statement, but I would differ entirely. May I add a word?

Mr. SOURWINE. Yes, I would be glad to have you.

Mr. MELOY. In the recent cases that we have had in the last 7 or 8 years, the Supreme Court has looked at the rules and regulations that were promulgated pursuant to a statute like section 14 of the Veterans Preference Act, or to the agency regulations as they were laid down,

and they have so far found, in practically every case, a violation of those regulations and, based on such violations—and usually those are in the areas of confrontation and cross-examination——

Mr. SOURWINE. Excuse me—well, go ahead and finish.

Mr. MELOY (continuing). And it is in that area that the court has struck down almost every case that came to it involving the question of confrontation in the discharge of an employee.

Mr. SOURWINE. And so the right to discharge an employee has become narrower and narrower; isn't that so?

Mr. MELOY. Narrower and narrower, yes.

Mr. SOURWINE. And in a rapidly increasing graph or a sharper and sharper curve, more than a straight line——

Mr. MELOY. I would say you are 100 percent correct.

Mr. SOURWINE (continuing). And in one particular case, while that case was not even a Federal employee, a Government employee, but the employee of a Government contractor, did not the Court say that his job was a property right—not in those words, I do not mean that, the precise language, but that was the necessary implication, was it not, from what the Court said in this case, and I am referring to the case of Greene, that Greene's job was a property right and that he was entitled to due process under the law and that he was forced out or deprived of that right by Government action and the Court held in effect that he should have had and did not have due process because the Government deprived him of that right without confrontation and in the absence of statutory authority to do so—would you agree with that?

Mr. MELOY. I would agree up to a point, sir, the property right, they said where an agency promulgates rules that involve serious constitutional questions which were based upon confrontation that there, that authority to write those regulations would have to spring from Congress or the President.

Mr. SOURWINE. But he had a right to the job, whether it was a property right or otherwise?

Mr. MELOY. Well——

Mr. SOURWINE. Of which he could not be deprived without due process of law?

Mr. MELOY. I think you have perhaps gone one step too far.

Mr. SOURWINE. Well, I am very glad to hear you say this. I am delighted to hear it, because I hope I am wrong.

Mr. MELOY. And I am working on that subject now. I have not found where the courts have said that the denial of due process springs from the Constitution, and there is only one case that I know of that has been presented to the Court that raised the question of the constitutional aspect, and that is *Dorothy Bailey* v. *Richardson*, and the Court split 4 to 4 on that case.

In every case since then, the Court has shied away from the constitutional question but has found the right of confrontation to be a serious constitutional question. Then, going from there, they have found that the regulations have denied this right.

In the *McElroy* case, they decided there that the regulations issued by the Defense Department in denial of this serious constitutional right or question, rather, would have to come from either the President or the Congress.

Mr. SOURWINE. Well, I am very happy to hear, if I understand you, that you do not consider that the Court has decided that there was any due-process question in Greene——

Mr. MELOY. That is right.

Mr. SOURWINE. In any event, that would seem to firm up what Mr. Johnson has said, that if you have adequate investigation at the beginning—and I take it that that is the sense of your testimony, Mr. Johnson, and if the results of that are available to the appointing officer, then he can make a decision on that along with other pertinent factors and his decision at that time may not be questioned as to its basis and, at the same time, the employee can simply be kept out of Government employment if that is desired, without any statements having to be issued about him that would be derogatory in a public sense or that might hurt him.

On the other hand, once he gets on the payroll and he later turns out to be a security risk, then it becomes a greater problem getting rid of him because of the Court restrictions and the necessary rights of veterans, veteran's preference, and all the rest of those——

Mr. JOHNSON. After the trial period he is entitled to the protection of veteran's preference and so on, before any action could be taken.

In terms of timing, we think that it is highly important to get the investigation before the man enters on duty, and if not then, then certainly in the first year of his employment, because the first year is the trial period.

Senator SCOTT. Excuse me. As I remember the testimony, the record would appear to refer to "any job," or the right of a person to "any job."

I think that that should be made clear, if this refers to an appointed job duly and lawfully made by an agency or an individual being appointed, as distinguished from an elective job.

Mr. JOHNSON. That is right, we intended to make that distinction.

Mr. SOURWINE. The Chair is correct.

Senator SCOTT. I did not know whether the distinction was made, I don't think it was, fully.

Mr. SOURWINE. I think that Mr. Meloy will agree that in our system persons who are duly elected by the people may serve, unless it can be shown that he fails to meet the constitutional qualifications for the office.

Senator SCOTT. And he may be removed only in accordance with constitutional provisions.

Mr. SOURWINE. And, of course, the people may elect a security risk if they desire to do so, and there is nothing the Government could do concerning that elective office.

Mr. MELOY. And, of course, we know that they do elect officers in the executive branch of the Government, the President and the Vice President—what I am talking about is elective positions, where——

Senator SCOTT. Well, what I had in mind was just this question of distinguishing between appointive and elective positions because there are safeguards that are thrown around the elective job which differ from those which are thrown around the appointive jobs. Perhaps I was being a little too particular, but I simply wanted to make it clear.

Mr. SOURWINE. That is one of our greatest problems, Mr. Chairman, and perhaps—off the record just one second, please.

(Discussion off the record.)

Mr. SOURWINE. What I mean to ask Mr. Johnson about is concerning the fact that throughout the Government—well, the question of people who get into high appointed jobs and then they want to get people under them without any clearance, and this can result, of course, in very serious consequences—perhaps I am out of turn there, but——

Senator SCOTT. Well, I have had some familiarity with that over the years, where sometimes a superior officer is appointed, and this appointed officer may assume that just because he knows more about somebody, some particular individual, or he thinks he does, than anybody else could know, so he thinks, then he wants to dispense with the usual procedures and make exceptions.

There is no reason that exception should be made that I know of except in accordance with the prescribed rules and regulations.

Mr. SOURWINE. Yes, the Chair is entirely correct, but these exceptions continue to be made.

Senator SCOTT. I am sure that they do.

Mr. SCOTT. Have you finished the first part?

Mr. JOHNSON. Well, simply to underline our belief that the direction in which we are moving not only would be to emphasize that it is good to have a preemployment investigation, but also that the consideration of that investigation ought to be an integrated process between personnel security and personnel people; in other words, there be close cooperation between personnel and security officers. This is one of the things that we emphasize in our responsibility for making investigations and for making security appraisals.

Our other significant responsibility is the one with which we are charged under section 14 of Executive Order 10450.

Mr. SCOTT. Mr. Chairman, may section 14 of the Executive Order 10450 be inserted in the record at this point so that the record will set forth the responsibility for the appraisal of the personnel security program of the departments and agencies at that point?

Senator SCOTT. Without objection, so ordered.

(The above designated section reads as follows:)

"SEC. 14. (a) The Civil Service Commission, with the continuing advice and collaboration of representatives of such departments and agencies as the National Security Council may designate, shall make a continuing study of the manner in which this order is being implemented by the departments and agencies of the Government for the purpose of determining:

"(1) Deficiencies in the department and agency security programs established under this order which are inconsistent with the interests of, or directly or indirectly weaken, the national security.

"(2) Tendencies in such programs to deny to individual employees fair, impartial, and equitable treatment at the hands of the Government, or rights under the Constitution and laws of the United States or this order.

"Information affecting any department or agency developed or received during the course of such continuing study shall be furnished immediately to the head of the department or agency concerned. The Civil Service Commission shall report to the National Security Council, at least semiannually, on the results of such study, and shall recommend means to correct any such deficiencies or tendencies.

"(b) All departments and agencies of the Government are directed to cooperate with the Civil Service Commission to facilitate the accomplishment of the responsibilities assigned to it by subsection (a) of this section.

(EDITOR'S NOTE.—The text of Executive Order 10450 appears in the appendix at App. XXVIII, p. 1117.)

Mr. JOHNSON. At this point let me just make one point very clear to the committee which may help you understand this discussion as we go along.

Mr. SCOTT. Surely.

Mr. JOHNSON. We feel that we ought to make clear that the responsibility of the Civil Service Commission has to do with a continuing study, in order to establish tendencies which tend to weaken the national security or to infringe upon the rights of individuals.

The order makes it very clear that the responsibility to decide the security fitness of an individual case is upon the head of the agency, and no department or agency of Government can second-guess the head of another department or agency.

During the making of our appraisal, we do look at cases because you cannot see and discover trends unless you look at cases. But we do not engage in that with the purpose of second-guessing the head of the agency as to what he has done. I do want to make the point clear, as we discuss appraisals, that we have to look at several hundred cases in the Department and as a result would have drawn some conclusions with respect to the two basic principles that we are concerned with.

Senator SCOTT. May I ask you whether you or counsel knows of any instance of any person now presently employed by the Federal Government who is or has been a member of the Communist Party?

Mr. JOHNSON. Well, Senator——

Senator SCOTT. We could go off the record, but I would like your answer on the record.

Mr. JOHNSON. I can state it on the record. First—who is or has been a member of the Communist Party?

Senator SCOTT. Yes.

Mr. JOHNSON. I can testify that we know of people that have been in the executive branch, that have been in the Communist Party or at least we so concluded.

Senator SCOTT. And are there any people who are presently?

Mr. JOHNSON. I have no such knowledge.

Senator SCOTT. You have no knowledge. That is, as far as you know, no one presently in the employment of the executive branch is or has been a member of the Communist Party?

Mr. JOHNSON. I have no such knowledge.

Senator SCOTT. Or members of Communist Party front organizations, as so described by the Attorney General?

Mr. JOHNSON. Now—you said Communist front organizations?

Senator SCOTT. Yes.

Mr. JOHNSON. I would not be prepared to say that there are no people in the Government today that have not been members of Communist front organizations.

Mr. SOURWINE. As a matter of fact, there are hundreds.

Mr. JOHNSON. We know there are hundreds of them.

Senator SCOTT. You are making the distinction, however?

Mr. JOHNSON. I am making—the distinction in this regard that, since *Cole* v. *Young*—that makes the decision, that the criteria of 10450 can no longer be applied to people in nonsensitive positions, we in the Civil Service Commission have been called on to pass on the suitability of those persons under normal civil service regulations, a

sizable number of persons who have come to our attention in that program have made false statements in applications about being members of the Communist Party, and while we made no judgment about their present loyalty, we have found them unsuitable because they made a false statement of a material fact and I know there have been a number of employees that have made false statements, at least in the opinion of our panel——

Mr. SOURWINE. Let me ask you this question, Mr. Johnson—under your standards, does that have a factor, the mere making of such a false statement, have a bearing upon employment?

Mr. JOHNSON. Not by itself, I mean——

Mr. SOURWINE. You mean it is just merely a factor to be considered in evaluating the applicant?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And it may have many different bearings, as a matter of fact, depending upon the circumstances, say the membership, the time at which he broke and the circumstances under which he broke away and whether the break was bona fide——

Mr. JOHNSON. And whether there is evidence that he has cooperated, and—well, repudiated his belief in it.

Mr. SOURWINE. Well, you mention "cooperation"—that is cooperation with Federal Government investigative agencies, which means in plain language, Mr. Johnson, does it not, that he tells all that he knows of the conspiracy at the time that he was in it?

Mr. JOHNSON. We have had several who claimed that they broke, but they refused to talk to the FBI or any of the——

Mr. SOURWINE. Yes, that is what I say, and this willingness to testify, this willingness to give the information that the individual has available about the conspiracy when he was in it, would you not say that that is the only pragmatic test that we have as a practical matter to determine positively whether the person has broken—isn't that a fact?

Mr. JOHNSON. I would say that is right.

Mr. SOURWINE. But is it not true that the one thing that a Communist Party member will not do is to testify about the party?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And so a person who refuses, and it may be that it is because of some other ideological reason that would account for his failure to testify, but if he does not testify, then he is not able to bring in evidence that he has in good faith broken away, and in fact it would be evidence that he has not in good faith broken away; but when a person is willing and does give you fully and freely everything that he does know about it, about that conspiracy, then does that not show that he has broken?

Senator SCOTT. It certainly raises a strong presumption.

Mr. SOURWINE. I repeat, it is the only pragmatic test as to whether he has broken.

Mr. MELOY. It is the best evidence of a break.

Mr. JOHNSON. Senator, just one point in clarification in such a case, if that individual lies to the Government about former membership, we normally rate him ineligible, for a false statement about that membership. Congress in Public Law 769 denies the right of that individual to receive annuity from the service, we feel that it is a basic

deception to an employment official, regardless of the fact that the membership may have been a number of years back.

Senator SCOTT. Well, is that the *Hiss* ruling?

Mr. JOHNSON. Yes, sir.

Mr. SCOTT. Under your responsibility for appraisal of the personnel security programs of the various departments and agencies, you take into consideration certain items, or you have criteria and certain standards of major significance that you take into consideration in making this appraisal. I believe those were listed in the letter of March 5, 1963?

Mr. JOHNSON. Yes, sir.

Mr. SCOTT. Beginning with page 1, would you care to make any additional comment or further statement, briefly?

Mr. JOHNSON. Well, I think we have covered—unless something might occur to counsel—the first has to do with the organization of the Security Office. We have a major concern there——

Mr. SCOTT. What is your feeling as to what position he occupies in the organizational structure?

Mr. JOHNSON. Well, we do not look to the technical position he occupies, we look to the fact that, in our judgment, he should at least have the ear of the head of the agency on matters relating to security. He may be working under somebody else organizationally or he may not be—that is a decision to be made by the head of his agency—but, saying it very simply, we feel that it is necessary that a security officer have a relationship with the head of the agency that gives him access to that head of the agency.

Mr. SOURWINE. The security policies and practices are, after all, your main concern, are they not?

Mr. JOHNSON. Yes, sir.

Mr. SOURWINE. Isn't it true that your authority even in that respect does not extend to directing the department——

Mr. JOHNSON. Yes.

Mr. SOURWINE. As to what it shall do, you merely report what you find and recommend the things that you think should be done, but the head of the department then has autonomy?

Mr. JOHNSON. I am glad you made that point. We do want it made crystal clear that this order, 10450, places the responsibility on the head of the department or agency.

Mr. SOURWINE. And that responsibility stays there at all times and if he has made a bad security decision, then that is basically his fault?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And you can help by looking into the situation, thoroughly going into it, and determining wherein the practices may not be good, and you can't tell him where they are bad and as to what should be done or should not be done, you can tell him that?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. But you cannot direct him.

Mr. JOHNSON. No.

Mr. SOURWINE. Have you had pretty reasonably good success in getting departments to follow your recommendations?

Mr. JOHNSON. Yes.

Mr. SOURWINE. You have had?

Mr. JOHNSON. Yes.

Mr. SOURWINE. Well, you are better off than this committee is. This subcommittee has made a number of recommendations which seem to be very thoroughly and consistently ignored.

Excuse me, Mr. Scott.

Mr. SCOTT. Surely.

Mr. Johnson, on page 2, the last item attached to your letter, the appraisals made during fiscal years 1961, 1962, and 1963 they represent a rather heavy workload; do they not?

Mr. JOHNSON. Our staff has varied during those years. During the early days of this administration, we sought to make a quick run-through of the major agencies, the ones that have major security responsibilities.

There are lots of agencies in Government that have very little to do with security. I may cite as an example the American Battle Monuments Association.

We have tried in that period of time to hit at the agencies with the most significant responsibility, and in this kind of a program, in my judgment, it is more important—let me put it this way: More important than the frequency of appraisal is the depth and the quality.

A superficial visit to a personnel security office does not tell you anything——

Mr. SOURWINE. It could even mislead you; could it not?

Mr. JOHNSON. That is right. You have got to review a lot of cases.

Mr. SOURWINE. This superficial visit, in your words, may result in lulling you into a false sense of security; is that not right?

Mr. JOHNSON. That is correct. If you go in and make a superficial review of the regulations and the procedures and leave the office, everything may seem to be shipshape. In our judgment, it is better periodically to spend quite some time, several weeks—as a matter of fact, we will spend several months in some of the big departments and agencies to make a review in depth, sometimes with two men working some of the time.

Mr. SOURWINE. Now——

Mr. JOHNSON. And I would say that, over a period of time, this represents about 20 appraisals made over a period of, say, 2½ years, or close to that.

Mr. SOURWINE. You say working with two men. Is this your practice, to send two men, two-man teams into a department or agency?

Mr. JOHNSON. Well, if we have one that we think is a highly sensitive one, we will send either one man or two men and sometimes a three-man team, because you run into some broader aspects that——

Mr. SOURWINE. Yes, and referring to the State Department, are you sending a sizable team, more than to some——

Mr. JOHNSON. We are going to, because of the questions that your committee has raised and I am going to ask more than one person, and——

Mr. SOURWINE. You have got a one-man team in?

Mr. JOHNSON. One man, plus a sick man, a man who is so ill that I doubt whether he can——

Mr. SOURWINE. In other words, you started out to have a two-man team, but illness intervened and——

Mr. JOHNSON. You see, the head of that office was supposed to participate but he suffered a heart attack several months ago and he is on and off, he is part time, and I am not sure that he has been over there and——

Mr. SOURWINE. How long have you been in State in this investigation?

Mr. JOHNSON. About 2 or 3 weeks.

Mr. SOURWINE. How long do you anticipate it will take to conclude the investigation?

Mr. JOHNSON. I should say that I am hoping it is a matter of 2 or 3 months.

Mr. SOURWINE. More?

Mr. JOHNSON. Yes; more.

Mr. SOURWINE. Thank you, Mr. Scott.

Mr. SCOTT. Mr. Johnson, would you be able to give to the committee an explanation of how you make the determination as to which agency you are going to survey and make an appraisal, and after you have obtained all of your investigative data, what do you do with it?

Mr. JOHNSON. Well, first we review their regulations. We review the regulations and we compare them with the sample regulations of the Justice Department. I understand this committee here has obtained or is obtaining a number of such regulations.

Mr. SOURWINE. Mr. Johnson, if I may interrupt, do you think you have now in your files a complete set of all the rules and regulations concerning security policies and practices and procedures of all the agencies in the executive branch?

Mr. JOHNSON. I would doubt that.

Mr. SOURWINE. You doubt it?

Mr. JOHNSON. I doubt that we do have. We get most of them.

Mr. SOURWINE. So if we, if the subcommittee succeeds in bringing them all together in one volume, not only will it be a very useful volume for you and other security people, but for the first time all of it will be in one place, for the first time ever?

Mr. JOHNSON. Yes. I would think so, and I should think that the legal profession also would find it a very valuable source of help in handling cases.

Mr. SOURWINE. I want to thank you for that plug, even though we asked for it.

Mr. JOHNSON. Well, I do think so.

Now then, we review a sizable number of cases. We confer with people in all echelons in the security office about their problems.

Mr. SCOTT. Mr. Johnson, do you not find in a number of instances that the rules and regulations look good, on paper, and seem to conform pretty well with the sample sent out by the Attorney General——

Mr. JOHNSON. We find a few things now and then of significance, major distinctions, and some of those things do have material significance.

For example, the right to waive the full field investigation prior to appointment, that is restricted by the order to the head of the department or the agency, but we find that, perhaps through a careless reading, we have found quite a number of agencies where that authority has been delegated to people down the line in the agency.

Mr. SOURWINE. And isn't it true that the regulation or the security order or the directive is only as good as its administration?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And if it is administered by a knowledgeable and trained security man and in line with good security practice, then even a reasonably loose order or directive may result in good security?

Mr. JOHNSON. That is right.

Mr. SOURWINE. But, on the other hand, you may have the most carefully devised order or directive in the world, but if it is administered by people who do not have knowledge or experience or by people who do not care, then you will have a very bad situation, isn't that so?

Mr. JOHNSON. No program is better than its implementation.

Senator SCOTT. The classic example of that was the sergeant and the radar at Pearl Harbor and his superior officer, if you remember that.

Off the record.

(Discussion off the record.)

Mr. SCOTT. After you have made this appraisal, what do you do with the information?

Mr. JOHNSON. We have a session with the head of the agency or his top assistants and review the findings with the head of that agency.

We then confirm that review in writing with a letter. He responds in writing as to whether he implements or does not implement the actions discussed.

Generally, of course, by the time that we reduce the matter to writing, we have an agreement on the matters that need to be taken care of.

Mr. SOURWINE. May I interrupt off the record for just a moment?

Senator SCOTT. Certainly.

(Discussion off the record.)

Senator SCOTT. Back on the record. Proceed.

Mr. SCOTT. I believe that you were telling us, Mr. Johnson, about the discussion of the investigation and making available an appraisal of each individual department or agency. I believe you told us that you had a session with these heads of agencies and that was followed by an exchange of letters. What do you do then?

Mr. JOHNSON. Well, then we submit, I believe I said this, a letter to the head of the agency confirming our findings and that closes the matter unless there are some followup items. We ask for notification of what action has been taken.

Mr. SCOTT. Sending the letter to the head of the department?

Mr. JOHNSON. That is correct.

Mr. SCOTT. Do you also maintain in your files the raw report on your investigative data?

Mr. JOHNSON. Yes.

Mr. SCOTT. Upon which your appraisal is based?

Mr. JOHNSON. That is correct.

Mr. SCOTT. You do not furnish that to the agency?

Mr. JOHNSON. We do not furnish that to the agency.

Mr. SCOTT. Have you ever had any request by them for it?

Mr. JOHNSON. We have had numbers of requests from agencies and outside the executive branch for making them available. I could enumerate only two instances within my memory that this has been done. We did supply a summary of such a report to the head of one agency because of a peculiar situation in that agency.

These reports are classified. They do contain the names of cases and brief summaries of information, not as carefully prepared as the security analysts would before making decisions, but this is to give——

Mr. SOURWINE. In other words, anybody reading them would have to have in front of his mind the fact that that summary was not intended as an impartial summary of the case, but for the purpose of calling attention from your standpoint to some particular incident or factor?

Mr. JOHNSON. That is correct.

Mr. SCOTT. Off the record.

(Discussion off the record.)

Mr. SCOTT. Mr. Johnson, your investigative team that goes over, or which you have assigned to the various agencies to make the investigation and appraisal, it comes back with the raw data?

Mr. JOHNSON. That is correct.

Mr. SCOTT. Do they submit to you a summary report?

Mr. JOHNSON. Yes, they do, they submit a summary report containing most of the raw data, and they then dictate a summary report which has the details, it contains the summary as I indicated earlier—in the review of a large volume of cases, it will contain enough of the gist of a case to show that there was at least enough matter in here so that someone ought to interview the subject about this thing or send a letter of inquiry or something more should have been done. But it makes the point that an interview should have been held with that person.

Mr. SOURWINE. I understand, then, that it will call attention, will it not, to any irregularity which the investigating officer sees as an irregularity, where something has been done or left undone?

Mr. JOHNSON. That is right.

Mr. SOURWINE. Or something that was done wrong, something that should have been done and was done but was wrong or done in the wrong way by wrong panels or wrong persons?

Mr. JOHNSON. That is right. However, I do want the subcommittee to understand and I want to make it clear: We are not forming judgment that this man was a security risk or that the head of the agency should have made a different decision, we are just saying: "Under the provisions of your order, you should have had an interview or a full field investigation."

Mr. SOURWINE. Not as regard to the procedure, but an individual practice of something being done or undone?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And in connection with that, you have the raw material which never goes out of the hands of the person or persons who conducted the investigation. You have this report which is material in narrative form?

Mr. JOHNSON. Yes.

Mr. SOURWINE. And that, in a sense, is a raw report, isn't it?

Mr. JOHNSON. It is still a raw report, yes.

Mr. SOURWINE. All right, go ahead.

Mr. SCOTT. And these reports or résumés, in the normal course of operations of your Office, never leave the office?

Mr. JOHNSON. That is correct.

Mr. SCOTT. As I understand it, there have been only two instances?

Mr. JOHNSON. Yes, sir.

Mr. SCOTT. When they did leave the office?

Mr. JOHNSON. Yes.

Mr. SCOTT. Off the record.

(Discussion off the record.)

Mr. SCOTT. Would you name those two instances?

Mr. JOHNSON. One was the AID agency and the other was the Wright Committee.

Let me say in both of these instances that they were released with the restriction that they were to be available only to the one designated person. In the case of the Wright Committee it was Mr. Ladd. The other was to the head of the AID agency.

Mr. SOURWINE. And the Wright Commission got what report—the report of a particular agency or copies of your current reports, or——

Mr. JOHNSON. Well, as part of that—they reviewed practically all of the reports.

Mr. SOURWINE. And I believe that was some years ago?

Mr. JOHNSON. Some years ago; yes, sir.

Mr. SOURWINE. The Wright Commission was in existence before you filed your report?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. When was it that you made your raw summary report available to the head of AID?

Mr. JOHNSON. In December, the forepart of December, this past year.

Mr. SOURWINE. 1962?

Mr. JOHNSON. Right.

Mr. SOURWINE. And in all the intervening time you have never had occasion to make one of these available?

Mr. JOHNSON. No, sir.

Mr. SOURWINE. To the head of any agency?

Mr. JOHNSON. For reasons I have explained.

Mr. SOURWINE. I say, "make available," and of course you have testified with regard to these two that you actually furnished copies, two cases, the first case being the Wright Commission and the second case AID. Have you ever let someone from a department come in and have access to the raw report in your own office?

Mr. JOHNSON. To my own knowledge, that has never been done.

Mr. SOURWINE. Have you ever had requests for particular portions of reports in detail?

Mr. JOHNSON. That has been under my responsibility for about 4 years now and I am not aware of such request during that time.

Mr. SOURWINE. And if this Committee should want to join the select group now composed of two who have had access to any of these reports, would it be within your jurisdiction to make the decision, or would that be of the Chairman of the Commission or would it be the full Commission's decision, or would you have to go to someone even higher; go to the White House on it?

Mr. JOHNSON. I am not prepared to answer that question. I know it is not within my authority. I understand that the President has instructed our Chairman and our Chairman has instructed me to give the fullest cooperation to this committee and to withhold only that which in general would tend to indentify individuals that might be hurt.

Mr. SOURWINE. I am not attempting to make an issue of this thing——

Mr. JOHNSON. I understand.

Mr. SOURWINE. And you understand I have not asked.

Mr. JOHNSON. Right.

Mr. SOURWINE. And it would not be in my province to demand it; and the committee in general does not ask for things that it does not think it has a perfect right to have. I am just asking for the record who would have to make the decision in case there was such a request.

Mr. JOHNSON. These reports do identify individuals and they are classified. Maybe Mr. Meloy would like to comment.

Mr. MELOY. Well, yes. I believe the request would have to be made to the Commission and the Commission then would have to seek the advice from the White House.

Mr. SOURWINE. Because it would involve the question of compliance with or violation of an existing Executive order?

Mr. MELOY. I think more because it involves the identify of individuals.

Mr. SOURWINE. Isn't that covered by an Executive order?

Mr. MELOY. I think it is, but I cannot recall exactly.

Mr. SOURWINE. I have been told, although I must admit that I have not seen the text of the order, that there is such Executive order.

Mr. MELOY. I see.

Mr. SOURWINE. Which prohibits the disclosure of security investigations with respect to particular individuals.

Mr. MELOY. Yes. That has been a long-standing order, since President Truman's time.

Mr. SOURWINE. And I believe the order was issued by Mr. Truman?

Mr. MELOY. Yes, I think on March 3, 1948. We could supply a copy to you.

Mr. SOURWINE. And we would like to have it, and we do not question its existence. We have often accepted a citation of it as basis for refusal to give information.

Mr. JOHNSON. Off the record.

(Discussion off the record.)

Mr. SOURWINE. I want to say on the record, sir, that I do not believe this committee will ask for these raw reports. I think it is extremely likely that they will have a greater interest in regard to conclusions respecting the sufficiency of policies and practices in the administration of the security program of various agencies. But these are general conclusions and they will go to matters in general, with perhaps some detail, to matters of policies and procedures and not to individual cases.

Mr. MELOY. All right.

Mr. SOURWINE. Which I understand is the one restriction placed on you now.

Mr. MELOY. That is correct.

Mr. SCOTT. After you have sent the letter to the head of the agency, your comments are more or less advisory, in that letter?

Mr. JOHNSON. That is correct and, of course, we have access if there is need, to the Cabinet or the President on matters affecting the implementation of this order.

Mr. SCOTT. Item No. 4 on the list in your letter summarizes the significant aspects of security appraisals. Would you care to address yourselves further to that?

Mr. JOHNSON. Yes. I think—let me talk off the record.

(Discussion off the record.)

Mr. SCOTT. May we go back to the questions?

Mr. JOHNSON. We have supplied to the subcommittee counsel, copies of letters reflecting security appraisals for the last two and a half years, reflected in detail a number of different items but in terms of the most significant ones, these are worthy of mention.

I think perhaps the key to the success of this program, and we mentioned it earlier, is the preappointment investigation, and if not preappointment, certainly the investigation should be completed during the trial period.

Therefore the speed of the investigation is highly important. It is important so that you do not have to waive the full field investigation, and in my judgment most of the problem which has existed with agencies in not getting the full field is because of unreasonable time requirements for completing the full field investigation.

Now, if the preappointment investigation is not to impede significant missions of Government and if it is not to impose hardship on people who have been selected for employment and on their families, the job must be done speedily. For the past year we have been working on our own procedures and with the departments and agencies to whom this authority to make investigations is delegated. This is the type of an activity which seldom reflects itself in a security report, but still it is a day-to-day activity. We are continuing our efforts to improve the time requirement for completing the full field investigation.

The second most significant problem of this program is one that grows out of this problem of speed, and that is waiving the full field investigation prior to appointment.

We ought to make it clear that authority rests only on the head of the Agency and it is not an authority, according to the Attorney General, that can be delegated.

In addition to emphasizing the use of that waiver only in emergency conditions of the preappointment investigation, we think that there should be close coordination in departments and agencies between personnel and security officers so that you do not have to make adverse security findings in order to make judgments as to who are the most skilled and reliable people to serve this Government.

To me, that is the heart and soul of the success of the program.

Time required to adjudicate cases was a problem during the early phases of the program. That problem, however, has been substantially licked because of monthly followups that we make with agencies to make sure that they are living within the Presidential requirements of 90 days, and whereas it was a real problem in the early days with a lot of cases in the mill, and because of these followups there is not much of a problem any more.

Mr. SOURWINE. Well, the limitation of 90 days, you mean for the completion of investigation? Is that 90 days after appointment?

Mr. JOHNSON. For the completion of the adjudication after completing investigation.

The President, under Executive Order 10550, directed the heads of agencies to adjudicate cases promptly. You may remember in the early 1950's, even in the mid-fifties, there were charges of people being suspended for unreasonable periods of time who had been under charges for unreasonable periods of time without any determination as to their cases. We regularly police that on a day-to-day basis.

Mr. SOURWINE. Well, there are still cases, are there not, where the adjudication goes beyond 90 days?

Mr. JOHNSON. Oh, yes, some cases under consideration where investigation which might take——

Mr. SOURWINE. I know, but I mean after the investigation is completed and the evaluation is completed and the evaluation and the reports and the summary are in the hands of the Department, it still takes a great deal longer than 90 days to get final action?

Mr. JOHNSON. That is correct, particularly——

Mr. SOURWINE. Are you familiar with the *Wieland* case in that respect, as disclosed by the investigation of this committee?

Mr. JOHNSON. Only in a general way.

Mr. SOURWINE. And are you aware that in that case there was an investigation in which an evaluation report was written as submitted in July, whereas the decision actually was not made until many months after that?

Mr. JOHNSON. I have been generally aware that the case dragged on for some time, but I am not specifically aware of the time elements involved in either the investigation or its adjudication.

Mr. SOURWINE. And are you aware that the only evidence in writing on the determination of that *Wieland* case was the signature of a subordinate signifying the approval of the Secretary of State for appointment of the individual to a new post?

Mr. JOHNSON. No. We have not——

Mr. SOURWINE. And this was not noted in the Department's records as a determination until a number of months after it had been placed in the personnel files of the Department?

Mr. JOHNSON. No, sir; I am not aware of the documentation in the State Department.

Mr. SOURWINE. And I won't go into it in any further detail, but I might respectfully suggest that you might find it worthwhile to make that required reading for the man checking up on the State Department.

Mr. JOHNSON. I might state that we have read generally from the hearings of the committee.

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. JOHNSON. I would simply state that the matter of the security appraisals of the Department of State is something that is underway at this time.

Mr. SCOTT. Now, would you continue with your comments on the significant aspects of the security appraisal?

Mr. JOHNSON. In terms of the problems in the program as they are reflected, the Department of Defense was confronted, when the order was issued, with the necessity of what appeared to be hundreds of thousands of full field investigations The dictates of economy resulted in the designation of certain sensitive positions as noncritical as op-

posed to critical, for the purpose of determining the degree of investigation.

For the last 2 years those investigations have been under intensive review. We have collaborated with Defense in terms of this review: most frequently the question boils down to dollars and cents——

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. SOURWINE. Have you authority under the Executive order for the separation of those jobs into these noncritical and critical categories that you mentioned?

Mr. JOHNSON. Well, my interpretation of the order is that it does not fully define "full field investigation"—the order says that the investigation shall be geared to or be related to the relationship of the job to the interest of national security, and then it says for sensitive jobs a full field investigation should be made, but it seems to imply a gradation of sensitivity, in my judgment, sir.

Mr. SOURWINE. Do you think the order itself so implies?

Mr. JOHNSON. A gradation?

Mr. SOURWINE. Yes.

Mr. JOHNSON. Well as a layman I would so assume, but I understand the responsibility for the legal interpretation——

Mr. SOURWINE. Well, has this been a matter of interpretation of which the Justice Department has been given notice?

Mr. MELOY. I think so.

Mr. SOURWINE. Is it your own understanding that the Executive order is, as Mr. Johnson seems to advance, broad enough to support a gradation of appraisals affecting sensitivity of jobs?

Mr. MELOY. Well, I have not had an occasion to analyze that situation from that point of view. I know that is up to the Department of Justice and I would not want to say one way or another without more study.

Mr. SOURWINE. Well, I am sure you would agree that a job is either sensitive, or it is not sensitive, and if it is sensitive to the security of the Nation, then security ought to be considered and——

Mr. JOHNSON. Well, I will talk on the record from that point, not from the legal point of view but from my judgment having been close to this job in Federal employment——

Mr. SOURWINE. Let us get clear what you are talking about. Are you talking about the nonsensitive——

Mr. JOHNSON. I will say this, that there is an element of security in every Government position.

Mr. SOURWINE. Of course; of course there is.

Mr. JOHNSON. And the postal clerk through whom we send classified mail—he could have a materially adverse effect on national security. But the very size of this thing brings about a certain anonymity and it brings in certain problems of cost and——

Mr. SOURWINE. Yes, and the cleaning woman who goes into Senator Eastland's office at night, she uses the private direct line from his office to my office to call the cleaning man in my office and she could just as well be using her time to get material from the files of Senator Eastland—they are all potential security risks?

Mr. JOHNSON. That is correct. And I think in my judgment almost every job has an element of security, and I think our Govern-

ment is perhaps unique among governments in requiring everybody who is working for the Federal Government, from the highest to the lowest, to have some form of investigation.

Mr. SOURWINE. It may be unique but it is realistic, is it not?

Mr. JOHNSON. I think so, and as a matter of fact, Mr. Meloy and I have collaborated very closely since the early 1940's to put in some minimum check which does highlight most of the loyalty cases and that job can be accomplished for $4 or $5 per case—but it will highlight 80 percent or better of those cases that are serious enough so that further investigation can be made.

Mr. SOURWINE. But following this up, the public should recognize, and I mean even the most uninformed layman, the public at every level should recognize, should it not, that in the Government you cannot say that there is any job which has no bearing on security?

Mr. JOHNSON. It would be difficult for me to conceive of one, any activity for which the American taxpayers' dollars are being spent, where it does not have some bearing on the interest of security.

Mr. SOURWINE. Now, coming to the question of cases which have been denominated as sensitive positions, have you—not as an official but as an oldtime expert, a security officer—had any problem with this principle that, having determined that a position is sensitive, it may be more sensitive or less sensitive and would require greater or lesser degree of security clearance?

Mr. JOHNSON. Oh, yes, I think that certainly the cleaning woman in your office that you gave as an example, that certain elements of that person's fitness would not be of too much concern to you or me or anyone else, but certain other elements would be, and I think certainly we would not want a Communist working in the offices of this committee, but I don't know that you would be concerned with her moral character, or at least you would not have the same concern with her morality as you would have for some high-level jobs. I think there must always be a commonsense relationship between the duties of the job and its relationship to national security and the extent of the investigation that is required in order to have reasonable assurance that that person is reliable.

Mr. SOURWINE. Now, does that gradation go both to the matter of the kind of a check that is to be made and to the question of how thoroughly and how carefully you are going to make the check that you do make, or does it go only to the former, while good security requires the greatest care in whatever check you do make—perhaps I do not phrase what I am saying very well. Do you see what I am getting at?

Mr. JOHNSON. Yes. I think I understand you. I think whatever check you do make must be on a commonsense judgment to begin with, based in terms of the relationship of the job to the national security and the cost involved and the duties and all these things. It is just as important that a record check and inquiry be made of a postal clerk and, if that is what we are doing, that that investigation should be standardized and carefully made, and the same is true in the full field investigation or any other.

Mr. SOURWINE. This is very important, is it not, this point of standardization of security procedure?

Mr. JOHNSON. Yes, sir.

Mr. SOURWINE. So that every agency and every department understands what is required and can be checked up on by their own supervisors or by an outside audit, such as yours?

Mr. JOHNSON. And along that line, there was a time when one agency of Government would not accept the clearance of another agency because of the basis on which that clearance was granted was not being commensurate with its own.

Now we have pretty well standardized in the Government what is considered a full field investigation and what is adequate for nonsensitive cases so that one agency of the Government will accept the determination of another and the investigation of another based on that degree of standardization.

I agree with counsel that if that feature is lost, then we get back into an area of chaos.

Mr. SOURWINE. And would it follow that, wherever an agency or someone in authority in an agency tries to get special consideration for a particular applicant which will permit his employment or his promotion or his retention with lesser security standards or with more careless, shall we say, security procedures than would occur in the normal case, then are you running into a serious security problem?

Mr. JOHNSON. If I follow you correctly, I think there should be no special cases in terms of identical situations and identical backgrounds; I think they should be judged on the same standards.

Mr. SOURWINE. We ran into a situation, for instance, in a department where an effort was made to secure an appointment without a full field and without the necessity of filling in the papers, the questionnaire, the basic preappointment document, for certain individuals because it was said that they were outstanding in their own world, in their own sphere of culture, and that they ought to be approved simply on the basis of their reputations and not required to furnish the information or to be subjected to investigation.

Mr. JOHNSON. I have heard those statements made many times but, for a number of years, the President has insisted this be done for all appointees, and the Presidents have required a background investigation of their appointees. It does not seem unreasonable that we would similarly have standardized requirements for all employees.

Mr. SOURWINE. From a security standpoint it is important, is it not, that there should be no exceptions?

Mr. JOHNSON. That is right.

Mr. SOURWINE. Specifically, I mean from the standardized procedures, no exceptions.

Mr. JOHNSON. That is right, and I think the right to waive these requirements should be reserved only to the head of the agency, who has ultimate responsibility.

Mr. SOURWINE. And even then it should be done only by a waiver which is on the record?

Mr. JOHNSON. Yes, sir.

Mr. SOURWINE. And not simply by slighting a procedure, by letting a man fill an appointment before filling out those questionnaires or furnishing any personal history, and if you do that, then you are in trouble. If you let a man get an appointment without a full field when he is in a category where the law and regulations require a full field, you are in trouble—and the instances could be multiplied.

Mr. JOHNSON. And that is the reason that, in our appraisals, we emphasize the matter of who has the right to waive the full field. We emphasize that it should be clear in the regulations and in practice that actually there should be waiver only in an emergency situation.

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. SOURWINE. On the record again, sir.

From a security standpoint, should anyone be excused from security requirements or security procedures because of his professional attainments or his eminence therein or because of his outstanding cultural attainments in any field?

Mr. JOHNSON. We feel that there should be uniform application of standards.

Mr. SOURWINE. And the fact that a man is a great scientist does not mean that he could not be a security risk, or that he is a great writer or an eminent artist, does not mean that he could not be a great security risk; isn't that correct?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. Thank you, Mr. Scott.

Mr. SCOTT. Under the letter, Mr. Johnson, you have listed the major standard items that you include in every security appraisal.

Do you also look into the cost factor of an investigation?

Mr. JOHNSON. We have not, as of this time, looked at the cost factors of conducting investigations. Our responsibility in that area has been only in terms of insuring that our own costs are reasonable and economical. As you may have gathered earlier, this program is a sizable one, representing, as it does, almost 50 percent of the expenditures of the Civil Service Commission.

It was necessary to have a very detailed cost accounting procedure established so that any employee who devotes any time, any item of travel, and so on for which we pay people or the GSA pays, that all of our expenses be fully documented.

We have procedures approved by the General Accounting Office that have established valid costs. I doubt that the average agency in the Government has the same compelling necessity for establishing such procedures as we have.

I do know that the Federal Bureau of Investigation has a reputation—and has earned it—of being efficient and economical in this field, and they have generally come out with about the same cost figures that we have. We happen to do work for the same agencies that they do—the Atomic Energy Commission—and their billing rates to the Atomic Energy Commission have been pretty much the same as ours.

Now, where this function is a smaller part of a bigger function, it could or could not be so important, but I am not prepared to discuss the cost estimates or statements for any other department or agency.

Mr. SOURWINE. Well, obviously. But do you know when the most recent computation or study was made on your costs of investigation per case, preemployment investigation?

Mr. JOHNSON. Our cost study is made each month, and we bill the agency on the basis of the previous month's cost.

Mr. SOURWINE. And what are your costs running currently?

Mr. JOHNSON. $350 per case. And I am very happy to say that despite the fact that the payroll raises have increased our payroll by about 8 percent since last October, that we still have been able to offset that by harder work and by the fact that we have got a bigger staff and a full pipeline of work. As yet it has not been necessary to increase the rate.

Mr. SOURWINE. What has been the trend of your costs in the last few years per investigation—upward or downward or have they stood relatively solid?

Mr. JOHNSON. Well, there is inevitably an upward trend because of the increasing cost of payrolls and the increasing cost per diem and mileage rates in the Government, but, within the framework of those costs, they have remained steady.

Mr. SOURWINE. You have stated, I think—and I think you were proper in stating it—that you could not go into the question of the cost of another agency.

Mr. JOHNSON. Yes.

Mr. SOURWINE. And I agree that that was obvious. But I think you are aware that some agencies have made cost studies in this respect. You do know that, don't you?

Mr. JOHNSON. Yes, sir, I have heard reports.

Mr. SOURWINE. And are you aware, Mr. Johnson, that the State Department has claimed that its cost per case is some $50 less than your cost per case?

Mr. JOHNSON. I am not familiar with the $50 cost—at the time we began, a year ago, to work with the departments and agencies on this matter of the centralization of investigations—and let me say that we in the civil service did not ask for this program——

Mr. SOURWINE. I understand.

Mr. JOHNSON. And we have no designs, we have no bureaucratic designs upon having a big investigation program, it was put upon us because Mr. Hoover felt that the Federal Bureau of Investigation was getting away from its official mission and being turned into a personnel investigative agency——

Mr. SOURWINE. Yes, I know—pardon my interrupting you, Mr. Johnson—and according to what Senator Johnston said on the record, this Congress wanted it centralized in one place and they picked the Civil Service Commission as that place.

Mr. JOHNSON. That is right, the Congress did that, and I am anxious that the record show that in doing this, Mr. Hoover and his bureau have worked with us 1,000 percent in the day-to-day relationships necessary to make that kind of a program work.

About a year ago, this administration made a study of this program and a review of it, its operations and implementation, and announced a policy that this work should be centralized unless there were compelling reasons to the contrary.

At that time, the State Department considered the matter, and they mentioned that their costs were lower. They did not use an exact figure that I recall. I don't know what the costs were, but let me say that they had other than cost reasons why they felt that they should continue.

Mr. SOURWINE. And, I suppose, among those reasons, is the fact that the State Department, or at least certain elements over there, do not desire to have the Foreign Service employees or applicants investigated anywhere else than by the Department of State—you have met that reason advanced—haven't you?

Mr. JOHNSON. Well, that was not stated.

Mr. SOURWINE. It was not stated?

Mr. JOHNSON. No. The reason they say it is necessary for their staff, and particularly the oversea part of it—let me hasten to add that they do service for us and for the FBI or any other department or agency where it is required overseas through their operation and——

Mr. SOURWINE. Well, what I would like to do, because obviously we cannot quarrel with the Department in questioning its estimates, but in view of the record that we have made here at another session, pointing out, among other items, the fact that you, the Civil Service Commission, have many more cases and, therefore, obviously, have a lower administrative cost per case, that you have many more officers and offices, and therefore have, obviously, a lower travel cost per case, and because you have many more cases so that you almost always have a larger number of cases per investigator's trips, which means, obviously, a lower cost per investigator's time per case. In view of all of that—and it has been established on our record—in view of all of that, it is very difficult to see how the State Department could possibly come out with a lower cost than you, and I wonder if it would be possible for you to offer the committee a statement on the accounting basis on which you determine your costs, and we will then try to get a statement from the State Department on that same basis so that we may have, before the committee, an evaluation of the costs in both places.

Mr. JOHNSON. Sir, I would be happy to do so. But let me make it clear that as far as the Civil Service Commission is concerned, we have all the work that we can handle, and we are not looking for work, and one of the reasons for not pursuing this study of controlization that we started was because of the resumption of atomic tests last spring. This threw a big workload on us. It taxed our capacities to the full. They have been taxed to capacity, not only because of AEC but also because the Peace Corps has caught on much more rapidly than people assumed. We investigate those applicants. Also there is the expanding NASA program. If I might digress somewhat, Dr. Giliuth wrote in to us of the 30-odd young men investigated for astronaut jobs by us, that he used the preappointment full field as one of the most significant factors in selecting the nine who were finally chosen for astronauts.

Mr. SOURWINE. You will submit to us from someone who can give it on the accounting basis, what is the basis on which your costs are computed?

Mr. MELOY. You mean a breakdown——

Mr. SOURWINE. No; the accounting basis on which you compute that. I don't care whether any figures are given unless you feel it necessary, or if the person who prepares it believes they, the figures, may be helpful in order to illustrate them.

But I want a clear statement of the accounting basis on which you make a determination of that matter and then we can make a comparison of the State Department costs on the same basis, and thereby have comparable figures for whatever it is that they do as compared to what you do, and then we can get to the bottom of it. And if there are any factors that you say you do not count in the cost, we want to know what they are, and vice versa. Whatever is the best way to get an accounting statement and see if it matches up to what they do, and then we have got a way to figure the costs on a comparable basis.

You said one thing that concerns me and I think we should clear it up for the record, and that is—and I am not attempting to repeat you in detail—you gave the impression that, momentarily, at least, perhaps, you are so busy that you could not take on any additional work.

Mr. JOHNSON. Well, we could take on additional work only with sufficient advance notice so that we could staff up to do it adequately.

Mr. SOURWINE. Of course, I do not propose that, either today or tomorrow, but suppose it should be a recommendation of the committee that the State Department investigation should be put into the Civil Service Commission, and suppose that the Secretary of State and the President decided to do that, and you had 6 months or more notice of the fact of that assignment function:

Could you not do that, sir?

Mr. JOHNSON. Yes; within 6 months we would be able to. But let me suggest that there are many other practical considerations that affect this business of who should make investigation.

We should not assume for a minute that there are not good reasons to be advanced and considered. I do think that as a long-range proposition, we should be moving in the direction of centralization of investigations. For reasons of economy, for reasons of speed in investigation, and for reasons of efficiency which come out of specialization, it ought to be in one agency of the Government.

Mr. SOURWINE. And isn't it true that, from the standpoint of security there is an advantage in having the investigation by an agency which is outside the appointing agency?

Mr. JOHNSON. Well, the separation of adjudicative from investigative responsibility is desirable unless you sacrifice skills that you develop, you need experience in order to develop security evaluations and you have got to move analysts up the ranks, the investigatory ranks, until they get to be good evaluators.

Mr. SOURWINE. And your Commission has trained several good evaluators and other agencies of the Government have taken advantage of that?

Mr. JOHNSON. Well, we have pretty well staffed the security agencies of the Government and——

Mr. SOURWINE. Yes; and with very good men, too.

And isn't it an advantage to have an investigation made outside the appointing department? Aren't there advantages which include, among other things, more uniformity of procedures and less possibility of any favoritism or charge of favoritism, which has some bearing on the matter?

Mr. JOHNSON. Yes.

Mr. SOURWINE. And the elimination of influences——

Mr. JOHNSON. Oh, yes.

Mr. SOURWINE (continuing). From within the Department with respect to favors until at least the facts are all gathered and put into the record? Isn't that so?

Mr. JOHNSON. I think that is one of the reasons why Mr. Hoover insisted——

Mr. SOURWINE. And also, and I am now referring to some testimony that we have had from the State Department in previous sessions of this subcommittee, that there are advantages which would accrue from such a move even at present in the State Department, the situation in the office of security, where it is such that they have investigators who should be working on investigations but who are being used for the protection of visiting notables, and of course, that is not the cheapest way of protecting or the wisest way of protecting visiting notables, and we also have been told, on our record, that if the investigative functions were reduced by transferring to State these personnel, you would be effectively reassigning them and they could be utilized with great savings to the Department, and so we are not even after anybody's job, no one is going to be displaced. But simply, as far as the record has gone, it appears to counsel for the subcommittee that there are good reasons for transferring this function in the Civil Service Commission and no compelling reasons against it.

Now, this may or may not be the conclusion of the committee. All that we are trying to do now is to develop the facts.

Mr. JOHNSON. Yes; I know that.

Mr. SOURWINE. And we certainly are not conniving to take anything away from the State Department.

Mr. JOHNSON. No.

Mr. SOURWINE. Nor are you.

Mr. JOHNSON. I want the record to make that amply clear.

Mr. SOURWINE. You have made that amply clear, Mr. Johnson. Thank you, Mr. Scott.

Mr. SCOTT. Mr. Johnson, would you care to comment on the comparative criteria of security standards that you apply to security personnel; that is, people in the Security Office, as to other personnel in other sensitive positions?

Mr. JOHNSON. Of course, people in the Security Office have an especial responsibility for maturity of judgment, for thorough experience and competence, and for background in the field, and that is why, as a part of our security appraisal, we require a high level of review done at the Civil Service Commission on the qualifications of persons designated as security officers.

Certainly a person who is immature or a person without balanced judgment could do great damage in a job of this kind, or if his background did not give him familiarity with the issues and involvements in security, he could do great damage.

As a part of these appraisals we take a look at the qualifications not only of the Security Officer but also of his staff, to make sure that a full field investigation was made and that he had a full security clearance himself.

Mr. SCOTT. Would you look at the position of the various officers, as to whether or not they are appointees or whether they are or should be career employees?

Mr. JOHNSON. We have looked at the qualifications of security officers without regard to our responsibility in the competitive civil service because of this responsibility under section 14 of the Executive order, and certainly we could not take a look and say, "You are not eligible to go in this particular job if you are outside the competitive civil service."

But we could raise a question as to whether he should be the appropriate person to be the Security Officer if he has no background of training or experience in the field.

Mr. SCOTT. Do you have a training program for your security personnel?

Mr. JOHNSON. We have an extensive training program for our investigators; our security officers are limited in number——

Mr. SCOTT. You have observed the security training programs in other departments and agencies. How do they compare with yours?

Mr. JOHNSON. Most of the departments and agencies employing security officers look for and hire experienced people, and, as I mentioned earlier, a good number of our investigators and evaluators are working in other agencies. We are looking hard for potential in our investigator recruitment. We are taking them at the college level, young men coming into the Government. Here we begin very intensive training. We select them under very rigid standards: our own employees. About 60 percent of the people who take the written test fail it, and another half are weeded out by the oral interview, not because they are security risks or even unsuitable persons, but because they do not have the balance, ability to meet and deal with the public or the judgment that we are looking for. We nonselect one out of five on the basis of a comprehensive background investigation.

We bring those people to Washington for a brief training period. They are then under intensive field training for 6 months. At the end of the 6 months, they can be produced from trainee to a journeyman level and they must be promoted at the end of 12 months or they are removed from the rolls.

During that first year, we have a supervisor reviewing all of the work of the trainees and going out with him and about half of his work is to make sure that he is doing——

Mr. SOURWINE. Bear with me a moment. Off the record.

(Discussion off the record.)

Mr. JOHNSON. Let me make clear that each supervisor will supervise 2 to 3 trainees, plus 15 to 16 journeymen, and he will devote a considerable amount of time to the development of that investigator.

Mr. SOURWINE. You indicated that actually sometimes he will be with the investigator for half of his time?

Mr. JOHNSON. For half of his time for the first 3 months, as required.

Mr. SOURWINE. In other words, he gets on-the-job training as well as academic?

Mr. JOHNSON. We feel that the secret in this business is, first of all, good, careful selection and then very careful training during the first year.

As a result, we have a fairly high turnover rate because we are getting men into this program who find job opportunities, all around the Government, as well as in the Commission.

Mr. SOURWINE. Before we leave that, you mentioned that a number of your people have gone out to other agencies—but you also have one, at least, that went to the Civil Service Commission, haven't you?

Mr. JOHNSON. Yes—off the record.

(Discussion off the record.)

Mr. SCOTT. Getting back to the original question on the major standard items you have included in your security appraisal, the question was:

Would you look into the cost factor? This is not asking you to prepare anything.

Mr. JOHNSON. We have not, thus far, considered this a part of our responsibility; we feel this is the responsibility primarily of the GAO and the Bureau of the Budget in terms of fiscal accountability.

Mr. SCOTT. On the basis of your investigations and also your security appraisals of security programs in the various departments and agencies, do you have any suggestions or recommendations as to any needed revision of Executive Order 10450 and its amendments or any new legislation by the Congress in this matter?

Mr. JOHNSON. During the early days of this administration, we joined with other departments and agencies in making a review to answer a question of the Executive as to whether there should be a change in the Executive order.

At that time, we concluded that the program was working smoothly. The secret of its success lies in preemployment investigation or acting on cases during the trial period and that, with timely investigations, the program would continue effectively, particularly since the incumbent phase of the program has long since been over. We concluded that no change should be made. Any change involves a serious impact on 2,500,000 people that are working for the Government.

When the security program was begun, we heard a great deal of comment in the press and otherwise about the difficulty of recruiting high-level, high-quality people in the service because of the program. No doubt it did have some impact—I do not know as a deterrent for people that they should not seek employment because of the security program—but, on the other hand, it had an effect on morale. In addition, change of a worldwide program is expensive.

We felt that any change that came out in the public press would arouse articulate and critical appraisals of the program by persons who would like to see us with no program at all.

In the absence of some strong reasons why there should be changes, it was our conclusion that changes in the program were not necessary or advisable at that time.

Mr. SCOTT. Thank you, Mr. Johnson, and you, Mr. Meloy. I believe that is all.

Mr. SOURWINE. I have just a few questions, and I will try to be brief with them.

I spoke earlier of the matter of clearances by the appointing power and by the efforts of that individual to clear his own people.

Now, do you feel you could give a brief general statement for the record as to how widespread this practice might be? Or would you rather not try that?

Mr. JOHNSON. Well, let me ask you this: Do you mean as to whether or not we have any widespread problem, or how many people are

trying to make their own judgments without going through the normal——

Mr. SOURWINE. Yes, that is one way of saying it.

Mr. JOHNSON. No, I have no such knowledge. I have no reason to believe there is any such widespread practice.

Mr. SOURWINE. Well, would you say then that you have it in individual instances, and even at different levels, but not predictably?

Mr. JOHNSON. Well, I know when this program came about there was some feeling that there might be people who would protect other people from going through the procedures. For that reason we insisted on instituting the practice at the Civil Service Commission of checking all form 50's against the security file, just to make sure that, if an investigation were required, that it had been made.

And in the earlier stages, we found a significant percentage of investigations where they were not scheduled, and I think it was mostly from carelessness. But we don't now have a problem in that area.

There is a policing system in the program. If the appointment is legal in terms of the submission of the form 50 that comes in as part of the personnel process, it is checked against our files to make sure that the investigation has been made.

Now, all that that tells us is that the procedure has been followed, but it does give that assurance.

Mr. SOURWINE. Well, sir, we ran into a situation in one of the departments—which we are still looking into—in which the security officer in charge of research and development in electronic aids and therefore in a field connected with physical security, was letting development contracts and purchase contracts and employing technicians without any security clearance at all, without any responsibility. Where can you put the finger? Apparently he was choosing them solely on the basis of what he considered to be their technical competency without regard to any background of investigation at all.

Now that is an outstanding example, but that is a very bad situation, obviously; wouldn't you agree?

Mr. JOHNSON. Yes; I agree that he should have had an appropriate clearance.

Mr. SOURWINE. Now, this is not a matter of record. It will be a matter of record shortly, in our records, but it is something that interested me.

As far as that goes, I do not mean to hold out on you and I will go off the record right now and give you the information on that.

Mr. JOHNSON. I would like that.

(Discussion off the record.)

Mr. SOURWINE. Are there any instances of a formal waiver in which an executive or official, no matter how high, has the right to procure the clearance of a subordinate whom he desires either to promote or employ without following standard security procedures?

Mr. JOHNSON. Well, the head of each agency, of course, is charged with appropriate procedures and each agency has issued such procedures and they should be binding on the operation of the whole department.

Mr. SOURWINE. Well, but if a man, even in the second echelon, or even right up at the top of the agency, wants exceptions made for someone that he knows personally and whom he is willing to vouch for,

then if that is done, then he should have this done by way of a written recommendation and a written statement as to who did get the waiver and it should be on the record and the responsibility should be on the record. Do you agree?

Mr. JOHNSON. Well, the order recognizes waiver of full-field investigation, but that is, of course, in just preappointment. It is still required. The order recognizes the waiver of investigation for a nonsensitive position and recognizes only that the Civil Service Commission can approve each request from the agency in the case of temporary, seasonal, intermittent employment of a nonsensitive nature.

Mr. SOURWINE. Well, are you saying, then, that under the applicable law there is no right in any executive or official, no matter how high, to have a person appointed without an investigation and without a security clearance, or to give him an arbitrary clearance not based on an investigation and an evaluation thereof?

Mr. JOHNSON. So far as I interpret the order, all persons are subject to the investigative requirements of the order unless the Civil Service Commission agrees to a waiver.

A waiver would be granted only in certain nonsensitive cases. Let me ask Mr. Meloy if he is aware of any other instance.

Mr. MELOY. No; I think that is right. The Civil Service Commission has the right to waive on the nonsensitive or the intermittent or seasonal employments.

As I understand the order, the waiver is to appoint the man prior to the investigation, but it does not waive the investigation—and I repeat, that is only in nonsensitive positions.

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. SOURWINE. I will say on the record we have only one question about this and this is a question that was asked last year, as to whether Mr. Cleveland had been granted a clearance in the usual way, or something to that effect, and the answer was yes, it was done, and I am now told that the answer is absolutely false; that this man had no investigation and nothing to bring him up to date.

Now——

Mr. JOHNSON. I would like the record made clear that there is no requirement under this order for repetitive investigation—that a person's clearance be brought up to date. The fact that a full-field investigation is required for a sensitive position does not of necessity mean that it must be made every 5 or 10 years.

Mr. SOURWINE. We have testimony that the Department, under the security procedure, requires that, before a person is appointed to the secretarial level or to the ambassadorial level, his security investigation must be brought up to date and full field be brought up to date and reevaluated.

Mr. JOHNSON. That would be dependent on the head of the agency but the order itself does not require an agency to update the investigation.

Mr. SCOTT. But that is not on the incumbent in office, a man may have a full-field investigation and a clearance over at Commerce. Subsequently he may leave and go to a job at State, then State will have a full——

Mr. JOHNSON. No; not necessarily, under the order; it is not required under the order.

Mr. SCOTT. It is not?

Mr. JOHNSON. No, sir; and in fact, there is a current movement in the other direction in order to facilitate people going from Defense and the AEC, back and forth. One department or agency will rely on the clearance granted by the other.

There is a mistaken impression that people are subjected to repetitive investigations but there is no requirement, as I say. Updating is a judgment mattter. Certain agencies do have programs for reinvestigation which are not required under the order.

Mr. SOURWINE. Well, just so the record won't get the wrong idea, "reptitive investigations" are words of art, the way you use them, Mr. Johnson, in your Commission. But what is meant is not going over ground that has been already covered, but going back to the last date of investigaton of an employee and simply covering the period in between?

Mr. JOHNSON. Well, if the agency required it that is what should be done, that is all we do.

Every agency sets up its own——

Mr. SOURWINE. The question is, That is not really repetitive?

Mr. JOHNSON. That is right.

Mr. SOURWINE. It is not a reinvestigation in a manner which would apply if the people they were going to investigate were being investigated again as to something they were investigated on before—you don't mean that?

Mr. SCOTT. Supplemental.

Mr. JOHNSON. Supplemental.

Mr. SOURWINE. Yes; you have given us the answer now with respect to the cost per person of the investigations you make.

Have you covered in the record the time per investigation?

Mr. JOHNSON. Up until the beginning of this year, a year ago this January, our record averaged 54 days per case.

Mr. SOURWINE. Do you know the comparable figure for any of the other departments?

Mr. JOHNSON. Before I rest on the laurels of a year ago, let me say that we have slipped this year because of the impact of the workload—180 percent more than we figured on, in the first 6 months.

We are rapidly getting back to the record of 54 days.

Mr. SOURWINE. How far have you slipped?

Mr. JOHNSON. We had gotten up to about 90 days. Within 2 weeks it will be back to 60 and then back to 54 by July.

A year ago we made a survey of departments and agencies. Other than FBI and CSC. The average was about twice ours.

Mr. SOURWINE. Well, do you happen to know what is the time average in the Department of State?

Mr. JOHNSON. I don't know the time average in the Department of State, sir. I do not know what it is as of now, nor do I recall what it was at that time.

I am not speaking from any records, but I know that it was in excess of that.

Mr. SOURWINE. In excess of your time?

Mr. JOHNSON. Of our time.

Mr. SOURWINE. How much in excess?

Mr. JOHNSON. I don't know.

Mr. SOURWINE. Are you familiar with the recommendations of the Internal Security Subcommittee with respect to State Department security?

Mr. JOHNSON. I am familiar with some of them, I think in a general way, but I think that you would have to be more specific.

Mr. SOURWINE. Well, I don't know how you can answer the next question, then, that I was going to ask you, which was as to whether as a security officer, not as an officer of the Civil Service Commission, you considered those recommendations of the Internal Security Subcommittee to have been reasonable, or did they make sense from a security standpoint?

Mr. JOHNSON. On the review that I have made, as I said earlier in this presentation, there are two conclusions that I drew:

You emphasized both the preappointment investigation and limiting the waiver of investigation.

You emphasize limiting that to a real emergency. Now, that jibes 100 percent with our experience as to their value, or as to the essential elements that make for either success or failure of the program.

Mr. SOURWINE. Do any of the agencies normally contact you in connection with changes in their procedures, or do they report those to you, or do you have to wait until——

Mr. JOHNSON. Generally they report changes of a significant nature in their regulations to us.

Mr. SOURWINE. Have you had any reports from State Department respecting the adoption of any of the recommendations the subcommittee made?

Mr. JOHNSON. I am not aware, first of all, of recommendations that had to do with regulations—perhaps they did; I don't know.

Mr. SOURWINE. In other words, what they report to you is their own reports and regulations?

Is that your meaning?

Mr. JOHNSON. That is correct, and I am not aware of any changes and I am not even sufficiently aware—that is, we have not sufficiently reviewed the State Department situation.

We had intended an earlier appraisal of their operations but, because of the impact of other work and also because this committee is in the process of hearings on State——

Mr. SOURWINE. Well, this committee is still holding hearings on the Department of State and will be for another couple of months, I believe, but I hope that that won't deter you in your work.

And I want one thing perfectly clear in the record, that there is only one communication sent by you to the head of a department or agency after you make an audit or appraisal of that department's security. Is that right?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And that is a letter?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And you would include in that no detailed summary of the raw report, as we have referred to it, but merely your conclusions with respect to soft spots in its security and recommendations of what might be done to correct them?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. You made mention in your testimony respecting certain reports of your audits or appraisals of individual departments which have been furnished to this committee.

I think it might be well to have the record show at this point the names of the departments concerning whom such reports were made. That is, I mean, the identification by departments of reports that you are furnishing. I do not want to offer these reports for this record at this time, if the Chair please, and that list may go in but not the reports themselves.

Senator SCOTT. So ordered.

(The material referred to follows:)

U. S. CIVIL SERVICE COMMISSION,
BUREAU OF PERSONNEL INVESTIGATIONS,
Washington, D.C., July 8, 1963.

Mr. SAMUEL J. SCOTT,
Assistant Counsel of the Senate Internal Security Subcommittee,
Washington, D.C.

DEAR MR. SCOTT: In accordance with your telephone request of July 3, 1963, I am attaching an alphabetical listing of the agencies for whom security appraisals have been completed since 1960. The dates of the final close-out letters to the agencies are shown.

Sincerely yours,

KIMBELL JOHNSON, *Director.*

Dates letters sent to departments and agencies regarding results of appraisals

AEC	July 14, 1961
Agriculture	Dec. 12, 1961
AID	Dec. 20, 1962
Air Force	June 2, 1961
Army	Sept. 6, 1960
Bureau of the Budget	Jan. 19, 1961
Civil Aeronautics Board	Oct. 9, 1961
Civil Service Commission	Aug. 10, 1962
Commerce	Sept. 7, 1960
Federal Aviation Agency	Apr. 7, 1961
Federal Communications Commission	May 22, 1961
Federal Housing Authority	Oct. 26, 1961
General Services Administration	Apr. 23, 1962
Health, Education, and Welfare	Feb. 23, 1961
Housing and Home Finance Agency	Nov. 14, 1961
Interior	Sept. 26, 1961
Justice	May 6, 1962
Labor	July 31, 1961
NASA	Sept. 7, 1961
Navy	May 24, 1961
National Labor Relations Board	July 1, 1960
Office of Secretary of Defense	May 6, 1961
Public Housing Authority	Feb. 12, 1962
Post Office	Nov. 13, 1961
Selective Service System	Mar. 27, 1962
State	June 20, 1960
Treasury	Dec. 27, 1961
USIA	July 18, 1960
Veterans' Administration	May 9, 1960

Mr. JOHNSON. There were 20-odd of those and I would be happy to identify them.

Mr. SOURWINE. Well, just let the record show the identification so that there will be no question of what we did get. But I don't want to get the individual reports in, now. As we talk to the persons from

those agencies, we will eventually get them in the record. I think that would be more appropriate than here.

Senator SCOTT. All right.

Mr. SOURWINE. Off the record.

(Discussion off the record.)

Mr. SOURWINE. On the record.

If you can, sir, I would like to have you answer these questions from the standpoint of your experience as a security officer and with respect to what you consider good security.

It is understood that you did not have the authority to order departments to do anything, and I am not asking you for your knowledge with respect to precisely what a given department does or what any department does not do, but what should be the lowest level that can clear a security case with a favorable determination?

Mr. JOHNSON. It is difficult to answer the question, sir, a question of that kind, because judgment is always——

Mr. SOURWINE. Yes; I know that, and I did not mean that.

Let me ask you this:

Do you think an investigator should ever have the right to determine a security case favorably?

Mr. JOHNSON. In our judgment, even if the evaluator is the same grade but has different training and different competence and different mission, it is our judgment that it is best for an evaluation to be made separate and apart from the recommendation of an investigator.

Mr. SOURWINE. And if an investigator is making evaluations and security determinations, you are just asking for trouble?

Mr. JOHNSON. Many years ago we eliminated the recommendations of investigators on that ground, because they were frequently the cause of misunderstandings.

Mr. SOURWINE. Now, what do you think, or what would you think of a policy of granting clearances on the basis that there was no adverse information from any witness interviewed, without giving any indication as to who were the witnesses interviewed or what were the questions asked?

Mr. JOHNSON. We feel that a full field investigation report should be available. The judgment of the reader should be based on the total testimony.

Mr. SOURWINE. Would you take exception to a procedure, what might be set up as a procedure in an agency or a department under which there was a short form or report respecting investigations, which investigators were instructed to fill out when there were no adverse disclosures from that witness and the report shows not a word about the names of the witnesses or what any of the witnesses were asked or what they said, and when the procedures provide that where such a report is filed, the clearance is automatic?

Mr. JOHNSON. Well, perhaps I should ask Mr. Meloy—I can speak only from my own experience.

We direct the investigator's operations. Now, there are various approaches as to how to record testimony.

We record testimony in the first person. We think that it helps give color and a flavor of the witness and the character of the case. Other agencies do just as effective a job and just as good a job with writing it in the third person. The FBI does that.

I do not favor a report that does not, either in the first person or the third person, contain testimony of the witness because then I think that the evaluator—in other words, you know what was said about the individual or should know, and if the evaluator——

Mr. SOURWINE. In other words—excuse me.

Mr. JOHNSON. In our judgment, that would be placing too great reliance upon the investigator.

Mr. SOURWINE. Well, he must necessarily be an evaluator in evaluating the testimony in order to be able to fill out that kind of a short form, must he not?

Mr. JOHNSON. That is right. We had such a practice 20 years ago, because of the pressure of heavy work situation; but we abandoned it.

Mr. SOURWINE. Are you aware that the Department is using such a short form?

Mr. JOHNSON. No, sir; I am not aware.

Mr. SOURWINE. Well, I cannot testify as a witness to this, but the committee has such information.

Mr. JOHNSON. Please—off the record?

Mr. SOURWINE. Surely; any time.

(Discussion off the record.)

Mr. JOHNSON. I am not prepared to answer that question.

Mr. SOURWINE. Now, if there is such a report, and if the clearance is automatic after the report simply lists the names of the witnesses interviewed, that necessarily means that the evaluator or the evaluations division is short-circuited and that the evaluator does not even look at the names of the witnesses. How many investigators do you think are likely to be able to catch, in most or all significant instances, the importance of the mere name of a witness?

Mr. JOHNSON. They are not—no.

Mr. SOURWINE. And, as a matter of fact, the security officer will check the identities of witnesses where he does not recognize the name, because it is a significant factor, isn't it?

Mr. JOHNSON. Yes. Not only what is said, but who said it, is frequently of significant importance.

Mr. SOURWINE. Normally, Mr. Johnson, is the security clearance an irrevocable action?

Mr. JOHNSON. No, sir.

Mr. SOURWINE. It can always be reviewed by higher authority?

Mr. JOHNSON. Yes.

Mr. SOURWINE. Or perhaps I should say by proper authority?

Mr. JOHNSON. Yes.

Mr. SOURWINE. Would you say that a policy or a practice in a department or an agency which prevented the reopening of a security case by a proper authority would be a bad practice or procedure?

Mr. JOHNSON. The question is very hypothetical, but I think that, in any security case where there is significant information, that there should be a reopening. It should be subject to reopening upon proper authority; yes.

Mr. SOURWINE. Well, we have no argument at all as to that, then. And you use the word "information," but if it would be additional information or discovery of any information or the discovery of some error or some irregularity in the security procedure——

Mr. JOHNSON. We regularly do that if any such evidence is received.

Mr. SOURWINE. Normally, in the Government, in the case of a person who has been granted security clearance, can that person thereafter be dismsissed for unsuitability?

Mr. JOHNSON. Yes.

Mr. MELOY. Of course, they are not related subjects.

Mr. SOURWINE. He would have no right to contend that this is subterfuge?

Mr. MELOY. Not in my opinion.

Mr. SOURWINE. Where the head of the agency has the right, as he has in almost all cases, to dismiss for unsuitability, he could exercise that right without regard to the right of security——

Mr. MELOY. Yes.

Mr. SOURWINE. Could he do that even during the pendency of a security case?

Mr. MELOY. I would say that he could, because security and suitability are different factors. For instance, he may have a security case going on and yet you may find that the man, the next day starts a ruckus and he gets into a fight with a supervisor; he can get fired for that, because it is not a security matter. And it can come up under suitability.

Mr. SOURWINE. But would you tell me if you have, further, a security case in which a man was technically not a security risk but where it was found that he had given false information to the department, even including the security officers who had interviewed him, would you think it was improper to make recommendations for consideration of this at a higher level?

Mr. JOHNSON. We would apply the test of materiality to the false statement. If the statements were material to the issue—and, as I mentioned earlier, we have decided and determined many cases when there have been false statements given with regard to the question of security, because we felt that they should be disqualified——

Mr. SOURWINE. Well, you say without regard to security—would you consider that to be a security factor?

Mr. JOHNSON. Well, a security factor; but also a suitability factor.

Mr. SOURWINE. Yes. Now, isn't there some order now or isn't there some general practice under which such matters are handled under your suitability criteria rather than under the security?

Mr. JOHNSON. Yes; most cases are handled on the normal Civil Service procedures, rather than under the security procedures because there is a stigma that attaches itself if a security finding is made. In most cases the suitability might be the basis for deciding. That is one of the reasons that we advocate close coordination between personnel people and security people.

Mr. SOURWINE. Naturally, there are a number of factors in this area, are there not, that are really security factors but where the present policy is to handle them under the suitability?

Mr. JOHNSON. That is correct.

Mr. SOURWINE. And this would be true even as to sexual deviation?

Mr. JOHNSON. I am sure, and I am familiar with many of them, and they are handled under suitability procedures.

Mr. SOURWINE. Do you think that social acceptability is a factor in determining suitability?

Mr. JOHNSON. Social acceptability?

Mr. SOURWINE. Yes.

Mr. JOHNSON. We have no social acceptability standard——

Mr. SOURWINE. Well, I asked this question because we had testimony from a witness in a department who told us that social acceptability was a factor in determining suitability.

Mr. JOHNSON. I am not aware of such a factor.

(Addressing Mr. Meloy.) Are you?

Mr. MELOY. I am not, either.

Mr. JOHNSON. Off the record.

(Discussion off the record.)

Mr. SOURWINE. And the question whether a man does—well, let me put it this way—whether a man does or does not get along well with other people, in crowds, are those suitability factors or not?

Mr. JOHNSON. Well, only in terms that it might make him unemployable because he cannot get along with his fellow workers, if I grasp your meaning, and that would not be really suitability but the inability to work with others.

Mr. SOURWINE. I see, and in that sense you might group those things into one, as a, you might say, social acceptabiilty factor, and thus it also is a suitability factor if it has an impact on his ability to do the job?

Mr. JOHNSON. Well, I can assume that a person might become unemployable because we have found people unable to work with others, but we do not call that a social acceptability factor.

Mr. SOURWINE. Is reliability a factor of security?

Mr. JOHNSON. Reliability is the basic standard for security.

Mr. SOURWINE. Is judgment a factor of security?

Mr. JOHNSON. It is.

Mr. SOURWINE. And would the handling of classified material without the proven intent to allow documents to get to an unauthorized person, would that be a security factor or a suitability factor?

Mr. JOHNSON. If you mean carelessness in the handling of security material——

Mr. MELOY. It might be either.

Mr. JOHNSON. Yes; it might be either.

Mr. SOURWINE. Well, let us suppose an aggravated case, where he might carry highly classified material and he might take it home or leave it out on his desk, something like that, although there might be nothing deliberate or planned behind it, still it occurs often enough to show that it is a practice of handling that material in such manner by him—would you consider that as coming under suitability or security?

Mr. JOHNSON. I think it could fall in either.

Mr. SOURWINE. You think it could be either. He would be—it is not a deliberate risk, it is a careless risk.

Well, when you are dealing with a security case, is it standard procedure to put a new piece of paper in the file each time there is a change in the security status of the individual?

Mr. JOHNSON. You mean the level of the clearance; that is, if he had a clearance for "secret" and it is upgraded to "top secret?"

Mr. SOURWINE. That would be one such instance.

Mr. JOHNSON. Our regulations provide that a record shall be maintained on his current status.

Mr. SOURWINE. And is it or not standard procedure to report in writing and have placed in the file such things as security charges—the initiation of a security case, the completion of the evaluation report, the decision with regard to clearance, and all the pertinent steps along the way?

Mr. JOHNSON. It is required the determination be a matter of record in the file; yes.

Mr. SOURWINE. Do you think it would be sufficient for an official of a department to tell one of his subordinates, "I have approved this man, go have a notation put in the files that his security is up to date?"

Mr. JOHNSON. It would depend upon the authority of the individual making that judgment.

Mr. SOURWINE. Well, I do not mean a man at the Cabinet level; certainly there you could not enforce that kind of an order.

But does not good security require that a man who is passing on a case at least put his initials on some kind of a writing and give some reason, some basis, for his determination?

Mr. JOHNSON. Good practice requires proper documentation of the procedures and the ultimate determination.

Mr. SOURWINE. Has the Civil Service Commission ever entered into contracts with any of the departments for the conduct of its security investigations—of departmental persons?

In other words, do you make any security investigations for other departments under contract?

Mr. JOHNSON. Only under Public Law 298 and the appropriation implementing that law, providing for the reimbursement to the Civil Service Commission.

Mr. SOURWINE. Do you consider that as being under contract?

Mr. JOHNSON. I don't think—let me ask Mr. Meloy.

Do you want to answer that?

Mr. MELOY. Well, not, that would be quite a close—I doubt it would be a contract because it is by virtue of operation of law.

Mr. SOURWINE. And the procedure is that they refer these cases under the authority of the law for you to perform those procedures and to bill them for the cost?

Mr. JOHNSON. That is right.

Mr. SOURWINE. And do any of the departments come to you or have they in the past, to your knowledge, with a proposition where you should investigate so many security cases or investigate security cases over such and such a period of time and with some specification as to the cost?

Mr. JOHNSON. They all come to us under the procedure and regulations of the Executive order and the public law; we require periodic estimates from them as to how many cases they are going to give us, and we give them periodic estimates how much it is going to cost.

I don't think that quite falls into the area of a contractual relationship.

Mr. SOURWINE. Well, where I am puzzled, we have had the testimony from a department which said that it had contracted with the Civil Service Commission to conduct investigations or parts of investigations in security cases and it also said they had a similar contract with the Federal Bureau of Investigation, and I am trying to determine just exactly what kind of an arrangement they had.

I know you cannot speak for the Federal Bureau of Investigation, but, from your standpoint, does it mean anything to you?

Mr. JOHNSON. Unless you specify the agency, I don't know——

Mr. SOURWINE. The agency is the State Department.

Mr. JOHNSON. We may have made an agreement to handle some investigations for them at times, but it is on our authority and under the authority of the Executive order and of the law.

Mr. SOURWINE. And you do not have an option, do you?

Mr. JOHNSON. No.

Mr. SOURWINE. And if the Department wants to give you that work, you would have to perform it?

Mr. JOHNSON. We would have to perform that work in the competitive civil service.

Mr. SOURWINE. Yes. Well, could the State Department have been referring to instances in which you conducted the investigation of Foreign Service persons—have you ever done that?

Mr. JOHNSON. To my knowledge, no. There are laws that cut across programs, and as far as the Foreign Service, that might go into the World Health Organization, where, by law, we are required to make an investigation and there was a period during the earlier mid-fifties when the State Department was seriously in arrears in its program and Mr. McLeod came to us and we agreed to detail to him 100 of our investigators.

Mr. SOURWINE. Yes, we know about that.

Mr. JOHNSON. I see.

Mr. SOURWINE. That is not what we are talking about.

Mr. JOHNSON. Then I don't know what he meant or what it could be. (Addressing Mr. Meloy). Do you?

Mr. MELOY. Well, do you think that he had in mind excepted employees?

Mr. SOURWINE. Well, I am sorry, I don't know. But we will eventually find out for the record, and when we do, we will let you know.

Mr. MELOY. Well, I have no idea.

Mr. JOHNSON. I have had conversations with State about handling some of their work and my protest has been that it should be done on a long-range basis and not just cases here and there.

Mr. SOURWINE. Does the Civil Service Commission ever perform evaluative functions?

Mr. JOHNSON. Only for its own personnel.

Mr. SOURWINE. Would you know what weight normally, under good security practice, is given by superior officers to evaluation of security material at the evaluative level of the original evaluating officer?

Mr. JOHNSON. Our evaluations are made by, first, an analyst, and then the work is reviewed by a panel, and I personally give it considerable weight if I have to make the final judgment.

Mr. MELOY. Considerable weight is given by the reviewer where the case has been prejudged or judged before, by a panel.

Mr. SOURWINE. Would you say it is good security practice to refer to the recommendations of the evaluator, assuming he is a trained man and only with reason and not arbitrarily?

Mr. MELOY. I do, and of course there should be a reason, rather than its being arbitrary. Any arbitrary action, I think, is wrong.

Mr. SOURWINE. Now, there was at one time a program in the Government of going out through the files to identify seriously derogatory cases and to reevaluate those cases.

I am not talking about the reexamination of all cases under the order, which required that, but the programs which have been put into effect in some departments, at least, since then, to bring everything up to date with regard to their top level people, at least, and with regard to what their security officers considered cases that had seriously derogatory information—have you had anything to do with these programs?

Mr. JOHNSON. Well, of course, you mentioned the one that was required by the Executive order.

Mr. SOURWINE. Yes.

Mr. JOHNSON. And that one has long since been completed.

No, we are not involved in any of that.

Mr. SOURWINE. From what you know of departmental routines, could you make a prediction on the outcome of a security case where it is established that the subject misrepresented to his department and on his written form lied to the security investigators and impeded policies in his position and withheld his expertise from the department where he was required to put his opinions on record?

Mr. JOHNSON. Could I answer that off the record, because I have made a lifelong practice of not giving hypothetical judgments on hypothetical cases, because you always get into trouble.

I would not form a judgment on the basis of a hypothetical case. But all of the facts that you have cited are significant ones.

(Discussion off the record.)

Mr. SOURWINE. One more question, and I am through, Mr. Johnson:

You mentioned that Civil Service investigators use the first person in all their reports of investigations and you told us why.

Have you ever had any complaints that this distorts the report?

Mr. JOHNSON. No. But I have had complaints that it sometimes results in extraneous and too long testimony, but not that it distorts.

As a matter of fact, we have found to the contrary. Where we would find it necessary to go back a year or 2 years later to reinterview the same witness by another investigator and read to him the submission in the first person of the testimony, and he would say, "I did not realize it was being taken verbatim, but that is exactly what I said"—and at the same time we would be getting across the color and flavor of it.

Mr. SOURWINE. Doesn't it amount to putting words in the witness' mouth?

Mr. JOHNSON. You mean, in the first person?

Mr. SOURWINE. Yes.

Mr. JOHNSON. No. One of the things that we stress to the investigator—to the supervisor in his review of the investigator's notes, is to see if he finds that the investigator is reporting testimony without much documentation, and then we——

Mr. SOURWINE. You understand, I am not trying to put anybody on the spot, and I am addressing this to you, Mr. Meloy, but have you had any trouble in that regard?

Mr. MELOY. No.

Mr. SOURWINE. No trouble at all?

Mr. MELOY. No, and I think it is rather objective.

Mr. SOURWINE. Do you just regard those reports as being verbatim as to what the man said, or do you have in mind constantly that it is really only a paraphrase, even though it is in the first person and is not actually what he said in words, although it purports to be?

Mr. MELOY. I think that as near as one human can report the conversation of another, I think it is very acceptable.

Mr. JOHNSON. And let me say that the reaction that we get from the agencies on that point depends almost entirely on how nearly the agency is to a purely security evaluation—for a good example, the Atomic Energy Commission is solely concerned with security, the security of contractor employees. That is its basic concern, whereas the U.S. Information Agency is concerned with employee ability and other factors relating to what the man did and how well he did it, and they find the report—they like that report and, we being in the employment business, have probably oriented our investigator staff more on the employability angle than, say, the FBI or other agencies might have.

Mr. SOURWINE. Would you say that it takes a very highly skilled investigator to do a good job with this first person report?

Mr. JOHNSON. It takes a great deal of training, but I would likewise say that it takes greater training for him to report objectively in the third person.

Mr. SOURWINE. You think, then, that it takes more training and more experience with the first person reports so as to understand them and digest them than to similarly understand and digest a third person report?

Mr. JOHNSON. No; my own feeling—and I have had many discussions with others on this point—is that the trend in the third person report would be to get too much in and——

Mr. SOURWINE. I don't mean to be argumentative, but in a third person report, is it not always possible to use direct quotes where they are of special significance, and they will thereby stand out? How do you reach that point in your first person report?

Mr. JOHNSON. Well, reports are always carefully read, and are considered to be the testimony in substance, and then, unless it is indicated in quotes, the investigator is allowed to quote definitely. Of course, if it does happen to be a highly significant statement, he may record an affidavit and get a signed statement, and——

Mr. SOURWINE. Well, you can achieve the same results by having the significant statement stand out in direct quotation marks. You can simply do that by putting quote marks around them, couldn't you?

Mr. JOHNSON. Yes.

Mr. SOURWINE. And, of course, all of the statements are in the third person in the report except that there are some shifts from the third to the first person, so wouldn't that be equally effective and even——

Mr. JOHNSON. Well, I certainly do not quarrel with that. I simply prefer the other.

Mr. SOURWINE. Thank you, Mr. Johnson.

No more questions.

Mr. Scott?

Mr. SCOTT. No questions.

Mr. SOURWINE. I am deeply grateful to you both for taking the time for this long this afternoon, and to the Senator from taking a great deal of his time to sit away from his work all of this while.

(Whereupon, at 5:30 p.m., the subcommittee adjourned, subject to call of the Chair.)

(Additional material pertinent to the hearing was later supplied by Mr. Johnson under cover of the following letter:)

U.S. CIVIL SERVICE COMMISSION,
BUREAU OF PERSONNEL INVESTIGATIONS,
Washington, D.C., March 20, 1963.

Mr. J. G. SOURWINE,
Chief Counsel, Internal Security Subcommittee, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. SOURWINE: Attached in accordance with a request made during the course of testimony before the subcommittee on March 12, 1963, are the following:

1. A copy of Executive Order 10450, and amendments.
2. A copy of Public Law 298.
3. A copy of the Presidential directive of March 13, 1948.
4. A statement of the cost accounting procedures used by the Civil Service Commission in determining the cost of full-field investigations conducted as a reimbursable service for other Government agencies.
5. Employment history statement for Lawrence V. Meloy and a biographical statement for myself.[4]

If I can supply any additional information, please do not hesitate to call on me.

Sincerely yours,

KIMBELL JOHNSON, *Director.*

(The above listed documents are printed in Appendix XXVIII, pp. 1117, 1146, 1148, and 1149.)

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[4] The documents referred to in item No. 5 appear at p. 69 of the hearings.

INDEX

NOTE.—The Senate Internal Security Subcommittee attaches no significance to the mere fact of the appearance of the name of an individual or an organization in this index.

A

Page

Aeronautics and Space Administration, National ---- 38, 39
Agency for International Development (AID) ---- 83, 101
Agriculture, Department of ---- 25, 101
Air Force, Department of ---- 12, 101
Anderson, Mr. S. D. ---- 44
Andrews, Robert T. ---- 10
Applegate, Robert Lee, testimony of ---- 10–16
Army, Department of ---- 11, 101
Ash, Russell, testimony of ---- 42–43
Atomic Energy Commission ---- 27, 90, 92, 99, 101

B

Banner, Roy ---- 23
Testimony of ---- 24–25
Barnes, Carl, testimony of ---- 25–27
Belisle, David I ---- 22
Blankenbaker, Lloyd W., testimony of ---- 38–42
Buddeke, Richard A ---- 38
Budget Bureau ---- 96, 101

C

Civil Aeronautics Board ---- 101
Civil Service Commission ---- 65, 72, 76, 90–94, 96–101, 106–108
Cleveland, Mr ---- 98
Cole v. *Young* ---- 9, 20, 52, 76
Collins, Francis P., testimony of ---- 51–52
Commerce, Department of ---- 13, 59, 101
Communist Party ---- 76, 77
Crown, John R ---- 51, 52

D

Defense, Department of ---- 10–14, 24, 40, 99
Dembling, Mr. Paul G ---- 40, 42
Doherty, John F ---- 55
Testimony of ---- 53
Dorothy Bailey v. *Richardson* ---- 73
Dryden, Hugh L ---- 21

E

Eisenhower, Dwight D ---- 21
Executive Order 10450 ---- 3, 96, 110
Section 14 of ---- 75, 95
Executive Order 10491 ---- 7
Executive Order 10531 ---- 8
Executive Order 10548 ---- 8
Executive Order 10550 ---- 9, 86
Export-Import Bank ---- 51

F

Page

Federal Aviation Agency 13, 101
Federal Bureau of Investigation (FBI) 77, 90–92, 99, 102, 107, 109
Federal Communications Commission 101
Federal Housing Authority 101
Fleming, Thomas O 27
Francis, John 25

G

General Accounting Office (GAO) 96
General Services Administration 13, 101
Greene v. *McElroy* 9

H

Health, Education, and Welfare, Department of 34, 101
Hiller, Manuel B 33
Hiss ruling 78
Hobart, Frederick P., testimony of 30–31
Housing and Home Finance Agency 101
Hughes, Thomas M., testimony of 29–30

I

Interior, Department of 30, 101

J

Johnson, Kimbell, testimony of 65–110
Jones, Calvin C., testimony of 43–46
Justice, Department of 19, 53, 57, 101

K

Keefe, Michael L 16, 17

L

Labor Department 101
Ladd, Mr 83
Leahy, John 22
Loyalty Review Board 68

Mc

McElroy case 73
McLeod, M 107
McNichol, Paul John, testimony of 46–51
McVeigh, Edward J., testimony of 32–33

M

MacClain, George 10
Macy, John W., Jr 68
Meloy, Lawrence V 69
Meyers, Lt. Col. Bruce F 10
Minor, Robert W 21
Montague, Henry B., testimony of 16–19
Montgomery, Orville 46, 47, 50

N

National Aeronautics and Space Agency (NASA) 13, 92, 101
National Labor Relations Board 101
National Science Foundation 13
National Security Council 42, 63
Navy Department 11, 101
Nelson, Clifford J 19

O

Orrick, William H., Jr 22

P

Page

Peace Corps 92
Pearl Harbor 81
Phillips, John W., testimony of 35–38
Post Office Department 16, 17, 101
Public Housing Authority 101
Public Law 769 77
Public Law 298 106, 110

R

Reilly, John F., testimony of 22–23

S

Selection Service System 101
Schmidt, Frederick, testimony of 33–34
Schur, Bertram 27
Small Business Administration 13
Smith, Bromley 42, 43
State Department 13, 22, 72, 91–94, 100, 101, 107
Stevens, Edwin H 38

T

Tompkins, William F 21
Treasury Department 29, 63, 101
Truman, President 84

U

U.S. Information Agency 46, 47, 101, 109

V

Veterans' Administration 101

W

Waters, A. J., Jr., testimony of 27–29
Wieland case 86
Wetherby, Mr. A. E 29
World Health Organization 107
Wright Commission 83

Y

Yeagley, J. W., testimony of 19–21
Young, Philip 21

○