

One Hundred Eighth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,
the twentieth day of January, two thousand and four*

An Act

To authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This title may be cited as the “Intelligence Authorization Act for Fiscal Year 2005”.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

- Sec. 101. Authorization of appropriations.
- Sec. 102. Classified schedule of authorizations.
- Sec. 103. Personnel ceiling adjustments.
- Sec. 104. Intelligence Community Management Account.
- Sec. 105. Incorporation of reporting requirements.
- Sec. 106. Specific authorization of funds for intelligence or intelligence-related activities for which fiscal year 2004 appropriations exceed amounts authorized.
- Sec. 107. Preparation and submittal of reports, reviews, studies, and plans relating to intelligence activities of Department of Defense and Department of Energy.

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

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

- Sec. 301. Increase in employee compensation and benefits authorized by law.
- Sec. 302. Restriction on conduct of intelligence activities.
- Sec. 303. Chief Information Officer.
- Sec. 304. Improvement of authorities relating to National Virtual Translation Center.
- Sec. 305. Intelligence assessment on sanctuaries for terrorists.
- Sec. 306. Sense of Congress on availability to Congress of information on Iraq Oil-For-Food Program of the United Nations.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

- Sec. 401. Permanent extension of Central Intelligence Agency voluntary separation incentive program.
- Sec. 402. Intelligence operations and cover enhancement authority.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE MATTERS

- Sec. 501. National Security Agency Emerging Technologies Panel.
- Sec. 502. Use of funds for counterdrug and counterterrorism activities for Colombia.

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TITLE VI—EDUCATION

Subtitle A—National Security Education Program

- Sec. 601. Annual funding.
- Sec. 602. Improvements to National Flagship Language Initiative.
- Sec. 603. Scholarship program for English language studies for heritage community citizens of the United States within National Security Education Program.

Subtitle B—Improvement in Intelligence Community Foreign Language Skills

- Sec. 611. Foreign language proficiency for certain senior level positions in the Central Intelligence Agency.
- Sec. 612. Advancement of foreign languages critical to the intelligence community.
- Sec. 613. Pilot project on Civilian Linguist Reserve Corps.
- Sec. 614. Report on status, consolidation, and improvement of intelligence education programs.
- Sec. 615. Report on recruitment and retention of qualified instructors of the Defense Language Institute.

TITLE VII—TERRORISM MATTERS

- Sec. 701. Information on terrorist groups that seek weapons of mass destruction and groups that have been designated as foreign terrorist organizations.

TITLE VIII—OTHER MATTERS

- Sec. 801. Effective date.
- Sec. 802. Construction of references to Director of Central Intelligence.
- Sec. 803. Savings provisions relating to discharge of certain functions and authorities.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2005 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

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

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 2005, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill H.R. 4548 of the One Hundred Eighth Congress.

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

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of National Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2005 under section 102 when the Director of National Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed 2 percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of National Intelligence shall promptly notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives whenever the Director exercises the authority granted by this section.

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Intelligence Community Management Account of the Director of National Intelligence for fiscal year 2005 the sum of \$310,466,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for advanced research and development shall remain available until September 30, 2006.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Intelligence Community Management Account of the Director of National Intelligence are authorized 310 full-time personnel as of September 30, 2005. Personnel serving in such elements may be permanent employees of the Intelligence Community Management Account or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are also authorized to be appropriated for the Intelligence Community Management Account for fiscal year 2005 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts for research and development shall remain available until September 30, 2006.

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2005, there are also authorized such additional personnel for such elements as of that date as are specified in the classified Schedule of Authorizations.

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year

2005 any officer or employee of the United States or a member of the Armed Forces who is detailed to the staff of the Intelligence Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of National Intelligence.

(e) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) IN GENERAL.—Of the amount authorized to be appropriated in subsection (a), \$42,322,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, testing, and evaluation purposes shall remain available until September 30, 2006, and funds provided for procurement purposes shall remain available until September 30, 2007.

(2) TRANSFER OF FUNDS.—The Director of National Intelligence shall transfer to the Attorney General funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for the activities of the National Drug Intelligence Center.

(3) LIMITATION.—Amounts available for the National Drug Intelligence Center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403–3(d)(1)).

(4) AUTHORITY.—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the National Drug Intelligence Center.

SEC. 105. INCORPORATION OF REPORTING REQUIREMENTS.

(a) IN GENERAL.—Each requirement to submit a report to the congressional intelligence committees that is included in the joint explanatory statement to accompany the conference report on the bill H.R. 4548 of the One Hundred Eighth Congress, or in the classified annex to this Act, is hereby incorporated into this Act, and is hereby made a requirement in law.

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

- (1) the Select Committee on Intelligence of the Senate;
- and
- (2) the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 106. SPECIFIC AUTHORIZATION OF FUNDS FOR INTELLIGENCE OR INTELLIGENCE-RELATED ACTIVITIES FOR WHICH FISCAL YEAR 2004 APPROPRIATIONS EXCEED AMOUNTS AUTHORIZED.

Funds appropriated for an intelligence or intelligence-related activity of the United States Government for fiscal year 2004 in excess of the amount specified for such activity in the classified Schedule of Authorizations prepared to accompany the Intelligence Authorization Act for Fiscal Year 2004 (Public Law 108–177; 117 Stat. 2599) shall be deemed to be specifically authorized by Congress for purposes of section 504(a)(3) of the National Security Act of 1947 (50 U.S.C. 414(a)(3)). Such funds shall remain available until September 30, 2005.

SEC. 107. PREPARATION AND SUBMITTAL OF REPORTS, REVIEWS, STUDIES, AND PLANS RELATING TO INTELLIGENCE ACTIVITIES OF DEPARTMENT OF DEFENSE AND DEPARTMENT OF ENERGY.

(a) CONSULTATION IN PREPARATION.—(1) The Director of National Intelligence shall ensure that any report, review, study, or plan required to be prepared or conducted by a provision of this Act, including a provision of the classified Schedule of Authorizations referred to in section 102(a) or the classified annex to this Act, that involves the intelligence or intelligence-related activities of the Department of Defense or the Department of Energy is prepared or conducted in consultation with the Secretary of Defense or the Secretary of Energy, as appropriate.

(2) The Secretary of Defense or the Secretary of Energy may carry out any consultation required by this subsection through an official of the Department of Defense or the Department of Energy, as the case may be, designated by such Secretary for that purpose.

(b) SUBMITTAL.—Any report, review, study, or plan referred to in subsection (a) shall be submitted, in addition to any other committee of Congress specified for submittal in the provision concerned, to the following committees or subcommittees of Congress, as appropriate:

(1) The Committee on Armed Services, the Subcommittee on Defense of the Committee on Appropriations, and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services, the Subcommittee on Defense of the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2005 the sum of \$239,400,000.

TITLE III—GENERAL PROVISIONS

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

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

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

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

SEC. 303. CHIEF INFORMATION OFFICER.

(a) ESTABLISHMENT.—(1) Title I of the National Security Act of 1947, as amended by section 1011(a) of the National Security Intelligence Reform Act of 2004, is further amended by inserting after section 103F the following new section:

“CHIEF INFORMATION OFFICER

“SEC. 103G. (a) CHIEF INFORMATION OFFICER.—To assist the Director of National Intelligence in carrying out the responsibilities of the Director under this Act and other applicable provisions of law, there shall be within the Office of the Director of National Intelligence a Chief Information Officer who shall be appointed by the President, by and with the advice and consent of the Senate.

“(b) CHIEF INFORMATION OFFICER OF INTELLIGENCE COMMUNITY.—The Chief Information Officer shall serve as the chief information officer of the intelligence community.

“(c) DUTIES AND RESPONSIBILITIES.—Subject to the direction of the Director of National Intelligence, the Chief Information Officer shall—

“(1) manage activities relating to the information technology infrastructure and enterprise architecture requirements of the intelligence community;

“(2) have procurement approval authority over all information technology items related to the enterprise architectures of all intelligence community components;

“(3) direct and manage all information technology-related procurement for the intelligence community; and

“(4) ensure that all expenditures for information technology and research and development activities are consistent with the intelligence community enterprise architecture and the strategy of the Director for such architecture.

“(d) PROHIBITION ON SIMULTANEOUS SERVICE AS OTHER CHIEF INFORMATION OFFICER.—An individual serving in the position of Chief Information Officer may not, while so serving, serve as the chief information officer of any other department or agency, or component thereof, of the United States Government.”.

(2) The table of contents in the first section of the National Security Act of 1947, as amended by the National Security Intelligence Reform Act of 2004, is further amended by inserting after the item relating to section 103F the following new item:

“Sec. 103G. Chief Information Officer.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the effective date of the National Security Intelligence Reform Act of 2004, as provided in section 801 of this Act.

SEC. 304. IMPROVEMENT OF AUTHORITIES RELATING TO NATIONAL VIRTUAL TRANSLATION CENTER.

(a) FUNCTION OF CENTER.—Section 313 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107–306; 116 Stat. 2391; 50 U.S.C. 404n) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

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

“(c) FUNCTION.—The element established under subsection (a) shall provide for timely and accurate translations of foreign intelligence for all elements of the intelligence community through—

“(1) the integration of the translation capabilities of the intelligence community;

“(2) the use of remote-connection capabilities; and

“(3) the use of such other capabilities as the Director considers appropriate.”.

(b) LOCATION OF DISCHARGE OF FUNCTION.—Subsection (d) of such section, as so redesignated, is amended by adding at the end the following new paragraph:

“(3) Personnel of the element established under subsection (a) may carry out the duties and functions of the element at any location that—

“(A) has been certified as a secure facility by a department or agency of the United States Government; or

“(B) the Director has otherwise determined to be appropriate for such duties and functions”.

SEC. 305. INTELLIGENCE ASSESSMENT ON SANCTUARIES FOR TERRORISTS.

(a) ASSESSMENT REQUIRED.—Not later than the date specified in subsection (b), the Director of National Intelligence shall submit to Congress an intelligence assessment that identifies and describes each country or region that is a sanctuary for terrorists or terrorist organizations. The assessment shall be based on current all-source intelligence.

(b) SUBMITTAL DATE.—The date of the submittal of the intelligence assessment required by subsection (a) shall be the earlier of—

(1) the date that is six months after the date of the enactment of this Act; or

(2) June 1, 2005.

SEC. 306. SENSE OF CONGRESS ON AVAILABILITY TO CONGRESS OF INFORMATION ON IRAQ OIL-FOR-FOOD PROGRAM OF THE UNITED NATIONS.

It is the sense of Congress that the head of each element of the intelligence community, including the Central Intelligence Agency, the Federal Bureau of Investigation, and the intelligence elements of the Department of Defense, the Department of State, and the Department of the Treasury should make available to any committee of Congress with jurisdiction over matters relating to the Office of the Iraq Oil-for-Food Program of the United Nations, upon the request of such committee, any information and documents in the possession or control of such element in connection with any investigation of that Office by such committee.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. PERMANENT EXTENSION OF CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION INCENTIVE PROGRAM.

(a) IN GENERAL.—Section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403–4 note) is amended—

- (1) by striking subsection (f); and
 - (2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.
- (b) TERMINATION OF FUNDS REMITTANCE REQUIREMENT.—(1) Section 2 of such Act is further amended by striking subsection (i).
- (2) Section 4(a)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 8331 note) is amended by striking “, or section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (Public Law 103–36; 107 Stat. 104)”.

SEC. 402. INTELLIGENCE OPERATIONS AND COVER ENHANCEMENT AUTHORITY.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following:

“INTELLIGENCE OPERATIONS AND COVER ENHANCEMENT AUTHORITY

“SEC. 23. (a) DEFINITIONS.—In this section—

“(1) the term ‘designated employee’ means an employee designated by the Director of the Central Intelligence Agency under subsection (b); and

“(2) the term ‘Federal retirement system’ includes the Central Intelligence Agency Retirement and Disability System, and the Federal Employees’ Retirement System (including the Thrift Savings Plan).

“(b) IN GENERAL.—

“(1) AUTHORITY.—Notwithstanding any other provision of law, the Director of the Central Intelligence Agency may exercise the authorities under this section in order to—

“(A) protect from unauthorized disclosure—

“(i) intelligence operations;

“(ii) the identities of undercover intelligence officers;

“(iii) intelligence sources and methods; or

“(iv) intelligence cover mechanisms; or

“(B) meet the special requirements of work related to collection of foreign intelligence or other authorized activities of the Agency.

“(2) DESIGNATION OF EMPLOYEES.—The Director of the Central Intelligence Agency may designate any employee of the Agency who is under nonofficial cover to be an employee to whom this section applies. Such designation may be made with respect to any or all authorities exercised under this section.

“(c) COMPENSATION.—The Director of the Central Intelligence Agency may pay a designated employee salary, allowances, and other benefits in an amount and in a manner consistent with the nonofficial cover of that employee, without regard to any limitation that is otherwise applicable to a Federal employee. A designated employee may accept, utilize, and, to the extent authorized by regulations prescribed under subsection (i), retain any salary, allowances, and other benefits provided under this section.

“(d) RETIREMENT BENEFITS.—

“(1) IN GENERAL.—The Director of the Central Intelligence Agency may establish and administer a nonofficial cover employee retirement system for designated employees (and the spouse, former spouses, and survivors of such designated

employees). A designated employee may not participate in the retirement system established under this paragraph and another Federal retirement system at the same time.

“(2) CONVERSION TO OTHER FEDERAL RETIREMENT SYSTEM.—

“(A) IN GENERAL.—A designated employee participating in the retirement system established under paragraph (1) may convert to coverage under the Federal retirement system which would otherwise apply to that employee at any appropriate time determined by the Director of the Central Intelligence Agency (including at the time of separation of service by reason of retirement), if the Director of the Central Intelligence Agency determines that the employee’s participation in the retirement system established under this subsection is no longer necessary to protect from unauthorized disclosure—

“(i) intelligence operations;

“(ii) the identities of undercover intelligence officers;

“(iii) intelligence sources and methods; or

“(iv) intelligence cover mechanisms.

“(B) CONVERSION TREATMENT.—Upon a conversion under this paragraph—

“(i) all periods of service under the retirement system established under this subsection shall be deemed periods of creditable service under the applicable Federal retirement system;

“(ii) the Director of the Central Intelligence Agency shall transmit an amount for deposit in any applicable fund of that Federal retirement system that—

“(I) is necessary to cover all employee and agency contributions including—

“(aa) interest as determined by the head of the agency administering the Federal retirement system into which the employee is converting; or

“(bb) in the case of an employee converting into the Federal Employees’ Retirement System, interest as determined under section 8334(e) of title 5, United States Code; and

“(II) ensures that such conversion does not result in any unfunded liability to that fund; and

“(iii) in the case of a designated employee who participated in an employee investment retirement system established under paragraph (1) and is converted to coverage under subchapter III of chapter 84 of title 5, United States Code, the Director of the Central Intelligence Agency may transmit any or all amounts of that designated employee in that employee investment retirement system (or similar part of that retirement system) to the Thrift Savings Fund.

“(C) TRANSMITTED AMOUNTS.—

“(i) IN GENERAL.—Amounts described under subparagraph (B)(ii) shall be paid from the fund or appropriation used to pay the designated employee.

“(ii) OFFSET.—The Director of the Central Intelligence Agency may use amounts contributed by the

designated employee to a retirement system established under paragraph (1) to offset amounts paid under clause (i).

“(D) RECORDS.—The Director of the Central Intelligence Agency shall transmit all necessary records relating to a designated employee who converts to a Federal retirement system under this paragraph (including records relating to periods of service which are deemed to be periods of creditable service under subparagraph (B)) to the head of the agency administering that Federal retirement system.

“(e) HEALTH INSURANCE BENEFITS.—

“(1) IN GENERAL.—The Director of the Central Intelligence Agency may establish and administer a nonofficial cover employee health insurance program for designated employees (and the family of such designated employees). A designated employee may not participate in the health insurance program established under this paragraph and the program under chapter 89 of title 5, United States Code, at the same time.

“(2) CONVERSION TO FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.—

“(A) IN GENERAL.—A designated employee participating in the health insurance program established under paragraph (1) may convert to coverage under the program under chapter 89 of title 5, United States Code, at any appropriate time determined by the Director of the Central Intelligence Agency (including at the time of separation of service by reason of retirement), if the Director of the Central Intelligence Agency determines that the employee’s participation in the health insurance program established under this subsection is no longer necessary to protect from unauthorized disclosure—

“(i) intelligence operations;

“(ii) the identities of undercover intelligence officers;

“(iii) intelligence sources and methods; or

“(iv) intelligence cover mechanisms.

“(B) CONVERSION TREATMENT.—Upon a conversion under this paragraph—

“(i) the employee (and family, if applicable) shall be entitled to immediate enrollment and coverage under chapter 89 of title 5, United States Code;

“(ii) any requirement of prior enrollment in a health benefits plan under chapter 89 of that title for continuation of coverage purposes shall not apply;

“(iii) the employee shall be deemed to have had coverage under chapter 89 of that title from the first opportunity to enroll for purposes of continuing coverage as an annuitant; and

“(iv) the Director of the Central Intelligence Agency shall transmit an amount for deposit in the Employees’ Health Benefits Fund that is necessary to cover any costs of such conversion.

“(C) TRANSMITTED AMOUNTS.—Any amount described under subparagraph (B)(iv) shall be paid from the fund or appropriation used to pay the designated employee.

“(f) LIFE INSURANCE BENEFITS.—

“(1) IN GENERAL.—The Director of the Central Intelligence Agency may establish and administer a nonofficial cover employee life insurance program for designated employees (and the family of such designated employees). A designated employee may not participate in the life insurance program established under this paragraph and the program under chapter 87 of title 5, United States Code, at the same time.

“(2) CONVERSION TO FEDERAL EMPLOYEES GROUP LIFE INSURANCE PROGRAM.—

“(A) IN GENERAL.—A designated employee participating in the life insurance program established under paragraph (1) may convert to coverage under the program under chapter 87 of title 5, United States Code, at any appropriate time determined by the Director of the Central Intelligence Agency (including at the time of separation of service by reason of retirement), if the Director of the Central Intelligence Agency determines that the employee’s participation in the life insurance program established under this subsection is no longer necessary to protect from unauthorized disclosure—

“(i) intelligence operations;

“(ii) the identities of undercover intelligence officers;

“(iii) intelligence sources and methods; or

“(iv) intelligence cover mechanisms.

“(B) CONVERSION TREATMENT.—Upon a conversion under this paragraph—

“(i) the employee (and family, if applicable) shall be entitled to immediate coverage under chapter 87 of title 5, United States Code;

“(ii) any requirement of prior enrollment in a life insurance program under chapter 87 of that title for continuation of coverage purposes shall not apply;

“(iii) the employee shall be deemed to have had coverage under chapter 87 of that title for the full period of service during which the employee would have been entitled to be insured for purposes of continuing coverage as an annuitant; and

“(iv) the Director of the Central Intelligence Agency shall transmit an amount for deposit in the Employees’ Life Insurance Fund that is necessary to cover any costs of such conversion.

“(C) TRANSMITTED AMOUNTS.—Any amount described under subparagraph (B)(iv) shall be paid from the fund or appropriation used to pay the designated employee.

“(g) EXEMPTION FROM CERTAIN REQUIREMENTS.—The Director of the Central Intelligence Agency may exempt a designated employee from mandatory compliance with any Federal regulation, rule, standardized administrative policy, process, or procedure that the Director of the Central Intelligence Agency determines—

“(1) would be inconsistent with the nonofficial cover of that employee; and

“(2) could expose that employee to detection as a Federal employee.

“(h) TAXATION AND SOCIAL SECURITY.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, a designated employee—

“(A) shall file a Federal or State tax return as if that employee is not a Federal employee and may claim and receive the benefit of any exclusion, deduction, tax credit, or other tax treatment that would otherwise apply if that employee was not a Federal employee, if the Director of the Central Intelligence Agency determines that taking any action under this paragraph is necessary to—

“(i) protect from unauthorized disclosure—

“(I) intelligence operations;

“(II) the identities of undercover intelligence officers;

“(III) intelligence sources and methods; or

“(IV) intelligence cover mechanisms; and

“(ii) meet the special requirements of work related to collection of foreign intelligence or other authorized activities of the Agency; and

“(B) shall receive social security benefits based on the social security contributions made.

“(2) INTERNAL REVENUE SERVICE REVIEW.—The Director of the Central Intelligence Agency shall establish procedures to carry out this subsection. The procedures shall be subject to periodic review by the Internal Revenue Service.

“(i) REGULATIONS.—The Director of the Central Intelligence Agency shall prescribe regulations to carry out this section. The regulations shall ensure that the combination of salary, allowances, and benefits that an employee designated under this section may retain does not significantly exceed, except to the extent determined by the Director of the Central Intelligence Agency to be necessary to exercise the authority in subsection (b), the combination of salary, allowances, and benefits otherwise received by Federal employees not designated under this section.

“(j) FINALITY OF DECISIONS.—Any determinations authorized by this section to be made by the Director of the Central Intelligence Agency or the Director’s designee shall be final and conclusive and shall not be subject to review by any court.

“(k) SUBSEQUENTLY ENACTED LAWS.—No law enacted after the effective date of this section shall affect the authorities and provisions of this section unless such law specifically refers to this section.”.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE MATTERS

SEC. 501. NATIONAL SECURITY AGENCY EMERGING TECHNOLOGIES PANEL.

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

“SEC. 19. (a) There is established the National Security Agency Emerging Technologies Panel. The Panel is a standing panel of the National Security Agency. The Panel shall be appointed by, and shall report directly to, the Director of the National Security Agency.

“(b) The Panel shall study and assess, and periodically advise the Director on, the research, development, and application of existing and emerging science and technology advances, advances in encryption, and other topics.

“(c) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Panel.”.

SEC. 502. USE OF FUNDS FOR COUNTERDRUG AND COUNTERTERRORISM ACTIVITIES FOR COLOMBIA.

(a) **AUTHORITY.**—Funds designated for intelligence or intelligence-related purposes for assistance to the Government of Colombia for counterdrug activities for fiscal year 2005 or 2006, and any unobligated funds available to any element of the intelligence community for such activities for a prior fiscal year, shall be available—

(1) to support a unified campaign by the Government of Colombia against narcotics trafficking and against activities by organizations designated as terrorist organizations (such as the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the United Self-Defense Forces of Colombia (AUC)); and

(2) to take actions to protect human health and welfare in emergency circumstances, including the undertaking of rescue operations.

(b) **APPLICABILITY OF CERTAIN LAWS AND LIMITATIONS.**—The use of funds pursuant to the authority in subsection (a) shall be subject to the following:

(1) Section 556, 567, and 568 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115; 115 Stat. 2160, 2165, and 2166).

(2) Section 8076 of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 988).

(3) The numerical limitations on the number of United States military personnel and United States individual civilian contractors contained in section 1021(c) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2042).

(c) **LIMITATION ON PARTICIPATION OF UNITED STATES PERSONNEL.**—No United States Armed Forces personnel or United States civilian contractor employed by the United States Armed Forces may participate in any combat operation in connection with assistance made available under this section, except for the purpose of acting in self defense or during the course of search and rescue operations for United States citizens.

TITLE VI—EDUCATION

Subtitle A—National Security Education Program

SEC. 601. ANNUAL FUNDING.

(a) **IN GENERAL.**—Section 810 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1910) is amended by adding at the end the following new subsection:

“(c) **FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT FOR FISCAL YEARS BEGINNING WITH FISCAL YEAR 2005.**—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, the Director of National Intelligence shall transfer to the Secretary from amounts appropriated

for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, \$8,000,000 to carry out the scholarship, fellowship, and grant programs under subparagraphs (A), (B), and (C), respectively, of section 802(a)(1).”

(b) CONFORMING AMENDMENT.—Section 802(a)(2) of that Act (50 U.S.C. 1902(a)(2)) is amended in the matter preceding subparagraph (A) by inserting “or from a transfer under section 810(c)” after “National Security Education Trust Fund”.

SEC. 602. IMPROVEMENTS TO NATIONAL FLAGSHIP LANGUAGE INITIATIVE.

(a) REQUIREMENT FOR EMPLOYMENT AGREEMENTS.—(1) Section 802(i) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902(i)) is amended by adding at the end the following new paragraphs:

“(5) An undergraduate or graduate student who participates in training in a program under paragraph (1) and has not already entered into a service agreement under subsection (b) shall enter into a service agreement under subsection (b) applicable to an undergraduate or graduate student, as the case may be, with respect to participation in such training in a program under paragraph (1).

“(6)(A) An employee of a department or agency of the Federal Government who participates in training in a program under paragraph (1) shall agree in writing—

“(i) to continue in the service of the department or agency of the Federal Government employing the employee for the period of such training;

“(ii) to continue in the service of such department or agency, following completion by the employee of such training, for a period of two years for each year, or part of the year, of such training;

“(iii) if, before the completion by the employee of such training, the employment of the employee is terminated by such department or agency due to misconduct by the employee, or by the employee voluntarily, to reimburse the United States for the total cost of such training (excluding the employee’s pay and allowances) provided to the employee; and

“(iv) if, after the completion by the employee of such training but before the completion by the employee of the period of service required by clause (ii), the employment of the employee by such department or agency is terminated either by such department or agency due to misconduct by the employee, or by the employee voluntarily, to reimburse the United States in an amount that bears the same ratio to the total cost of such training (excluding the employee’s pay and allowances) provided to the employee as the unserved portion of such period of service bears to the total period of service required by clause (ii).

“(C) Subject to subparagraph (D), the obligation to reimburse the United States under an agreement under subparagraph (A) is for all purposes a debt owing the United States.

“(D) The head of the element of the intelligence community concerned may release an employee, in whole or in part, from the obligation to reimburse the United States under an agreement under subparagraph (A) when, in the discretion of the head of

the element, the head of the element determines that equity or the interests of the United States so require.”

(2) The amendment made by paragraph (1) shall apply to training under section 802(i) of the David L. Boren National Security Act of 1991 that begins on or after the date that is 90 days after the date of the enactment of this Act.

(b) INCREASE IN ANNUAL FUNDING.—Section 811 of that Act (50 U.S.C. 1911) is amended by striking subsection (b) and inserting the following new subsections:

“(b) FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT FOR FISCAL YEARS BEGINNING WITH FISCAL YEAR 2005.—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, the Director of National Intelligence shall transfer to the Secretary from amounts appropriated for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, \$6,000,000 to carry out the grant program for the National Flagship Language Initiative under section 802(a)(1)(D).

“(c) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts made available under this section shall remain available until expended.”

(c) INCREASE IN NUMBER OF PARTICIPATING EDUCATIONAL INSTITUTIONS.—The Secretary of Defense shall take such actions as the Secretary considers appropriate to increase the number of qualified educational institutions that receive grants under the National Flagship Language Initiative under section 802(i) of the David L. Boren National Security Education Act of 1991 to establish, operate, or improve activities designed to train students in programs in a range of disciplines to achieve advanced levels of proficiency in those foreign languages that the Secretary identifies as being the most critical to the national security of the United States.

(d) CLARIFICATION OF AUTHORITY TO SUPPORT STUDIES ABROAD.—Educational institutions that receive grants under the National Flagship Language Initiative may support students who pursue total immersion foreign language studies overseas of foreign languages that are critical to the national security of the United States.

SEC. 603. SCHOLARSHIP PROGRAM FOR ENGLISH LANGUAGE STUDIES FOR HERITAGE COMMUNITY CITIZENS OF THE UNITED STATES WITHIN NATIONAL SECURITY EDUCATION PROGRAM.

(a) SCHOLARSHIP PROGRAM.—(1) Subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902) is amended—

- (A) by striking “and” at the end of subparagraph (C);
- (B) by striking the period at the end of subparagraph (D) and inserting “; and”; and

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

“(E) awarding scholarships to students who—

“(i) are United States citizens who—

“(I) are native speakers (referred to as ‘heritage community citizens’) of a foreign language that is identified as critical to the national security interests of the United States who should be actively recruited for employment by Federal security agencies with a need for linguists; and

“(II) are not proficient at a professional level in the English language with respect to reading, writing, and other skills required to carry out the national security interests of the United States, as determined by the Secretary, to enable such students to pursue English language studies at an institution of higher education of the United States to attain proficiency in those skills; and “(ii) enter into an agreement to work in a position in a similar manner (as determined by the Secretary) as agreements entered into pursuant to subsection (b)(2)(A).”

(2) The matter following subsection (a)(2) of such section is amended—

(A) in the first sentence, by inserting “or for the scholarship program under paragraph (1)(E)” after “under paragraph (1)(D) for the National Flagship Language Initiative described in subsection (i)”; and

(B) by adding at the end the following: “For the authorization of appropriations for the scholarship program under paragraph (1)(E), see section 812.”

(3) Section 803(d)(4)(E) of such Act (50 U.S.C. 1903(d)(4)(E)) is amended by inserting before the period the following: “and section 802(a)(1)(E) (relating to the scholarship program for advanced English language studies by heritage community citizens)”

(b) FUNDING.—The David L. Boren National Security Education Act of 1991 (50 U.S.C. 1901 et seq.) is amended by adding at the end the following new section:

“SEC. 812. FUNDING FOR SCHOLARSHIP PROGRAM FOR ADVANCED ENGLISH LANGUAGE STUDIES BY HERITAGE COMMUNITY CITIZENS.

“(a) FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, the Director of National Intelligence shall transfer to the Secretary from amounts appropriated for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, \$2,000,000 to carry out the scholarship programs for English language studies by certain heritage community citizens under section 802(a)(1)(E).

“(b) AVAILABILITY OF FUNDS.—Amounts made available under subsection (a) shall remain available until expended.”

Subtitle B—Improvement in Intelligence Community Foreign Language Skills

SEC. 611. FOREIGN LANGUAGE PROFICIENCY FOR CERTAIN SENIOR LEVEL POSITIONS IN THE CENTRAL INTELLIGENCE AGENCY.

(a) IN GENERAL.—Section 104A of the National Security Act of 1947, amended by section 1011(a) of the National Security Intelligence Reform Act of 2004, is further amended by adding at the end the following new subsection:

“(g) FOREIGN LANGUAGE PROFICIENCY FOR CERTAIN SENIOR LEVEL POSITIONS IN CENTRAL INTELLIGENCE AGENCY.—(1) Except

