

1380 AMENDING SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

Department of Transportation
Department of Agriculture
Department of Health, Education, and Welfare
National Aeronautics and Space Administration
Small Business Administration
General Services Administration
National Science Foundation

In connection with both the Industrial Defense Program and the Industrial Security Program, we are aware of their special importance to the national interest and their relationship to many Government agencies, as well as to broad segments of defense industry.

Consequently, they must be carefully managed and administratively controlled by the Office of the Secretary of Defense.

I am sure that the committee is also aware that the Department of Justice prepared industrial security legislation in 1965. The bill then proposed by the Department of Justice would have consolidated into law Executive Order 10865 by amending the Internal Security Act of 1950.

That proposed bill was concurred in by the Department of Defense at that time. In keeping with our prior position, the Department interposes no objection to the legislative grant of authority contained in subparagraph (b).

Subparagraph (c) of proposed section 5A provides what appears to be a conventional delegation of executive authority. The Department has no objection to its enactment. However, we suggest that provision also be made for similar authority in subparagraphs (j), (m), (n), and (o) of proposed section 5A. We believe that this would give much more flexibility in administering the programs covered by the bill.

Subparagraph (d) of proposed section 5A empowers the President to "authorize by regulation reasonable inquiries directed to an individual" which are relevant and material to a determination of whether he should be denied access to a defense facility or to classified information. Our experience has shown that investigation—often extensive investigation—is necessary to provide information necessary for a security determination.

This paragraph of the bill, by authorizing reasonable inquiries to the individual, such as questionnaires and fingerprint cards, could be interpreted as precluding other investigative activity. On the other hand, it could be argued that the general enabling provisions of paragraphs (a) and (b) supply the authority for investigative activity. We believe that this issue could be easily foreclosed by the addition of language in subparagraph (d) authorizing such investigation as may be relevant and material to a security determination.

Subparagraph (d) also lists the criteria for use in making security determinations in the Industrial Defense and Industrial Security Programs. These criteria are not exclusive, and additional criteria within the class could also be adopted by the President. Our own experience has shown that these criteria work well and we agree with their inclusion in the bill.

There are, however, changes we would like to suggest in the criteria contained in the bill.

Criterion (10) which deals with the hostage situation seems to be limited in its application to "coercion and pressure" to that situation alone.