

INTELLIGENCE REFORM AND TERRORISM PREVENTION  
ACT OF 2004

DECEMBER 7, 2004.—Ordered to be printed

Mr. HOEKSTRA, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany S. 2845]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2845), to reform the intelligence community and the intelligence and intelligence-related activities of the United States Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) *SHORT TITLE.*—*This Act may be cited as the “Intelligence Reform and Terrorism Prevention Act of 2004”.*

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

*TITLE I—REFORM OF THE INTELLIGENCE COMMUNITY*

*Sec. 1001. Short title.*

*Subtitle A—Establishment of Director of National Intelligence*

*Sec. 1011. Reorganization and improvement of management of intelligence community.*

*Sec. 1012. Revised definition of national intelligence.*

*Sec. 1013. Joint procedures for operational coordination between Department of Defense and Central Intelligence Agency.*

*Sec. 1014. Role of Director of National Intelligence in appointment of certain officials responsible for intelligence-related activities.*

*Sec. 1015. Executive Schedule matters.*

- Sec. 1016. *Information sharing.*
- Sec. 1017. *Alternative analysis of intelligence by the intelligence community.*
- Sec. 1018. *Presidential guidelines on implementation and preservation of authorities.*
- Sec. 1019. *Assignment of responsibilities relating to analytic integrity.*
- Sec. 1020. *Safeguard of objectivity in intelligence analysis.*

*Subtitle B—National Counterterrorism Center, National Counter Proliferation Center, and National Intelligence Centers*

- Sec. 1021. *National Counterterrorism Center.*
- Sec. 1022. *National Counter Proliferation Center.*
- Sec. 1023. *National intelligence centers.*

*Subtitle C—Joint Intelligence Community Council*

- Sec. 1031. *Joint Intelligence Community Council.*

*Subtitle D—Improvement of Education for the Intelligence Community*

- Sec. 1041. *Additional education and training requirements.*
- Sec. 1042. *Cross-disciplinary education and training.*
- Sec. 1043. *Intelligence Community Scholarship Program.*

*Subtitle E—Additional Improvements of Intelligence Activities*

- Sec. 1051. *Service and national laboratories and the intelligence community.*
- Sec. 1052. *Open-source intelligence.*
- Sec. 1053. *National Intelligence Reserve Corps.*

*Subtitle F—Privacy and Civil Liberties*

- Sec. 1061. *Privacy and Civil Liberties Oversight Board.*
- Sec. 1062. *Sense of Congress on designation of privacy and civil liberties officers.*

*Subtitle G—Conforming and Other Amendments*

- Sec. 1071. *Conforming amendments relating to roles of Director of National Intelligence and Director of the Central Intelligence Agency.*
- Sec. 1072. *Other conforming amendments.*
- Sec. 1073. *Elements of intelligence community under National Security Act of 1947.*
- Sec. 1074. *Redesignation of National Foreign Intelligence Program as National Intelligence Program.*
- Sec. 1075. *Repeal of superseded authority.*
- Sec. 1076. *Clerical amendments to National Security Act of 1947.*
- Sec. 1077. *Conforming amendments relating to prohibiting dual service of the Director of the Central Intelligence Agency.*
- Sec. 1078. *Authority to establish inspector general for the Office of the Director of National Intelligence.*
- Sec. 1079. *Ethics matters.*
- Sec. 1080. *Construction of authority of Director of National Intelligence to acquire and manage property and services.*
- Sec. 1081. *General references.*

*Subtitle H—Transfer, Termination, Transition, and Other Provisions*

- Sec. 1091. *Transfer of Community Management Staff.*
- Sec. 1092. *Transfer of Terrorist Threat Integration Center.*
- Sec. 1093. *Termination of positions of Assistant Directors of Central Intelligence.*
- Sec. 1094. *Implementation plan.*
- Sec. 1095. *Director of National Intelligence report on implementation of intelligence community reform.*
- Sec. 1096. *Transitional authorities.*
- Sec. 1097. *Effective dates.*

*Subtitle I—Other Matters*

- Sec. 1101. *Study of promotion and professional military education school selection rates for military intelligence officers.*
- Sec. 1102. *Extension and improvement of authorities of Public Interest Declassification Board.*
- Sec. 1103. *Severability.*

*TITLE II—FEDERAL BUREAU OF INVESTIGATION*

- Sec. 2001. Improvement of intelligence capabilities of the Federal Bureau of Investigation.*
- Sec. 2002. Directorate of Intelligence of the Federal Bureau of Investigation.*
- Sec. 2003. Federal Bureau of Investigation intelligence career service.*
- Sec. 2004. Federal Bureau of Investigation Reserve Service.*
- Sec. 2005. Federal Bureau of Investigation mandatory separation age.*
- Sec. 2006. Federal Bureau of Investigation use of translators.*

*TITLE III—SECURITY CLEARANCES*

- Sec. 3001. Security clearances.*

*TITLE IV—TRANSPORTATION SECURITY*

*Subtitle A—National Strategy for Transportation Security*

- Sec. 4001. National Strategy for Transportation Security.*

*Subtitle B—Aviation Security*

- Sec. 4011. Provision for the use of biometric or other technology.*
- Sec. 4012. Advanced airline passenger prescreening.*
- Sec. 4013. Deployment and use of detection equipment at airport screening checkpoints.*
- Sec. 4014. Advanced airport checkpoint screening devices.*
- Sec. 4015. Improvement of screener job performance.*
- Sec. 4016. Federal air marshals.*
- Sec. 4017. International agreements to allow maximum deployment of Federal air marshals.*
- Sec. 4018. Foreign air marshal training.*
- Sec. 4019. In-line checked baggage screening.*
- Sec. 4020. Checked baggage screening area monitoring.*
- Sec. 4021. Wireless communication.*
- Sec. 4022. Improved pilot licenses.*
- Sec. 4023. Aviation security staffing.*
- Sec. 4024. Improved explosive detection systems.*
- Sec. 4025. Prohibited items list.*
- Sec. 4026. Man-Portable Air Defense Systems (MANPADs).*
- Sec. 4027. Technical corrections.*
- Sec. 4028. Report on secondary flight deck barriers.*
- Sec. 4029. Extension of authorization of aviation security funding.*

*Subtitle C—Air Cargo Security*

- Sec. 4051. Pilot program to evaluate use of blast resistant cargo and baggage containers.*
- Sec. 4052. Air cargo security.*
- Sec. 4053. Air cargo security regulations.*
- Sec. 4054. Report on international air cargo threats.*

*Subtitle D—Maritime Security*

- Sec. 4071. Watch lists for passengers aboard vessels.*
- Sec. 4072. Deadlines for completion of certain plans, reports, and assessments.*

*Subtitle E—General Provisions*

- Sec. 4081. Definitions.*
- Sec. 4082. Effective date.*

*TITLE V—BORDER PROTECTION, IMMIGRATION, AND VISA MATTERS*

*Subtitle A—Advanced Technology Northern Border Security Pilot Program*

- Sec. 5101. Establishment.*
- Sec. 5102. Program requirements.*
- Sec. 5103. Administrative provisions.*
- Sec. 5104. Report.*
- Sec. 5105. Authorization of appropriations.*

*Subtitle B—Border and Immigration Enforcement*

- Sec. 5201. Border surveillance.*
- Sec. 5202. Increase in full-time Border Patrol agents.*

- Sec. 5203. *Increase in full-time immigration and customs enforcement investigators.*  
 Sec. 5204. *Increase in detention bed space.*

*Subtitle C—Visa Requirements*

- Sec. 5301. *In person interviews of visa applicants.*  
 Sec. 5302. *Visa application requirements.*  
 Sec. 5303. *Effective date.*  
 Sec. 5304. *Revocation of visas and other travel documentation.*

*Subtitle D—Immigration Reform*

- Sec. 5401. *Bringing in and harboring certain aliens.*  
 Sec. 5402. *Deportation of aliens who have received military-type training from terrorist organizations.*  
 Sec. 5403. *Study and report on terrorists in the asylum system.*

*Subtitle E—Treatment of Aliens Who Commit Acts of Torture, Extrajudicial Killings, or Other Atrocities Abroad*

- Sec. 5501. *Inadmissibility and deportability of aliens who have committed acts of torture or extrajudicial killings abroad.*  
 Sec. 5502. *Inadmissibility and deportability of foreign government officials who have committed particularly severe violations of religious freedom.*  
 Sec. 5503. *Waiver of inadmissibility.*  
 Sec. 5504. *Bar to good moral character for aliens who have committed acts of torture, extrajudicial killings, or severe violations of religious freedom.*  
 Sec. 5505. *Establishment of the Office of Special Investigations.*  
 Sec. 5506. *Report on implementation.*

**TITLE VI—TERRORISM PREVENTION**

*Subtitle A—Individual Terrorists as Agents of Foreign Powers*

- Sec. 6001. *Individual terrorists as agents of foreign powers.*  
 Sec. 6002. *Additional semiannual reporting requirements under the Foreign Intelligence Surveillance Act of 1978.*

*Subtitle B—Money Laundering and Terrorist Financing*

- Sec. 6101. *Additional authorization for finCEN.*  
 Sec. 6102. *Money laundering and financial crimes strategy reauthorization.*

*Subtitle C—Money Laundering Abatement and Financial Antiterrorism Technical Corrections*

- Sec. 6201. *Short title.*  
 Sec. 6202. *Technical corrections to Public Law 107–56.*  
 Sec. 6203. *Technical corrections to other provisions of law.*  
 Sec. 6204. *Repeal of review.*  
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*Subtitle D—Additional Enforcement Tools*

- Sec. 6301. *Bureau of Engraving and Printing security printing.*  
 Sec. 6302. *Reporting of certain cross-border transmittal of funds.*  
 Sec. 6303. *Terrorism financing.*

*Subtitle E—Criminal History Background Checks*

- Sec. 6401. *Protect Act.*  
 Sec. 6402. *Reviews of criminal records of applicants for private security officer employment.*  
 Sec. 6403. *Criminal history background checks.*

*Subtitle F—Grand Jury Information Sharing*

- Sec. 6501. *Grand jury information sharing.*

*Subtitle G—Providing Material Support to Terrorism*

- Sec. 6601. *Short title.*  
 Sec. 6602. *Receiving military-type training from a foreign terrorist organization.*  
 Sec. 6603. *Additions to offense of providing material support to terrorism.*  
 Sec. 6604. *Financing of terrorism.*

*Subtitle H—Stop Terrorist and Military Hoaxes Act of 2004*

- Sec. 6701. Short title.*
- Sec. 6702. Hoaxes and recovery costs.*
- Sec. 6703. Obstruction of justice and false statements in terrorism cases.*
- Sec. 6704. Clarification of definition.*

*Subtitle I—Weapons of Mass Destruction Prohibition Improvement Act of 2004*

- Sec. 6801. Short title.*
- Sec. 6802. Weapons of mass destruction.*
- Sec. 6803. Participation in nuclear and weapons of mass destruction threats to the United States.*

*Subtitle J—Prevention of Terrorist Access to Destructive Weapons Act of 2004*

- Sec. 6901. Short title.*
- Sec. 6902. Findings and purpose.*
- Sec. 6903. Missile systems designed to destroy aircraft.*
- Sec. 6904. Atomic weapons.*
- Sec. 6905. Radiological dispersal devices.*
- Sec. 6906. Variola virus.*
- Sec. 6907. Interception of communications.*
- Sec. 6908. Amendments to section 2332b(g)(5)(b) of title 18, United States Code.*
- Sec. 6909. Amendments to section 1956(c)(7)(d) of title 18, United States Code.*
- Sec. 6910. Export licensing process.*
- Sec. 6911. Clerical amendments.*

*Subtitle K—Pretrial Detention of Terrorists*

- Sec. 6951. Short title.*
- Sec. 6952. Presumption for pretrial detention in cases involving terrorism.*

**TITLE VII—IMPLEMENTATION OF 9/11 COMMISSION RECOMMENDATIONS**

- Sec. 7001. Short title.*

*Subtitle A—Diplomacy, Foreign Aid, and the Military in the War on Terrorism*

- Sec. 7101. Findings.*
- Sec. 7102. Terrorist sanctuaries.*
- Sec. 7103. United States commitment to the future of Pakistan.*
- Sec. 7104. Assistance for Afghanistan.*
- Sec. 7105. The relationship between the United States and Saudi Arabia.*
- Sec. 7106. Efforts to combat Islamist terrorism.*
- Sec. 7107. United States policy toward dictatorships.*
- Sec. 7108. Promotion of free media and other American values.*
- Sec. 7109. Public diplomacy responsibilities of the Department of State.*
- Sec. 7110. Public diplomacy training.*
- Sec. 7111. Promoting democracy and human rights at international organizations.*
- Sec. 7112. Expansion of United States scholarship and exchange programs in the Islamic world.*
- Sec. 7112. Pilot program to provide grants to American-sponsored schools in predominantly Muslim countries to provide scholarships.*
- Sec. 7113. International Youth Opportunity Fund.*
- Sec. 7114. The use of economic policies to combat terrorism.*
- Sec. 7115. Middle East partnership initiative.*
- Sec. 7116. Comprehensive coalition strategy for fighting terrorism.*
- Sec. 7117. Financing of terrorism.*
- Sec. 7118. Designation of foreign terrorist organizations.*
- Sec. 7119. Report to Congress.*
- Sec. 7120. Case-Zablocki Act requirements.*
- Sec. 7121. Effective date.*

*Subtitle B—Terrorist Travel and Effective Screening*

- Sec. 7201. Counterterrorist travel intelligence.*
- Sec. 7202. Establishment of human smuggling and trafficking center.*
- Sec. 7203. Responsibilities and functions of consular officers.*
- Sec. 7204. International agreements to track and curtail terrorist travel through the use of fraudulently obtained documents.*
- Sec. 7205. International standards for transliteration of names into the Roman alphabet for international travel documents and name-based watchlist systems.*

- Sec. 7206. *Immigration security initiative.*
- Sec. 7207. *Certification regarding technology for visa waiver participants.*
- Sec. 7208. *Biometric entry and exit data system.*
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- Sec. 7210. *Exchange of terrorist information and increased preinspection at foreign airports.*
- Sec. 7211. *Minimum standards for birth certificates.*
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- Sec. 7214. *Prohibition of the display of social security account numbers on driver's licenses or motor vehicle registrations.*
- Sec. 7215. *Terrorist travel program.*
- Sec. 7216. *Increase in penalties for fraud and related activity.*
- Sec. 7217. *Study on allegedly lost or stolen passports.*
- Sec. 7218. *Establishment of visa and passport security program in the Department of State.*
- Sec. 7219. *Effective date.*
- Sec. 7220. *Identification standards.*

#### *Subtitle C—National Preparedness*

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- Sec. 7302. *National capital region mutual aid.*
- Sec. 7303. *Enhancement of public safety communications interoperability.*
- Sec. 7304. *Regional model strategic plan pilot projects.*
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- Sec. 7307. *Northern command and defense of the United States homeland.*
- Sec. 7308. *Effective date.*

#### *Subtitle D—Homeland Security*

- Sec. 7401. *Sense of Congress on first responder funding.*
- Sec. 7402. *Coordination of industry efforts.*
- Sec. 7403. *Study regarding nationwide emergency notification system.*
- Sec. 7404. *Pilot study to move warning systems into the modern digital age.*
- Sec. 7405. *Required coordination.*
- Sec. 7406. *Emergency preparedness compacts.*
- Sec. 7407. *Responsibilities of counternarcotics office.*
- Sec. 7408. *Use of counternarcotics enforcement activities in certain employee performance appraisals.*

#### *Subtitle E—Public Safety Spectrum*

- Sec. 7501. *Digital television conversion deadline.*
- Sec. 7502. *Studies on telecommunications capabilities and requirements.*

#### *Subtitle F—Presidential Transition*

- Sec. 7601. *Presidential transition.*

#### *Subtitle G—Improving International Standards and Cooperation to Fight Terrorist Financing*

- Sec. 7701. *Improving international standards and cooperation to fight terrorist financing.*
- Sec. 7702. *Definitions.*
- Sec. 7703. *Expanded reporting and testimony requirements for the Secretary of the Treasury.*
- Sec. 7704. *Coordination of United States Government efforts.*

#### *Subtitle H—Emergency Financial Preparedness*

- Sec. 7801. *Delegation authority of the Secretary of the Treasury.*
- Sec. 7802. *Treasury support for financial services industry preparedness and response and consumer education.*
- Sec. 7803. *Emergency Securities Response Act of 2004.*
- Sec. 7804. *Private sector preparedness.*

### **TITLE VIII—OTHER MATTERS**

#### *Subtitle A—Intelligence Matters*

- Sec. 8101. *Intelligence community use of National Infrastructure Simulation and Analysis Center.*

*Subtitle B—Department of Homeland Security Matters*

Sec. 8201. *Homeland security geospatial information.*

*Subtitle C—Homeland Security Civil Rights and Civil Liberties Protection*

Sec. 8301. *Short title.*

Sec. 8302. *Mission of Department of Homeland Security.*

Sec. 8303. *Officer for Civil Rights and Civil Liberties.*

Sec. 8304. *Protection of civil rights and civil liberties by Office of Inspector General.*

Sec. 8305. *Privacy officer.*

Sec. 8306. *Protections for human research subjects of the Department of Homeland Security.*

*Subtitle D—Other Matters*

Sec. 8401. *Amendments to Clinger-Cohen Act provisions to enhance agency planning for information security needs.*

Sec. 8402. *Enterprise architecture.*

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## **TITLE I—REFORM OF THE INTELLIGENCE COMMUNITY**

**SEC. 1001. SHORT TITLE.**

*This title may be cited as the “National Security Intelligence Reform Act of 2004”.*

### **Subtitle A—Establishment of Director of National Intelligence**

**SEC. 1011. REORGANIZATION AND IMPROVEMENT OF MANAGEMENT OF INTELLIGENCE COMMUNITY.**

*(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by striking sections 102 through 104 and inserting the following new sections:*

*“DIRECTOR OF NATIONAL INTELLIGENCE*

*“SEC. 102. (a) DIRECTOR OF NATIONAL INTELLIGENCE.—(1) There is a Director of National Intelligence who shall be appointed by the President, by and with the advice and consent of the Senate. Any individual nominated for appointment as Director of National Intelligence shall have extensive national security expertise.*

*“(2) The Director of National Intelligence shall not be located within the Executive Office of the President.*

*“(b) PRINCIPAL RESPONSIBILITY.—Subject to the authority, direction, and control of the President, the Director of National Intelligence shall—*

*“(1) serve as head of the intelligence community;*

*“(2) act as the principal adviser to the President, to the National Security Council, and the Homeland Security Council for intelligence matters related to the national security; and*

*“(3) consistent with section 1018 of the National Security Intelligence Reform Act of 2004, oversee and direct the implementation of the National Intelligence Program.*

*“(c) PROHIBITION ON DUAL SERVICE.—The individual serving in the position of Director of National Intelligence shall not, while so*