



December 7, 2004

Accord Reached on Overhauling U.S. Intelligence

By PHILIP SHENON

ASHINGTON, Dec. 6 - Congressional leaders reached final agreement Monday allowing passage of a bill to overhaul the nation's intelligence community and enact the major recommendations of the independent Sept. 11 commission, including creation of the job of national intelligence director to force the C.I.A. and other government spy agencies to share intelligence about national security threats.

The agreement ended a nearly monthlong stalemate over the bill, which had been endorsed by President Bush and the Sept. 11 commission but had been opposed by a group of Republican lawmakers close to the Pentagon who insisted it would dangerously dilute the authority of the Defense Department over intelligence needed on the battlefield.

The Republicans, led by Representative Duncan Hunter of California, chairman of the House Armed Services Committee, said they were satisfied by a last-minute revision of the bill to include a sentence requiring that the new intelligence director operate under guidelines that do not "abrogate the statutory responsibilities" of the Defense Department.

Congressional officials said final House and Senate votes would probably occur on Tuesday or Wednesday, allowing Mr. Bush to sign the bill into law this week. His signature would set in motion the most important restructuring of the nation's system for gathering and sharing intelligence since the creation of the C.I.A. in 1947.

The bill would also create a National Counterterrorism Center to coordinate terrorism intelligence from throughout the government, as well as establish an independent civil liberties board to review the government's privacy policies.

Prominent civil liberties advocates have opposed the overall bill, saying that it grants law enforcement agencies broad new surveillance and anti-immigration powers that endanger constitutional protections.

The bill's supporters described the last-minute revisions, which were worked out with the White House in weekend negotiations directly overseen by Vice President Cheney and his staff, as minor. They said the changes would not undermine the powers of the intelligence director, who is described in the bill as the president's chief intelligence adviser and who would take authority away from both the C.I.A. and the Pentagon.

"I think we need intelligence reform," Mr. Hunter said at a news conference on Monday with Senator John W. Warner, the Virginia Republican who is the chairman of the Senate Armed Services Committee. Mr. Warner also announced his endorsement of the revised bill after having expressed similar reservations last week.

"My obligation is to the defense sector in this bill, the military aspect of this bill, and the men and women who wear the uniform of the United States," said Mr. Hunter, who was able to block a final House vote on the otherwise popular intelligence bill last month. "We have received a satisfactory provision that protects them, and so I will vote for the bill."

In a joint statement, the bill's chief Senate authors, Susan Collins, Republican of Maine, and Joseph I. Lieberman, Democrat of Connecticut, said they welcomed the agreement. They said the bill "creates a more coordinated intelligence community with one person in charge, to help make Americans safer and better serve the president, the military, Congress and other agencies that rely on national intelligence."

One of the bill's key Republican supporters in the House, Representative Christopher Shays of Connecticut, said the revisions made to the bill on Monday were simply a face-saving measure for Mr. Hunter. "It gets his vote, but it doesn't change what was basically the agreement two weeks ago," Mr. Shays said.

The agreement also appeared to end a politically awkward showdown between Mr. Bush and members of his own party in Congress. The White House had faced a near-rebellion from Mr. Hunter and other Republicans over a bill that the president had repeatedly endorsed in public appearances.

The bill's Republican proponents had warned that Mr. Bush's larger second-term legislative agenda on issues like changes to Social Security and the tax code could have been threatened had he failed to enforce discipline among Congressional Republicans on the intelligence bill.

In a letter Monday to Congressional leaders, Mr. Bush called for the bill's final passage this week.

"We are very close to a significant achievement that will better protect our country for generations to come," he said. "Now is the time to finish the job for the good of our national security."

In response to the concerns of Mr. Hunter and others, Mr. Bush wrote that he believed the bill "respects the chain of command within departments and agencies, including the Department of Defense, so as to ensure that all of the warfighters' needs will be met."

The bill would enact the major recommendations of the 10 members of the bipartisan Sept. 11 commission, whose 19-month investigation largely rewrote the history of Sept. 11 and whose unanimous final report last July offered a detailed timeline of intelligence

blunders in the months and years before the terrorist attacks in New York and Washington.

The panel, citing turf battles and incompetence among intelligence and counterterrorism agencies, notably the Central Intelligence Agency and the Federal Bureau of Investigation, called for them to come under the control of a powerful intelligence director who would report directly to the White House and assume oversight of the government's estimated \$40 billion annual intelligence budget.

Under the bill, the intelligence director would assume substantial authority over spy agencies within the Pentagon, including the National Security Agency, which is responsible for electronic eavesdropping in foreign countries and, in terms of its budget, is much larger than the C.I.A.

While publicly satisfying Mr. Hunter's concerns, the final bill failed to meet the demands of another prominent House Republican, F. James Sensenbrenner Jr. of Wisconsin, the chairman of the Judiciary Committee, who said Monday that the bill "is woefully incomplete and one I cannot support."

Mr. Sensenbrenner, who had joined with Mr. Hunter in blocking the House vote last month, had wanted it to include a variety of law enforcement and immigration provisions that had been opposed by civil liberties groups, as well as by many Congressional Republicans. He had been most adamant that the bill include a provision to deny driver's licenses to illegal immigrants, overriding laws in some states that permit them to obtain licenses.

Congressional officials said the White House had decided that while Mr. Hunter's concerns needed to be addressed in the final bill, given the degree of support he had from House colleagues, Mr. Sensenbrenner's issues would be pushed to the side for now, a decision that clearly angered him on Monday.

"This Sept. 10 mentality in a post-Sept. 11 world is unwise and among those I intend to rectify next year," he vowed.

Although pleased that most of Mr. Sensenbrenner's toughest provisions were stripped out of the bill, the American Civil Liberties Union said in a statement Monday that it opposed the overall measure because it "would centralize the intelligence community's surveillance powers, increasing the likelihood for government abuses."

The civil liberties union said it was alarmed by several provisions in the bill, including those that would expand the government's wiretap authority, and by the limited powers given to the independent privacy and civil liberties board created under the legislation. The board, it said, "risks becoming the proverbial fox guarding the hen house - the board would be appointed by the president, serve at his pleasure and have no subpoena power."

