

NATIONAL INDUSTRIAL SECURITY PROGRAM  
POLICY ADVISORY COMMITTEE  
MINUTES OF THE MEETING  
SEPTEMBER 30, 1993

The National Industrial Security Program Policy Advisory Committee (NISPPAC) held its first meeting on September 30, 1993, at 1:00 p.m., at the National Archives and Records Administration, 7th and Pennsylvania Avenue, NW, Room 105. The meeting was open to the public.

1. After a welcome and introductions, the Chairman informed the NISPPAC members that the meeting was being held in the National Archives and Records Administration reception room to accommodate both the members and observers. The Chairman thanked the National Archives for its hospitality and accommodations.
2. **The NISPPAC Charter:** The Chairman presented the Charter establishing the NISPPAC to the members of the committee. He asked the members to refer any comments regarding the Charter to the Executive Secretary, June T. Brown, at (202) 634-6122.
3. **The NISPPAC By-Laws:** The Chairman appointed a committee to draft by-laws for the NISPPAC. The committee consists of two representatives from Government and one representative from industry.

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They are: (1) James H. Van Houten, II, Rockwell International Corporation;  
(2) William A. Davidson, Office of the Secretary of the Air Force; and  
(3) Gregory A. Gwash, Defense Investigative Service. Glenn R. Schlarman,  
Information Security Oversight Office, will serve as the committee's Executive  
Secretary.

The Chairman briefly explained the scope of the by-laws and provided the members with an outline of possible areas of applicability. The Chairman requested that the By-Laws Committee submit proposed by-laws to the NISPPAC members by mid-November of 1993. Members of the NISPPAC should refer any comments regarding the by-laws to Mr. Schlarman at (202) 634-6152, or any member of the By-Laws Committee.

4. **Status of Presidential Review Directive 29 (PRD 29):** The Chairman reported that executive branch agencies are currently reviewing a preliminary draft executive order to replace Executive Order 12356, "National Security Information." The agencies are expected to return their comments on the draft to the Information Security Oversight Office (ISOO) by October 15, 1993. After ISOO collates the comments, the PRD 29 task force will convene in late October or early November to formulate a final draft product for presentation to the National Security Adviser. At the White House's request, the task force plans to submit its draft in early November. The Chairman further explained that administrative procedures, other

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on-going security initiatives, and possible review of the draft order by members of Congress and the public would most likely delay the issuance of a new executive order.

5. **Status of the Joint Security Commission:** John T. Elliff, Office of the Secretary of Defense, and Harry A. Volz, Grumman Aerospace Corporation, reported that as part of its responsibilities the Commission is reviewing the PRD 29 draft executive order and the National Industrial Security Program. The Commission's charter requires it to provide a report on all aspects of security within the Department of Defense and the Intelligence Community by February 1, 1994.

6. **Status of the Information Security Oversight Office:** The Chairman reported that the House appropriation's bill eliminated funding for the Information Security Oversight Office (ISOO) for Fiscal Year 1994 and that the Senate passed a bill to move ISOO's budget to the National Security Council. Ultimately, the House and Senate conference committee continued ISOO's funding for Fiscal Year 1994 through the General Services Administration. Although ISOO has received ten additional positions to perform its duties under Executive Order 12829, "National Industrial Security Program," it has not received funding to fulfill its role under Executive Order 12829. Consequently, ISOO has not fully responded to the Order's requirements.

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7. **Status of the National Industrial Security Program Operating Manual:** Mr. Elliff and Mr. Gwash reported on the structure established to produce a draft NISPOM. The Executive Agent, i.e, the Secretary of Defense, assigned the Director of the Defense Investigative Service (DIS) the responsibility of collating comments on the summer 1992 draft NISPOM and preparing a second draft. The DIS Director intends to provide the Executive Agent with a second draft ready for professional editing by October 15, 1993.

DIS expects to have a final draft by November 1, 1993, for review by the Joint Security Commission and the user agencies. Mr. Gwash further reported that a product can be ready for publication by January 1, 1994. He further commented that the NISPOM will not reflect the work of the PRD 29 task force or the Joint Security Commission.

Several members of the NISPPAC expressed concern about: (1) the absence of industry input on the second draft; and (2) the draft's exclusion of recommendations by the Presidential Review Directive 29 task force and the Security Review Commission. Mr. Elliff informed the NISPPAC members that the Executive Agent will render a decision on these issues in October.

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a. **Amendment of Executive Order 12829 to delay the issuance of the National Industrial Security Program Operating Manual:** The Chairman provided the NISPPAC with draft language to amend Section 201(f) of Executive Order 12829 to delay issuance of the NISPOM until June 30, 1994. After a brief discussion, the members of the NISPPAC agreed to amend the Order. However, they requested an opportunity to comment on the proposed draft language. The Chairman requested that the members of the NISPPAC provide him with comments on the draft language within one week. Upon agreement of the proposed language, the Chairman will send a letter with an enclosure of the proposed language to the White House recommending an amendment to the Order.

b. **Open Discussion of Other Amendments to Executive Order 12829:** After a brief discussion to amend Section 203(f) of the Executive Order, the NISPPAC members decided that it should remain as written. The NISPPAC members suggested no other amendments.

8. **The NISP Steering Committee and the Status of the Task Force:** After a short discussion the members of the NISPPAC could not reach a consensus decision on the continued existence of the Steering Committee and the Task Force. Therefore, the Chairman requested that each member submit in writing his or her position on the continuation of the Steering Committee and the Task Force by

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October 15. The Chairman will package the comments and forward it to the Executive Agent through Mr. Elliff.

9. **National Industrial Security Program and National Security Industrial Security Program Operating Manual Training:** The Chairman asked Mr. Elliff, William J. Desmond, Department of Energy, and Robert H. Iwai, Central Intelligence Agency, to report on the conference at the Department of Defense Security Institute to develop a training program for the NISP and the NISPOM. Both Government and industry representatives attended the conference. The conference attendees identified three groups for training: (1) those who administer security clearances; (2) the customers; and (3) industry. A committee has been tasked to develop a comprehensive curriculum for the training program.

10. **Open Forum for Members:** The members offered no other topics for discussion.

11. There being no new business raised, the Chairman summarized the action items and announced that the next meeting of the NISPPAC would be held in mid or late February of 1994.

DRAFT

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ATTENDANCE ROSTER

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Adams, Thomas J.	Lockheed Missiles and Space Company
Bragg, Helen	Department of the Army
Brown, Michael	Department of the Navy
Conrads, Ernest	Westinghouse Electric Corporation
Davidson, William	Department of the Air Force
Desmond, William J.	Department of Energy
Donner, Carol	General Research Corporation
Dopp, Richard	U.S. Nuclear Regulatory Commission
Elliff, John T.	Office of the Secretary of Defense
Garfinkel, Steven	Information Security Oversight Office
Gwash, Gregory A.	Defense Investigative Service
Iwai, Robert H.	Central Intelligence Agency
Jones, Andrea	Department of State
Lavallee, William F.	Vought Aircraft Company
Naper, Paul	National Security Agency
O'Neil, John P.	C.S. Draper Laboratory, Inc.
Rubino, D. Jerry	Department of Justice
Van Houten, James H., II	Rockwell International, Inc.
Volz, Harry A.	Grumman Aerospace Corporation
Waguespack, Michael	National Security Council