

**SECRET**

*Office Memorandum* • UNITED STATES GOVERNMENT

*File*  
FILE-1

TO : Acting Chief, Personnel Security Division

DATE: 6 August 1956

FROM : Acting Deputy Chief, Personnel Security Division

SUBJECT: HIDALGO, Balmes Nieves, Jr.  
#65077

RETURN TO  
SECURITY USE ONLY  
DO NOT APPROVE

1. On 20 October 1955 the Deputy Director of Security disapproved Subject for staff employment. He approved, however, his continued use on a contract basis. The basis for this was Subject's past service as an informant for the FBI.

2. On 1 August 1956 Mr. Newton, WH Division, stated that the [redacted] was requesting approval to employ Mrs. Hidalgo as a contract employee. Mr. Newton inquired as to whether the decision in the case of Subject would affect the decision in the case of Mrs. Hidalgo. Subject is not in a covert status at this time. At the most he is under light cover serving as a contract employee. Mr. Newton informs me that his duties are performed in the [redacted] itself and that they are the type of duties which are normally performed by a staff employee and would have been performed by a staff employee in this case if it were not for T/O limitations.

3. Mrs. Hidalgo's relationship with the [redacted] would be no more open and no more covert than Subjects.

4. It is therefore recommended that Mr. Newton be informed that the decision previously made in the Subject case does not automatically disqualify Mrs. Hidalgo from contract employment.

*W. A. Osborne*  
W. A. Osborne

OS/WAO:jem *Concur: W. H. Knott*

8 AUG 1956

*After checking w/ Mr. Gentry, so informed Mr. Newton*

*W. A. Osborne*

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(S)  
SR