File #: 62-1164164
Serial Scope: 112 THRU 128X
130 THRU 140
Memorandum

TO: Mr. J. B. Adams
FROM: Legal Counsel
SUBJECT: HOUSTUDY—75

DATE: 10/30/75
1. Mr. Mintz - Enc.
2. Mr. Wannall - Enc.
3. Mr. Cregar - Enc.
1. Mr. Peterson - Enc.
2. Mr. Hotis - Enc.
3. Mr. Daly - Enc.

Attached is a memorandum from Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination in the Department, addressed to John A. Mintz, Assistant Director, Legal Counsel Division, dated October 9, 1975. The memorandum instructs the Bureau to provide access to the House Select Committee Staff Members to the Kissinger 17 material which was previously made available for review by the Senate Select Committee. This material is exclusive of logs pertaining to electronic surveillance matters.

Upon receipt of attached memorandum, SA Paul V. Daly of this Division telephonically contacted Steven Blackhurst, Assistant Special Counsel for Intelligence Coordination in the Department, and advised Blackhurst that the instructions insofar as allowing the House Select Committee Staff Members to take notes on the materials and remove these notes without screening by Bureau personnel back to their offices was contrary to the agreement set forth in the Departmental letter to the Senate Select Committee of July 15, 1975. This letter required prior Bureau screening of notes taken by Staff Members during their review of the aforementioned material. Blackhurst subsequently advised SA Daly that the Committee was agreeable to having their notes screened by Bureau personnel prior to their removal to their offices. Blackhurst was then informed that inasmuch as this involved the State Department and the White House, the Department should advise the appropriate representatives of the White House and the State Department of the aforementioned matter, especially in view of information furnished by the Committee indicating that Secretary of State Henry Kissinger would be testifying in executive session before the House Select Committee on Friday, October 31st.

Enclosure

LEGAL COUNSEL

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
Legal Counsel to Mr. Adams  
RE: HOUSTUDY

On 10/30/75, Shaheen telephonically advised SA Daly that the Committee representatives were on their way with Blackhurst to Bureau space to review the Kissinger 17 materials and that Daly was to advise Blackhurst that the Attorney General had instructed the Committee not be granted access to the materials. Upon arrival, Staff Members for the House Select Committee John Atkisson and Timothy Oliphant were advised of the Attorney General's decision by Blackhurst. Oliphant promptly consulted with Committee Counsel Aarron Donner and Donner advised Blackhurst that the Committee was considering issuing subpoenas for the material and would hold a press conference concerning the Department's noncompliance with the Committee request. Blackhurst indicated to SA Daly that he was not fully cognizant of the background concerning the Attorney General's instruction; however, apparently the White House had instructed the Attorney General not to make the material available. He stated that he had informed the White House of the aforementioned request and their compliance thereof early on the morning of October 30th and that the White House had apparently telephoned the Department objecting to making the material available.

Subsequently, Blackhurst telephonically advised SA Daly that the Attorney General had reviewed the motion to modify the Protective Order covering the Kissinger 17 documents which was filed on October 28, 1975, and signed by the Judge on October 29, 1975, which allowed for House Select Committee access to the documents protected by a Protective Order which was issued by that court on June 28, 1975, with the exception of electronic surveillance logs. The Attorney General after this review instructed that the material be made available.

RECOMMENDATION:

For information.

[Signature]

[Stamp: Controlled access granted 10/30/75]
TO: John A. Mintz, Assistant Director
Legal Counsel Division
Federal Bureau of Investigation

FROM: Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination

SUBJECT: HSC Request for "Kissinger 17" Materials

Please provide access for Messrs. Atkisson and Oliphant of the House Select Committee staff to those documents which relate to what is commonly known as the "Kissinger 17" wiretaps. Access should be given to those documents which previously have been made available to the Senate Select Committee staff.

The Department has agreed that the House Select Committee staff members will be able to take notes on the materials they see and will be able to take those notes from the Bureau building without prior screening.

cc: Paul Daly

ENCLOSURE

15 NOV 4 1975

[Signature]
TO: John A. Mintz, Assistant Director  
Legal Counsel Division  
Federal Bureau of Investigation

FROM: Michael E. Shaheen, Jr.  
Special Counsel for Intelligence  
Coordination

SUBJECT: HSC Request for "Kissinger 17" Materials

Please provide access for Messrs. Atcissom and Oliphant of the House Select Committee staff to those documents which relate to what is commonly known as the "Kissinger 17" wiretaps. Access should be given to those documents which previously have been made available to the Senate Select Committee staff.

The Department has agreed that the House Select Committee staff members will be able to take notes on the materials they see and will be able to take those notes from the Bureau building without prior screening.

cc: Paul Daly
TO: John A. Mintz, Assistant Director  
Legal Counsel Division  
Federal Bureau of Investigation  

FROM: Michael E. Shaheen, Jr.  
Special Counsel for Intelligence Coordination  

SUBJECT: House Select Committee Letter dated October 17

For your information attached is a letter dated October 17, from the House Select Committee which this Office received on October 28. The Department's Office of Management and Finance has been asked to prepare an appropriate response to the request in this letter.

cc: Paul Daly

OCT 29 1975

15 NOV 4 1975

62-116464
TO: John A. Mintz, Assistant Director  
Legal Counsel Division  
Federal Bureau of Investigation  

FROM: Michael E. Shaheen, Jr.  
Special Counsel for Intelligence Coordination  

SUBJECT: House Select Committee Letter dated October 17

For your information attached is a letter dated October 17, from the House Select Committee which this Office received on October 28. The Department's Office of Management and Finance has been asked to prepare an appropriate response to the request in this letter.

cc: Paul Daly
Select Committee on Intelligence  
U.S. House of Representatives  
Washington, D.C. 20515  

October 17, 1975

The Honorable Edward H. Levi  
Attorney General  
U.S. Department of Justice  
Washington, D.C. 20530

Dear Mr. Levi:

One of the objectives of this Committee is to establish the cost of domestic intelligence. This letter is to request that you provide FY 76 budget numbers (dollars and manpower) concerning intelligence activities and intelligence related activities within your Department. Should this kind of data not be readily available, by Department, Bureau, Administration, etc., your best estimate and an explanation as to how the computations were made will suffice. We have a good deal of budgetary data re: FBI, DEA, etc. already. However, it is in a format that does not readily lend itself to isolating intelligence activities per se, hence this request.

Should there be any questions regarding this matter, Roger Carroll of this staff, at 225-9751, is available for more details. We would appreciate your response by October 31, 1975.

Sincerely,

A. Searle Field  
Staff Director
Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

DATE: 10/23/75

1 - Mr. Mintz
1 - Mr. Adams
1 - Mr. Gallagher

1 - Mr. Wannall
(Attn: Mr. Cregar)
1 - Mr. Hotis
1 - Mr. Daly

SUBJECT: TESTIMONY BEFORE THE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES
QTIS-PIKE, CHAIRMAN
HOUSE OF REPRESENTATIVES, OCTOBER 9, 1975

Attached is a copy of SA James Kraus' captioned testimony in which corrections have been made. These corrections were restricted to grammatical corrections. The corrections were made in coordination with the General Investigative and Intelligence Divisions.

The questions raised during testimony are being responded to separately.

The Committee requested that the corrected testimony be returned to them promptly.

RECOMMENDATION:

That the attached transcript be furnished expeditiously to the Committee.

Enclosure

ST-111

REC-48

Enclosure

NW 65994 Docld:32989684 Page 9

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
Select Committee on Intelligence
U.S. House of Representatives

Room B-316, Rayburn House Office Building
Washington, D.C. 20515

Oct. 10, 1975

Referred to James Kraus

Testimony given by you before the Committee appears in the attached typewritten transcript. Please indicate any corrections thereon, attach all requested information to the proper page or pages, and return immediately so that your remarks as revised may appear in the final printed volume.

Changes in diction or expression or in the interest of clarity, brevity, or accuracy, or to correct any errors in transcribing are permitted. If other changes are desired, application must be made to the Chairman.

A. Searle Field,
Staff Director.

Please return any information to be supplied for the record with the corrected transcript.
Mr. Kraus. Yes, sir.

Mr. Giaimo. As I understand it, he is here to answer questions. As I understand it, you don't have any direct testimony that you are to give.

Mr. Kraus. No, sir.

Mr. Giaimo. But you are available for questions.

Mr. Treen. I have just one question, first, of Mr. Kaiser. You stated that there was a 30 percent markup on the equipment that you sold to U.S. Recording. How do you know that?

Mr. Kaiser. I sat in the office, the Old Post Office Building, with the very gentleman that I had been negotiating another contract with and I saw the paperwork come in through U.S. Recording on his desk. I looked at the paperwork and compared the prices shown there — as a matter of fact, I wrote them down — and compared the prices shown on their invoice versus what they would have been from me.

Mr. Treen. You said you provided a lot of other agencies with equipment and these orders came through the United States Army. Would that include all the agencies you were talking about that they ordered their equipment through the Army and you referred to the U.S. Postal Service, IRS, Treasury, et cetera, and others? Did they all order their equipment through the Army?
Mr. Kaiser. No. They all used a different procedure. I refer to them as "cutouts". Occasionally one agency would order through another.

Mr. Treen. Have you supplied the names of these other agencies to the committee staff?

Mr. Kaiser. All the agencies you have there. Just mix them all around. They all did the business of ordering for other agencies, not just Fort Holabird, but others.

Mr. Treen. I am talking about where you had ostensibly a private company ordering or where you had the Army ordering equipment that you knew was destined for someone other than the Army. Have you supplied that information?

Mr. Kaiser. Yes, I will supply the information to you.

Mr. Treen. You will. Okay.

Mr. Kraus, can you enlighten us a little bit from the point of view of the FBI about the method by which it acquires equipment? I assume none of this equipment that Mr. Kaiser manufactured here is illegal, per se; is it?

Mr. Kaiser. It is electronic surveillance.

Mr. Treen. It is not illegal to manufacture the equipment you have displayed today; is it?

Mr. Kaiser. No.

Mr. Treen. Under the law?

Mr. Kaiser. Under the law.

Mr. Treen. And it is not illegal for any of these
government agencies to possess it, per se, possession; is that

correct?

Mr. Kaiser. That is correct.

Mr. Treen. Mr. Kraus, do you have any comments about
the method by which the Federal Bureau of Investigation
acquires this equipment? It has been alleged that the U.S.
Recording Company is an intermediary through which this
equipment is acquired. Is this true, and if so, why is that
done?

Mr. Kraus. The acquisition of material, supplies, is
handled by the Administrative Division of the FBI. I have never
worked in the Administrative Division of the FBI; and I don't
know the answer to your question.

Mr. Treen. You have no information on this subject at
all?

Mr. Kraus. No, sir.

Mr. Treen. Has that been supplied to the staff,
Mr. Field, the FBI explanation as to why, if true, these
intermediary agencies or organizations are used? The answer
is it has not. Can that be supplied, sir? Can you arrange
to supply that to the committee, a statement of the reasons
why, if true, intermediary organizations are used for the
acquisition of this type of equipment?

Mr. Kraus. I can't supply it.

Mr. Treen. Can the Federal Bureau of Investigation
Mr. Kaiser. We will look into it, sir.

Mr. Treen. I assume the committee will make a response.

Now, if I have some more time, Mr. Kaiser, you generally alleged that many of these other government agencies order their equipment through the Army, that is agencies that are not connected with the Army. Can you give me a specific example? You said the United States Postal Service had ordered some of your equipment. What kind of equipment did the Postal Service order and how did you transmit it to the Postal Service?

Mr. Kaiser. The Postal Service bought in many cases direct. I think most of their cases were direct. The most significant example I can think of of an order that was routed through Army Intelligence was one for the Bureau of Narcotics and Dangerous Drugs. That was the most sizable. It was roughly 70 or $60,000 from the Bureau of Narcotics to Fort Holabird to me. Again I delivered directly to Bureau of Narcotics but billed through Fort Holabird.

Mr. Treen. You were paid by the Army?

Mr. Kaiser. Yes.

Chairman Pike. Mr. Dellums, do you want to use your time?

Mr. Clay. Can I ask unanimous consent to yield my time to Mr. Dellums?
Chairman Pike. Without objection, Mr. Dallums is recognized for 10 minutes.

Mr. Dallums. First of all I would like to point out that I think those hearings today are extraordinarily important because it raises one of the most dangerous risks of uncontrolled intelligence-gathering capability. It may be that what we are listening to today is clear evidence that we have established an electronic horror story that renders the Bill of Rights null and void. In some ways I sit here and almost feel impotent as a Member of Congress on a tiny committee that may not even be backed up by the entire Congress trying to go into an area we may not be able to come out of.

I would like to pursue with Mr. Hershman and perhaps Mr. Farris this question. It spins off of the question raised by my distinguished colleague from Illinois. We have heard testimony this morning that various telephone companies around the country have participated or been involved, implicitly or explicitly in illegal wiretaps. The question I would like to ask you is: If that is true and telephone companies have not reported all of these illegal wiretaps to the appropriate Federal agencies, State or local agencies, is it not a fact that perhaps indictments can be brought against telephone companies all over this country for criminal acts in violation of the Constitution and in violation of the rights of human beings in this country, brought to trial?
Mr. Hershman. I think it, in fact, they have participated in illegal wiretapping in the hands of the proper respective prosecutors could possibly result in convictions, indictments, whatever.

Mr. Della's. Does your information indicate that it is clearly true that not all of the warrantless wiretaps that the telephone company is aware of or perhaps even participated in were reported to the appropriate authorities?

Mr. Hershman. I think that the most glaring evidence of this is from, of course, the Illinois Bell System, where through their policy they do not report finds of illegal devices to law enforcement.

I want to say that during the course of the National Wiretap Commission's business we had many allegations that the telephone company had cooperated with law enforcement throughout the country in instituting illegal wiretaps or buggings. It has been the case, however, that we have only been able to document individual telephone company repairmen or linesmen having cooperated and in most of these instances that have come to light, they have been the subject of prosecution.

I believe that the instance discussed here today with regard to Houston is still under Grand Jury investigation. We will have to wait and see how that turns out, I suppose.

Mr. Della's. Thank you.

Mr. Chairman and members of the Committee, I would like to
share with you my own personal experience. A gentleman who was
on leave from Maryland University at University of California
at Berkeley came to my office at the request of my staff, a
very sophisticated person with extraordinary credentials in
electronic surveillance. He put equipment on the telephone
lines of my own Congressional office, found out and signed an
affidavit saying that high frequency radio electronic surve-

I am a member of Congress, ostensibly capable of having
some influence, and I say this to point out how the average
citizen has to be totally wiped out in this process.

The best I could do as a member of Congress, I was told
we will hold a hearing and give you an opportunity to blast
the fact there is a wiretap on your phone and maybe you can
get a little press out of it.

I found that repugnant and repulsive.

What happens when thousands of American people are harmed
by these wiretaps? There has been laughter in the chamber
today, but I don't find one damn thing funny about a nation
ostensibly democratic that has created so much irresponsibility
with Federal agencies involved, and we sit here and think that
is a joke. I think what we have done today is open up
Pandora's box, Mr. Chairman, and I hope this Committee will go
as far as it can go. I hope someday we get someone from the
FBI here who can actually answer questions. This is the second.
time, Mr. Chairman, we have had some representative from the FBI who says, "I can't answer the question", or "maybe we can get this information for you".

I would like to know, because if we can ever open up the can of worms, the business that the FBI is involved in warrantless wiretaps and harassment of American people, maybe it would make all these things about the CTA look like kindergarten school.

I would like to ask the gentleman from the FBI, you have responsibility for investigations of violation of the criminal provision of Title II of the 1963 Omnibus Crime Control Safe Streets Act; that is correct, right?

Mr. Kraus. Yes, sir; we have responsibility over Title 17-605, Title 18-2511 and 12. Title XIII is the law, as I understand it, that authorizes the legal use of wiretaps.

Mr. Dellums. That seems like a great deal of responsibility. How many staff people do you have in order to carry out your function?

Mr. Kraus. In my unit?

Mr. Dellums. Yes.

Mr. Kraus. I have two other supervisors and two clerks.

Mr. Dellums. To carry out all this business?

Mr. Kraus. To carry out the business that is carried on in the bankruptcy and insolvency case in the accounting and Fraud Section of the General Investigative Division.
We have currently pending 194 interception cases. The whole unit has somewhere in the neighborhood of 2,000 cases.

Mr. Dellums. Does that include migratory Bird Act violations?

Mr. Kraus. Yes, sir.

Mr. Dellums. So that means of those four staff people, half of them are handling migratory bird violations and the other two are handling all of these important electronic surveillance cases?

Mr. Kraus. I don't believe there is a single Migratory Bird Act case pending in the Bureau. But if there was such a case, it would be handled in the Bankruptcy and Antitrust Unit.

Mr. Dellums. Mr. Farris, what do you think about that?

Mr. Farris. I think that is pretty sad, Congressman. I agree that electronic surveillance is a necessary evil in certain types of investigations -- national security, the crimes enumerated in the Act, but I think that even with safeguards, electronic surveillance is a dirty business.

To think that the only agency chartered by this Congress and this is the only Congress we have -- to investigate those violations has to worry with a small unit with migratory birds and antitrust, and so forth, is pretty sad. That is what I think of it.

Mr. Dellums. Do you have a comment, Mr. Hashman?
Mr. Handman. I do. I think this is somewhat of a tragedy and probably goes a little bit further than the Committee members are aware.

We had testimony from the gentleman responsible for Title I violation prosecutions in the Justice Department. That unit consists of four lawyers and they are assigned to enforce violations of ten other statutes.

I feel very strongly that there is a misplaced priority in the enforcement of laws that have to do with invasion of privacy. I take issue with Mr. Kaiser, who said before that the FBI does not have the technical capability to investigate crimes of electronic surveillance. I am well aware of the technical capability the FBI has, and I respect them for it. They have helped us at the Commission to formulate a study of the state of the art of electronic surveillance technology and did a wonderful job. That is not the problem, the lack of technical capability to investigate those crimes.

The problem is the motivation, the priority placement.

Mr. Delius. Thank you.

Mr. Krum, I have here a FBI memo from an FBI field office that clearly shows the FBI in 1971, an apparently warrantless electronic surveillance of a series of telephone calls. At the end of the memo, it puts one of the individuals monitored on a watch list for further surveillance.

I have a 1970 memo which shows investigative data obtained
from Bell Telephone Company, and the data, as follows on, says, "American Telephone and Telegraph. Total American Telephone and Telegraph security personnel, 556; total FBI experience, 45; total local experience, 31; total state experience, 18; percent of FBI agents in security personnel, 6.8. Southwestern Bell, total of 40 agents; total number of former FBI agents, 16; the percent in location, 40 percent."

Will you describe the full relationship between the FBI and the Bell Telephone Company and ITT; the full relationship between the FBI and the telephone company?

It seems to me that given this testimony, there has to be some kind of relationship that is more than casual between the FBI and the telephone company, and I would like to elicit that information.

Mr. Kraus. I am not sure I understand what kind of relationship you are speaking of.

Mr. Dellums. The relationship that allows the FBI to tap telephones with the cooperation of the telephone company, to allow the FBI to use the services of the telephone company in order to impose electronic surveillance on American citizens.

Mr. Kraus. Mr. Dellums, I am not aware of any relationship between the Bureau and ITT, ATT, or any of its subsidiaries to permit the FBI to install illegal wiretaps.

Mr. Dellums. Is it your testimony —

Chairman Pike. The time of the gentleman has expired.
We have a vote. I would suggest this would be an appropriate time for us to break for another fifteen minutes.

It is the intention of the Chair to go through the members without breaking for lunch and then wrap up the hearing and not come back this afternoon.

(Brief recess for voting.)

Chairman Pike. Mr. Hayes, you may question.

Mr. Hayes. Thank you, Mr. Chairman.

Mr. Kraus. Good morning.

Mr. Hayes. Does the FBI have a stated or unstated policy not to enforce those Federal statutes which have to do with wire tapping and interception of communications, to your knowledge?

Mr. Kraus. No, sir.

Mr. Hayes. Have there ever been policy discussions in your presence because of your jurisdictional authority with the FBI about the efficacy of enforcement practices within the Bureau, of those same laws?

Mr. Kraus. No, sir.

Mr. Hayes. Has any one of your superiors or peers within the Bureau ever discussed with you what is going on in terms of enforcement within your division of those statutes?

Mr. Kraus. We have joint discussions; yes, sir.

Mr. Hayes. Now, in those joint discussions can you recall when the last one was conducted?
Mr. Kraus. We discussed interception of communications yesterday. We discussed them this morning.

Mr. Hayes. Now, in the discussion yesterday, did you get beyond what your role would be vis-a-vis this Committee?

Mr. Kraus. Beyond?

Mr. Hayes. Yes; did you discuss the eighteen convictions that you have had in 1974? Did you discuss, for example, how effective your division has been in enforcing the statutes?

Did you discuss anything of that nature?

Mr. Kraus. Not of that nature. Yesterday, our discussion concerned my interview with two members of this Committee on Tuesday, and I discussed with them what the questions were that I could remember, and I especially discussed with them the fact that -- not especially, but included in it was the fact that they asked me certain statistical questions that I didn't have the answers to, and I told the members that it would be possible to get this information by a review of the files concerned. They would have to identify them.

Mr. Hayes. In law enforcement matters would you characterize the FBI's ability to cooperate with the various telephone companies as good, bad or indifferent? Would you characterize them in one of those three ways?

Mr. Kraus. I would say good.

Mr. Hayes. Now in terms of that, how would you characterize the FBI's capacity to cooperate in enforcing the Federal
wiretap laws with those same companies? Would you characterize those as good, bad, or indifferent?

Mr. Kraus. Our capacity to enforce the law?

Mr. Hayes. To cooperate with the telephone company. You have eighteen convictions, but they reported, I believe the gentleman testified, to about 200 taps over the last year.

Mr. Kraus. Well, as you are aware, Mr. Hayes, the FBI doesn't prosecute. We investigate.

Mr. Hayes. I am saying, you investigate —

Mr. Kraus. And the results of all our investigations are given to the appropriate United States Attorney and also the Criminal Division in the Department of Justice.

Mr. Hayes. How many local police departments did you inform United States Attorneys about in terms of their wiretapping?

Mr. Kraus. I believe we furnished that information to this Committee this month, and while I —

Mr. Hayes. I will look it up.

Mr. Kraus. — I didn't prepare it, I believe there were about fifty cases during, I believe it was from the period from 1970 or 1971 to 1975, but I am not sure of this. It was a period of four years, I believe, five years.

Mr. Hayes. What actions have you had personal knowledge of in regard to the Law Enforcement Assistance Agency grants to local police departments for the purchase of electronic
surveillance equipment or wiretapping equipment?

Mr. Kraus. I don't have any personal knowledge of it. I
am aware from reading it in the newspapers that discussions
that the LEAA does give grants and these grants are used for
the purchase of those devices.

Mr. Hayes. Mr. Hershman, in regard to the same question
that I asked Mr. Kraus, do you have a comment?

Mr. Hershman. Sir, during my tenure at the National Wire-
tap Commission, we initiated the program to examine the sales
records of ten manufacturers of electronic surveillance equip-
ment in the United States. Upon examining the records we found
that in virtually all states there were sales made of elec-
tronic surveillance equipment to state and local law enforce-
ment, including those states which do not have authorization statutes.

I believe there are currently twenty-two states in the
country which permit court-authorized wiretaps. Of the rest
they had purchased equipment which reasonably could be assumed
to be purposeful only in interception of wire and all communica-
tions.

Now during testimony from a number of manufacturers we find
that perhaps sixty to seventy-five percent of their sales are
through funds provided by LEAA or the various state funding
cybernetics.

Mr. Hayes. Sixty to seventy-five percent?

Mr. Hershman. That is correct, sir.
Chairman Pike. The time of the gentleman has expired.

Mr. Kasten?

Mr. Kasten. Thank you, Mr. Chairman.

Mr. Hershman, we received information and evidence this morning about the activities in Houston. In what other cities are the local police presently working with government surveillance of different kinds?

What other situations do we have that would be like Houston, to your knowledge?

Mr. Hershman. The most notable situation outside of Houston is in New York, where a substantial number of offices in the Special Investigations Unit of the New York City Narcotics Division, in the New York City Police Department, have been convicted of crimes relating to wiretapping.

The Special Investigations Unit consisted of approximately eighty detectives, and I believe since its inception a number of years ago more than half of those detectives have been convicted.

Mr. Kasten. Are those in relationship with local police doing the wiretap or the Federal Government doing the wiretap?

Mr. Hershman. In relation to the local police doing it; yes.

Mr. Kasten. What about other cities? I would like a list. Would Richmond be an example? Would McRaeport, Pennsylvania, be an example?
Mr. Furchtman. We may be talking about two different things. If the question has to do with FBI enforcement of the electronics surveillance laws regarding illegal police wiretapping, Richmond is a current investigation where I believe FBI agents on active duty are subjects of a Grand Jury investigation stemming from charges of obstruction of justice.

Mr. Kasten. In prior testimony before this Committee in one of our initial hearings, we had Eugene W. Walsh, the Assistant Director of the Administrative Division of the FBI. Are you familiar with Mr. Walsh and what he does?

Mr. Kraus. Yes, sir; I do know Walsh.

Mr. Kasten. I asked Mr. Walsh a question, "Do you use state and local police to collect intelligence specifically for wiretapping or surveillance?" On that day before this Committee Mr. Walsh answered, "No, sir, not to my knowledge."

In another point going further on, talking about cooperation, wasn't that takes place in state and local government collecting with the FBI, in some cases wiretapping, at least. "Mr. Walsh: No, sir, we have no cooperative effort to get local police to place wiretaps in our behalf."

How do you explain Mr. Walsh's testimony, that statement, sir. We have no cooperative effort to get local police..." or behalf."

I'm sure Mr. .... other examples right here. "I... know. ... With, I can't explain the answers you
are asking, but may I explain this? I was interviewed by two
members of your staff, and I explained to them what my posi-
tion was, that I was in charge of a unit in the Accounting and
Fraud Section and in that unit we also handled, in addition to
some other 2,000 investigations, the interception of communi-
cations statutes.

I also explained to them that I was not involved in policy-
making. I do not make policy. And so in answer to your ques-
tion, I don't know the answer.

Mr. Kasten. Is there another part of the agency that
handles the interception of communications statutes?

Mr. Kraus. No, sir.

Mr. Kasten. There is no other person who should have
this responsibility?

Mr. Kraus. The overall responsibility would rest with our
Assistant Director, who is in charge of the General Investigative
Division, and he is in a position to be involved in the
setting of policy.

Mr. Kasten. Neither you nor Mr. Walsh, who is an Assistant
Director, would have the knowledge that the Committee is
addressing itself to?

Mr. Kraus. No, sir; I don't have the answer to that ques-
tion.

We offered to make available to this Committee this morn-
ing someone else in the Bureau who would be at a policy-making
level, and the Committee requested that I show up.

Mr. Kasten. Mr. Kaiser, in your testimony you said your
list of clients is not limited to but includes, CIA, DIA,
Army Intelligence, et cetera. There were a number of domestic
agencies other than the FBI in your list.

What specifically does the Treasury Department, the IRS,
do with your equipment?

Mr. Kaiser. My only requirement is that I receive a
purchase order from the bona fide law enforcement agency. That
is the only requirement I have, and once I ship the goods,
I have absolutely no idea what they do with it, absolutely none.

Mr. Kasten. Thank you, Mr. Chairman.

Chairman Pike. The time of the gentleman has expired.

Before we broke for the recess, Mr. Aspin asked unanimous
consent that he could yield his time to Mr. Murphy. Is there
objection?

Without objection, Mr. Murphy is recognized for ten
minutes.

Mr. Murphy. Thank you, Mr. Chairman.

Mr. Zavala, in your experience as a police officer in
Houston, were you requested by other Federal agencies, the DEA,
the FBI, to cooperate in wiretapping operations?

Mr. Zavala. No, sir; I was never officially -- there was
never a request from anyone officially to instigate a wiretap.

Mr. Murphy. Did you ever turn over information from --
Mr. Zavala. Yes, I did.

Mr. Murphy. Did they object?

Mr. Zavala. No, they didn't.

Mr. Murphy. Did they stop you in any way from giving them that information?

Mr. Zavala. No, they didn't stop me. It was encouraged because they knew it was correct information.

Mr. Murphy. How was it encouraged?

Mr. Zavala. Well, by asking more questions, by hanging around the station asking if anybody was working on so and so. When we gave information — for example, a case that I gave a Customs man information in Brownsville — I believe they arrested the man — I was given a three-day subpoena to Brownsville, where I had no testimony at all to give in the case and the Federal Government was paying me up there to go have a little vacation for giving him the information, you might say. It was sort of like a reward.

Mr. Murphy. And you gave no testimony up there?

Mr. Zavala. No, sir, I did not. Later on, the U. S. Attorney, now Assistant U. S. Attorney in Houston, asked me why I had been subpoenaed, and I asked him, "Well, why did you subpoena me?" And he said, "Well, I don't remember." I said it was because I gave the Customs man the information that made the case down in Brownsville.

Mr. Murphy. Were you present at that trial in that case?
Mr. Zavala. Yes, sir, I was.

Mr. Murphy. Did the prosecutor introduce evidence that was obtained from your wiretaps?

Mr. Zavala. No, sir. The prosecutor didn't know. There was no case. The man pled guilty.

Mr. Murphy. You said the prosecutor didn't know. Did the FBI agents testify on the information that you received from wiretaps?

Mr. Zavala. No, sir; no one testified at the trial. When the trial was about to start, the man pled guilty. However, the Customs people knew that it was a wiretap because I had supplied the information to them. There was no actual testimony by anyone involved because the man pled guilty.

Mr. Murphy. Were you present at any pre-trial conversation or hearings where the evidence you obtained illegally was presented to the attorney for the defendant and the defendant?

Mr. Zavala. No, sir; I was not present at that.

Mr. Murphy. Mr. Farris, in your experiences as the United States District Attorney, do you know that it is a common practice for the FBI or DEA to use local law enforcement officers or their facilities to wiretap in jurisdictions?

Mr. Farris. I do not know as a personal fact that it is, but certainly beginning with 1973, late 1973, those were the times in question, and this is part of the testimony that I have given before two other committees and this one.
Mr. Murphy. You know of no specific instance?

Mr. Farris. Not specific instances; no, sir; only the allegations by defense counsel and the information supplied to us by the former Chief of Police in Houston, Carroll Lynn.

Mr. Murphy. As a practical practicing attorney and somebody who knows the town pretty well, you know to be the case that the FBI uses local law enforcement officials to obtain the information illegally and they can say they never wiretap; isn’t that correct?

Mr. Farris. I can’t say that as a fact —

Mr. Murphy. Where is all this equipment that this gentleman makes and sells and all he is worried about is getting a good check and it is a bonafide request? Where does it go?

He was asked a question, what do they do with it. What else can they do with it but use it for the purpose it was manufactured.

Let’s quit kidding ourselves and the American people. We know there is illegal wiretapping going on. There is one man here who is going to go to prison next week for it.

Mr. Farris. Your question was whether I personally know and I do not personally know. I know the allegations were there.

Mr. Murphy. Have you ever heard it discussed around your office as United States Attorney among the Assistant Attorneys or the agents working on the case?
Mr. Farris. I heard the allegations repeated; yes, sir.

And I supplied ---

Mr. Murphy. You know of Federal cases where they have been thrown out because of tainted evidence; isn't that correct?

Mr. Farris. I know of no Federal cases in the Southern District that were thrown out when I was in office because of tainted evidence; no, sir.

Mr. Murphy. How about you, Mr. Kraus? Do you know this to be a practice of the FBI in any jurisdiction throughout the country; they work with local enforcement agencies and have them do the wiretapping?

Mr. Kraus. No, sir.

Mr. Murphy. Do you know of any instances where the FBI works closely with the American Telephone and Telegraph Company or any of their subsidiaries in regard to obtaining illegal evidence?

Mr. Kraus. No, sir.

Mr. Murphy. Do you know anybody in the FBI who might know of that? Can you supply his name so we can call him?

Mr. Kraus. No, sir. No, I don't.

Mr. Kasten. Would the gentleman yield?

Mr. Murphy. Yes.

Mr. Kasten. Who in the FBI would have that information? Who would answer that question? What is the person's name who
could answer the question that the gentleman from Illinois just addressed?

Mr. Kraus. I don't know that the question is a question of fact. I think it is a presumption. I don't think that there is anybody in the FBI who has knowledge of illegal wire-tapping on the part of the FBI or works in conjunction with the telephone company or any police agency who authorizes it to install illegal wiretaps.

Mr. Kasten. So if it was going on, there would be no one in the FBI who would know?

Mr. Kraus. No, sir. It is as much a violation of the Federal law for an FBI agent to engage in illegal wiretapping as any other citizen.

Mr. Kasten. I thank the gentleman for yielding.

Mr. Murphy. Have they ever in the history of the FBI engaged in it, to your knowledge?

Mr. Kraus. Not to my knowledge.

Mr. Murphy. Do you know of any Federal cases thrown out because of tainted evidence obtained through illegal wiretapping?

Mr. Kraus. No, I don't.

Mr. Murphy. I think my time is up, Mr. Chairman.

Chairman Pike. Mr. Lehman, do you have any questions.

Mr. Lehman. Thank you, Mr. Chairman.

I guess I will address my questions to Mr. Kaiser. We have talked a lot about the abuses and the illegalities of
surveillance, wiretapping, law enforcement agents, FBI, of
the telephone companies, but in Title 47, Section 605, of the
statutes on wire and radio communication, and in your testimony.
it seems like that many of your competitors are in direct vi-
olation of this by just the sale and distribution of this kind
of communication equipment; that, as you say, they are adver-
tised in catalogs.

What concerns me is this great proliferation into the
private sector of this sophisticated equipment. I saw the
movie, "Conversation" -- I guess some of you might have seen
that -- and it shows just how prevalent and how sophisticated
and how dangerous this is, not necessarily in the police area
but in the private sector. I think that's what we are going
to have to make our people, the rank and file people, concerned
about.

Now, it is illegal, in my way of thinking, to send and
sell equipment into the private sector, but let's take a look
at what the private sector consists of.

To your information, do you know of situations where this
equipment has been sold to the private sector, where one person
in the private business area can do electronic surveillance on
a competitor, employee, or labor organization, or vice versa?
Would you care to comment on that, the prevalence and avail-
ability of this suggestion, one private sector versus another
private sector, or one private citizen versus another private
citizen?

Mr. Kaiser. I view private sector as not only individuals, but also companies and organizations and that type. I don't know about abuses, one against the other, and where the source is.

I, myself, do counter-measure work and have done work for not only the law enforcement agencies and various states attorneys and governors in particular, but for corporations, and the type of thing I am finding doesn't even involve a device. It involves a modification of an already existing eavesdropping device. So the "whodunnit" there is almost impossible to find out.

Mr. Lehman. The average citizen is not that concerned about the relationship of the law enforcement agent, because he is a law-abiding citizen, but take a person maybe that is on a check-out counter of a supermarket. What kind of devices can be planted there so that the market manager will see that relatives aren't getting stuff through the check-out counter free? What do you do about in the automobile agencies so that one automobile agency can find out what his competitors discounted 1976 models for?

What do you do in regard to perhaps a shipping clerk that some employees can bug in relation to whether he is letting stuff out the back side of the warehouse and things?

What is the availability? How are these being used?
What about the actual sort of a civil war—one sector of the private sector against the other, using electronic surveillance weapons, one American against another?

And that is what I think that I am concerned about as much as I am about the abuses in the law enforcement area.

Could you give me any help on what kind of legislation we need, or kind of enforcement of present legislation we need to prevent these kinds of abuses and prevent this kind of invasion of privacy?

Mr. Kaiser. That is a mighty big order.

Mr. Lehman. Is it an important problem?

Mr. Kaiser. I think it is a very, very important problem.

Mr. Lehman. Equivalent even to the problem of the law enforcement agencies, perhaps?

Mr. Kaiser. Possibly even beyond that point.

Mr. Lehman. That is what I was trying to get to.

Mr. Kaiser. I really enjoyed this game I have been in for the last ten years and have tried to define this myself, and I find it coming right down to the basic things that we call morals and that we call ethics, and I honestly don't know how to legislate this.

I have turned, of course, to the Justice Department for answers to this, and they can't give me an answer.

Mr. Lehman. Could I ask Mr. Farris to respond to this?
Mr. Farris. Congressman, as you know, I testified before
Mr. Hershon's group, the National Commission on Wiretapping,
and I pointed out that a Federal Judge in California has
already held that a department store that conducted electronic
surveillance of one of its employees without his consent was
not violating the law under the present act as written by
Congress.

You can ride in elevators in certain condominiums and
certain office buildings where the elevator is wired so that
the people that run the elevator can hear what you are saying,
all under the present act.

Mr. Lehman. In that case, do you --
Chairman Pike. The time of the gentleman has expired.

Mr. Johnson?

Mr. Johnson. Thank you, Mr. Chairman.

Mr. Farris, what is the relationship between the United
States Attorney and the FBI, generally?

Mr. Farris. In any district?

Mr. Johnson. Yes. Well, in your district, specifically
the one you used to run.

Mr. Farris. Except for the agent in charge who retired
in 1974, good.

Mr. Johnson. I wasn't asking the question that way. I

When you, as the U. S. Attorney, would ask the FBI to
investigate a matter, for example, bank robbery or car theft --
I guess that is their big thing -- or hijacking, or something
like that, what was the response you got? What kind of coopera-
tion did you get?

Mr. Farris. Excellent.

Mr. Johnson. Isn't that generally the way it is?

Mr. Farris. That is correct.

Mr. Johnson. I was a District Attorney in the State of
Colorado for several years, and if I made a request for inves-
tigative work, we also got good cooperation from wherever we
were asking it from the law enforcement agents.

As a prosecuting attorney, you expect that, don't you?

Mr. Farris. That is correct.

Mr. Johnson. You have been in practice since 1956. I
assume you have been a defense counsel in criminal matters and
one of the things you always are irritated with is the prosecut-
ing attorney has so much help from various law enforcement
officials; right?

Mr. Farris. Right.

Mr. Johnson. Why in this case, can you tell me then, when
you requested information with respect to investigation of
other law enforcement agencies, in this case the Houston Police
Department, you didn't get any response from anybody who was
really significant?

Mr. Farris. Actually, there were two cases in which I got
little or no response. The other one involved vote-stealing.

same SAC. In all other cases they always responded; they
always performed admirably; but in this case the investigation
of the allegations of illegal electronic surveillance by the
police department in Houston, there was not only reluctance
but obvious foot-dragging.

Mr. Johnson. During the course of over a year's period
of time you testified you contacted the SAC and his superiors
and the Justice Department, and it seems to me very pointed in
your testimony that it is all left hanging.

What was the result of your contacts with Saxbe and Kelley
and everybody else?

Mr. Farris. To quote myself in other hearings, zip;
nothing. Saxbe didn't answer; the Deputy Attorney General
of the United States didn't answer; the Assistant Attorney
General in charge of the division didn't answer. The Chief of
the General Crime Section didn't answer. No one answered. I
don't think they were listening.

Mr. Johnson. Did you prosecute Mr. Zavala?

Mr. Farris. One of my assistants did.

Mr. Johnson. Without knowing any more about the case, it
is very difficult to comment on it, but it seems to me to be
unusual to hear that a man who had cooperated with the investi-
gative authorities was sentenced to a sentence of three years out of a max-
imum possible sentence of five when he is one of those who is
helping to break the case and helping the prosecutors investigate. That is kind of unusual, I would say. Wouldn't you characterize it that way?

Mr. Farris. I don't know what the policy is in the U. S. Attorney's office in Houston now, but when I was there, and before me, the Federal judges in the Southern District of Texas did not want and would not accept recommendations on sentencing from the U. S. Attorney's office. That is the policy and it was enunciated by Chief Judge Linscy Connally in a case, a written opinion.

I don't know what has happened since I left office in December, 1974. I don't know what the story was in Mr. Zavala's case. But when I was there for six years, and prior to that, we had no voice in sentencing. We had no voice in telling the judge outright in open court that someone had cooperated or had not.

Mr. Johnson. Are you familiar with the allegations of Mr. Zavala? You were familiar with them, as I understand it, during your period of time in office.

Mr. Farris. Yes, sir.

Mr. Johnson. It seems to me that this man is going to jail for what his superiors -- if his testimony is correct -- ordered, and his superiors have not been tried or prosecuted as far as I am aware.

What is the nature of the facts?
Mr. Farris. I can't consent because, as you know, the Federal Grand Jury in Houston is still investigating the matter of his superiors in the police department and others.

Mr. Johnson. Did they get any cooperation from the FBI in terms of the investigation of the allegations that FBI officials were aware of the violations?

Mr. Farris. Congressman Johnson, I don't know what has happened in that respect since December of 1974. I don't know whether they are getting cooperation or not.

Mr. Johnson. But you could characterize the cooperation they received prior to that time as zip.

Mr. Farris. It is not worthy of the name investigation; yes, sir.

Mr. Johnson. Once again, this is inconsistent with their response to other requests that you might make for other investigations?

Mr. Farris. That is correct.

Mr. Johnson. I see my time is up.

Chairman Pike. The time of the gentleman has expired.

Mr. Field?

Mr. Field. Thank you, Mr. Chairman.

Mr. Kraus, there seems to have been some discussion here as to why you are here, and I would like to maybe address that with you. I was the one who asked you to appear today. I expect if policy people had been here, they would tell us
things were going pretty well in your department, and I wanted to ask you some questions about how things are actually going.

Do you know how many investigations the FBI does totally in the course of the year, approximately?

Mr. Kraus. We have 53,000 cases pending right now.

Mr. Field. Our figures indicate there are some 200,000 cases that are investigated -- not cases that are pending -- 200,000 investigations undertaken by the FBI.

Mr. Kraus. I didn't hear you.

Mr. Field. We have figures there are some 200,000 investigations, not cases. But my point is on another point.

Of the many thousands of investigations undertaken, how many investigations does your unit undertake of illegal eavesdropping or wiretapping per year?

Mr. Kraus. Per year. In fiscal year 1974 we received 701 -- I hope you won't hold me to this -- 701 cases of illegal electronic surveillance cases, ICC cases, interception of communications cases.

Mr. Field. You mean complaints?

Mr. Kraus. Expenditures. We opened cases on these in accordance with our policy, when we get a case that is a well-secured case, we take it to the United States Attorney.

In that event, the United States Attorney's office may investigate or not. They may conclude that it is not...
worthy of investigation or that it is not a crime and there
would be no purpose in going forward with it or in attempting
litigation.

If he requests a preliminary investigation, we conduct
that investigation and the results of it...
Mr. Field. For many investigations are you conducting now? That is my point. We have a figure of 194.

Mr. Kraus. We had pending as of the end of August this year 194 IOC cases.

Mr. Field. I understand the FBI has about 16,000 convictions a year of cases they investigate. How many interception of communication convictions were there last year?

Mr. Kraus. In fiscal 1975 we had 25.

Mr. Field. I have figures here that there were two for illegal advertising. Is that correct? That is in 1975, thus far this year. These are figures from the Justice Department.

Mr. Kraus. We don't keep those statistics but yesterday I caused a review of those files that had convictions to determine, if I could, whether we could determine which of them were for specific violations. We had one conviction for violation of 2512. That would be the manufacture, advertising, possession —

Mr. Field. You had one conviction last year for illegal advertising of these products?

Mr. Kraus. For 2512.

Mr. Field. Mr. Kaiser, do you turn over complaints to the FBI? Do you or I call them about illegal advertising, you come across and how frequently do you do that?
Mr. Kaiser. Naturally as a manufacturer and businessman, I will turn in anything I consider illegal competition. The answer is yes.

Mr. Field. How often have you done that?

Mr. Kaiser. From the period of 1968 to 1973, roughly about 25 in total.

Mr. Field. So you have turned over 25 examples of fairly clear illegal advertising, according to your opinion. Now, Mr. Kraus, you had one conviction last year?

Mr. Kraus. Yes, sir.

Mr. Field. Have you seen the advertisements that Mr. Kaiser brought with him and have you seen the advertisement entitled "FBI Surveillance Outfit"?

Mr. Kraus. I don't know whether I have or not.

Mr. Field. Can you take a quick look at the types of advertisements he has there and if he could find the "FBI Surveillance Outfit" would you look at that?

Mr. Kraus. We have looked into cases and investigated cases concerning illegal advertising including advertising in the telephone directories. Those cases are also investigated in accordance with our policy and in accordance with our mandate to investigate these violations. They are discussed and the results are given to the United States Attorney and to the Department of Justice.

Mr. Field. Mr. Kraus, we have hundreds of pages of
these advertisements and yet last year two cases were filed for illegal advertising of wiretap and surveillance equipment. Why? Was it just you did not investigate these or you could not find these advertisements or couldn't trace them down? My question to you is, since you are not at a policy level but you had the responsibility for doing this, why were not more of these investigated and the facts brought forward which would bring a case?

Mr. Kraus. The one case you are speaking of is a—

conviction.

Mr. Field. That is good.

Mr. Kraus. Why was there only one conviction? Is that the question?

Mr. Field. Out of the hundreds of companies advertising this year, why only one?

Mr. Kraus. I don't think I know the answer to your question.

Mr. Field. Have you seen these ads? Have you seen these ads?

Mr. Kraus. I have seen some, yes. We have investigated some. We have sent the advertisement to our laboratory for analysis. The law states that the device must be primarily useful for surreptitious interception of communications.

Now, this microphone is capable of intercepting my communications, but I don't think it is an illegal device. Su:
if I put this microphone in my tie clip and conceal it, then it would become, in my estimation, an illegal device and it would be something we would be obliged to investigate.

Chairman Pike. The hearing will end at this point. I would ask all of the witnesses if they would respond to any additional questions which members might wish to submit.
Chairman Pike. I just want to say in closing this particular hearing that it is a rather unique situation to find on one end of the table a man about to go to jail for three years who has been convicted of wiretapping who did, as Mr. Johnson pointed out, apparently cooperate with the officials in revealing rather widespread wiretapping in his area or at least allegations of widespread wiretapping. At the other end of the table we have a representative of the FBI.

I think that it does, if nothing else, show that there are risks involved in our intelligence-gathering operations, perhaps greatly underestimated in the past as far as just the average citizen in the United States of America is concerned.

I want to advise the members of the committee that there has been an allegation of a leak of highly sensitive material from this committee. 'We are going to get a lot of allegations of leaks from this committee. I don't believe there are leaks from this committee. I simply say to you that after the recess we are going to go into some very sensitive matters and I ask you not to discuss them during the recess.

Mr. Dellums?

Mr. Dellums. One quick question, Mr. Chairman. I characterized the contact of the DEA agents with Mr. Zavala from my previous information as if they had very specifically moved to contact him. But I understand that it was a much
CONFIDENTIAL
AIRTEL

To: SAC, Tampa (134-205)                           10/29/75
From: Director, FBI (134-23552)

For information Tampa, the U.S. House Select
Committee on Intelligence Activities (HSC) requested by
communication dated 9/24/75 access to information regarding
several individuals, including informant. All other
individuals on whom information was sought were former Bureau
informants who have been exposed.

In order to be responsive to the HSC request and
in accordance with established procedures to protect this
Bureau's relationship with active informants, a senior staff
member of the HSC will be advised of informant's status with
the FBI and the fact no documents will be furnished concerning
informant. This individual will also be informed this informa-
tion concerning informant is to be held in strict confidence.

Although it is unknown how HSC obtained informant's
identity, it is believed informant may have been identified by
either Joseph Burton or John Crowson, Washington, D. C.,
correspondent for the "New York Times." Basis for this state-
ment is the fact Burton's name was one of the other individuals
on whom information was requested by HSC.

In view of the above, you are to advise informant
that in responses to a HSC request for information concerning
informant, a high level representative of the HSC will be made
cozignant on a confidential basis of informant's relationship
with the FBI. You should also instruct informant that in the
event any inquiry is made of informant by any HSC represent-
itive, the contacting Agent should be immediately notified
before any response is made to the HSC.

 Classified by 6570,
Exempt from ADS, Category 2
Date of Declassification Indefinite

ROUTE IN ENVELOPE
Airtel to Tampa
Re: TP 1088-S
134-23552

NOTE:

As indicated above, in order to be responsive to HSC request we feel we should advise a senior HSC representative on a confidential basis of informant’s status with the FBI and the fact no documents will be furnished concerning informant. We further believe we should advise the informant of our action in this regard in the event he is contacted by a representative of the HSC.

It should be noted our Tampa Office advised by teletype 9/19/75 that informant received a telephone call on the evening of 9/18/75 from an individual identifying himself as being connected with a congressional committee investigating FBI activities. Informant was asked if he belonged to any revolutionary groups and if he was ever associated with the FBI. Informant refused to answer any questions over the telephone and was told he could be subpoenaed to appear before the congressional committee. Informant did not obtain the name of the caller or a telephone number where the caller could be reached.

It is further noted that Joseph Burton, a former source of the Tampa Office and one of the other individuals on whom information was requested by the HSC, had indicated to a reporter for the "New York Times" that informant was an FBI source. Informant, who was later interviewed by the reporter, vehemently denied any connection with the FBI and apparently convinced the reporter he was not an informant.
The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES (HSC)

Enclosed for your approval and forwarding to the HSC is the original of a memorandum which constitutes this Bureau's response to requests contained in HSC letter, dated September 26, 1975, requesting delivery of "a copy of the FBI Informants Manual."

A copy of this memorandum is being furnished for your records.

Enclosures (2)

62-116464

1 - The Deputy Attorney General
   Attention: Michael E. Shaheen, Jr.
   Special Counsel for Intelligence Coordination

TJM:1hb 1hb
(10)
October 10, 1975

U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

RE: REQUEST FOR A COPY OF
FBI INFORMANTS MANUAL

Reference is made to HSC letter September 26, 1975, requesting that the HSC be provided with "a copy of the FBI Informants Manual."

In response to a similar request from the HSC dated August 29, 1975, this Bureau, by letter dated September 10, 1975, furnished the HSC with copies of Sections 107, 108 and 130 of this Bureau's Manual of Instructions which Sections relate to the operation of security, criminal and extremist informants respectively.  

1 - The Attorney General

TJM:1hb lhlb

(9) ORIGINAL AND ONE COPY TO AG
5-140 (Rev. 1-21-74) FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

Addressee: HOUSE SELECT COMMITTEE

Caption of Document: 9/26/75 request Request for a copy of FBI Informants Manual

Originating Office: FBI

Delivered by: [Signature] Date: 10/17/75
Received by: C. McCullough Title: Director

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff  
ATTN: Central Index  
FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)
   - DOCUMENT
   - BRIEFING
   - INTERVIEW
   - TESTIMONY
   - OTHER

2. DATE PROVIDED
   - 10/10/75

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)
   - HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

   Memorandum and enclosures

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

   HSC letter 9/26/75

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

   U

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

   Operating procedures

8. SUMMARY (see reverse side before completing this item)

   Furnished HSC copies of Sections 107, 108 and 130 of this Bureau's Manual of Instructions, which relate to the operation of security, criminal and extremist informants.

   62-116464
   FMK: fmk
   (4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX
   IN CONNECTION WITH HOUSTUDY

   TREAT AS YELLOW

3791 (6.75)
INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
SECRET

2 - Mr. J. A. Mintz
(1 - Mr. J. B. Hotis)
1 - Mr. W. R. Wannall
1 - Mr. T. J. McNiff
1 - Mr. W. O. Cregar

October 10, 1975

The Attorney General

Director, FBI

U.S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

Reference is made to the HSC letter, dated August 19, 1975, requesting all wiretaps or electronic surveillances from January 1, 1970, through June 30, 1975, accompanied by all documents provided the Attorney General to support the installation of such wiretaps or electronic surveillances.

Enclosed for your approval and forwarding to the HSC is the original of a memorandum which is in partial response to Items 3 and 4 of the August 19, 1975, letter.

A copy of the memorandum transmitting excised documents completed to date is being furnished for your records.

Enclosures (2)

62-116464

1. The Deputy Attorney General
Attention: Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination

WOC:1hb/hl

(9)

See Note Page 2

Classified by 6283
Exempt from GDS, Categories 2 and 3
Date of Declassification Indefinite

MAIL ROOM TELETYPE UNIT

84 NOV 75 1075
SECRET

The Attorney General

NOTE:

The Attorney General has instructed that the Bureau excise approximately 1,650 documents underlying the FBI's request to the Attorney General for authorization to conduct electronic surveillances. We will continue to furnish excised documents to the Attorney General as they are completed.
SECRET

2 - Mr. J. A. Mintz
    (1 - Mr. J. B. Hotis)
1 - Mr. W. R. Wannall
1 - Mr. T. J. McNiff
1 - Mr. W. O. Cregar

62-116464

October 10, 1975

U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

RE: ELECTRONIC SURVEILLANCES

Reference is made to the HSC letter, dated
August 19, 1975, requesting all wiretaps or electronic
surveillances from January 1, 1970, through June 30, 1975,
accompanied by all documents provided the Attorney General
to support the installation of such wiretaps or electronic
surveillances.

The purpose of this memorandum is to effect
delivery to the HSC of 150 excised items which were
previously provided the Attorney General to support requests
for the Attorney General’s authorization to conduct
electronic surveillances.

As additional items are excised and made ready
for delivery to the HSC, we will furnish them to you in
the same manner as those being submitted with this memorandum.

1 - The Attorney General

WOC:1hb / /b
(8) ORIGINAL AND ONE COPY TO AG

SECRET

Classified by 6283
Exempt from GDS, Categories 2 and 3
Date of Declassification Indefinite

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure
Subject to Criminal Sanctions

MAIL ROOM [ ] TELETYPE UNIT [ ] ENCLOSEMENT [ ]
HOUSE SELECT COMMITTEE

Caption of Document:

8/19/75 request

Originating Office: FBI

Delivered by: Richard T. Taylor Date: 10/10/75

Received by: E. M. Andrew

Title: Adam Asset

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff
ATTN: Central Index

FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)
   X DOCUMENT

2. DATE PROVIDED
   10/10/75

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)
   X HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

   Memorandum and enclosures
   HSC letter 8/19/75

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)
   S

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

   Surveillance, electronic

62-116464

FMK: fmk

(4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH Houstudy

TREAT AS YELLOW

3791 (6-75)

CLASSIFY AS APPROPRIATE

NOTE: SEE INSTRUCTIONS ON REVERSE BEFORE COMPLETING.
INSTRUCTIONS

• Type or print clearly in ink.
• Indicate classification of the abstract top and bottom.
• Date the abstract and put on any internal control numbers required.
• "FROM" entry should clearly identify the organization providing the information.
• If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY – enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
October 10, 1975

1 - Mr. W. O. Cregar
1 - Mr. T. J. McNiff

U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

RE: REQUEST FOR FBI MATERIALS
RELATING TO ALLEGED ILLEGAL
WIRETAP ON TELEPHONE OF
HARRY E. KAPLEAN

Reference is made to HSC letter dated September 9, 1975, requesting "a copy of any information, reports or memoranda concerning an illegal wiretap on the phone of Mr. Harry E. Kaplean, Chairman of the Pennsylvania State Milk Marketing Board."

Review of records of the FBI reveals that the Harry E. Kaplean referred to in referenced HSC letter of September 9, 1975, appears to be identical with information located in FBI files concerning Harry E. Kaplean, Chairman of Pennsylvania State Milk Marketing Board.

In response to referenced HSC inquiry, there are attached two pieces of correspondence concerning Kapleau which represent the only information located in FBI Headquarters files concerning any alleged illegal wiretapping on the telephone of that individual.

Enclosures (2)

1 - The Attorney General

SEE NOTE PAGE 2

TJM:1hb lhb
(10)

ORIGINAL AND ONE COPY TO AG
U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES (HSC)

RE: REQUEST FOR FBI MATERIALS RELATING TO ALLEGED ILLEGAL WIRETAP ON TELEPHONE OF HARRY E. KAPLEAU

NOTE:

Enclosures consist of closing Philadelphia airtel, dated 4/5/73, captioned "UNSUB; Transmitter Attached to Telephone of HARRY E. KAPLEAU, Chairman, Pennsylvania Milk Marketing Board, Harrisburg, Pa., September, 1972; INTERCEPTION OF COMMUNICATIONS," and FBIHQ letter to the Attorney General, dated 4/10/75, captioned "Lieutenant Steven Luchansky, Corporal Curtis Guyett, Corporal Metro Kardash, Pennsylvania State Police; Interception of Communications." Material appearing in this LHM was researched and compiled by Special Agent J. C. Kraus, General Investigative Division.
The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

Enclosed for your approval and forwarding to the HSC is the original of a memorandum with enclosures which constitutes this Bureau's response to a request contained in HSC letter dated September 9, 1975.

The subject matter of this particular request concerns information contained in FBI files relating to an alleged Interception of Communications violation which possibly occurred in 1972. House Resolution 591, which created the HSC, apparently restricts its authority insofar as an inquiry is concerned to intelligence operations. In view of this mandate, it would not appear appropriate for the HSC to inquire into possible criminal violations referred to in this Bureau such as the subject matter of HSC inquiry set forth in referenced letter of September 9, 1975. It is requested that the Department make a determination as to whether the enclosures should be furnished to the HSC. A copy of this memorandum with enclosures is being furnished for your records.

Enclosures (6)

62-116464  9-ENCLOSURE

1 - The Deputy Attorney General
Attention: Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination

TJM:1hb 1hb
(11)
Re Philadelphia airtel to Bureau dated 11/30/72, and Philadelphia teletype to Bureau dated 1/1/73 entitled, "Lieutenant STEVEN LUCHANSKY; Corporal CUSTIS GUYETT; Corporal METRO KARDASH; Pennsylvania State Police, POSSIBLE INTERCEPTION OF COMMUNICATIONS."

A House Committee of the Pennsylvania General Assembly, Harrisburg, Pa., currently is conducting open hearings into the operations of the Pennsylvania State Police (PSP) including among other matters the wiretapping described in referenced communications.

On 4/4/73, HARRY E. KAPLEAU was called to testify before the House Committee and he related an incident about a transmitter found attached to his telephone in the Pennsylvania Agricultural Building, Harrisburg, Pa., in September, 1972. The device had been located by employees of the Pennsylvania Bell Telephone Company who had been called to make a routine service call to KAPLEAU's office. After the device was located it was turned over to Colonel ROCCO URELLA, Commissioner of PSP; however, KAPLEAU was not notified about the transmitter until two weeks later when Colonel URELLA notified him that the device had been located on his phone. Colonel URELLA stated that the device was
an old one, unsophisticated and there was some question as to whether or not the device was operative. Bell Telephone employees described the device as new, extremely sophisticated, and completely operative.

According to newspaper accounts of the hearings in Harrisburg the device was destroyed by Colonel URELLA and the PSP has no record of any investigation made into the installation of this device.

KAPLEAU testified that he had no idea of the identity of anyone who could have installed the device and had no way of knowing why the device would have been installed.

Facts were discussed with AUSA PAUL J. KILLION, Harrisburg, on 4/5/73 when he stated that he did not believe that any additional investigation should be conducted. Mr. KILLION noted that the inquiry by the House Committee of the Pennsylvania General Assembly was highly political in nature and involved the operations of the PSP. Mr. KILLION noted further that the violation, if any, occurred in September, 1972, and that all evidence of the alleged violation had been destroyed by the PSP without any investigation being conducted.

SAC concurs in this recommendation in view of the highly sensitive and political inquiry being made into the operations of the PSP.

In view of these opinions, no further investigation is being conducted by Philadelphia. Opinion of the U. S. Attorney confirmed by separate communication.
The Attorney General

Acting Director, FBI

April 10, 1973

1 - Mr. Gebhardt
1 - Mr. Gallagher
1 - Mr. Long
1 - Mr. Kraus

LIEUTENANT STEVEN RICHANSKY
CORPORAL CURTIS GUIDETT
CORPORAL METRO KARDASH
PENNSYLVANIA STATE POLICE
INTERCEPTION OF COMMUNICATIONS

Reference is made to my letter dated January 5, 1973, captioned as above wherein you were advised of the announcement by Pennsylvania Governor Milton Shapp that the Pennsylvania State Police Commissioner Rocco Urella had been fired for his part in an alleged wiretapping incident on November 23, 1972.

The Philadelphia, Pennsylvania, FBI Office advised on April 5, 1973, that a House Committee of the Pennsylvania General Assembly, Harrisburg, Pennsylvania, is currently conducting open hearings into the operations of the Pennsylvania State Police including, among other matters, the wiretapping described in referenced communication.

On April 4, 1973, Harry H. Kapleau, Chairman, Pennsylvania Milk Marketing Board, Harrisburg, Pennsylvania, was called to testify before the House Committee and he related an incident concerning a transmitter found attached to his telephone in the Pennsylvania Agricultural Building, Harrisburg, Pennsylvania, in September, 1972. The device had been located by employees of the Pennsylvania Bell Telephone Company who had been called to make a routine service call to Kapleau's office. After the device was located it was turned over to Colonel Rocco Urella, Commissioner of the Pennsylvania State Police. However, Kapleau was not notified about the transmitter until two weeks later when Colonel Urella notified him that the device had been located on his telephone. Colonel Urella stated that the device was an old one, unsophisticated, and that there was some question as to whether or not the device was operative.
Bell Telephone Company employees described this device as new, extremely sophisticated, and completely operative.

According to newspaper accounts of the hearings in Harrisburg, the device was destroyed by Colonel Urella and the Pennsylvania State Police have no record of any investigation made into the installation of this device.

Kapleau testified that he had no idea as to the identity of anyone who could have installed the device and had no way of knowing why the device had been installed.

The above facts were discussed with Assistant United States Attorney Paul J. Killion, Harrisburg, on April 5, 1973, at which time he stated that he did not believe any additional investigation should be conducted. Mr. Killion noted that the inquiry by the House Committee of the Pennsylvania General Assembly was highly political in nature and involved the operations of Pennsylvania State Police. Mr. Killion further noted that the violation, if any, occurred in September, 1972, and that all evidence of the alleged violation had been destroyed by the Pennsylvania State Police without any investigation being conducted. In view of the opinion of Mr. Killion, no investigation is being conducted concerning this matter by the FBI.

1 - The Deputy Attorney General

1 - Assistant Attorney General
Criminal Division

NOTE: See Philadelphia airtel 4/5/73 captioned "Unsub; Transmitter Attached to Telephone of Harry E. Kapleau, Chairman, Pennsylvania Milk Marketing Board, Harrisburg, Pennsylvania, September, 1972; IOC." Regarding the above-mentioned probe of the Pennsylvania State Police, Governor Shapp also asked for the resignation of Pennsylvania Attorney General J. P. Shane Creamer who has openly feuded with Urella ever since both were appointed to office. The hearings have been continuing, warring factions within the Pennsylvania State Police ranks are involved, and the USA's office in Philadelphia is of the opinion that the alleged irregularities can best be handled by the State.
TO: John A. Mintz, Assistant Director  
Legal Counsel Division  
Federal Bureau of Investigation

FROM: Michael E. Shaheen, Jr.  
Special Counsel for Intelligence Coordination

SUBJECT: House Select Committee Request Dated September 9, 1975

Attached is a letter dated September 9, 1975, requesting various information from the FBI. Please prepare promptly an appropriate response to this request.

cc: Paul Daly
September 9, 1975

Mr. Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination
Office of the Deputy Attorney General
Washington, D.C. 20530

Dear Mr. Shaheen:

In order to facilitate our investigation of the Federal Bureau of Investigation, pursuant to House Resolution 591, 94th Congress, we request a copy of any information, reports, or memoranda concerning an illegal wiretap on the phone of Mr. Harry E. Kaplean, Chairman of the Pennsylvania State Milk Marketing Board.

Sincerely,

[Signature]

A. Searle Field
Staff Director
U.S. HOUSE SELECT COMMITTEE ON INTELLIGENCE

Caption of Document: ACTIVITIES re 9/9/75 request on illegal wiretap on Harry E. Kapleau, Chairman of the Pennsylvania State Milk Marketing Board.

Delivered by: Richard J. Taylor

Received by: C. R. Audubon

Title: Asst. Comm

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff
ATTN: Central Index

FROM:

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)

   X DOCUMENT
   BRIEFING
   INTERVIEW
   TESTIMONY
   OTHER

   2. DATE PROVIDED

   10/10/75

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)

   SSC
   X HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

   Memorandum and enclosures

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

   HSC letter 9/9/75

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

   U

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

   Information handling

8. SUMMARY (see reverse side before completing this item)

   Furnished two pieces of correspondence concerning Kaplenau which represent the only information located concerning any alleged illegal wiretapping on the telephone of that individual.

   62-116464
   FMR: fak
   (4) ORIGINAL VIA LIASON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY

   TREAT AS YELLOW

   3791 (6-75)

NW 65994 Docld:32989684 Page 73
INSTRUCTIONS

• Type or print clearly in ink.

• Indicate classification of the abstract top and bottom.

• Date the abstract and put on any internal control numbers required.

• "FROM" entry should clearly identify the organization providing the information.

• If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
Reference is made to the HSC letter dated August 19, 1975, requesting all wiretaps or electronic surveillances from January 1, 1970, through June 30, 1975, accompanied by all documents provided the Attorney General to support the installation of such wiretaps or electronic surveillances.

Enclosed for your approval in forwarding to the HSC is the original of a memorandum which in partial response to Items Three and Four of the August 19, 1975, letter.

It is to be noted the supportive documents underlying the FBI requests for electronic surveillances require three specific communications to the Attorney General: a written request for authorization, a characterization describing the reason for the request, and the authorizing document to be signed by the Attorney General. To be responsive to the request of the HSC in their August 19, 1975, letter will require the review and concision of approximately 1850 requests, each request amounting to three separate communications. At the present time, a knowledgeable Special Agent can examine three to four requests an hour. We have committed sufficient manpower to this project in an effort to respond in a timely fashion to this request. We will continue to forward classified requests to the HSC periodically until we have completed examining the entire number of supportive documents they have requested.
The Attorney General

A copy of the memorandum transmitting those excised requests completed to date is being furnished for your records.

Enclosures (2)

1 - The Deputy Attorney General
   Attention: Michael E. Chafee, Jr.
   Special Counsel for
   Intelligence Coordination

NOTE:

The Attorney General has instructed that the Bureau immediately recover and excise approximately 1650 supportive documents underlying FBI requests of the Attorney General for authorization to conduct electronic surveillances. We have committed 12 Special Agents and four senior clerks to this project and are hoping we can complete it by the close of business 10/10/75.
SECRET

2 - Mr. J.A. Mintz
   (1 - Mr. J.B. Hotis)
1 - Mr. W.R. Wannall
1 - Mr. T.J. McNeill
1 - Mr. W.O. Cregar

62-110464
October 8, 1975

U. S. HOUSE SELECT COMMITTEE
OF INTELLIGENCE ACTIVITIES (HSC)

RE: ELECTRONIC SURVEILLANCES

Reference is made to the HSC letter dated August 19, 1975, requesting all wiretaps or electronic surveillances from January 1, 1970, to June 30, 1975, accompanied by all documents provided the Attorney General to support the installation of such wiretaps or electronic surveillances.

The purpose of this memorandum is to offset delivery of 15 excised requests for electronic surveillances conducted by the FBI.

As additional requests for electronic surveillances are excised and made ready for delivery to the HSC, we will furnish them to you in the same manner as those being submitted with this memorandum.

1 - The Attorney General

WOC:bcw
(8) 9-0-0-1

ORIGINAL AND ONE COPY TO ATTORNEY GENERAL

Classified by C235
Exempt from GDS, Categories 2 and 3
Date of Declassification Indefinite

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure
Subject to Criminal Sanctions
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

HOUSE SELECT COMMITTEE

Caption of Document:
HSC letter 8/19/75
Electronic Surveillances

Originating Office: FBI
Delivered by: Richard T. Gaylord
Date: 10/1/75
Received by: C. M. Andrews
Title: Admin. Ass't

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff
ATTN: Central Index
FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)
   - DOCUMENT

2. DATE PROVIDED
   - 10/8/75

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)
   - HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

   Memorandum

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)
   - HSC letter 8/19/75

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)
   - S

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)
   - Surveillance, electronic

8. SUMMARY (see reverse side before completing this item)

   Submission of a portion of the materials requested regarding supportive documents underlying FBI requests of the Attorney General for authorization to conduct electronic surveillances.

   62-116464
   FK: fak
   (4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY

   TREAT AS YELLOW

5.1000

3791 (6.75)
INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted.Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
2 - Mr. J. A. Mintz
1 - Mr. J. B. Hotis
1 - Mr. W. R. Wannall
1 - Mr. W. O. Cregar
DATE: 10/22/75
1 - Mr. R. H. Ross
1 - Mr. T. J. McNiff

PURPOSE:

To recommend that the Attorney General (AG) be furnished at his request a list of targets of Bureau electronic surveillances conducted during the years 1970-1975, indicating which surveillances had been made a matter of public record, for the purpose of enabling the AG to decide whether or not to accede to House Select Committee (HSC) request for a list of such targets.

DETAILS:

On 8/19/75, HSC requested by letter a list of all Bureau electronic surveillances conducted by this Bureau during the period 1/1/70 through 6/30/75, accompanied by documents provided the AG authorizing these operations. No action was taken upon this request until such time as the White House restriction upon furnishing classified information to the HSC was lifted. When this restriction was lifted, the AG agreed to this Bureau's furnishing the HSC with copies of documents showing AG authorization for all such installations, which documents were to be excised to delete all information tending to specifically identify the target. Preparation of these documents necessitated the excising and Xeroxing of approximately 1,650 packets of material, some of which have already been furnished the HSC and the remainder will be furnished the HSC by 10/24/75.

Enclosures
62-116464

CONTINUED - OVER

84 OCT 30 1975

NW 63954 DocID:32982684 Page 81
Memorandum to Mr. W. R. Wannall
Re: Houstudy 75
62-116464

On 10/10/75, Congressman Robert McClory, HSC Member, along with representatives of the HSC Staff, were briefed in general terms by representatives of the Intelligence Division concerning the manner in which Bureau electronic surveillances were conducted. On 10/15/75, the HSC by letter (which the Department advises was personally approved by Representative McClory) modified their letter of 8/19/75 by limiting their request to a list of all electronic surveillances conducted by this Bureau against "domestic targets" during the period 1970-1975. This latter request for the specific identity of such targets was appealed to the Department in view of the AG's prior decision to furnish the HSC only with supportive documents relating to these operations, appropriately excised so as not to identify the target.

On 10/20/75, Steven Blackhurst, Assistant Special Counsel for Intelligence Coordination, Department of Justice, advised that the above matter had been taken up with the AG who requested that, prior to making a decision as to whether or not to accede to the latest HSC request, he desired this Bureau to furnish him with:

1. A list of all United States citizens and organizations which were the subjects of Bureau electronic surveillance during the period in question where there was no indication of foreign contacts and indicating which surveillances had become public knowledge, and

2. A list of all United States citizens and organizations which were the subjects of Bureau electronic surveillance during the period in question in which foreign contacts were involved again indicating which surveillances had become public knowledge.

CONTINUED - OVER
Memorandum to Mr. W. R. Wannall
Re: Houstudy 75
62-116464

OBSERVATIONS:

Surveillance against "domestic targets" wherein there is no indication of foreign contacts has been prohibited by the Keith Decision in 1972 and, consequently, no such surveillances were conducted by this Bureau after that date. There is attached in response to the AG request three lists setting forth the identity of United States citizens and organizations which were the targets of Bureau electronic surveillances during the period 1970-1975. In addition to the above two requested lists, it was deemed advisable to furnish the AG with a third list identifying those surveillances which are currently in litigation, as well as similar surveillances which could be affected by the outcome of such litigation, as it appears that a court ruling in such matters will eventually involve a decision as to the extent of foreign contacts, if any, involved in these operations.

RECOMMENDATION:

That the attached three lists of Bureau-conducted electronic surveillances of United States citizens and organizations conducted during the years 1970-1975 be provided the AG in accordance with his above-stated request.
Below are listed U. S. citizens and domestic organizations which had no substantial foreign contact and were the targets of FBI warrantless electronic surveillances operated from January, 1970, to June 19, 1972. No warrantless FBI electronic surveillances have been conducted where the target did not have substantial foreign contact following the Supreme Court decision in United States v. U. S. District Court for the Eastern District of Michigan, known as the Keith decision, decided on June 19, 1972.

Citizens

1. Beal, Frances Mary
2. Eberman, Dana Hope
3. Eoyce, Francis Joseph
5. Davidon, William Cooper
6. Depury, Marie
7. Dohrn, Jennifer Ellen
8. Doyle, Terrence John James
9. Earl, Nancy
10. Emmer, Howard Joel
11. Emmer, Joel
12. Fein, Dr. Oliver
13. Franklin, Howard Bruce
14. Frappier, Jon
15. Frappier, Nancy Barrett
16. Jackson, Ronald Lee
17. Jean, Clinton M.
18. Kurshan, Nancy Sarah
19. Lomaz, Sam
20. Newton, Huey P. *
21. Oliver, Denise Roberts
22. Reffkin, Ruth Ettinger
23. Sarnoff, Irving
24. Seigel, Sheldon Philip
25. Wisniewski, Phillip Arthur

Organizations

1. African Liberation Day Coordinating Committee
2. Berkeley Tribe
3. Black Panther Party *
4. Jennifer's
Organizations Continued

5. Jewish Defense League *
6. Junta of Militant Organizations
7. May Day Collective
8. May Day Collective Commune
9. National Committee to Combat Facism *
10. Peoples Coalition for Peace and Justice
11. Students for a Democratic Society
12. Venceremos Brigade
13. Young Lords Party
14. White Panther Party
15. Worker Student Alliance

* An asterisk denotes public disclosure by the government of the electronic surveillance of the target. It should be noted that the Department has received information from this Bureau regarding the existence of some of the other surveillances in connection with lawsuits, however, it is not known whether or not the Department has made such information a matter of record with the courts.
Below are listed U. S. citizens who were targets of FBI warrantless electronic surveillances during the period January, 1970, to June, 1972, which are the subject of current litigation or are so similar to those in litigation that they could be affected by the outcome. The determination as to whether or not these surveillances would be allowed by the Keith decision may be decided by this litigation, therefore, it would be inappropriate at this time for the Bureau to comment as to the degree of foreign contact involved.

1. Beecher, William
2. Carroll, Robert T.
3. Halperin, Morton H. *
4. Lake, William Anthony K. *
5. Lord, Winston
6. McLane, Jamie W.
7. Morgan, William Frank
8. Naval Reserve Training Center
   (employment of Charles Edward Radford)
9. Pederson, Richard F.
10. Prince, Georgianna M.
11. Pursley, Robert
12. Radford, Charles Edward II
13. Sonnenfeldt, Helmut
14. Sullivan, William H.

* An asterisk denotes public disclosure by the government of the electronic surveillance of the target. It should be noted that the Department has received information from this Bureau regarding the existence of some of these surveillances in connection with lawsuits, however, it is not known whether or not the Department has made such information a matter of record with the courts.
Below are listed U. S. citizens and domestic organizations which had substantial foreign contacts and were the targets of FEI warrantless electronic surveillances operated from January, 1970, to June 30, 1975.

Citizens

1. Ask Printing Enterprises
2. Ayyad, Mohammad Ayyad Ahmad
3. Beehive Custom Shoe Repair Salon
   (Naim, Nicola Shunnarah)
4. Eergman, Liebel
5. Britt, Michael
6. Casis, Ana G.
7. Delta Design Group
8. Kawash, Sabri Khalid
9. Khoury, Sami Ayub
10. Logwinuk, Alexander K.
11. Lopez, Albert
12. Millard, Elizabeth Boynton
13. Ross, Gerald Sidney
14. Shunnarah, Naim Nicola
15. Suleiman, Fihme Hussein
16. Tolliver, Kenneth R.
17. Washington, John William
18. Yameen, Munir Sayid

Organizations

1. Action Committee on American Arab Relations
2. Arab Information Center
3. Communist Party - USA, National Headquarters
4. Communist Party - USA, New York District
5. Farm Research, Inc
6. Organization of Arab Students in the United States
7. Palestine Arab Fund
8. Panda House
9. Trans Atlantic Telephone Line between USSR and US

None of the above listed electronic surveillances of the targets are known to have been publically acknowledged by the government.
On the late afternoon of October 11, 1975, Douglas Marvin, Special Assistant to the Attorney General, called me and requested that the Attorney General be furnished a brief statement concerning FBI relationships with the Senate Select Committee and the House Select Committee for inclusion in a statement being prepared for submission to the White House. Mr. Marvin said that the Attorney General's intention was to bring together anticipated problems concerning the two committees in the hope that a means for resolving these matters might be found.

I discussed this request with Mr. Jenkins in the absence of Mr. Callahan and I returned Mr. Marvin's call and dictated to the Attorney General's secretary. I requested her to furnish me with a copy of the dictation. Attached is the page furnished by the Attorney General's secretary which I received on October 15, 1975.

This matter was brought to the attention of the Executives Conference on October 14, 1975.

RECOMMENDATION:

For information.

Enc.
1 - Mr. Wannall
1 - Mr. Hotis
1 - Mr. Cregar
1 - Mr. Daly
1 - Mr. Mintz

JAM:mfd
(8)
FBI Relationships with the Senate and House Select Committees

Senate Select Committee

FBI relationships with the Senate Select Committee generally have been harmonious with responses to the Committee requests delivered promptly. When difficulties have occurred, they have been overcome by negotiation and tolerance on both sides. Future difficulties that may be confronted and require similar resolution include the scope of any public hearing regarding electronic surveillance of foreign nationals or their agents and establishments.

House Select Committee

In the past the FBI has experienced the following difficulties with the House Select Committee:

(1) It has held public hearings which were orchestrated to present adverse views without an opportunity for prepared rebuttal, such as occurred on October 9, 1975, regarding electronic surveillance matters;

(2) It has demanded delivery of documents on unreasonably short notice considering the time necessary to locate and prepare for delivery the enormous quantity of documents called for;

(3) It has interviewed employees, former employees and confidential sources of the FBI without first advising the FBI of the proposed interview and has demanded the appearance of agents below the policy-making level.

A large number of documents dealing with electronic surveillance conducted without a warrant between 1970 and July 30, 1975, were furnished to the Committee on Friday, October 10, 1975. Certain excisions in these documents were made and it remains to be seen whether the Committee will accept the determinations made as to what types of information, e.g., identities of subjects who were monitored, should have been excised.

The overriding concern for the future is the need to establish an understanding on both sides of the policies to be followed by each in responding to the Committee's mandate. General agreement to specified operating procedures would alleviate the suspicion on the part of the Committee and the fear of Committee responsibility on the part of the FBI.
Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

SUBJECT: HOUSTUDY 75

DATE: 10/10/75

On October 9, 1975, pursuant to a request of the Committee, Supervisor James Kraus, of the General Investigative Division, appeared as a witness to testify concerning the Bureau's work in interception of communications investigations. Also appearing as witnesses were Anthony J. P. Farris, former United States Attorney; Anthony V. Zavala, former Houston Police Department officer; Michael J. Hershman, former Chief Investigator for the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance; and Martin L. Kaiser, the owner of a corporation which specializes in the development and manufacture of electronic surveillance and counter-measure equipment.

Efforts were made on the evening of October 8th, with the prior approval of the Deputy Attorney General, to substitute a Bureau official for Mr. Kraus as the Committee witness, however, the Committee refused to agree to such substitution. Assistant Director Gallagher and I accompanied Mr. Kraus and during the course of the testimony Mr. Kraus consulted with me concerning appropriate responses. On my recommendation, Mr. Kraus advised the Committee that his appearance had been required by the Committee in the face of the Bureau's offer to provide testimony by Bureau officials, and further that Bureau officials were available to respond to the Committee questions. Again, the Committee rejected that offer. As explained at the conclusion of the hearing by Chief Counsel A. Searle Field, the Committee intentionally called a Unit Chief in order to have his testimony as to the operations of the unit which specifically supervises IOC investigations.

I prepared a memorandum to the Attorney General protesting the Committee's procedures and upon its approval it was hand delivered on the evening of October 9th to the Department. On the morning of October 10th, I was called by Douglas Marvin, Executive Assistant to the Attorney General.

Enc.  
1 - Mr. Callahan  
1 - Mr. Adams  
1 - Mr. Jenkins  
1 - Each Assistant Director  
1 - Mr. Mintz  
1 - Mr. Cregar  
1 - Mr. Daly  

CONTINUED - OVER
Memorandum to Mr. Adams
Re: HOUSTUDY

who requested a summary of the events leading up to the testimony of Mr. Kraus on October 9th and the description of the hearing. I described our efforts to substitute a Bureau official and I explained to him the events occurring at the hearing. I also told him that a memorandum had been addressed to the Attorney General and delivered the previous evening describing these matters. Mr. Marvin later advised me that he had furnished the Attorney General with a copy of our memorandum and that the Attorney General had taken it with him to the White House.

Attached are copies of the prepared statements made by the other witnesses called before the Committee.

RECOMMENDATION:

For information.
STATEMENT OF ANTHONY J. P. FARRIS,
Former United States Attorney for the
Southern District of Texas
Before the
Select Committee on Intelligence
October 9, 1975

Mr. Chairman, my name is Anthony J. P. Farris, and I am an attorney with Farris, Pain & Horne in Houston. From February 14, 1969 to December 30, 1974, I served as United States Attorney for the Southern District of Texas, with the principal office in Houston. The District is the eighth largest of the 94.

I understand I am here to testify about allegations of illegal electronic surveillance by local law enforcement authorities in Houston, Texas, about the lack of aggressiveness by the FBI in investigating those allegations, about allegations that the FBI and DEA had known about illegal electronic surveillance by Houston Police Department officers and neither investigated them nor reported them, and about allegations that both FBI and DEA agents had either participated in illegal electronic surveillance, or at least witnessed it.

These matters first came to light when the IRS commenced an investigation of a big-time heroin dealer in Houston in 1971. That investigation led the IRS into an investigation of illegal electronic surveillance by certain members of the Houston Police Department. The latter investigation commenced in September of 1972 and resulted in indictments of nine officers in May of 1974.

When the allegations of Houston Police Department illegal electronic surveillance began to surface in the late summer and
early fall of 1973, my chief assistants and I commenced communication with the FBI in Houston about these possible violations and started to send material to the FBI. Allegations then commenced about participation in illegal electronic surveillance by the FBI and DEA. In preliminary and pretrial hearings in the case of U.S. vs. Dudley Clifford Bell, Jr. in November of 1973, counsel for Defendant alleged that the FBI Special Agent in Charge knew about the Houston Police Department's illegal activities and did not investigate them. He also alleged that electronic eavesdropping equipment had been sold to a named FBI agent in Houston and that federal funds had gone to the purchases of equipment for electronic surveillance purposes by local law enforcement entities. I sent a copy of that transcript to the FBI SAC in Houston sometime in the fall of 1973 and to Washington in 1974.

The District Attorney of Harris County (Houston) sent two of his assistants to discuss allegations of illegal wiretapping with the FBI SAC in Houston in the fall of 1973. In short, the FBI in Houston had information before them of probative value of allegations of illegal electronic surveillance by local and federal authorities in the fall of 1973.

The investigation being conducted by the IRS in the fall of 1973 resulted in indictments of seven Houston Police officers and two former police officers in early 1974. From late 1973 until early 1974 I attempted to keep the same IRS agents on the investigation of the Houston Police Department with the idea in
mind that it was really an on-going investigation. Commissioner Alexander denied that request through his assistants because the IRS is chartered to investigate only Title 26 matters. From late 1973 to April, 1974, my chief assistants and I continued to communicate with the FBI in Houston relative to the Houston Police Department electronic surveillance and we did so by telephone, in person and in writing. In April, 1974, we sent a lengthy letter with exhibits to the FBI SAC in Houston and asked him formally, firmly and in writing to commence his investigation if he had not already done so. A copy of this lengthy letter and copies of the exhibits were sent to the General Crime Section in the Department of Justice in Washington. The FBI only saw fit to assign one agent to this complex investigation of the country's fifth largest police department. This FBI agent submitted reports to our office which were notable only in their lack of substance, depth, and consisted largely of Xeroxed newspaper articles. We continued to communicate in writing, by telephone and in person with the FBI in Houston urging them to give us something to work on and my then Assistant Chief of Criminal spoke in blunt English to the lone agent assigned to this matter. In June, 1974, a new SAC had taken over in the Houston office of the FBI. Our letters, memos and phone calls to the FBI in Houston continued unabated, with copies to Washington, through December, 1974. There was no noticeable increase in quantity or quality of the FBI reports received by us. In the latter part of 1974, the new Police Chief, Carroll Lynn, gave us additional information about allegations of
Houston Police Department illegal electronic surveillance, about allegations that the FBI and DEA had participated in illegal electronic surveillance and that the FBI and DEA had known about these illegal activities and had done nothing about them. We passed these allegations on to an FBI inspector visiting in Houston in late October or early November, 1974 and to the General Crime Section of the Department of Justice.

Finally, in December, 1974, unable to get cooperation from the FBI in Houston, I wrote a lengthy letter to Attorney General Saxbe with copies to the Deputy Attorney General, the Assistant Attorney General in charge of the Criminal Division, and to the General Crime Section recapitulating every point I could think of and sending as exhibits copies of all the correspondence with the FBI, copies of the transcripts of the Dudley Bell hearings and copies of the transcripts of the recordings made by Chief Lynn of his own men.

I know of my own knowledge that the investigation of the Houston Police Department matters, as conducted by the FBI through 1974, would rate one on a scale of ten. I know of my own knowledge that when there were hijacking and kidnapping cases in Houston the FBI had brought in many agents from other offices and I know of no FBI policy that would forbid bringing in agents from other FBI offices to help out in the Houston Police Department case. I know of no internal investigation having been conducted by the FBI of either the type of investigation conducted by the FBI of the Houston Police Department or of allegations of illegal
electronic surveillance by federal officers. I do know personally that through December 30, 1974, the General Crime Section of the Criminal Division of the Department of Justice showed very little interest in the investigation of this country's fifth largest police department or of the allegations that federal agents had actually witnessed illegal electronic surveillance activities and had done nothing about them.

In closing, I would once again bring up a suggestion that the FBI bring in agents from other offices to investigate allegations of illegal activities by local law enforcement officers. This was first suggested by five U.S. Attorneys, in Arizona in 1973, while meeting with Bill Cleveland of the FBI. Mr. Cleveland indicated to us that he interpreted our suggestion as an affront to the integrity of the FBI. We repeated this suggestion in a report to the Attorney General early in 1974 and two of us repeated it to Clarence Kelley in New Orleans in September, 1974 at the U.S. Attorneys' Conference. I personally repeated it to two committees here in Washington this year and am repeating it once again now.
STATEMENT OF ANTHONY V. ZAVALA
Former Officer, Narcotics Division, Houston Police Department
Before the
Select Committee on Intelligence
October 9, 1975

Mr. Chairman and members of the Committee, my name is Tony Zavala. I want to thank the Committee for giving me this chance to testify today, and I hope I can help in your investigation. I also hope that by telling you what I know, I can help other police officers from falling into the same trap that I did—learning to break laws, and winding up on my way to prison.

I am a former police officer with the Houston Police Department, narcotics division. I joined the Department in 1965. I started in narcotics in 1967, where I stayed until 1973, when I was suspended preceding my indictment in 1974 on wiretapping charges. In June of 1975 I pled guilty to one count of wiretapping. Three weeks ago I was sentenced to three years in Federal prison. I begin my prison term one week from next Tuesday.

During my work with narcotics at the Houston Police Department I became more and more involved with wiretapping. The first time was in early 1968, when one of my supervisors ordered me to monitor a conversation from an empty building in downtown Houston. The last time was in 1972, when I monitored conversations in a narcotics case, where because of the wiretapping involved, all charges against the suspect were dismissed.
In between, from 1968 to 1972, I was personally involved in about 35 illegal wiretaps.

Mine was not an unusual case. Over time, as the twenty or so narcotics officers I worked with talked casually at police headquarters, I learned that other officers were doing it too--just about all the other officers. I would estimate that during the time I was there, the narcotics division conducted somewhere between 700 and a thousand illegal wiretaps.

And there were other divisions using wiretaps: intelligence, vice, homicide, burglary and theft. Again, I know this only through the casual talk of many fellow officers at headquarters. But we all talked, every day. We would talk about our cases---the names, who we were tapping, what we were hearing, how it was working out.

And while we talked, members of other agencies---Federal agencies, like BNDD and the FBI---would walk in and walk out, and participate in the conversations.

While I cannot point to any one specific conversation with any one particular FBI agent, for example, I know that it was all discussed freely, and that everyone knew what was going on. Wiretapping, in fact, became second nature to us all.

So that the Committee may have some idea of the modus operendi of tapping in Houston, I will describe our procedures. When one of us wanted a tap, we would ask one of our supervisors--a Sergeant, a Lieutenant, or a Captain. If the supervisor approved, and he always did, he would telephone someone I
happen to know at Southwestern Bell Telephone Company for the particular "cable and pair information" we needed for the tap. The individual at the phone company routinely supplied what we needed a short time later. He would call the supervisor usually; but sometimes he would call back directly to officers like me.

The "cable and pair" information would include a specific location where the tap was to be installed. That information would be given to another officer who was assigned to actually install the tap—usually on a telephone pole. Later, the field officer, like me, was told he could go ahead and monitor, and that's what he did.

Sometimes we would lose a tap. That is, Telephone Company workmen would discover a tapping device. They would call us, ask if we had lost the device, and return it without another word.

The Telephone Company was involved in other ways too. We used to attend narcotics training seminars. I did not think it was strange at the time, but there was always a Southwestern Bell representative there. He would offer complete cooperation in our enforcement efforts. Any information we needed, he said, we could have.

The equipment for these taps was produced by our own police department. It was manufactured, as a matter of fact, on the sixth floor of headquarters. That also was common knowledge among us all, and the Federal men who frequented our headquarters. I myself have been in that sixth floor facility many times.
The guys who actually installed the taps were well trained, and the training was always being updated. The supervisors wanted everybody to be able to install a tap, but that meant climbing poles, and some of us were afraid of heights. I remember a Sergeant announcing that a pole-climbing school would be started in the department to take care of that. But it never got going.

Mr. Chairman, I understand the Committee is interested in Federal officers' direct participation in wiretaps. I heard about many cases from fellow police officers. But that is hearsay. I have more direct knowledge.

On one occasion—in 1969—I was assigned by a Captain to monitor a tap in a drug case. It was a lengthy tap. My job was to monitor on nights and weekends. One night a fellow police officer introduced me to several Federal narcotics agents, two of whom I got to know pretty well, as they kept coming and going, and listening with me to the conversations of the target. Some weeks later the suspect in the case was arrested—by the Federal agents, incidentally—and afterwards the three of us were discussing the wiretap at police headquarters. My two Federal friends were disturbed because the entire conversation took place in front of a high ranking BNDD supervisor. They said I shouldn't talk about wiretapping in front of him that way. The supervisor was smiling the whole time.
In 1971, I conducted a wiretap on a narcotics suspect for about two months. During the whole two-month period I supplied the content of the tap to a United States Customs agent.

In 1972 and 1973, I worked as a DALE taskforce officer, during which time my paycheck came from LEAA. In one case I remember I attempted to obtain legal wiretap authorizations, through the Federal authorities I was working with. After awhile, I was told in effect that the "Title III procedures were too much of a hassle" and that I would have to "do it in another way." I definitely understood the word "it" to mean the wiretap I wanted. Later, I did conduct a wiretap in that case, without going through any Title III procedures.

I would like to say also, while I was working with DALE's Federal men, there were many conversations about my DALE cases. It was never said in so many words, but I am sure it was understood that wiretaps were being conducted.

As time went on, late in my work with the Department, the secrecy and the lying became a real burden for me. I wanted out. I tried several times to get transferred. But it never worked out. The Feds started to get interested too.

Once, in 1972, the FBI apparently started an investigation. But in that case our department conveniently knew about it in advance. One of my superiors told us to "knock off the wiretaps for awhile; I just got the word from the Feds; a taskforce is in town ready to arrest anybody it finds wiretapping--even police officers." That happened a couple of times.
******

Mr. Chairman, I have just spoken about some illegal things involving some people I know. I know the names. And I have given the names to your staff. I have also cooperated with the United States Attorney in Houston as fully as I know how. He is continuing his investigation of these matters. Also, there is now sitting a Federal Grand Jury, before which I have already testified. I have also been told of the rules of this Committee concerning accusations of crime. That is why I have not mentioned the names I know in this public hearing.

Thank you, Mr. Chairman. I will try to answer any questions the Committee may have.

#  #  #  #
STATEMENT OF MICHAEL J. HERSHMAN
BEFORE
HOUSE SELECT COMMITTEE ON INTELLIGENCE
October 9, 1975

Mr. Chairman and Members of the Committee. Thank you very much for the opportunity to appear before you this morning.

For a period of fourteen months I served as the Chief Investigator for the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance. The "National Wiretap Commission" was established to conduct a comprehensive study and review of the operation and application of the electronic surveillance provisions of the Omnibus Crime Bill enacted in 1968.

I would like to direct my introductory remarks to the problem of illegal electronic surveillance. During my tenure at the National Wiretap Commission the question most frequently asked of me concerned the frequency of illegal wiretapping and bugging in the United States. Although some individuals profess to have an answer to this question, no one can really know. The nature of illegal electronic surveillance is such that most individuals remain unaware of their victimization. Furthermore, many of those who do discover that they have been bugged or tapped are reluctant to report it, because of embarrassment, publicity and a fear of subsequent investigations. These factors combine to make it virtually impossible to estimate how much wiretapping is taking place.
However, we do know that illegal electronic surveillance takes place, and there is evidence to indicate that it has not substantially declined since enactment of the Federal Wiretap Act in 1968. The motivations and incentives for illegal wiretapping have not significantly changed; illegal electronic surveillance remains an inexpensive and effective technique to gather information. In addition, it is a crime in which the rewards generally outweigh the risks.

Before going further, I would like to put my remarks in perspective. Wiretapping and bugging occurs, but certainly not to the degree claimed by many. We find that most of the individuals claiming massive eavesdropping are in the business of de-bugging, or selling de-bugging equipment.

Perhaps the most interesting point is that most of the illegal wiretapping and bugging that takes place in the United States today occurs in the private sector, and that most of it has nothing to do with preventing crime. Eavesdropping devices are targeted on employee dishonesty, on husbands and wives, political information, industrial espionage, courtship situations, and illegal police surveillance.

The significant point is that there is apparently little attempt by the federal government to curb these invasions of our personal privacy, or to curb the multi-million dollar traffic in spy devices. The FBI is supposed to be in charge, but the stories of blatant abuse go on and on.
A recent case illustrates the point. In 1974, a Florida man in the middle of a divorce proceeding secreted a tape recorder equipped with an automatic activator under a night table in the bedroom of his home and connected the device to the telephone wires. When asked about the purchase of the equipment, the husband stated that after having seen the equipment in a sales catalogue he "walked into a retail store and bought it." The automatic activator, a device which allows for self-starting and stopping, cost $25.00 and the instructions explained how it should be hooked across the telephone wires and plugged into the tape recorder.

The tap, which was instituted in order to gain advantage in a child custody battle, was discovered by the wife who reported it to the telephone company. The husband was sentenced by a state court to six months probation.

To give some idea of how easy and widespread illegal electronic surveillance is in the United States today, I would like to report the results of an investigative study just completed by the Wiretap Commission. The purpose of the survey was to determine the types of electronic surveillance and countermeasures available to the general public and to determine the number of private investigators willing to discuss, even in the course of a simple telephone request, installing illegal eavesdropping devices.

115 private investigating firms were contacted, in seven cities. 42 either offered to perform illegal wiretapping and
bugging themselves or referred the caller to another agency that would provide the illegal service. Approximately a dozen firms indicated they would be willing to discuss the subject if the caller would come in to the office. The remaining firms indicated that they would only engage in de-bugging. The estimated costs of bugging or wiretapping ranged from $30 to $5,000, and suggested methods ranging from simple tape recorders to a closed circuit T.V.

When we speak of electronic surveillance, we cannot consider the act without some mention of the tools. There is, and always has been, a proliferation of devices on the American market which are readily adaptable to eavesdropping.

Alarmingly, some of these devices are advertised, contrary to Federal laws, in popular periodicals. The manufacturers attempt to disguise their eavesdropping potentials by claiming usages as "baby sitters" and "burglar alarms." Advertisements read:

"World's Smallest Transmitter
Listen-in on any standard FM Radio

This miniature electronic marvel picks up the slightest sound and clearly transmits them to any standard FM radio up to 350 feet away..."

or

"Wall Hanging Thermometer FM Transmitter

which features a transmitter built into a wall thermometer. Its sensitive microphone picks up all voices and sounds in a room, transmitting by battery for more than one week."

These advertised devices are aimed at relatively unsophisticated individuals. Government agencies have no need for such
simple transmitters.

When a state or local police department wishes to purchase electronic surveillance equipment it can solicit the business of any one of a dozen manufacturers which build and sell surveillance equipment to government agencies.

Many state and local police, however, are not authorized to engage in electronic surveillance. The Wiretap Commission discovered a number of police departments in states without authorization statutes, that is, without specific laws allowing for the use of court ordered wiretapping or bugging, who were purchasing electronic surveillance equipment which could be of no lawful use to them.

The Commission's review of the sales of ten manufacturers of electronic surveillance equipment showed that the manufacturers have left the determination of whether a particular department or official was authorized to purchase equipment largely up to the department involved, with the result that a number of sales of questionable legality have been made.

The reason given by some officials for their possession of the equipment is not entirely satisfactory. In Dallas, for example, where wiretapping without the consent of one party is not permitted, the Chief of Police was quoted as stating that his department used the bugging equipment "to make sure our good debugging equipment is in working order."
The results of the Wiretap Commission's study, which was conducted by only two people, are certainly interesting. But they are particularly revealing when contrasted with the results of a Department of Justice study which was released two days ago. That study noted that there were only 11 convictions last year in cases it prosecuted under the electronic surveillance statutes.

Privacy invasion, as typified by illegal eavesdropping, has a chilling effect in our society. Before speaking, many people weigh the costs of speaking freely against the risk of the possible word-for-word disclosure of their conversations to unintended recipients. The comment, "I can't talk over the telephone," has become the trademark of mistrustful individuals.

One step in restoring the confidence of Americans must be an aggressive and affirmative approach to enforcing the criminal statutes against illegal wiretapping. If any one factor has led to the continuance of eavesdropping it is the failure of law enforcement -- Federal, State, and local -- to take the offensive against this type of crime. The authorities must take the initiative and prove to the public that they are as interested in protecting the people's privacy as they are their property.

Thank you.
Mr. Chairman and Members of the Committee. My name is Martin L. Kaiser and I am the president and sole owner of Martin L. Kaiser, Inc., a Maryland corporation chartered in 1965, which specializes in the development and manufacture of electronic surveillance and counter-measure equipment. We presently market over 300 products and have serviced and continue to service a large variety of federal, state and local law enforcement agencies. Our list of clients includes but is not limited to the CIA, DIA, Army Intelligence, OSI, DEA, U.S. Postal Service, Secret Service, ATF, IRS, Treasury, the FBI and numerous state and local law enforcement agencies.

In 1975 I received the Baltimore County Distinguished Citizen Award. I have been hired as a consultant by law enforcement agencies throughout the United States and was recently commissioned by President Sadat of Egypt to develop the electronic surveillance and counter-measure capabilities for the Egyptian Secret Service.

In 1968, the Omnibus Crime Bill was passed by Congress and its passage had a great impact on the manufacture and sale of electronic surveillance equipment. Pursuant to this Act, the manufacture, assembly, possession, and sale of electronic surveillance equipment was severely restricted. Advertising of such equipment was absolutely forbidden. I noticed that there
were two types of manufacturers, those who lived up to the dictates of the Omnibus Crime Act and those who flagrantly violated its mandates. I called numerous and glaring violations dealing with illegal manufacture, sale, advertising and stockpiling to the attention of the FBI. These types of violations were clearly revealed by advertisements for electronic surveillance equipment which were occasionally transparent and misleadingly disguised as novelty items and which proliferated in both trade and popular magazines. I would like to call your attention to a variety of these items, copies of which are included in your briefing books.

To the best of my knowledge none of the many violations which I reported to the FBI ever resulted in prosecutions. The advertisements have not abated. In fact, they have proliferated and the companies are flourishing. While I do not know why the FBI refuses to enforce the regulations pertaining to electronic surveillance equipment and enacted by Congress, I can offer this theory. The FBI investigators do not seem to possess sufficient technical expertise in order to feel confident in bringing cases against these violators. Therefore, as time goes by it becomes increasingly more difficult for them to prosecute activities they have allowed to flourish over a period of years. This problem becomes more complex when we deal with technical advertisements. I call your attention to page 103 of the Lafayette catalogue. Devices described on this page can only be used in the furtherance of wiretapping.
During one of my visits to the FBI, I noticed an entire staff of people intently examining blown up schematic designs of a pinball machine. They were apparently trying to put together some sort of case regarding the interstate transportation of pinball machines to Louisiana. If a similar effort was expended to insure Bureau familiarization with the components of electronic surveillance equipment, the illegal traffic in these materials could be arrested.

I began my relationship with the FBI around 1967 or 1968. All my correspondence was sent directly to the FBI. However, the FBI would never correspond with me. Instead, they sent agents to my factory who selected equipment and made large orders. I was directed not to send equipment to the FBI, but instead to sell it to the U.S. Recording Company, a private company located at 1347 South Capitol Street, Washington, D. C. I informed the Bureau that federal law would not allow me to sell to anyone except bona fide governmental agencies. The FBI agents assured me my actions were proper and subsequently supplied a stamp to U.S. Recording which purported to certify on the purchase orders that the transaction was in accordance with federal law. Subsequently, I discovered that U.S. Recording was charging the FBI a 30% mark-up on the products that I supplied to them. During my dealings with the Federal Bureau of Investigation, I sold a total of $100,000 worth of electronic surveillance equipment to the FBI which was routed through U.S. Recording.
I was recently contacted by a distributorship in Massachusetts which informed me that they had received a request for my equipment to be routed through U.S. Recording. I have provided you with their brochure which shows that the specific item ordered is marked up 100 percent by the company in Massachusetts and will undoubtedly receive a further mark-up at the hand of U.S. Recording on the way to its ultimate consumer.

I am in the constant process of improving and adding innovations to my equipment. In order to insure the high performance of my equipment, I will modify any equipment I have sold with my latest innovations absolutely free of charge. In 1975, I contacted the Federal Bureau of Investigation in order to have them return equipment purchased from me so that I could modernize and upgrade the quality of these electronic devices. The FBI initially denied that they had any of my equipment. I consider this action not only frustrating, but a foolish exercise of secrecy for its own sake. Eventually, the FBI did admit possession of my equipment.

In the course of my dealings with the other governmental agencies to which I have previously alluded, I found myself in another complex business arrangement. Whenever I would orally contract to furnish a governmental agency with electronic surveillance equipment, the written order for such equipment would always be routed through Ft. Holabird as a U.S. Army order. There was no indication on the order as to the real purchaser of the equipment.
As an aside, while at Ft. Holabird, I noticed that my equipment was being inserted into a number of imaginative objects, including but not limited to mattresses, golf clubs and electric toothbrushes.

In summation, it is clear to me as an expert in the field of electronic surveillance equipment, that the FBI demonstrates virtually no interest in enforcing federal laws dealing with electronic surveillance equipment. This is discouraging to me, both morally and financially.

If the Committee is interested, I would be pleased to demonstrate examples of equipment which I have sold to the intelligence community.

Thank you.
The Attorney General

Director, FBI

U.S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES

This is to advise that Joseph Tait, owner of the U.S. Recording Company, Washington, D.C., was contacted by the House Select Committee on Intelligence Activities for purposes of arranging an interview of Mr. Tait. This Bureau over the years has engaged in the purchase of electronic devices from Mr. Tait for use in matters involving the national security. From the period July 1, 1969 through September 11, 1975, approximately 1,374 orders were written requesting equipment from Mr. Tait. Of this number, approximately 55 percent were of a confidential nature.

In view of the background concerning the arrangement with Mr. Tait, we instructed Mr. Tait that in his responses to the House Select Committee investigators in those items which were purchased under confidential arrangement he should refer the Staff Members to this Bureau for appropriate response. Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination, was advised of this.

Our arrangements with Mr. Tait concerning the confidential nature of the purchases was necessitated by our desire to preclude hostile foreign intelligence services from learning of the type of equipment this Bureau uses. It is felt that it is necessary to continue this confidential relationship and not subject the Bureau's purchase of such equipment to public scrutiny.

In view of the aforementioned, we request that the Department, insofar as possible, resist attempts by the House Select Committee which may be forthcoming to publicize the confidential arrangement and ultimately, the type of equipment purchased by this Bureau.

The Deputy Attorney General
(Attention: Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination)
NOTE: By memorandum dated 10/1/75, Legal Counsel Division to Mr. Adams, set forth the background concerning the interview of Mr. Tait. The figures concerning our purchases from the U. S. Recording Company were furnished by the Administrative Division. Examples of the types of purchases setting forth the confidential nature of this arrangement were furnished by the Laboratory Division.
TO: Mr. Gallagher

FROM: L. E. Rhine

SUBJECT: U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES

DATE: 10/8/75

PURPOSE: This is to record a meeting with staff members of captioned committee on 10/7/75.

DETAILS: On the morning of 10/7/75 Section Chief Louis E. Rhine, SA James C. Kraus, Accounting and Fraud Section, and SA John Dennis Miller, Legal Counsel Division, met with Richard Vermerie and Timothy Oliphant, staff members of the U. S. House Select Committee on Intelligence Activities (HSC) for a previously arranged conference concerning Interception of Communication matters.

Information sought by HSC concerned policies and statistics. No specific cases were discussed.

ACTION: For information.
Honorable Otto G. Pike
Chairman, Select Committee on Intelligence
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your letter of October 8, 1975, soliciting my views and those of my associates concerning the future role of the intelligence community. As I indicated to you in my initial response to your letter, dated October 17, 1975, I appreciate the opportunity to offer my observations as to the future of United States intelligence agencies and activities as far as the FBI is concerned. Of course, congressional assessment of the activities and effectiveness of the FBI and other members of the intelligence community is not yet complete, and I feel that it would be inappropriate for me to make specific recommendations for consideration by your Committee at this time. However, I would like to offer some general observations which relate to the fulfillment of the Nation's security requirements.

I would hope that, out of the current Legislative and Executive Branch examination of the intelligence agencies and their proper role, a consensus could be achieved concerning Presidential powers in the national security field.

To ensure the future effectiveness of our national security programs, I believe that the Congress should clearly define the broad objectives which it expects should be achieved by the various agencies, which function as components of the United States intelligence community. As the FBI Director, I accept full responsibility for taking appropriate action to achieve such goals through the establishment and supervision of investigative programs consistent with law and national policy.

1 - The Attorney General
1 - The Deputy Attorney General

AFW: vb
(12) 1976
JAN 24 1976
Honorable Otis G. Pike

We must have improved communications between the security/intelligence agencies of the Executive Branch and the Congress, so that the American public might be assured that the Nation's law enforcement and national security interests are being protected in a manner consistent with the policies declared by their elected representatives. We should strive to establish some form of meaningful oversight of FBI activities so that we may avoid duplication of testimony and the proliferation of requests for highly sensitive information beyond that which is absolutely essential. Establishment of a joint Senate-House oversight committee would be an appropriate mechanism to achieve this objective.

It is my hope that any future determinations by the Congress to enact statutory safeguards to protect the integrity of the law enforcement function will not impose undue restrictions on necessary investigations concerning critical national security matters. We in the FBI desire a balanced picture to emerge concerning FBI investigations, which, in addition to calling attention to any weakness in its performance, also recognizes its accomplishments, and preserves for the FBI the investigative flexibility necessary to fulfill responsibilities of ever-increasing complexity. This flexibility is essential if we are to function effectively as a deterrent to increasing threats to our liberties, both from criminal elements and the organized, sophisticated clandestine operations of our potential adversaries in the international environment. In the domestic security and foreign counterintelligence areas, the maintenance of the stability of our system of Government and the prevention of violence and disorder are the FBI's primary objectives.

My staff and I would be happy to meet with you at any time to discuss the future role of the FBI in the intelligence community and the steps which we might now take to ensure the civil liberties of our people and the protection of our national security.

Sincerely yours,

Clarence M. Kelley
Director
Memorandum

TO: Mr. J. B. Adams
FROM: Mr. W. R. Wannall

SUBJECT: FBI ROLE AND REQUIREMENTS IN THE INTELLIGENCE COMMUNITY; REQUEST OF HOUSE SELECT COMMITTEE ON INTELLIGENCE

DATE: 10/16/75

1 - Mr. N. P. Callahan
1 - Mr. J. B. Adams
2 - Mr. J. A. Mintz
1 - Mr. J. B. Hotis
1 - Mr. W. R. Wannall
1 - Mr. W. O. Cregar
1 - Mr. F. J. Cassidy

Attached is a letter dated 10/17/75, from Director Kelley to Congressman Otis G. Pike (New York), Chairman of the House of Representatives Select Committee on Intelligence. This letter is an initial response to a letter dated 10/8/75 from Congressman Pike acknowledging his request for the views and recommendations of Director Kelley and FBI officials concerning the role of the FBI in the intelligence community.

At some future date, the House Committee plans to report its findings on the activities of the intelligence agencies to the full House of Representatives with recommendations for legislation and administrative reforms. Mr. Pike's request, at face value, gives the Bureau an opportunity to express in writing its own views of future requirements and needs in fulfilling Bureau responsibilities in the intelligence field.

The Intelligence Division is in the process of defining our future needs and requirements in the domestic, security, counterintelligence, and terrorist fields. INTD internal security and counterintelligence sections are being canvassed and a detailed response to the Committee's request will be prepared. The response will be coordinated with the Legal Counsel Division and, if approved, will be forwarded to the Attorney General for Departmental consideration and approval prior to being sent to the House Committee.

Enclosure - Sent 10-17-75
RPF: vb (8)

REG 27 62 1164/64 I28 P

I JAN 10 1976
SEE RECOMMENDATION: PAGE TWO

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
Memorandum to Mr. J. B. Adams
Re: FBI Role and Requirements in the Intelligence Community;
Request of House Select Committee on Intelligence

RECOMMENDATION:

That the attached letter from Mr. Kelley be sent, acknowledging Congressman Pike's letter of 10/8/75.
Memorandum

TO: Mr. W. R. Wannall

FROM: W. O. Cregar

SUBJECT: HOUSTUDY 75

PURPOSE:

To advise of briefing afforded by Bureau representatives to House Select Committee (HSC) Staff Member on the subject of Bureau-operated proprietaries.

DETAILS:

Memorandum W. O. Cregar to Mr. W. R. Wannall, dated 10/8/75, captioned as above, which was approved, advised of HSC written request for a list of all proprietaries maintained by the FBI and recommended that a briefing by knowledgeable Bureau personnel be afforded an HSC Staff Member concerning Bureau operations in this sensitive area. Accordingly, it was arranged that the above briefing be given at FBI Headquarters on 10/15/75.

The above briefing occurred as scheduled in Room 5641, JEH Building, during the approximate period 2:05 to 2:50 p.m., on 10/15/75. Present at the briefing were Peter Hughes, HSC Staff Member; Steven Blackhurst and Raymond Hornblower, both from the Office of Special Counsel for Intelligence Coordination, Department of Justice; Bureau Section Chiefs William A. Branigan from the Intelligence Division and Robert J. McCarthy from the Special Investigative Division; and Special Agents Andrew J. Duffin and Thomas J. McNiff, coordinating Houstudy inquiries of the Bureau.
Memorandum to Mr. W. R. Wannall
Re: Houstudy 75
62-116464

Briefing was initiated by Special Agent McNiff discussing the ground rules under which the briefing would be given, emphasizing the sensitivity of such information and suggested the format to be followed, all of which were agreed to by those in attendance.

Section Chief Branigan then followed with a briefing, in general terms, of the two proprietarys operated by the Bureau in the field of national security, and Section Chief McCarthy similarly followed with a briefing of three proprietarys operated by the Bureau in the field of organized crime. Upon conclusion of the briefing relating to each operation, HSC Staff Member Hughes asked a number of questions concerning each which were answered to his satisfaction by Messrs. Branigan and McCarthy. At no time were any of these operations identified by name nor were the names of involved individuals mentioned. Mr. Hughes was advised that material relating to the proprietarys in the national security field is classified "Top Secret."

From the nature of the questions asked by Mr. Hughes, it appears the primary interest of the HSC in this area is the financial aspects relating to each operation. Specific questions dealt with the initial and operating costs, source of funds, arrangements for handling of possible profits, compliance with Federal and local tax regulations, as well as compliance with ordinances relating to incorporating, licensing, etc.

At the conclusion of briefing, Mr. Hughes stated he was impressed by the Bureau operations in these areas, that information furnished him on this occasion would be given to appropriate HSC personnel on a strict need-to-know

CONTINUED - OVER
Memorandum to Mr. W. R. Wannall
Re: Houstudy 75
62-116464

basis with the sensitivity of such information being stressed
to each recipient and he expressed his appreciation for the
expertise and candor displayed by the briefing Bureau personnel.

ACTION:

None. Above submitted for information.
The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES (HSC)

October 15, 1975

2 - Mr. J. A. Mintz
    (1 - J. B. Hotis)
1 - Mr. W. R. Wannall

1 - Mr. D. Ryan
1 - Mr. T. J. McNiff
1 - Mr. A. J. Duffin

Reference is made to HSC request dated September 25, 1975, wherein a request was made for the identity of the person whose name was excised from COINTELPRO documents 100-448006-171, 255.

This request was forwarded by a letter from Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination, dated September 30, 1975. Subsequently, by letter dated October 7, 1975, Mr. Shaheen advised that the HSC had indicated it had no objection to the FBI contacting the person whose identity was sought to determine whether or not the person objects to his name being provided to the HSC. It was further indicated the HSC has agreed to this approach on a trial basis in an attempt to avoid a confrontation with the Department on this issue.

Enclosed for your approval and forwarding to the HSC is the original of a memorandum responsive to this request. A copy of this memorandum is being furnished for your records.

Enclosures (2)

62-116464

1 - The Deputy Attorney General
    Attention: Michael E. Shaheen, Jr.
    Special Counsel for
    Intelligence Coordination

ENCLOSURE

FEB 17 1976

AJD:mjg
(10)
2 - Mr. J. A. Mintz  
   (I - J. B. Hotis)  
1 - Mr. W. R. Wannall  

October 15, 1975  

1 - Mr. D. Ryan  
1 - Mr. T. J. McNiff  
1 - Mr. A. J. Duffin  

U. S. HOUSE SELECT COMMITTEE  
TO STUDY GOVERNMENTAL OPERATIONS  
WITH RESPECT TO INTELLIGENCE ACTIVITIES (HSC)  

RE: REQUEST FOR IDENTITY  
OF COINTELPRO SOURCE  

Reference is made to HSC letter dated September 25, 1975, wherein a request was made for the identity of the person whose name was excised from COINTELPRO documents 100-448006-171, 255.  

On October 9, 1975, the person whose identity is being sought in this instance was contacted by a Special Agent of this Bureau and advised that the HSC had requested his identity be provided in connection with his past cooperation involving this COINTELPRO operation. He was further advised that this Bureau interposes no objections to his identity being furnished the HSC.  

This is to inform you at that time this individual advised that he desired that his identity not be revealed outside the FBI.  

Accordingly, the identity of this individual is not being furnished.  

1 - The Attorney General  

ORIGINAL AND ONE COPY TO AG  

AJD: mjg

SEE NOTE PAGE TWO  

WR/M 62-116464 - 127X
U.S. House Select Committee
to Study Governmental Operations
With Respect to Intelligence Activities (HSC)

Re: Request for Identity of COINTELPRO Source

NOTE:

By letter 9/25/75, HSC requested identity of COINTELPRO source excised from 100-443006-171, 255. In a conference on 10/3/75, between Mr. Steven Blackhurst, Deputy Special Counsel for Intelligence Coordination in the Department and SAS Elmer V. Larson, Jr. and Andrew J. Duffin, it was agreed to that prior to furnishing HSC with the identity of any individual source, the source would be contacted and it would be determined whether or not the individual wanted his identity revealed to HSC. By letter 10/7/75, the Department advised the HSC had agreed to this approach on a trial basis in an effort to avoid a confrontation on this issue. By teletype 10/8/75, Pittsburgh Division was requested to contact individual utilized in COINTELPRO operation set forth in 100-446006-171, 255. This individual contacted 10/9/75 by Pittsburgh Division and advised that he desired his identity not be revealed outside the Bureau.
Memorandum

TO: Mr. W. R. Wannall

FROM: W. O. Cregar

SUBJECT: Houstudy 75

PURPOSE:

To advise of briefing afforded by Bureau representatives to representatives of the House Select Committee (HSC), including Congressman Robert McClory, on the subject of sensitive investigative matters with principal emphasis being placed upon this Bureau's use of electronic surveillances.

DETAILS:

On 10/10/75, during the approximate hours 1:30 p.m. to 4:00 p.m., Bureau representatives in Room 5641, JEH Building, afforded HSC representatives a briefing concerning selected sensitive investigative matters and techniques. Present at the briefing were HSC Committee Member, Representative Robert McClory (Republican-Illinois), accompanied by HSC Staff Members Jack Boos, Tim Oliphant and Richard Vermiere; Raymond Hornblower and Steven Blackhurst of the Department of Justice; Inspector John Hotis of this Bureau's Legal Counsel Division; and Assistant Director W. Raymond Wannall, accompanied by Special Agents Elmer W. Larson, Harry W. Porter and Thomas J. McNiff, all of the Intelligence Division.

At the outset, Representative McClory explained that the purpose of his visit was to obtain information concerning this Bureau's policies and procedures, as well as general information concerning projects and/or targets in the sensitive areas of electronic surveillance including such activities which involve surreptitious entries. Assistant Director Wannall then furnished Representative McClory and
Memorandum to Mr. W. R. Wannall  
Re: Houstudy 75  
62-116464

other HSC Staff Members present a brief resume of the background and history of this Bureau's involvement in the field of electronic coverage, including authorization for use of same, procedures utilized for obtaining warrantless telephone and microphone surveillances, extent to which this Bureau has used this technique in the years 1970-1975 and, in general terms, the type and value of information received from this technique.

During the above briefing, Representative McClory interjected several questions concerning the applicability of Title III as provided by the Safe Streets Act of 1968, which questions were answered by Mr. Wannall. Inspector Hotis advised Representative McClory that he, Hotis, interpreted the 1968 Act as an invitation to Congress to draft legislation regarding electronic surveillance which would be applicable to security-type investigations.

In response to specific questions, Mr. Wannall also advised HSC representatives that this Bureau has not engaged in warrantless electronic surveillance of domestic targets since the Keith Decision in 1972, that at the time of the Keith Decision this Bureau had 10 or less domestic targets under electronic surveillance; that all such physical installations were made strictly by Bureau personnel; that on occasion arrangements are perfected with telephone companies for the use of leased lines and that on occasion such installations are made at the request of other Government agencies and with the approval of the Attorney General.

Representative McClory then inquired as to the number of electronic surveillances maintained by the Bureau on domestic targets during the years 1970 to 1972, and Mr. Oliphant inquired as to whether or not the Socialist Workers Party (SWP) was one such target during that period.

CONTINUED - OVER
Memorandum to Mr. W. R. Wannall  
Re: Houstudy 75  
62-116464

Mr. Wannall answered that the Intelligence Division is presently in the process of preparing material identifying all electronic surveillances conducted by this Bureau during the years 1970 to 1975, as well as obtaining excised supporting documents containing the authorization for each operation. This material is being furnished the HSC on a continuing basis and it is anticipated the entire project will be completed in the very near future. Answers to the above questions, although not immediately available at the time of the briefing, will be found in the above material being prepared by this Bureau.

Representative McClory inquired as to whether such material would include information relating to the Halperin (one of the Kissinger 17) case. Department Attorney Blackhurst responded that the Halperin material is covered by a restrictive court order but he would attempt to see if the court order applied to the HSC, and, if so, he would attempt to have the court order modified.

Representative McClory also stressed the importance of prompt replies being made to HSC inquiries explaining that the HSC Chairman considers a delay in replying as being synonymous with a lack of cooperation. Mr. Wannall advised that all HSC inquiries are being handled as expeditiously as possible and he pointed out that, during the month of September, 61.4 Agent supervisors out of a total of 130 assigned to the Intelligence Division were occupied in non-substantive work matters such as preparing responses to the HSC inquiries.

Inquiries from the HSC representatives then turned, in general terms, to areas covering the now defunct Attorney General subversive list, criteria and purpose of the Security Index and its successor, the ADEX, and Soviet espionage in this country.

CONTINUED - OVER
Memorandum to Mr. W. R. Wannall
Re: Houstudy 75
62-116464

At the conclusion of the briefing, Representative McClory expressed to Mr. Wannall his thanks and the thanks of other HSC Staff Members present for the information provided during the briefing and added that he hopes the current spirit of cooperation between the HSC and the FBI will continue and that the purpose of the HSC in formulating meaningful legislation of benefit to the intelligence community will be accomplished.

OBSERVATIONS:

Information requested by the HSC concerning electronic surveillance conducted by this Bureau is being handled as a special project by the Intelligence Division. It is estimated that the complete response in this sensitive area will encompass excisions to some 1,650 documents. To date, 165 excised items have been furnished the HSC. Remaining excisions will be furnished the HSC on a continuing basis and it is expected the project will be completed by 10/17/75. The next communication prepared by this Bureau forwarding the above material to the HSC will contain a specific reply to HSC inquiries concerning the number of domestic targets under electronic surveillance during the years 1970 to 1972 and whether or not the SWP was such a target. Contact will be maintained with Mr. Blackhurst of the Department to ascertain whether or not pertinent material related to the Halperin case should be furnished the HSC.

RECOMMENDATION:

None. Above submitted for information.
UNITED STATES GOVERNMENT

Memorandum

TO
Mr. W. R. Wannall

FROM
W. O. Cregar

SUBJECT: HOUSTUDY 75

PURPOSE:

To advise of briefing afforded by Bureau representatives to representatives of the House Select Committee (HSC), including Congressman Robert McClory, on the subject of sensitive investigative matters with principal emphasis being placed upon this Bureau's use of electronic surveillances.

DETAILS:

On 10/10/75, during the approximate hours 1:30 p.m. to 4:00 p.m., Bureau representatives in Room 5641, JEm Building, afforded HSC representatives a briefing concerning selected sensitive investigative matters and techniques. Present at the briefing were HSC Committee Member, Representative Robert McClory (Republican-Illinois), accompanied by HSC Staff Members Jack Boos, Tim Oliphant and Richard Vermiere; Raymond Hornblower and Steven Blackhurst of the Department of Justice; Inspector John Hotis of this Bureau's Legal Counsel Division; and Assistant Director W. Raymond Wannall, accompanied by Special Agents Elmer W. Larson, Harry W. Porter and Thomas J. McNiff, all of the Intelligence Division.

At the outset, Representative McClory explained that the purpose of his visit was to obtain information concerning this Bureau's policies and procedures, as well as general information concerning projects and/or targets in the sensitive areas of electronic surveillance including such activities which involve surreptitious entries. Assistant Director Wannall then furnished Representative McClory and
Memorandum to Mr. W. R. Wannall  
Re: Houstudy 75  
62-116464

other HSC Staff Members present a brief resume of the background and history of this Bureau's involvement in the field of electronic coverage, including authorization for use of same, procedures utilized for obtaining warrantless telephone and microphone surveillances, extent to which this Bureau has used this technique in the years 1970-1975 and, in general terms, the type and value of information received from this technique.

During the above briefing, Representative McClory interjected several questions concerning the applicability of Title III as provided by the Safe Streets Act of 1968, which questions were answered by Mr. Wannall. Inspector Hotis advised Representative McClory that he, Hotis, interpreted the 1968 Act as an invitation to Congress to craft legislation regarding electronic surveillance which would be applicable to security-type investigations.

In response to specific questions, Mr. Wannall also advised HSC representatives that this Bureau has not engaged in warrantless electronic surveillance of domestic targets since the Keith Decision in 1972, that at the time of the Keith Decision this Bureau had 10 or less domestic targets under electronic surveillance; that all such physical installations were made strictly by Bureau personnel; that on occasion arrangements are perfected with telephone companies for the use of leased lines and that on occasion such installations are made at the request of other Government agencies and with the approval of the Attorney General.

Representative McClory then inquired as to the number of electronic surveillances maintained by the Bureau on domestic targets during the years 1970 to 1972, and Mr. Oliphant inquired as to whether or not the Socialist Workers Party (SWP) was one such target during that period.

CONTINUED - OVER

- 2 -
Memorandum to Mr. W. R. Wannall
Re: Houstdy 75
62-116464

Mr. Wannall answered that the Intelligence Division is presently in the process of preparing material identifying all electronic surveillances conducted by this Bureau during the years 1970 to 1975, as well as obtaining excised supporting documents containing the authorization for each operation. This material is being furnished the HSC on a continuing basis and it is anticipated the entire project will be completed in the very near future. Answers to the above questions, although not immediately available at the time of the briefing, will be found in the above material being prepared by this Bureau.

Representative McClory inquired as to whether such material would include information relating to the Halperin (one of the Kissinger 17) case. Department Attorney Blackhurst responded that the Halperin material is covered by a restrictive court order but he would attempt to see if the court order applied to the HSC, and, if so, he would attempt to have the court order modified.

Representative McClory also stressed the importance of prompt replies being made to HSC inquiries explaining that the HSC Chairman considers a delay in replying as being synonymous with a lack of cooperation. Mr. Wannall advised that all HSC inquiries are being handled as expeditiously as possible and he pointed out that, during the month of September, 61.4 Agent supervisors out of a total of 130 assigned to the Intelligence Division were occupied in non-substantive work matters such as preparing responses to the HSC inquiries.

Inquiries from the HSC representatives then turned, in general terms, to areas covering the now defunct Attorney General subversive list, criteria and purpose of the Security Index and its successor, the ADEX, and Soviet espionage in this country.

CONTINUED - OVER

- 3 -
Memorandum to Mr. W. R. Wannall
Re: Housey 75
62-116464

At the conclusion of the briefing, Representative McClory expressed to Mr. Wannall his thanks and the thanks of other HSC Staff Members present for the information provided during the briefing and added that he hopes the current spirit of cooperation between the HSC and the FBI will continue and that the purpose of the HSC in formulating meaningful legislation of benefit to the intelligence community will be accomplished.

OBSERVATIONS:

Information requested by the HSC concerning electronic surveillance conducted by this Bureau is being handled as a special project by the Intelligence Division. It is estimated that the complete response in this sensitive area will encompass excisions to some 1,650 documents. To date, 165 excised items have been furnished the HSC. Remaining excisions will be furnished the HSC on a continuing basis and it is expected the project will be completed by 10/17/75. The next communication prepared by this Bureau forwarding the above material to the HSC will contain a specific reply to HSC inquiries concerning the number of domestic targets under electronic surveillance during the years 1970 to 1972 and whether or not the SWP was such a target. Contact will be maintained with Mr. Blackhurst of the Department to ascertain whether or not pertinent material related to the Halperin case should be furnished the HSC.

RECOMMENDATION:

None. Above submitted for information.
Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

SUBJECT: Houstudy

DATE: 10/3/75

Attached letter from Steven Blackhurst, Assistant Special Counsel for Intelligence Coordination in the Department, dated September 30, 1975, captioned "House Select Committee Letter dated September 24," encloses a letter from the House Select Committee requesting that five former and/or current Bureau employees be made available for interview. Subsequent contact on 10/2/75 with Staff Member for the House Select Committee Richard Vermeire determined that these will be Staff interviews and will pertain to the FBI's purchase of electronic surveillance equipment from private firms and/or distributors.

While some of the names are incorrectly spelled, it appears that the following list of former and/or current Bureau personnel are the individuals the House Select Committee seeks to interview.

(1) John M. Matter
(2) Briggs J. White
(3) Marion M. Wright  
  (Current SA, Baltimore Office)
(4) William E. Harward, Jr.  
  (Current SA, Laboratory Division)
(5) Winton P. Walters (Jack)

RECOMMENDATIONS:

(1) That the aforementioned personnel be released from their employment agreements for purposes of interview by the House Select Committee.

Enclosures (2)

1 - Personnel File - John M. Matter
1 - Personnel File - Briggs J. White
1 - Personnel File - Marion M. Wright
1 - Personnel File - William E. Harward, Jr.
1 - Personnel File - Winton P. Walters

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
Legal Counsel to Mr. Adams  
RE: HOUSTUDY

RECOMMENDATIONS:

(2) That upon release from their employment agreement the Legal Counsel Division in coordination with the Intelligence Division will insure that the employees are advised of the House Select Committee request for interview prior to their contact by the House Select Committee.

(3) That Legal Counsel Division will orally advise the House Select Committee of the last known addresses for former personnel and will arrange for the interviews by the House Select Committee for current personnel.

[Signatures]

1) Asst. Jack Baker, TP instructed 10/17/72 to contact Matters
2) Bruce White & Jack Watten instructed 10/20/72 & 10/21/72 to contact appropriacy of HSC request. All above were instructed to contact Legal Counsel upon HSC inquiry.
TO: Paul Daly  
Federal Bureau of Investigation

FROM: Steve Blackhurst  
Assistant Special Counsel for  
Intelligence Coordination

SUBJECT: House Select Committee Letter dated September 24

Attached is a letter from the House Select Committee dated September 24 which this Office received on September 29. Please arrange for HSC staff interviews with the persons identified in the above-referenced letter. Please find out from the HSC staff members what the subjects of the interviews will be.
TO: Paul Daly
Federal Bureau of Investigation

FROM: Steve Blackhurst
Assistant Special Counsel for
Intelligence Coordination

SUBJECT: House Select Committee Letter dated September 24

Attached is a letter from the House Select Committee dated September 24 which this Office received on September 29. Please arrange for HSC staff interviews with the persons identified in the above-referenced letter. Please find out from the HSC staff members what the subjects of the interviews will be.
Select Committee on Intelligence  
U.S. House of Representatives  
Washington, D.C. 20515

September 24, 1975

Mr. Michael E. Shaheen, Jr.  
Special Counsel for Intelligence Coordination  
U. S. Department of Justice  
Washington, D.C. 20530

Dear Mr. Shaheen:

This is to request interviews, at your earliest convenience, with the following persons whom we believe to be employed by the FBI.

1. John Matter, former Chief of FBI Technical Section.
2. Dr. White, former Deputy Chief of FBI Technical Section.
3. Marian Wright, Special Agent, Baltimore office.
4. Bill Harwood, Chief of FBI Technical Section.
5. Jack Walters, former Chief of FBI Technical Section.

If any of the above are no longer employed by the FBI, kindly supply their present whereabouts, if known.

Sincerely,

Aaron B. Donner  
Counsel to the Committee
The Attorney General

Director, FBI

UNITED STATES HOUSE OF REPRESENTATIVES SELECT COMMITTEE ON INTELLIGENCE (HSC)

Reference is made to a request from the HSC dated August 27, 1975, for "delivery of all ADEX lists that have been maintained since January 1, 1973 until the present." It is also noted that the HSC had requested information concerning the Security Index during testimony provided by an official of this Bureau on August 7, 1975, on the subject matter "Budget Inquiry on Intelligence Activities."

Attached for your approval and forwarding to the HSC is an original of a memorandum which is believed responsive to the requests of the HSC.

A copy of the memorandum is being furnished for your records.

The memorandum is classified inasmuch as information contained therein discusses aspects of the Emergency Detention Program, which program was classified by the Department.

Enclosures (2)

62-116464

1 - The Deputy Attorney General
Attention: Mr. Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination

--100-358086

REO-

EX-115

SECRET MATERIAL ATTACHED
Reference is made to HSC request dated August 27, 1975, for "delivery of all ADEX lists that have been maintained since January 1, 1973 until the present." It is also noted on the occasion of the testimony of Assistant Director E. W. Walsh of the Federal Bureau of Investigation (FBI) before the HSC on August 7, 1975, on the subject matter "Budget Inquiry on Intelligence Activities," pages 1278-1279 of the testimony transcript indicates that Representative Ronald V. Dellums inquired "What is the SI?; What was the authority for it?; Is it still in operation?; If not, when did it end?; Was operation ever discussed with Congress or OMB; Did Bureau budget show funds for operation of SI?"

As the subject matter of both the Administrative Index (ADEX) and the Security Index (SI) programs are interrelated, there is set forth below background information concerning these programs which is believed will be responsive to inquiries of the HSC.

During 1939 and 1940, a custodial detention list was compiled by the FBI consisting of the identity of those individuals whose presence at liberty in the United States in time of war or national emergency would be dangerous to the public peace and safety of the United States Government. On June 26, 1940, the Attorney General was advised of such a list and on March 18, 1941, information pertaining to the identity and tendencies of individuals on this list was forwarded to the Department of Justice. The use of the term custodial detention list was discontinued on August 14, 1943, and the
list then became known as the SI. During 1945 the SI was
cancelled except for those portions relating to communists,
Russians, and individuals whose nationalistic tendencies
resulted from an ideological or organizational affiliation
with Marxist groups. On March 8, 1946, the FBI advised
the Attorney General a list was being prepared of all members
of the Communist Party and any others who would be dangerous
or potentially dangerous in the event of a break in diplomatic
relations with the Soviet Union, or other serious crisis,
involving the United States and the USSR. This list was
to be prepared as a result of developments in the international
situation during that time period and in light of Soviet
espionage investigations then being conducted by the FBI. The
Attorney General was apprised of this list so the Attorney
General could advise whether such action met with his approval.
As far back as September 20, 1946, the Department of Justice
advised the FBI that a program was under consideration for the
detention of communists in the event of a national emergency
or hostilities between the United States and the USSR through
Presidential Directive which would empower the Secretary of War
to define a military exclusion area and would provide for the
detention of persons by the Bureau of Prisons. During August,
1948, the Department provided the FBI with a Departmental
Portfolio entitled, "Program For Apprehension and Detention of
Persons Considered Potentially Dangerous to the National Defense
and Public Safety of the United States." This program estab-
lished guidelines for the apprehension by the FBI of individuals
considered dangerous to the national defense of the United States
during times of emergency. In time of an emergency a
Presidential Proclamation would be issued and brought before
Congress for ratification.

On September 23, 1950, the Internal Security Act of
1950 became a law and with it the passage of Title II concerning
the Emergency Detention Act (EDA). Title II of the Internal
Security Act declared that when a state of internal security
emergency is proclaimed by the President, he, through the
Attorney General, would direct the apprehension and detention
of each person as to whom there were reasonable grounds to
believe that such person probably would engage in, or probably
conspire with others to engage in acts of espionage or sabotage.
The list, or SI, being maintained by the FBI of those persons
who should be considered dangerous during times of an emergency
was to be utilized to aid in the apprehension and detention
of individuals under the auspices of the EDA. During 1951, a
because they exercise their constitutional rights of protest or dissent. Membership in a subversive organization is not sufficient to warrant inclusion on this index. Individuals who are included are those who have exhibited a willingness or capability of engaging in treason, rebellion, sedition, sabotage, espionage, assassination of Government officials, terrorism, guerrilla warfare, or other acts which would result in interference with or a threat to the survival and effective operation of national, state, or local government. During 1972 the operation of this index was evaluated and revised to include only those individuals who pose a realistic, direct and current danger to the national security.

The ADEX is printed on 5 x 8 cards which are maintained at FBIHQ in the Intelligence Division. Name, background information, file numbers, and type of activity in which the individual is engaged are placed on the cards. This index is reviewed continuously and on a monthly basis is brought up to date with names being added and deleted. Once deletions are made, former lists cannot be reconstructed. The index on January 15, 1975, contained the names of 1,537 individuals and as of August 15, 1975, there were 1,294 names on the index.

As an administrative aid the index currently utilized by the FBI enables the FBI to remain alert to individuals who have exhibited a propensity to conduct acts inimical to the national security and affords the FBI a record of individuals who would merit close investigative attention pending legal steps by the President to take further action. It also serves as an extremely valuable list of individuals who pose a threat to the safety of the President of the United States, thereby enabling the FBI to provide current data to the United States Secret Service concerning these individuals.

As noted above, the past lists cannot be reconstructed and the index contains only the names and background information which would identify individuals listed thereon. For reasons of privacy and inasmuch as release of information on this index could adversely affect current operations and investigations being conducted by the FBI, information contained on the index is not being furnished.
Re: UNITED STATES HOUSE OF REPRESENTATIVES
SELECT COMMITTEE ON INTELLIGENCE (HSC)

SECRET

From a review of pertinent FBI files and from contact with knowledgeable FBI personnel, it does not appear the operation of the SI was discussed with Congress or the Office of Management and Budget (OMB) nor has the budget of the FBI indicated a specific breakdown of funds for operation of the SI.

NOTE:

LHM is being classified "Secret" inasmuch as information contained therein discusses aspects of the Emergency Detention Program, which program was classified by the Department.

Questions pertaining to the budget and whether the SI had been mentioned to Congress or OMB were discussed with Section Chief L. Clyde Groover of the Administrative Division. Mr. Groover indicated he was unaware of any previous testimony before Congress or information being provided OMB regarding the SI. He further indicated the Bureau budget did not specifically break down costs for operation of the SI.
5-140 (Rev. 1-21-74) FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

Addressee: House Select Committee

☐ LTR  ☑ LHM  ☐ Memo  ☐ Report dated 9/16/75

Caption of Document: Re HSC request dated 8/27/75 for "delivery of all ADEX lists that have been maintained since 1/1/75 until the present."

Originating Office: FBI
Delivered by: Date: 02.7.1975
Received by: 

Title: 

Return this receipt to the Intelligence Division, FBI
TO:    Intelligence Community Staff  
ATTN: Central Index  
FROM: FBI  

SUBJECT: Abstract of Information Provided to Select Committees  

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)  
2. DATE PROVIDED  

<table>
<thead>
<tr>
<th>DOCUMENT</th>
<th>BRIEFING</th>
<th>INTERVIEW</th>
<th>TESTIMONY</th>
<th>OTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)  

<table>
<thead>
<tr>
<th>SSC</th>
<th>HSC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)  

Memoandum  

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoenas, etc.)  
6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)  

HSC letter 9/27/75  
S  

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)  

Intelligence collection  
Budget data  

8. SUMMARY (see reverse side before completing this item)  

Information furnished regarding the FBI's maintenance of the Administrative Index (ADEN) and the Security Index (SI) criteria for placing individuals on the index. FBI budget does not have a breakdown of funds for operation of SI.  

62416464  
FMK:fmk  
(4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY  

TREAT AS YELLOW  
S. WOC/8  

3791 (6.75)
INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
On the afternoon of September 30, 1975, Mr. Joseph Tait voluntarily appeared in my office and advised me that he had been interviewed by a representative of the House Select Committee on September 26, 1975. The purpose of the interview was to develop information concerning confidential business transactions between the FBI and Mr. Tait’s company, the U.S. Recording Company. Mr. Tait advised that his understanding was that his relationship with the FBI was confidential and he so advised the Committee representative who responded that it may become necessary for the Committee to issue a subpoena for Mr. Tait’s testimony and for his records. Mr. Tait requested advice as to what action he should take in response to demands by the Committee for information concerning matters regarded as confidential.

I told Mr. Tait that the information he furnished me would be made available to the Department for consideration of action that might be taken by the Attorney General concerning what appears to be interference with FBI confidential sources by representatives of the House Committee. I called Mr. Cochran in the Laboratory and requested him to review the records of our dealings with Mr. Tait to determine whether such records would be properly protected by classification and to assess the damage that might be incurred if the records are produced to the Committee. I also spoke to Michael Shaheen in the Deputy Attorney General’s office, explained to him in general terms the problem of Committee interviews of confidential Bureau sources, and asked him whether it would be agreeable for us to present this matter formally with a request that the Attorney General consider contacting the Chairman of the Committee. Shaheen agreed that the matter should be submitted.

Attached are notes of my interview of Joseph Tait on the afternoon of September 30, 1975.

Enc. 1 - Mr. Cochran  
       1 - Mr. Walsh  
       1 - Mr. Hotis  
       1 - Mr. Wannall (Attn: Mr. Cregar)  
       1 - Mr. Mintz  
       1 - Mr. Daly  

CONTINUED - OVER
Memorandum to Mr. Adams
Re: HOUSTUDY 75

RECOMMENDATIONS:

1. That the Laboratory furnish Legal Counsel with a summary of the records of our dealings with Joseph Tait and advise concerning their classification and a damage estimate.

2. That the Administrative Division advise Legal Counsel of our past contract procedures with Mr. Tait and/or his company, including classification procedures and advise whether production of his records would damage the Bureau's relationship with other confidential sources presently existing or who may be contacted in the future.

3. That upon receipt of the information necessary, Legal Counsel Division will prepare an appropriate memorandum to the Attorney General.
Interview of Joseph Tait
U.S. Recording Company
1347 South Capital Street
Washington, D.C.
488-3900

Interview by House Select Committee on Intelligence representative
Vermeire (225-9751)

Interviewed on 9/26 from 11:00 a.m. to 12:00 noon and
from 2 to about 3:30 p.m.

Vermeire told Mr. Tait that he wanted to talk about all transactions
the Bureau had had with his company for radio material including
cov covert purchases.

Mentioned Bureau names including:
John Matter
Bill Harwood
Jack Walters
Grover Stevens
Arthur Newman
Speights McMichael
"Dr. Wright"
Ivan Conrad

At the outset of the interview, Mr. Vermeire told Mr. Tait
not to try to be evasive. The information he wanted he knew Mr. Tait
could supply and if you will not cooperate with us and give us the
information, we will subpoena the records of your company.

Mr. Tait advised Mr. Vermeire that he could not give
him the information he wanted and that he should contact the Bureau
for that information. He said his records were marked confidential
and that confidential meant that he could not reveal those records to
any unauthorized person. In reply to my question regarding who
had classified the information, Mr. Tait advised that the Bureau had
classified his records.
Mr. Tait cited an incident that happened probably in 1969 or 1970 which concerned John Matter and a contract with the Martin Kaiser Company. Mr. Vermeire asked why this deal, which concerned the purchase of some equipment, was not worked out through Mr. Tait. Mr. Tait's response was that he thought this information should be something received from the Bureau and that he did not wish to discuss the matter.

Mr. Vermeire noted that there had not been as many contracts with his company since the death of Mr. Hoover and he wanted to know if he had received all the contracts because he had been a close personal friend of Mr. Hoover.

In response to my question regarding his purpose in coming to the Bureau to furnish this information, Mr. Tait advised that he had come to the Bureau voluntarily to furnish the information concerning the interview and to receive some guidance as to what he should do if he was recontacted by the House Select Committee.

Mr. Tait advised that he stamped the following statement on all his contract forms:

"This order complies with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968."

Mr. Vermeire mentioned that Mr. Tait had no right to use this stamp. That the above statement could only be used by a law enforcement agency, or a law enforcement agent employed by a law enforcement agency.

I called Mr. Cochran in the Laboratory and asked him to determine whether or not the records of confidential purchases were protected by the classification Confidential under the executive order including records maintained by the dealers and also I called Mike Shaheen in the Deputy Attorney General's office and told him that we had a problem concerning a confidential source of the Bureau who had been approached by representatives of the House Committee for interview concerning his confidential relationship with the Bureau. I told him of the possibility that the records could be protected by classification, but I asked him if the Department would be willing to address the matter with the Chairman of the
House Committee on the basis that the Committee staff is interfering with our confidential sources by interviewing them personally. Shaheen said that we have such an agreement with the Senate, but no agreement with the House Committee, but that he felt that this matter should be presented to the Attorney General formally and that the Attorney General would probably address the matter to the Chairman of the Committee.
On the afternoon of September 30, 1975, Mr. Joseph Tait voluntarily appeared in my office and advised me that he had been interviewed by a representative of the House Select Committee on September 26, 1975. The purpose of the interview was to develop information concerning confidential business transactions between the FBI and Mr. Tait's company, the U.S. Recording Company. Mr. Tait advised that his understanding was that his relationship with the FBI was confidential and he so advised the Committee representative who responded that it may become necessary for the Committee to issue a subpoena for Mr. Tait's testimony and for his records. Mr. Tait requested advice as to what action he should take in response to demands by the Committee for information concerning matters regarded as confidential.

I told Mr. Tait that the information he furnished would be made available to the Department for consideration of action that might be taken by the Attorney General concerning what appears to be interference with FBI confidential sources by representatives of the House Committee.

I called Mr. Cochran in the Laboratory and requested him to review the records of our dealings with Mr. Tait to determine whether such records would be properly protected by classification and to assess the damage that might be incurred if the records are produced to the Committee. I also spoke to Michael Shaheen in the Deputy Attorney General's office, explained to him in general terms the problem of Committee interviews of confidential Bureau sources, and asked him whether it would be agreeable for us to present this matter formally with a request that the Attorney General consider contacting the Chairman of the Committee. Shaheen agreed that the matter should be submitted.

Attached are notes of my interview of Joseph Tait on the afternoon of September 30, 1975.
Memorandum to Mr. Adams
Re: HOUSTUDY 75

RECOMMENDATIONS:

1. That the Laboratory furnish Legal Counsel with a summary of the records of our dealings with Joseph Tait and advise concerning their classification and a damage estimate.

2. That the Administrative Division advise Legal Counsel of our past contract procedures with Mr. Tait and/or his company, including classification procedures and advise whether production of his records would damage the Bureau's relationship with other confidential sources presently existing or who may be contacted in the future.

3. That upon receipt of the information necessary, Legal Counsel Division will prepare an appropriate memorandum to the Attorney General.
Interview of Joseph Tait
U.S. Recording Company
1347 South Capital Street
Washington, D.C.
488-3900

Interview by House Select Committee on Intelligence representative Vermeire (225-9751)

Interviewed on 9/26 from 11:00 a.m. to 12:00 noon and from 2 to about 3:30 p.m.

Vermeire told Mr. Tait that he wanted to talk about all transactions the Bureau had had with his company for radio material including covert purchases.

Mentioned Bureau names including:
John Matter
Bill Harwood
Jack Walters
Grover Stevens
Arthur Newman
Speights McMichael
"Dr. Wright"
Ivan Conrad

At the outset of the interview, Mr. Vermeire told Mr. Tait not to try to be evasive. The information he wanted he knew Mr. Tait could supply and if you will not cooperate with us and give us the information, we will subpoena the records of your company.

Mr. Tait advised Mr. Vermeire that he could not give him the information he wanted and that he should contact the Bureau for that information. He said his records were marked confidential and that confidential meant that he could not reveal those records to any unauthorized person. In reply to my question regarding who had classified the information, Mr. Tait advised that the Bureau had classified his records.
Mr. Tait cited an incident that happened probably in 1969 or 1970 which concerned John Matter and a contract with the Martin Kaiser Company. Mr. Vermeire asked why this deal, which concerned the purchase of some equipment, was not worked out through Mr. Tait. Mr. Tait's response was that he thought this information should be something received from the Bureau and that he did not wish to discuss the matter.

Mr. Vermeire noted that there had not been as many contracts with his company since the death of Mr. Hoover and he wanted to know if he had received all the contracts because he had been a close personal friend of Mr. Hoover.

In response to my question regarding his purpose in coming to the Bureau to furnish this information, Mr. Tait advised that he had come to the Bureau voluntarily to furnish the information concerning the interview and to receive some guidance as to what he should do if he was recontacted by the House Select Committee.

Mr. Tait advised that he stamped the following statement on all his contract forms:

"This order complies with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968."

Mr. Vermeire mentioned that Mr. Tait had no right to use this stamp. That the above statement could only be used by a law enforcement agency, or a law enforcement agent employed by a law enforcement agency.

I called Mr. Cochran in the Laboratory and asked him to determine whether or not the records of confidential purchases were protected by the classification Confidential under the executive order including records maintained by the dealers and also I called Mike Shaheen in the Deputy Attorney General's office and told him that we had a problem concerning a confidential source of the Bureau who had been approached by representatives of the House Committee for interview concerning his confidential relationship with the Bureau. I told him of the possibility that the records could be protected by classification, but I asked him if the Department would be willing to address the matter with the Chairman of the
House Committee on the basis that the Committee staff is interfering with our confidential sources by interviewing them personally. Shaheen said that we have such an agreement with the Senate, but no agreement with the House Committee, but that he felt that this matter should be presented to the Attorney General formally and that the Attorney General would probably address the matter to the Chairman of the Committee.
Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

SUBJECT: Houstudy - 75

DATE: 10/7/75

Steven Blackhurst, Assistant Special Counsel for Intelligence Coordination in the Department, telephonically advised SA Paul V. Daly of this Division that he had received an oral request from Richard Vermeire of the House Select Committee that Unit Chief James C. Kraus be made available for public testimony before the House Select Committee, Thursday, 10/9/75, the exact time was not specified. Vermeire stated the topic of the hearings would be the Bureau's investigation of Interception of Communications violations.

It was pointed out to Blackhurst that Kraus was a Unit Chief in the General Investigative Division and the Bureau traditionally, as have other Government agencies, used personnel in a policy-making position for purposes of testimony before Congressional Committees. It was explained to Blackhurst where in the Bureau's organization a Unit Chief would rank and Blackhurst indicated he was not aware of what the rank Unit Chief conveyed.

It was also pointed out that this was the same issue that had been presented in the dispute between the State Department and this Committee concerning who would be appropriate to testify concerning particular matters and to our knowledge this dispute had not been resolved. Blackhurst indicated he would communicate to the White House the request of the House Committee and point out the fact that the Committee was calling witnesses to testify on investigative policy who were not in a policy-making position. He also stated he would convey this same problem to the Attorney General through Special Assistant to the Attorney General, Doug Marvin. Blackhurst agreed that the procedure concerning the designation by the Committee of witnesses is not acceptable and that he would recommend that the Department and the White House resist as much as possible this request.

1 - Mr. Adams
1 - Mr. Moore
1 - Mr. Wannall
1 - Mr. Mintz
1 - Mr. Gallagher

EX-115. REC-5

1 - Mr. Cregar
1 - Mr. Hotis
1 - Mr. Daly
1 - Personnel File of SA James C. Kraus

CONTINUED - OVER
SEE ADDENDUM PAGE 3
Legal Counsel to Mr. J. B. Adams
RE: HOUSTUDY

In view of the possibility that our protests may not be successful and Unit Chief Kraus may ultimately have to testify, it is believed advantageous to waive the employment agreement of SA Kraus and the Code of Federal Regulations provisions for purposes of testimony at this time.

RECOMMENDATIONS:

1) That the employment agreement and Code of Federal Regulations provisions be waived for purposes of testimony by SA Kraus concerning the Bureau's investigation of Interception of Communications matters.

2) You will be kept advised of additional developments concerning this matter.
Subsequently, Blackhurst advised he had talked to a White House representative concerning the aforementioned matter and the White House indicated it was up to the Department of Justice to set policy in this regard. They stated they had similarly referred the matter in dispute between the State Department and the Committee to State Department to resolve.

Blackhurst requested a letter be written immediately to the Attorney General setting forth the Bureau's observations concerning this request. A letter is separately being sent to the Attorney General.
UNITED STATES GOVERNMENT

Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

SUBJECT: HOUSTUDY '75

1 - Mr. Mintz
1 - Mr. Adams
1 - Mr. Gallagher
1 - Mr. Wannall

DATE: 10/8/75
1 - Mr. Cregar
1 - Mr. Hotis
1 - Mr. Daly

By memorandum dated 10/7/75, you were advised that we have been requested by the House Select Committee to make available Unit Chief James C. Kraus for testimony concerning interception of Communications violations before that Committee on 10/9/75. We also advised that we were preparing a letter to the Attorney General expressing this Bureau's position that it was not appropriate or desirable for a Unit Chief to testify concerning the Bureau's investigative matters and we would rather designate another appropriate Bureau official for purposes of this testimony. The letter was prepared and delivered to the Department on 10/7/75.

At his request, Assistant Director John A. Mintz and Executive Assistant to the Deputy Associate Director Paul Mack and John Pringle of the General Investigative Division met with Deputy Attorney General Harold Tyler. Also present from the Department at the meeting were Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination, and his Assistant, Steven Blackhurst. The Deputy expressed concern that if the Bureau or Department were to resist the request of the House Select Committee, as was requested in our letter of 10/7/75, that the Committee might escalate this resistance into a matter requiring litigation. He pointed out that the State Department in their refusal to make certain employees available before that Committee appears to be entered into a situation which will lead to litigation. As a counterproposal, Assistant Director Mintz suggested that it would be appropriate for the Bureau to attempt through contact with Staff Members of the House Select Committee to arrange for a substitute witness and in the alternative arrange to have another Bureau official accompany Unit Chief Kraus to the hearing. Tyler agreed with this suggestion.

EX-115_A

CONTINUED - OVER
Legal Counsel to Mr. Adams  
RE: HOUSTUDY

Pursuant to the aforementioned suggestion, SA Paul V. Daly of this Division discussed this matter with Richard Vermeire of captioned Committee. Vermeire indicated that he could not make a decision in this matter and referred SA Daly to A. Searle Field, Staff Director for the House Select Committee. Field, after concurring with Chairman Otis Pike, advised SA Daly that it was not acceptable for the Bureau to substitute a witness for purposes of the testimony. He stated, however, the Committee had no objection to the Bureau sending along another Bureau official with Unit Chief Kraus. Field stated the hearing will be held at 10 a.m., 10/9/75, in Room 2118, Rayburn Building, and that Kraus would be a "peripheral witness." By this Field explained that the main witnesses would be Michael J. Hershman, Chief Investigator of the National Wiretap Commission, former U.S. Attorney in Houston, Texas, Anthony J. P. Farris, a manufacturer of electronic surveillance devices and an individual who had done wiretapping. He indicated that Kraus would be asked very few questions and that the possibility existed that he might not be asked any questions and this is what he meant by "peripheral witness." It was explained to Field that there might be some questions which Kraus could not respond to because they involved ongoing Bureau investigations or other policy considerations and Field concurred Kraus should merely state if such a question is asked.

The aforementioned decision of the House Select Committee was explained to Special Counsel for Intelligence Coordination Shaheen and he was asked if the Department was willing to have someone accompany Kraus to this particular hearing. He stated no. It was pointed out that there is a possibility we might get questions concerning current investigations or other areas in which the Bureau cannot respond. Shaheen indicated that if there is a question such as the Houston Wiretapping matter which is being reviewed by the Department, this Bureau should refuse to respond stating that this matter is currently under review by the Department and likewise if the question should pertain to an ongoing investigation, refuse to respond on that basis.

RECOMMENDATION:

For information.

[Signature]
Memorandum

TO: Mr. J. B. Adams

FROM: Legal Counsel

SUBJECT: Houstudy ’75

DATE: 10/15/75

1 - Mr. Mintz
1 - Mr. Wannall
1 - Mr. Cregar
1 - Mr. Hotis
1 - Mr. Daly

The Congressional Record of 9/17/75 contained comments made by Chairman of captioned Committee, Otis Pike, stating that a notebook bearing a classification stamp had been left unattended in a Congressional office. His comments indicated that Roderick Hills, Assistant Counsel to the President, was the individual responsible for leaving the notebook. Pike indicated he would assist the FBI in investigating the matter. News accounts quoted Hills as stating the notebook did not contain classified material.

In view of Chairman Pike’s apparent expectation that the FBI would conduct an investigation concerning the aforementioned matter, SA Paul V. Daly of this Division at the request of Executive Assistant to the Deputy Associate Director, Paul Mack, discussed this matter with Steven Blackhurst, Assistant Special Counsel for Intelligence Coordination in the Department, to determine whether the Department desired an investigation be conducted concerning this matter. Blackhurst advised that no investigation should be conducted.

RECOMMENDATION:

For information.

PVD: lad

(7)
Memorandum

TO: Mr. W.R. Wannall
FROM: J.G. Deegan
SUBJECT: HOUSTUDY '75

DATE: 10/6/75

1 - Mr. R.J. Gallagher
1 - Mr. Mintz (Daly)
1 - Mr. Wannall
1 - Mr. Cregar
1 - Mr. Deegan

On 10/2/75 SA Paul Daly brought to the Division (Intelligence) Conference Room Richard Vermiere, Timothy Oliphant and Ellen Miller, Staff Members of captioned Committee, for conferences with members of the IS-1 Section, Intelligence Division, concerning the work handled by that Section.

At approximately 10:20 a.m., an overall briefing was given to the Committee Staff Members by Section Chief Joseph G. Deegan. This overall briefing concerning the work handled by the Section; namely, black extremist activity, white hate activity and extremist activity in the American Indian Movement (AIM), was followed by more detailed briefings by individual Supervisors in the Section. The detailed briefing included the basis for our investigation of certain organizations and individuals, as well as the present activities of the organizations and individuals justifying the investigation and an estimate of the membership strengths of the various organizations.

SA G.T. Tunstall spoke on the Black Panther Party (BPP)-Newton Faction; SA V.R. Thornton spoke concerning the Cleaver Faction of the BPP and the Black Liberation Army, as well as certain aspects of Urban Guerrilla Warfare; SA R.W. Held spoke on extremist activity in the AIM; SA J.D. Powell spoke on the Republic of New Africa and the Nation of Islam; SA P.E. Nugent spoke concerning the Symbionese Liberation Army and the SCLC; SA S. Klein spoke on the Klan and white hate activity. These briefings lasted from 10:20 a.m. until 5 p.m. with appropriate break for lunch.

CONTINUED - OVERY
Memorandum to Mr. W.R. Wannall  
RE: HOUSTUDY '75  
62-116464

The briefings went rather smoothly and the only area of extensive questioning by the Staff Members was the area of extremist activity in the AIM. The Staff Members requested to be advised concerning allegations of harassment by SAs of the FBI in connection with investigations on the Pine Ridge Reservation prior to the killing of two SAs. The Staff Members were advised that allegations of harassment were received by the FBI and were looked into and it was determined that they were unfounded and, further, that the Agents on Pine Ridge Reservation, including the Agents who were killed, were performing their official duties in conducting investigations concerning criminal activities and persons connected with fugitive matters. When asked for specific details concerning these allegations of harassment and the Bureau's answer on each one, the Staff Members were advised that they should make a request in writing. They advised that they would do this.

In addition to the above, they asked specific questions concerning informants, including how many informants were presently in the Republic of New Africa. The Staff Members were advised that informants were not a matter to be discussed in this briefing and that if they desired additional information concerning informants, they should also make a request in writing.

ACTION:  
For your information.
Reference is made to Department letters to the HSC dated August 21, 1975, and September 3, 1975, copies of which were provided this Bureau.

In accordance with contents of referenced Department letter of September 3, 1975, there is enclosed for approval and forwarding to the HSC the original of a memorandum which constitutes this Bureau's response to HSC inquiries made of FBI Assistant Director Eugene W. Walsh at a hearing held August 7, 1975, before the House Select Committee on Intelligence dealing with the subject matter "Budget Inquiry on Intelligence Activities."

With regard to certain specific questions asked during the course of the above hearing, the following is being called to your attention.

Page 1239 of the transcript testimony indicates that Representative Morgan F. Murphy inquired of Assistant Director Walsh as to the amount of money spent last year by the FBI on electronic surveillance. Pursuant to instructions received September 4, 1975, by Section Chief William O. Cregar of this Bureau from Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination, Department of Justice, this Bureau is holding in abeyance a reply to the above inquiry pending receipt of instructions from the Department as to the manner and scope of replies to be made by this Bureau in the sensitive area of electronic surveillance.

Page 1276 of the transcript testimony indicates that Representative Robert McClory requested that a copy of the report of the Interagency Committee on Intelligence of 1970 be made available to the HSC. As this report is in the possession of the Department and as the request appears to be directed at and was answered by Mr. Glen Dommering, Assistant Attorney General for Administration, Department of Justice, no action is being taken by this Bureau in connection with this request.
The Attorney General

Page 1285 of the transcript testimony contains an inquiry concerning FBI participation in surreptitious entry operations. Pursuant to Department instructions received September 4, 1975, supra, this Bureau is holding in abeyance a reply to the above question pending receipt of instructions from the Department as to the manner and scope of replies being made to the HSC in this sensitive area.

A copy of this memorandum is being furnished you for your records.

Enclosures (2)
62-116464

1 - The Deputy Attorney General
Attention: Michael E. Shaheen, Jr.
Special Counsel for
Intelligence Coordination
On August 7, 1975, Assistant FBI Director Eugene W. Walsh appeared before a hearing of the HSC dealing with the subject matter "Budget Inquiry on Intelligence Activities." During the course of the hearing, members of the Committee made specific inquiries into the operations of this Bureau, which inquiries, it was stated by the HSC Chairman, "ran some distance" from budgetary matters. Set forth below are Bureau responses which have been cleared with the Department of Justice and which are believed to be responsive to applicable inquiries made of Mr. Walsh on the above occasion. These inquiries were extracted from a review of the transcript of the above hearing.

Pages 1278 to 1286 of the transcript testimony contain a series of questions concerning Bureau operations posed by Representative Ronald V. Dellums. Responses to these inquiries are set forth below.

Page 1279 contains a series of questions concerning the Security Index. Information responsive to these inquiries has been incorporated into a memorandum prepared by this Bureau and directed to the HSC under the date of September 12, 1975, in response to an HSC inquiry dated August 27, 1975, concerning the operation of the ADEX.

Pages 1279 and 1280 of the transcript testimony contain a series of questions relating to "INLET" as follows:

TJM:mjg/pjs/FS
(16)
U. S. House Select Committee
on Intelligence Activities (HSCI)

To: Requests for Information Made by Subcom
of HSCI at Hearing Held August 7, 1976,
Regarding "Subject Inquiry on Intelligence Activities"

a. Who authorized HUMINT? The FBI intelligence letter
for the President (signatory: HUMINT) was instituted in November,
1959, pursuant to then FBI Director J. Edgar Hoover's instructions
to keep the President fully informed of significant intelligence
developments within the purview of this Bureau's security
responsibilities. Dissemination was restricted to the President
and the Attorney General.

b. Is HUMINT still in operation? No. The last HUMINT
was issued during August, 1976. Changes in this Bureau's
communications capability including the ability to afford
immediate teletype dissemination of intelligence data to the
White House rendered the intelligence letter as such obsolete
by 1976. Items submitted by field officials designating HUMINT
were discontinue in other ways. By late 1976, it was concluded
that the use of the designation HUMINT was no longer necessary
and in December, 1976, the last vestiges of the HUMINT program
were discontinued and the field offices so advised. The field
officials were also advised, however, that they had a continuity
responsibility to be alert for high level intelligence data of
the type formerly specified under the HUMINT program.

c. Did it include political intelligence? No.
Instructions regarding HUMINT referred to information developed
through espionage investigative operations and which were within
the purview of this Bureau's security responsibilities. This
Bureau's instructions, when initiating this program, indicated
that "mere rumors or nebulous information will have no place in
this letter."

d. Has the FBI ever gathered political intelligence?
No. The FBI has never as a policy collected political intelligence.
Bureau investigations are strictly based on authority and
jurisdiction as mandated by statute, Presidential Directives
and instructions from the Attorney General. The end product of
this Bureau's investigations may, in certain instances, contain
information which might be defined as political intelligence by
some. This information, however, not the object of this
Bureau's investigative interest. Moreover, the product of this
Bureau's investigations is considered by Departmental regulations
to be confidential in nature and its dissemination outside the
Bureau is severely restricted by this Bureau's dissemination
policy.

NW 65994 DocID:328699684 Page 169
U. S. House Select Committee
on Intelligence Activities (HSC)

To: Requests for Information Made by Members of HSC at Hearing Held August 7, 1975,
Regarding "Budget Inquiry on Intelligence Activities"

Page 1282 of the transcript testimony contains a series of questions relating to this Bureau's use and handling of informants. Materials and documents responsive to inquiries relating to this matter have previously been furnished the HSC by memoranda dated August 7, 1975, August 19, 1975, September 5, 1975, and September 10, 1975, all prepared in response to written HSC inquiries dealing with informant matters.

Pages 1294-1295 contain a series of questions relating to COINTELPRO. Extensive information concerning this Bureau's participation in COINTELPRO was made available by this Bureau to HSC representatives on August 30, 1975, and September 12, 1975.

Page 1294 of the transcript testimony contains the question "What is the FBI's role in COINTELPRO program, code word 'Cordon Plot'?" FBI Headquarters indices do not contain any references to the term COINTELPRO. These indices do, however, contain several references to "Cordon Plot." These references are news releases indicating that in 1970, the Department of Justice disclosed that the Federal Government had developed as early as mid-1967, a plan under the code name "Cordon Plot" which called for the use of Federal troops to quell civil disturbances.

Page 1294 of the transcript testimony contains the question as to whether the FBI operates in Canada in any role beyond liaison. The policy of the FBI is and all investigative personnel are so advised that the FBI does not operate in Canada in any role beyond liaison.

Pages 1294 and 1295 of the transcript testimony contain questions concerning any relationship that does or may have existed between the FBI, the International Telephone and Telegraph Company (ITT) and the telephone company. In answer to specific
questions, there is no information in FBI Headquarters files indicating this Bureau has ever provided confidential information to ITT. The FBI has a normal customer relationship with both the telephone company and ITT. ITT has been consulted from time to time concerning business services and systems which have been of interest to the FBI. This has been especially true in the communications field as the FBI operates its own extensive radio and teletype systems. Additionally, the telephone company provides leased lines for use in technical surveillances all of which are authorized by the Attorney General. FBI personnel install and connect these technical surveillances to the leased lines. Telephone company personnel are not involved in the installation of such surveillances. The telephone company also furnishes toll call records upon authorized requests in connection with ongoing FBI investigations.

Page 1235 of the transcript testimony contains a question as to whether the FBI has ever attempted surreptitiously to monitor the defense efforts of a Federal defendant. No. The FBI Manual of Instructions, Section 107 F 12, a copy of which has been made available to the HSC, contains specific instructions regarding the procedure to be followed in situations where efforts are made by defense interests to involve our informants in a defendant's defense preparations. These instructions are designed to prevent any legitimate claim that this Bureau has invaded the defense camp.

Page 1235 of the transcript testimony contains a question as to whether the FBI, a Bureau Agent or a Bureau informant ever authorized, directed, suggested or participated in an assassination or an assassination attempt. There is no reasonably retrievable manner available to this Bureau short of a manual search of all existing Bureau files to reply absolutely to the above question. It is pointed out, however, that Bureau involvement in any such action would be entirely contradictory to the long-established and recognized code of conduct for Bureau

- 4 -
U. S. House Select Committee
on Intelligence Activities (HSC)

Re: Requests for Information Made by Members
of HSC at Hearing Held August 7, 1975,
Regarding "Budget Inquiry on Intelligence Activities"

employees. A check with knowledgeable Bureau personnel concerning
this matter failed to uncover any incident substantiating the
participation of the FBI, Bureau personnel or informant acting
under the direction of the Bureau as having engaged in such
activities.

Page 1285 of the transcript testimony contains an
inquiry as to whether the FBI ever sought or obtained illegal
access to bank records. Again, an absolute reply to this
inquiry would require a manual search of every file maintained
by the FBI. To the best recollection of Bureau individuals in a
position to be cognizant of such matters, the FBI has never
sought or obtained illegal access to bank records. Requests for
such records have been fulfilled through requests made of
authorized bank officials or by the use of a subpoena duces tecum.

Page 1285 of the transcript testimony contains a
question concerning the FBI and its possible use of mail covers.
The FBI, on a selective basis during official investigations,
utilizes mail covers in accordance with procedures set out in
the Postal Manual, Part 861. Mail cover requests are directed
to the appropriate Regional Postal Inspector in Charge in
criminal and fugitive situations and to the Chief Postal
Inspector in national security matters. Final decision as to
whether a mail cover is effected lies with the appropriate postal
official.

Page 1285 contains an inquiry as to whether there is any
FBI program against the American Indian Movement. No FBI program
has been directed against the American Indian Movement. The FBI
has conducted investigations based on information indicating that
the American Indian Movement or individuals associated with that
organization have engaged in activities which could involve a
violation of Title 18, U. S. Code, Section 2385 (Rebellion or
U. S. House Select Committee on Intelligence Activities (HSC)

Re: Requests for Information Made by Members of HSC at Hearing Held August 7, 1976, Regarding "Budget Inquiry on Intelligence Activities"

Insurrection), Section 2384 (Seditious Conspiracy) or other Federal statutes. Investigation has also been conducted at the specific request of the Department of Justice. For example, by letter dated November 21, 1972, Deputy Attorney General Ralph E. Erickson requested that this Bureau intensify its efforts in identifying violence prone individuals or organizations within the American Indian movement who may be planning future violent demonstrations or criminal activities; by letter dated April 26, 1973, Assistant Attorney General Henry E. Petersen requested "reports of significant incidents involving Indians that might suggest the development of any future militant confrontation between Indians and the Government"; and by letter dated April 22, 1974, Assistant Attorney General Petersen reiterated the aforementioned instructions of November 21, 1972.

Page 1286 of the transcript testimony contains a series of questions relating to the Law Enforcement Intelligence Unit.

The Law Enforcement Intelligence Unit (LEIU) was originally established in 1956, and maintains its national clearinghouse at the California Department of Justice's Bureau of Identification and Investigation (CII), Sacramento, California. For administrative purposes LEIU has divided the country into four zones: northwest, southwest, east, and central, and membership is open to regular law enforcement organizations therein, including city police departments, sheriffs' offices, and other agencies. There is no fee for membership, but each agency joining is required to maintain an "intelligence unit," even if it consists of only one person.
The information exchanged by LEIU pertains to hoodlums, mobsters, and organized crime in general, with particular reference to those criminals who move about from one jurisdiction to another or whose operations extend beyond the jurisdiction of any one agency.

The FBI has not accepted membership or formal participation in the activities of LEIU, but this Bureau has, when invited, sent representatives to attend meetings as observers.

In an article dated May 14, 1975, from the Los Angeles Times, Associated Press Wire Service, it was set forth that LEIU has its headquarters in Long Beach, California, and operates a computerized information bank known as the Interstate Organized Crime Index. That index, based in the California Department of Justice, has received $1,338,186 from the Federal Law Enforcement Assistance Administration. About 230 police agencies in the United States and Canada belong to the LEIU.

Page 1291 of the transcript testimony contains a question from Representative Les Aspin as to the legal authority for the FBI "to get involved in things like internal security and counterespionage." Material responsive to this question setting forth the legal authority for FBI investigations has been previously furnished the NCC as an enclosure to Bureau memorandum dated September 4, 1975.

1 - The Attorney General
U.S. House Select Committee on Intelligence Activities (HSC)

Re: Requests for Information Made by Members of HSC at Hearing Held August 7, 1975, Regarding "Budget Inquiry on Intelligence Activities"

NOTE:

During the course of the hearing, the HSC Chairman stated that questions presented during the hearing would, at a later date, be furnished the Bureau in writing. By referenced letter 9/21/75, the Department reminded the HSC of the Chairman's statement and advised that pending receipt of the written questions, no replies were being formulated. In response to a letter from the HSC protesting this action, the Department, by letter 9/3/75, advised that replies would be prepared to the above questions based on the transcript testimony but requested that all future inquiries be directed to the Department in writing.

Material responsive to HSC inquiry concerning INLMT, surreptitious monitoring of defense efforts and mail covers was prepared by SA Thomas R. Bures; material relating to COMARC and "Garden Plot" was prepared by SA Keith Mendenhall; material relating to liaison activity in Canada was prepared by SA Robert L. Moore; material relating to ITP and the telephone company was prepared by SA Robert D. Hampton; material relating to American Indian Movement was prepared by SA Richard V. Held and material relating to assassinations, bank records and "law enforcement intelligence unit" was prepared by SA Howard W. Dare.

SECRET
- 8 -
5-140 (Rev. 1-21-74) FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

Addressee: House Select Committee

☐ LTR ☑ LHM ☐ Memo ☐ Report dated 9/22/75

Caption of Document: Requests for info made by members of HSC at hearing held 8/7/75 re "Budget Inquiry on Intelligence Activities"

FBI

Delivered by: Richard [Handwritten] Date: 9/29/75

Received by: [Handwritten]

Title: Secretary

Return this receipt to the Intelligence Division, FBI

62 106 404 119

ENCLOSURE
TO: Intelligence Community Staff
ATTN: Central Index
FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)
   DOCUMENT
   BRIEFING
   INTERVIEW
   TESTIMONY
   OTHER

2. DATE PROVIDED
   5/22/75

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)
   SSC
   X HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)
   Memorandum

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of [name], initiative, subpoena, etc.)
   HSC hearing 6/7/75

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)
   U

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)
   Budget and manpower data
   Operating procedures
   Intelligence handling

8. SUMMARY (see reverse side before completing this item)
   At a hearing held with HSC specific inquiries into the operations of this Bureau: "Inlet"; handling of informants; COINTELPRO; COINTEL or "Garden Plot"; FBI operations in Canada; FBI's relationship with MI; and FBI ever attempted surreptitiously to monitor the defense efforts of a Federal defendant; has FBI or FBI informant ever authorized, directed, suggested or participated in an assassination or assassination attempt; FBI was sought or obtained illegal access to bank records; mail covers; American Indian Movement; Law Enforcement Intelligence Unit.

62-116464
FMK: fmk
(4)

ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY

TREAT AS YELLOW 5-06/78
INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES (HSC)

Enclosed for your approval and forwarding to the HSC is the original of a memorandum constituting this Bureau's responses to requests contained in HSC letter of August 19, 1975, which was forwarded to this Bureau by Department memorandum of the same date captioned "House Select Committee Request." A copy of the Bureau memorandum is being furnished for your records.

With regard to request number 1 contained in HSC letter of August 19, 1975, and in accordance with instructions of Mr. Steven Blackhurst, Deputy Special Counsel for Intelligence Coordination, Department of Justice, on August 21, 1975, to FBI Special Agent Paul V. Daly, this Bureau is making available for review to HSC Staff Members at FBI Headquarters only that material which had been furnished to the Senate Select Committee (SSC) on or prior to July 22, 1975.

In accordance with specific instructions contained in above-mentioned Department memorandum of August 19, 1975, this Bureau is not responding to request number 5 as set forth in HSC letter of August 19, 1975. In addition, this Bureau has not prepared a response to request number 2 in HSC letter of August 19, 1975, as this request appears to be directed to the Department in that it requests opinions of the General Counsel.

Enclosures (2)

62-110464

1 - The Deputy Attorney General
   Attention: Michael E. Shaheen, Jr.
   Special Counsel for Intelligence Coordination

EX-115  REC-6

21 OCT 23 1975

[Signature]
U. S. HOUSE SELECT COMMITTEE
OF INTELLIGENCE ACTIVITIES (HSC)

RE: REQUESTS FOR INFORMATION CONCERNING
MATERIALS FURNISHED SENATE SELECT COMMITTEE (SSC)
AND THE GENERAL ACCOUNTING OFFICE (GAO) AS WELL AS
CERTAIN INFORMATION CONCERNING FBI INTERNAL
ORGANIZATION, INFORMANT PROGRAM AND CONFIDENTIAL FUNDS

Reference is made to HSC letter dated August 19, 1975,
requesting certain documents and information relating to specific
operations of this Bureau. Set forth below by request number are
replies to requests contained in referenced communication which
are directed to this Bureau.

Request number 1 refers to HSC request of July 22, 1975,
wherein this Bureau was requested to furnish to the HSC copies of
all documents and materials provided to the SSC. Pursuant to an
agreement reached August 19, 1975, at a conference between
representatives of the HSC, Department of Justice and the FBI,
this Bureau is making available for review to HSC Staff Members
at FBI Headquarters as requested in HSC letter of July 22, 1975,
a copy of material furnished to SSC by this Bureau. Material so
designated by reviewing HSC Staff Members has been and will
continue to be processed for delivery to the HSC.

Request number 2 represents a request made of the
Department of Justice.

Request number 3 requests of this Bureau certain informa-
tion relating to the internal organization of this Bureau as well
as information relating to the Bureau's informant program and
confidential funds. Material responsive to this request has
previously been furnished the HSC by Bureau memoranda dated
August 7, 1975, and August 14, 1975.

ORIGINAL AND ONE COPY TO AG

TJM: mjg 178 (9)

MAIL ROOM  TELETYPE UNIT  EXCISED

SEE NOTE PAGE TWO

W:/11

9

GPO 52-566

NW 65994 DocId:32989684 Page 180
U. S. House Select Committee
on Intelligence Activities (HSC)

Re: Requests for Information Concerning Material Furnished
Senate Select Committee (SSC) and the General Accounting
Office (GAO) as well as Certain Information Concerning FBI
Internal Organization, Informant Program and Confidential Funds

Request number 4 refers to HSC request of July 30, 1975, wherein this Bureau was requested to make available for access to HSC Staff Members all FBI budgetary information previously furnished to the General Accounting Office pursuant to the latter's investigation for the House Judiciary Committee. By Bureau memorandum dated August 27, 1975, you were advised that material responsive to this request is available for review by HSC Staff Members at FBI Headquarters.

Request number 5 represents a request made of the Department of Justice.

1 - The Attorney General

NOTE:

Department instruction furnished by Mr. Blackhurst to SA Daly is contained in memorandum from Legal Counsel Division to Mr. J. B. Adams dated 8/22/75, captioned "House study."
REQUEST FOR ALL INFORMATION
PREVIOUSLY MADE AVAILABLE BY THE FBI TO THE
SENATE SELECT COMMITTEE (SSC).

Originating Office: FBI
Delivered by: [Signature]
Date: 9/18/75
Received by: [Signature]
Title: 

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff
ATTN: Central Index

FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term: If a document was made available for review but not transmitted, so note.)
   X DOCUMENT
   BRIEFING
   INTERVIEW
   TESTIMONY
   OTHER

2. DATE PROVIDED 9/15/75

FOR REVIEW

3. TO WHOM PROVIDED (check appropriate term: add specific names if appropriate)
   SSC
   X HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

   Memorandum

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

   HSC letter 8/19/75

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

   U

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

   Budget and manpower
   Organization and staffing

8. SUMMARY (see reverse side before completing this item)

   Made available for review by appropriate HSC Staff Members a copy of material previously furnished to SSC: internal organization, informant program, confidential funds and FBI Budgetary information previously furnished General Accounting Office.

   62-116464
   FMK: fmk
   (4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY

   TREAT AS YELLOW

   8/03/75

3791 (6-75)

CLASSIFY AS APPROPRIATE
INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8, SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
My memorandum to you dated October 7, 1975, captioned as above, advised that the House Select Committee requested Unit Chief James C. Kraus to appear for public testimony on October 9, 1975, concerning the Bureau's investigation of violations of the interception of communications statutes.

My memorandum explained that SA Kraus, as a Unit Chief, is not in a policymaking position in the FBI. We felt that it would be more appropriate for the Attorney General or the Director to designate a Bureau official to appear before the Committee in order to respond to their questions in public testimony. During a conference with Deputy Attorney General Tyler on the morning of October 8, 1975, the Deputy Attorney General approved of a procedure whereby the Committee would be contacted and requested to permit the designation of an alternate witness. If the Committee declined to accept that proposal, the Deputy Attorney General approved of a proposal that the Committee would be requested to permit a Bureau official to accompany Mr. Kraus and to be available to respond to questions concerning matters beyond the scope of the responsibilities of Mr. Kraus' unit.

In this regard, Richard Vermeire of the Committee was promptly contacted and requested to agree to the substitution of an alternate witness for Mr. Kraus. Mr. Vermeire advised that he could not make such a decision and referred the matter to General Counsel A. Scarle Field, who also responded that he could not make such a decision and referred the matter to Chairman Pike. We were then advised that the Committee would not accept a substitute and that it would be necessary for Mr. Kraus to appear as a witness.
Accordingly, on the morning of October 9, 1975, Mr. Kraus appeared before the House Select Committee accompanied by Assistant Director Richard J. Gallagher, of the General Investigative Division, who supervises Mr. Kraus' work, and by Assistant Director - Legal Counsel John A. Mintz.

As the hearing proceeded, it became readily apparent that the objective of the hearing was to provide a forum for allegations made by former United States Attorney Anthony J. P. Farris; Michael J. Hershman, former General Investigator for the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance; Anthony V. Zavala, former officer of the Narcotics Division of the Houston Police Department; and Martin L. Kaiser, the sole owner of a corporation which specializes in the development and manufacture of electronic surveillance and counter-measure equipment. The point of their combined testimony was that the FBI was unwilling, as a matter of policy, to undertake appropriate investigation of violations of the wiretapping statutes. In addition, the Committee addressed inquiries to Mr. Kraus concerning administrative matters and FBI policy which, because of his position, he was not prepared to discuss.

Though Mr. Kraus offered an explanation to the Committee that he had been interviewed by Committee staff members and had advised the staff of the limits of his authority and knowledge concerning FBI activities, the Committee still had insisted upon his appearance as the FBI representative. Mr. Kraus suggested that other Bureau officials would be more appropriate witnesses to respond to the Committee's inquiries, however, the Committee declined to accept the offer of the availability of another Bureau official. It should be noted that two Assistant Directors were present with Mr. Kraus and available to respond to any inquiries the Committee might have addressed to them.

The result of the arrangement enforced by the Committee's insistence upon Mr. Kraus appearing as the witness was that the Committee received public testimony containing numerous allegations concerning the FBI, United States Attorneys, and the Department, but did not afford an
opportunity for appropriate response. This imbalance was unfair to the witness and to the FBI. Therefore, as we indicated in our previous memorandum, we feel it is inappropriate for the House Select Committee to dictate the level of representation of the FBI before the Committee in public session.

We request that you consider this matter and seek an appropriate understanding with Chairman Pike that would permit the Committee's legitimate inquiries to be answered by those officials in a position to furnish complete and accurate statements of policy concerning broad administrative and operational matters. Further, we request that in future appearances before the House Select Committee you designate an appropriate Department official to attend and to be prepared to respond to such matters as must be deferred by an FBI witness to a representative of the Department.

1 - The Deputy-Attorney General
   Attn: Michael E. Shaheen, Jr.
   Special Counsel for Intelligence Coordination

1 - Office of Legislative Affairs
Memorandum

TO: Mr. J. B. Adams
FROM: Legal Counsel

SUBJECT: U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES

Attached is a letter from the Director to the Attorney General enclosing a letterhead memorandum for delivery to the House Select Committee dated September 8, 1975. The attached furnishes information stating that we have arrangements to make income tax payments for sources in certain instances with the Internal Revenue Service (IRS). Since this communication serves to notify the House Select Committee that IRS might have information concerning Bureau informants, that Committee could well contact IRS and request such information which might identify informants.

The Legal Counsel Division contacted Steven Blackhurst, Deputy Special Counsel for Intelligence Coordination in the Department, to determine whether the information concerning the financial arrangements made with IRS be given the Committee and what the Department's position would be if the Committee wanted the IRS records concerning Bureau informant income tax payments. Blackhurst indicated that we should give the financial information; however, he asked that the IRS be expeditiously advised that should they receive a request concerning Bureau informant tax material they should refer such requests to the Bureau so that the Department might be appropriately apprised of such a request. Blackhurst indicated that the Department would resist any attempt by the Committee to obtain such material but wanted to be sure that he had ample advance notice of any attempt by the Committee to get such records.
Legal Counsel to Mr. Adams
RE: U. S. HOUSE SELECT COMMITTEE
ON INTELLIGENCE ACTIVITIES

RECOMMENDATIONS:

(1) That the attached letter be approved and sent.

(2) That the Intelligence Division advise IRS to
insure the Bureau is advised of any request by the House
Select Committee relating to Bureau informant tax matters.

H.A. McGuffin, IRS
Adviser - McGuffin
will advise IRS if IRS
contacted to disclose
info re this program
10/7/75
The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE ACTIVITIES (HSC)

October 10, 1975

1 - Mr. W. R. Wannall
2 - Mr. J. A. Mintz
   (1 - J. B. Hotis)

1 - Mr. W. O. Cregar
1 - Mr. A. J. Duffin

Reference is made to memorandum dated September 22, 1975, from Michael E. Shaheen, Jr., Special Counsel for Intelligence Coordination, Department of Justice, to Assistant Director John A. Mintz which transmitted an HSC request dated September 18, 1975, requesting access to all notes, memoranda, files and reports concerning Mr. Dick Wilson, Tribal Chairman of the Pine Ridge Indian Reservation.

Enclosed for your approval and forwarding to the HSC is the original of a memorandum advising that this material is available for review at FBI Headquarters as requested. A copy of the memorandum is being furnished for your records.

It appears that this request is outside the ambit of House Resolution 591 which established the HSC. The decision of whether or not to comply with this request is being deferred to you.

Enclosures (2)

EX-115

62-116464

1 - The Deputy Attorney General
   Attention: Michael E. Shaheen, Jr.
   Special Counsel for Intelligence Coordination

3 - ENCLOSURE

"ENCLOSURE IN FILE ROOM"
U. S. HOUSE SELECT COMMITTEE
TO STUDY GOVERNMENTAL OPERATIONS
WITH RESPECT TO INTELLIGENCE ACTIVITIES (HSC)

RE: REQUEST FOR ACCESS TO MATERIALS
CONCERNING MR. DICK WILSON, TRIBAL
CHAIRMAN OF THE PINE RIDGE INDIAN
RESERVATION

Reference is made to HSC letter dated September 18, 1975, which requested access to all notes, memoranda, files and reports concerning Mr. Dick Wilson, Tribal Chairman of the Pine Ridge Indian Reservation.

This is to advise that the requested materials are available for review at FBI Headquarters, Room 4171, J. Edgar Hoover Building, Washington, D. C.

1 - The Attorney General

AJD:mjg/1hb/1hb

(9) ORIGINAL AND ONE COPY TO AG

NOTE:

Attached to the yellow of this memorandum is a Xerox copy of an indices search revealing all references of Wilson as contained in Bureau indices. Serials as set forth on this search slip are the material available for access with the exception of those references marked n. p., which were determined to be nonpertinent. Only those materials so noted required excisions and an unexcised version of these materials is being maintained by the Senstudy Project group.
Federal Bureau of Investigation
Records Section

Name Searching Unit, 4543 JEH-FBI Bldg.
Service Unit, 4554 JEH-FBI Bldg.
Forward to File Review
Attention: (Signed)

Return to MR. Hines
Supervisor Room Ext.

Type of References Requested:
- Regular Request (Analytical Search)
- All References (Subversive & Nonsubversive)
- Subversive References Only
- Nonsubversive References Only
- Main References Only

Type of Search Requested:
- Restricted to Locality of
- Exact Name Only (On the Nose)
- Buildup
- Variations

Subject: ORLIN WAYNE WILSON

Birthdate & Place: 7/10/1934 Pierre, S.D.
Address: Tribal Chairman, Oglala Sioux
Localities: Atlanta, S.D. (Signed)

Ref: Date: 9/26/75 Searcher: KA

Prod.

FILE NUMBER SERIAL

46-64479 5
46-61126 I
✓46-67126 I
70-51157 I
70-64651 I
59-725 I

ORLIN

26-61639-1, 29, 31
26-814182-9

ORLIN RAY (AKA)

26-59482-9

Other Refs of Orlin Wayne

Wilien not searched

RICHARD ALLEN WILSON (AKA)

46-49756 I

NW 65994 DocId:32989684 Page:132
**SEARCH SLIP**

**Subj:** ORLIN WAYNE WILSON

**Supervisor:** Hines Cooper

**Room:** 5121

**Rs:**

**Date:** 4/26

<table>
<thead>
<tr>
<th>FILE NUMBER</th>
<th>SERIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>44-0-24745</td>
<td></td>
</tr>
<tr>
<td>11-24786</td>
<td></td>
</tr>
<tr>
<td>11-24806</td>
<td></td>
</tr>
<tr>
<td>11-24816</td>
<td></td>
</tr>
<tr>
<td>11-24855</td>
<td></td>
</tr>
<tr>
<td>11-24879</td>
<td></td>
</tr>
<tr>
<td>11-24896</td>
<td></td>
</tr>
<tr>
<td>11-25278</td>
<td></td>
</tr>
<tr>
<td>52-96893-76</td>
<td></td>
</tr>
<tr>
<td>62-115830-12</td>
<td></td>
</tr>
<tr>
<td>-11</td>
<td></td>
</tr>
<tr>
<td>-32</td>
<td></td>
</tr>
<tr>
<td>-36</td>
<td></td>
</tr>
<tr>
<td>70-0-3124</td>
<td></td>
</tr>
<tr>
<td>N/P 106-462453-312</td>
<td></td>
</tr>
<tr>
<td>N/P</td>
<td>-327</td>
</tr>
<tr>
<td>N/P</td>
<td>-695</td>
</tr>
<tr>
<td>N/P</td>
<td>-573 M 166</td>
</tr>
<tr>
<td>N/P</td>
<td>-2227</td>
</tr>
<tr>
<td>N/P 105-203646-326</td>
<td></td>
</tr>
<tr>
<td>N/P</td>
<td>-343</td>
</tr>
<tr>
<td>N/P</td>
<td>-423</td>
</tr>
<tr>
<td>FILE NUMBER</td>
<td>SERIAL</td>
</tr>
<tr>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>N. P. 151 - 24156 - 2</td>
<td></td>
</tr>
<tr>
<td>N. P. 157 - 33640 - 2</td>
<td></td>
</tr>
<tr>
<td>176 - 2262 - 1432 G, J, L</td>
<td></td>
</tr>
<tr>
<td>P, G, 8632</td>
<td></td>
</tr>
<tr>
<td>00</td>
<td></td>
</tr>
<tr>
<td>176 - 2404 - 74</td>
<td></td>
</tr>
<tr>
<td>176 - 7554 - 5</td>
<td></td>
</tr>
<tr>
<td>Richfield E (AKA)</td>
<td></td>
</tr>
<tr>
<td>NR</td>
<td></td>
</tr>
<tr>
<td>other Ed's reference</td>
<td></td>
</tr>
<tr>
<td>Allen Miller not searched</td>
<td></td>
</tr>
<tr>
<td>B. E. Allen not searched</td>
<td></td>
</tr>
<tr>
<td>Dick Miller (AKA)</td>
<td></td>
</tr>
<tr>
<td>1-1152 - 43 - 962</td>
<td></td>
</tr>
<tr>
<td>70 - 56651 - 2</td>
<td></td>
</tr>
<tr>
<td>70 - 0 - 3122</td>
<td></td>
</tr>
<tr>
<td>59 - 3229 - 2</td>
<td></td>
</tr>
<tr>
<td>- 351</td>
<td></td>
</tr>
<tr>
<td>- 638 p. 4</td>
<td></td>
</tr>
<tr>
<td>- 514 p. 4</td>
<td></td>
</tr>
<tr>
<td>- 1130 p. 5</td>
<td></td>
</tr>
</tbody>
</table>
### Search Slip

**Subj:** 

**Date:** 9/26

**Serial**

<table>
<thead>
<tr>
<th>File Number</th>
<th>Serial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dick (Lin.)</td>
<td></td>
</tr>
<tr>
<td>N.P. 160-761424-1017</td>
<td></td>
</tr>
<tr>
<td>N.P. 160-762483-276</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-252</td>
</tr>
<tr>
<td></td>
<td>-245</td>
</tr>
<tr>
<td></td>
<td>-422 X 2.5</td>
</tr>
<tr>
<td></td>
<td>-2917</td>
</tr>
<tr>
<td>N.P. 160-763684-409</td>
<td></td>
</tr>
<tr>
<td></td>
<td>413</td>
</tr>
<tr>
<td></td>
<td>-455</td>
</tr>
<tr>
<td></td>
<td>-A - Control Word</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>N.P. 157-73840-1</td>
<td></td>
</tr>
<tr>
<td>N.P. 157-73824-1</td>
<td></td>
</tr>
<tr>
<td>176-2262</td>
<td></td>
</tr>
<tr>
<td>124-42-1439 CE</td>
<td></td>
</tr>
<tr>
<td>176-24041-252</td>
<td></td>
</tr>
<tr>
<td></td>
<td>244</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Prod.**

**Searcher:** CAR

**Supervisor:**

**Room:** 3721

**Numerous Reference:**

**4-22a (Rev. 11-17-59)**
EXCISED DOCUMENTS

70-59266-1
70-58768-5
70-58765-1
H6-67126-2
U.S. HOUSE SELECT COMMITTEE ON INTELLIGENCE

Subject: ACTIVITIES re 9/18/75 request for access to all notes, memoranda, files and reports concerning Mr. Dick Wilson, Tribal Chairman of Pine Ridge Indian Reservation.

Originating Office: FBI

Delivered by: Richard Taylor
Date: 10/16/75

Received by: John Smith
Title: Admin Ass't

Return this receipt to the Intelligence Division, FBI
TO: Intelligence Community Staff  
ATTN: Central Index  

FROM: FBI

SUBJECT: Abstract of Information Provided to Select Committees

<table>
<thead>
<tr>
<th>DOCUMENT</th>
<th>BRIEFING</th>
<th>INTERVIEW</th>
<th>TESTIMONY</th>
<th>OTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>X</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. DATE PROVIDED

10/10/75

TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)

<table>
<thead>
<tr>
<th>SSC</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>HSC</th>
</tr>
</thead>
</table>

IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

Memorandum

IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

HSC letter 9/18/75

CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

U

KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

Information handling
Intelligence collection

SUMMARY (see reverse side before completing this item)

Available for review by appropriate HSC Staff Members at FBIHQ materials concerning Dick Wilson, Tribal Chairman of the Pine Ridge Indian Reservation.

62-116464
FMK: fmk

(4) ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX IN CONNECTION WITH HOUSTUDY

TREAT AS YELLOW

3791 (6-75)
INSTRUCTIONS

- Type or print clearly in ink.

- Indicate classification of the abstract top and bottom.

- Date the abstract and put on any internal control numbers required.

- "FROM" entry should clearly identify the organization providing the information.

- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.
TO: John A. Mintz, Assistant Director  
Legal Counsel Division  
Federal Bureau of Investigation

FROM: Michael E. Shaheen, Jr.  
Special Counsel for Intelligence  
Coordination

SUBJECT: House Select Committee Letter dated October 2

Attached is a letter from the House Select Committee which requests various information from the FBI. Please prepare an appropriate response.

EX-115

REC-61  62-116464  114

21 Oct 21 1975

[Signature]

ENCLOSED

Paul Daly

10/9/75 Conf. with Daly & Mintz - have agents come to HQ + use HQ files for interviews

10/15/75 Conf. with Vermillion: Letter of HSC agreed to furnish names only of cases assigned to OIC of SAC, when file is not designated. Also agreed to conduct interviews at HQ with HQ files.

OCT 7 1975
TO: John A. Mintz, Assistant Director  
   Legal Counsel Division  
   Federal Bureau of Investigation  

FROM: Michael E. Shaheen, Jr.  
   Special Counsel for Intelligence  
   Coordination  

SUBJECT: House Select Committee Letter dated October 2  

Attached is a letter from the House Select Committee which requests various information from the FBI. Please prepare an appropriate response.

cc: Paul Daly
Mr. Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination
U.S. Department of Justice
Washington, D. C. 20530

Dear Mr. Shaheen:

We hereby request (a) the present FBI assignments or whereabouts of the following FBI agents and SACs and (b) the names and present FBI assignments or whereabouts of the FBI agents who had connections, in the official course of business, with any of the following persons or programs on the dates in question (FBI file numbers are provided when possible). We further request the names and present assignments or whereabouts of the persons who were the supervising SACs. We further request permission to interview the agents and SACs in question as soon as possible. In addition, we would further request that the agents and SACs in question bring relevant files with them to the interviews.

a) 1. Agent Arthur Holder (Steubenville, Ohio), 1969.
   2. SAC Harry Maynor (New Orleans), present.

b) 1. Ralph Abernathy (Pittsburgh, 1968)
    100-448006-351
   2. Mellon Foundation refusal to grant funds to
      Unity Corp. (Pittsburgh, 1968)
      100-448006-171,255
   3. IFCO refusal to lend funds to SNCC (NYC, 1970)
      100-448006-1880, 1890
   4. "Breakfast for Children" program disruption
      (Milwaukee, 1969)
      100-448006-1244

Barbara Kiene, Donglassville, Georgia. October, 1972.


16. William Eaton, 100-449698-34-86.

17. Dr. Gilbert Steiner, December 30, 1970. 100-449698-34-97

18. William Epton

19. Lee Raymond Kellison 100-449698-46-15


21. Peter Miguel Camejo

22. Larry Eugene Canada


24. Donald Freed July 1, 1969 100-449698-26-31
Your prompt attention to this request will be appreciated.

Sincerely,

Aaron B. Donner
Counsel to the Committee
OCT 10 1975

TO: John A. Mintz, Assistant Director
    Legal Counsel Division
    Federal Bureau of Investigation

FROM: Steve Blackhurst
    Assistant Special Counsel for
    Intelligence Coordination

SUBJECT: House Select Committee Letter dated October 9

Attached is a letter from the House Select Committee requesting access to various FBI materials. Please prepare an appropriate response to this request.

1/4/75 assigned Hampton

cc: Paul Daly
TO: John A. Mintz, Assistant Director
    Legal Counsel Division
    Federal Bureau of Investigation

FROM: Steve Blackhurst
    Assistant Special Counsel for
    Intelligence Coordination

SUBJECT: House Select Committee Letter dated October 9

Attached is a letter from the House Select Committee requesting access to various FBI materials. Please prepare an appropriate response to this request.

cc: Paul Daly
Select Committee on Intelligence
U.S. House of Representatives
Washington, D.C. 20515

October 9, 1975

Mr. Michael E. Shaheen, Jr.
Special Counsel for Intelligence Coordination
U. S. Department of Justice
Washington, D.C. 20530

Dear Mr. Shaheen:

We hereby request access to any and all investigative files concerning the following individuals:

1. Bruce Bloy
2. Cathy Sledge
3. Joe Ward
4. Matilde Zimmerman
5. Caryl Sholin
6. Marc Rich
7. Laurie Paton
8. Jo-Ann Della Giustina
9. Barbara Kiene
10. Allen Taplin
11. Ann Chase
12. Sue Carroll
13. Maud Wilkinson

All of these individuals, with the exception of Laurie Paton, are members of either the Young Socialist Alliance or the Socialist Workers' Party.

Ms. Ellen Miller will be available to review these materials on October 17, 1975.

Sincerely,

A. Searle Field
Staff Director
WASHINGTON (UPI) -- A former Houston police officer, who begins a three-year sentence for wiretapping next week, today testified that illegal electronic surveillance is widespread in both police and federal law enforcement agencies.

Anthony Zavala, formerly of the Houston Police Department Narcotics Division, said that between 1968 and 1972 he personally was involved in "about 35 illegal wiretaps."

"I would estimate that during the time I was there the Narcotics Division conducted somewhere between 700 and 1,000 illegal wiretaps," he said. "It was the most effective law enforcement tool we had."

Zavala testified before the House Select Committee on Intelligence investigating electronic surveillance of U.S. citizens.

At the same time, the equivalent Senate panel granted immunity to a former CIA scientist, Dr. Sidney Gottlieb, to testify behind closed doors on why he did not follow orders and destroy in 1970 a CIA poison cache which was found intact and still lethal only a few months ago.

Wiretapping in Houston, Zavala said, took place with the knowledge and help of the telephone company and with the permission of police supervisors. He said the equipment "was manufactured, as a matter of fact, on the sixth floor of headquarters."

"That was common knowledge among us all and the federal men who frequented our headquarters," Zavala said.

Taps usually were installed on the wires at the top of telephone poles, and a special climbing school was planned for "some of us who were afraid of heights," he said.

Anthony Farris, former U.S. Attorney for the Southern District of Texas, said that the FBI and drug enforcement agency knew about the illegal electronic surveillance but did nothing -- despite repeated requests for an investigation by his office.

He said he wrote to then-Attorney General William Saxbe and other officials and talked personally once last year with FBI Director Clarence Kelley.

UPI 10-09 11:34 AED
October 9, 1975

GENERAL INVESTIGATIVE DIVISION

Attached concerns the Interception of Communications case which our Houston Office has under investigation regarding alleged wiretapping activities by the Houston Police Department.

The UPI news release states that former United States Attorney Farris said the FBI and the Drug Enforcement Administration knew about the illegal wiretaps and did nothing despite repeated requests for an investigation by his office. The article also says he wrote to the then Attorney General Saxbe and other officials and talked personally once last year with FBI Director Clarence Kelley. GID is not aware of any personal contact with the Director.

It is noted this statement is either a misquote or is in direct conflict with prior testimony by Farris before the Subcommittee on Courts, Civil Liberties, and the Administration of Justice of the Committee on the Judiciary on 5/27/75, wherein Farris was asked by Congressman Drinan why he didn't go to Clarence Kelley. He replied that he had hoped the people in the Criminal Division and the General Crimes Section would do that as they had done in other cases.

JCK:pmg
SPECIAL
1:00 PM URGENT OCTOBER 9, 1975 CAK

TO: DIRECTOR (62-116464)
FROM: PITTSBURGH (66-56)
ATTENTION: WILLIAM O. CRIMAN; INTD HOUSTUDY

REF: FBIHQTEL OCTOBER 8, 1975.

ON OCTOBER 9, 1975, LAWRENCE A. SURDOVAL, JR., WAS CONTACTED, AT WHICH TIME HE ADVISED THAT HE DESIRED THAT HIS IDENTITY NOT BE REVEALED OUTSIDE THE BUREAU.

END

AJN FBIHQ CLR TU

REG-36
ST-III

at OCT 15 1975

cc: O'Connor