The Honorable Ike Skelton  
Chairman  
Committee on Armed Services  
House of Representatives  
Washington, D.C. 20515

The Honorable Howard P. "Buck" McKeon  
Ranking Member  
Committee on Armed Services  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman and Ranking Member McKeon:

We are providing an update to our initial response to congressional direction in the National Defense Authorization Act for Fiscal Year 2010, Conference Report to Accompany H.R. 2647 (Report No. 111-288), Public law 111-84. Section 1057, which directs the Director of National Intelligence to submit to Congress a report "on the advisability of providing Federal retirement benefits to United States citizens for the service of such citizens prior to 1977 as employees of Air America or an associated company during a period when Air America or the associated company was owned or controlled by the United States Government and operated or managed by the Central Intelligence Agency."

This follows our interim response of April 29, 2010 in which we committed to providing 90-day progress reports. Since our last communication, we have identified and obtained initial funding of $350,000 to secure contract support for gathering, analyzing, evaluating, and expanding on current data, entailing the use of investigators and benefit specialists. We expect to identify contract support during August. In addition, we have begun to review the 318 boxes of personnel records currently held by the Central Intelligence Agency.

Compiling a comprehensive history of Air America and associated companies, reaching out to information sources within and outside these companies, gathering or reconstructing information (oral and written) on previous investigations and administrative and legal actions, making a determination of the equities involved in this matter, including possible legislative recommendations, and conducting necessary coordinations, represents a very significant investment of time and resources. The phases of this effort will entail development of a detailed project plan, primary research and analysis, initial findings, and development and coordination of a draft report. Depending
on initial observations and challenges, we may need to make adjustments to the project in terms of scope and schedule. Given the scope and complexity of the tasking, we estimate this work will take up to nine to twelve months and may require additional funds.

The ODNI is committed to comply with this reporting requirement and will continue to provide you with quarterly progress reports.

If you have any questions, please contact me on [REDACTED]

Sincerely,

[Signature]

Kathleen Turner
Director of Legislative Affairs
The Honorable Carl Levin  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, D.C. 20510

The Honorable John McCain  
Ranking Member  
Committee on Armed Services  
United States Senate  
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Dear Mr. Chairman and Ranking Member Cochran:

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Director of Legislative Affairs
Dear Mr. Chairman and Ranking Member Hoekstra:

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Director of Legislative Affairs
Dear Madam Chairman and Vice Chairman Bond:

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Sincerely,

Kathleen Turner
Director of Legislative Affairs
The Honorable Dianne Feinstein  
Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, DC 20510

The Honorable Christopher S. Bond  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, DC 20510

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CAT operations, post-CIA acquisition, were conducted in China, Korea, and French Indonesia. Air America operations were then conducted in Laos, Thailand, and Vietnam through
the evacuation of Saigon. The nature of these missions included search and rescue, airlifts of troops and supplies, evacuation assistance, and the support to the defense of US tactical sites and guided air strikes throughout the 1950s, 1960s, and into the 1970s.

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Because of the proprietary relationship with Air America, the ODNI asked that the CIA to assess what information it possessed that would facilitate completing this reporting requirement. The CIA has recently reported back that it holds 318 boxes of personnel records containing varied information on approximately 2,429 individuals. However, CIA noted that because of the unique nature of the relationship with Air America, the CIA has never had any reason to keep comprehensive records of individuals' compensation. Accordingly, while CIA has some records on some Air America individuals, the information is incomplete.

We assess the effort to review these documents will take a significant investment of time and resources. The ODNI is committed to comply with this reporting requirement relying both on CIA documents, but also other documents that may be available.

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Sincerely,

Kathleen Turner
Director of Legislative Affairs
The Honorable Silvestre Reyes  
Chairman  
Permanent Select Committee  
on Intelligence  
House of Representatives  
Washington, DC 20515

The Honorable Peter Hoekstra  
Ranking Member  
Permanent Select Committee  
on Intelligence  
House of Representatives  
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UNCLASSIFIED
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Committee on Armed Services  
House of Representatives  
Washington, DC 20515

The Honorable Howard P. "Buck" McKeon  
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Director of Legislative Affairs
The Honorable Carl Levin
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate
Washington, DC 20510

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the evacuation of Saigon. The nature of these missions included search and rescue, airlifts of troops and supplies, evacuation assistance, and the support to the defense of US tactical sites and guided air strikes throughout the 1950s, 1960s, and into the 1970s.

As a purely legal matter, the question of whether former Air America employees are entitled to payment of federal retirement benefits has been litigated in the courts and is well settled. The courts have concluded that Air America employees are not entitled to payment of future benefits. See Watts v. OPM, 814 F.2d 1576 (Fed. Cir.), cert. denied, 484 U.S. 913 (1987); Bevans v. OPM, 900 F.2d 1558 (Fed. Cir. 1990). However, the policy question of whether it is nonetheless advisable to provide Federal retirement benefits to Air America employees requires further review.

Because of the proprietary relationship with Air America, the ODNI asked that the CIA assess what information it possessed that would facilitate completing this reporting requirement. The CIA has recently reported that it holds 318 boxes of personnel records containing varied information on approximately 2,429 individuals. However, CIA noted that because of the unique nature of the relationship with Air America, the CIA has never had any reason to keep comprehensive records of individuals' compensation. Accordingly, while CIA has some records on some Air America individuals, the information is incomplete.

We assess the effort to review these documents will take a significant investment of time and resources. The ODNI is committed to comply with this reporting requirement relying both on CIA documents, but also other documents that may be available.

If you have any questions, please contact me on [contact information]

Sincerely,

[Signature]

Kathleen Turner
Director of Legislative Affairs