

Genin to Under Sec NAV in Nov. 72.

Outline Briefing on the Naval Investigative Service following the activation (on or about 1 October 1972), of the Defense Investigative Service.

Briefing Points.

I. Residual Tasks.

Comments. Following the activation of the Defense Investigative Service, the NIS will continue to have all its current tasks with the exception of those personnel security investigations that are to be conducted within the United States and Puerto Rico. The various tasks are reflected and identified in Chart I.

II. Residual Strength.

Current indications are that the NIS will lose 650 personnel to the DIS. This will leave a residual strength of 858 personnel to meet Navy's world-wide counterintelligence and criminal investigative requirements—from Vietnam to Greece, and including a goodly number of personnel on board ships. Chart II details the current versus prospective personnel strengths.

As yet there has been no final determination of the decision of funds between the NIS and the DIS.

Decisions on this funding division are needed earliest so that a rational FY 73 program can be developed.

III. Residual Organization.

To accommodate to the personnel and dollar loss, the NIS will be reorganized within the United States. (No overseas reorganization is indicated.)

NIS now has a NISO in each Naval District within CONUS, and has around 167 operating locations. It is planned to disestablish 5 of the NISO's within CONUS, and go into a regional grouping, with personnel located primarily on Navy and Marine Corps installations. 77 operating locations--essentially within the interior of the U.S.--will be closed down.

Chart III gives the statistics.

Essentially the NIS will be located in sites on the coast line. Interior locations will generally be limited to the few large Navy and Marine Bases--Gt. Lakes, Glenview, Memphis, Corpus Christi, 29 Palms, etc.

The paperwork for this reorganization is underway.

#### IV. Impact of reduction and reorganization.

If the NIS suffers no more loss than has been indicated, it will be able to meet most of the high priority demands upon it.

As is known, the FY 73 Budget has not yet passed the Congress, so it is still too early to flatly assert that FY 73 will be a good year.

It is evident, of course, that the loss of resources will shrink the NIS base. The NIS is already a small organization for its world-wide mission. Its resiliency and flexibility will be reduced by its losses to the DIS. Its per unit costs may rise a bit due to relatively fixed overhead, thinner dispersal of personnel, greater individual agent travel requirements, etc.

Nevertheless, given an early FY 73 decision on resource allocation, and given a favorable FY 73 congressional budget, NIS will accomplish its mission.

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Residual Naval Investigative Service

<u>Tasks</u>	<u>Current</u>	<u>Post-DIS</u>
<u>Counterintelligence</u>		
Collection	X	X
Production	X	X
Special Ops <sup>/a</sup>	X	X
Anti-Clandestine Listening Device	X	X
Security Assistance to Commands	X	X
<u>Intelligence Collection</u> <sup>/b</sup>		
(Opportunity Base)	X	X
<u>ICIS Responsibilities</u> <sup>/c</sup>	X	X
<u>Port Security - Ops Security</u> <sup>/d</sup>	X	X
<u>Investigations</u>		
Esp., Sabotage, Subversion	X	X
Criminal	X	X
PSI - States	X	-
PSI - Foreign	X	X

<sup>/a</sup> Primarily counter-espionage operations utilizing Navy and Marine Corps personnel. Conducted jointly with FBI in CONUS, with CIA abroad. Some "Disinformation" and "Cover and Deception" operations included.

<sup>/b</sup> Extremely small in volume. Responsive to DIA tasking on a "not to interfere basis" with primary mission.

<sup>/c</sup> In departmental Committee on Internal Security. Provides DOD representation to ICIS on selected matters.

<sup>/d</sup> Clearance of Bloc Shipping into U.S. Ports--both policy and individual ship clearance. Includes vulnerability surveys--to "all source" collection efforts--on which national policy is based.

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Organizational Structure of the Department of Defense, Fiscal Year 1968

**Organizational Structure**

	<u>Current</u>	<u>Planned Post-DIS</u>
<b>Command Units*</b>		
States	14	9
Foreign	<u>4</u>	<u>4</u>
<b>Total</b>	<b>18</b>	<b>13</b>
<b>Operating Locations**</b>		
States	167	90
Foreign	<u>20</u>	<u>20</u>
<b>Total</b>	<b>187</b>	<b>110</b>

**Note: Changes in Command Structure require SecNav approval. All paper work is underway. Such changes will provide source of resources to be transferred to DIS.**

\* Includes NISHQ

\*\* Does not include 8 to 10 NIS Agent billets aboard various fleet operating units.

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