

**A DHS INTELLIGENCE ENTERPRISE: STILL JUST
A VISION OR REALITY?**

HEARING
BEFORE THE
SUBCOMMITTEE ON INTELLIGENCE,
INFORMATION
SHARING, AND TERRORISM RISK
ASSESSMENT
OF THE
COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

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A DHS INTELLIGENCE ENTERPRISE: STILL JUST A VISION OR REALITY?

Wednesday, May 12, 2010

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON INTELLIGENCE, INFORMATION SHARING,
AND TERRORISM RISK ASSESSMENT,
Washington, DC.

The subcommittee met, pursuant to call, at 10:04 a.m., in Room 311, Cannon House Office Building, Hon. Jane Harman [Chair of the subcommittee] presiding.

Present: Representatives Harman, Thompson, Clarke, Richardson, Green, Himes, McCaul, Dent, and Broun.

Ms. HARMAN [presiding]. Good morning. The subcommittee will come to order. We are meeting today to receive testimony on the state of the DHS Intelligence Enterprise and the continuing efforts to improve intelligence and information sharing at the Department.

Today's hearing is entitled, "A DHS Intelligence Enterprise: Just a Vision or a Reality?" I now recognize myself for an opening statement.

Nearly 8 years ago this—excuse me. Nearly 8 months ago—time flies—this subcommittee received testimony from then-acting Under Secretary Bart Johnson, a career law enforcement officer, about his vision for the DHS Office of Intelligence and Analysis. The Chairman, who has just joined this hearing, and I were very impressed. In fact, I recall him saying, "Wow," as Mr. Johnson completed his oral testimony.

Mr. Johnson's testimony set a new tone for information and intelligence sharing at I&A—one that embraced the key role that State and local police and sheriffs can play in encouraging an alert public to "See Something and Say Something," or "iwatch," as the LAPD campaign in my own Congressional district suggests.

Mr. Johnson said, "Every day across the country State, local, Tribal, and territorial law enforcement and other officials gather information in the course of their work of providing emergency and nonemergency services to their communities. This information may serve as the first indicator of a potential threat to our National security." Obviously these words became crystal clear last week with the apprehension of Faisal Shahzad, the would-be Times Square bomber.

Mr. Johnson suggested that a number—a number of practical ideas for intelligence sharing, including a comprehensive outreach effort to make sure that intelligence products provide State, local, territorial, Tribal, and private sectors with the information they

want, at the time they want it, and in the form they need it. He suggested creating a Single Point of Service program that handles information requests by State, local, and Tribal partners and developing an analytic capability and methodology for assessing suspicious activity reporting data.

Mr. Johnson suggested that I&A should create baseline capabilities and help improve analytic capacity at State and major urban area fusion centers in order to support information-driven decision making by State, local, Tribal, territorial, and Federal homeland security and law enforcement officials. He nailed it, and this subcommittee has been waiting to see his vision become reality.

Now that an under secretary has been named and confirmed—and I am glad that Caryn Wagner is joining us today—we are meeting to evaluate I&A's progress. As I am sure is now clear, we believe I&A's core mission is to ensure not just horizontal sharing among intelligence agencies, but vertical information sharing up and down between the Federal and local government and law enforcement. This is our vision; I think this was Mr. Johnson's vision 8 months ago.

Yet, the testimony today, in my view, seems more focused once again on I&A's horizontal relationships with other Federal intelligence agencies. I confess I am a bit disappointed, and I wonder whether we are pedaling backwards.

We have recent and excellent real-life examples of how information shared with and by law enforcement can make all the difference. It was a beauty supply shop owner who provided key information that led to the unraveling of Najibulla Zazi's plot to blow up the New York subways. As we all know, two alert veterans alerted law enforcement to Shahzad's smoking vehicle planted in Times Square.

An alert public and proactive police force will continue to make the critical difference, especially as terror tactics evolve. After all, they are the ones who know their communities best and will notice first when something odd is occurring.

It should be clear that many terrorist groups and, alas, some homegrown terrorists want nothing more than to strike us, to cause physical and economic damage, and to make us fear them. They are not giving up.

We will never be able to achieve 100 percent security, but we can certainly improve the odds. That is why we are here today. When Americans are prepared, not scared, they too can play a key role in keeping us safe.

So, my question for both witnesses today is, are we going to implement the inspired vision we heard 8 months ago from Mr. Johnson? How are you both leveraging the eyes and ears of the public and local law enforcement to keep our communities and our country safe in an ever dangerous world?

I welcome you both and look forward to your testimony.

[The statement of Chair Harman follows:]

PREPARED STATEMENT OF CHAIR JANE HARMAN

MAY 12, 2010

Nearly 8 months ago, this subcommittee received testimony from then-acting Under Secretary Bart Johnson—a career law enforcement officer—about his vision for the DHS Office of Intelligence and Analysis.

The Chairman of the full committee and I were very impressed.

Mr. Johnson's testimony set a new tone for information and intelligence sharing at I&A—one that embraced the key role that State and local police and sheriffs can play in encouraging an alert public to “see something and say something” or “iwatch” as the LAPD campaign in my own Congressional district suggests.

He said: “Every day across the country, state, local, tribal and territorial law enforcement and other officials gather information in the course of their work of providing emergency and non-emergency services to their communities. This information may serve as the first indicator of a potential threat to our national security.”

This became crystal clear last week with the apprehension of Faisal Shahzad, the would-be Times Square bomber.

Mr. Johnson suggested a number of practical ideas for intelligence sharing, including a comprehensive outreach effort to make sure that intelligence products provide State, local, territorial, Tribal and private sectors with the information they “want, at the time they want it, and in the form they need it.”

He suggested creating a “Single Point of Service” program that handles information requests by State, local, and Tribal partners and developing an analytic capability and methodology for assessing Suspicious Activity Reporting data.

And Mr. Johnson suggested that I&A should create baseline capabilities and help improve analytic capacity at State and major urban area fusion centers in order to support information-driven decision making by State, local, Tribal, territorial, and Federal homeland security and law enforcement officials.

He nailed it—and this subcommittee has been wanting to see his vision become reality.

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I welcome you both and look forward to your testimony.

Ms. HARMAN. Now I yield 5 minutes to the Ranking Member for his opening comments.

Mr. MCCAUL. Thank you, Madam Chair.

I would like to welcome the witnesses, Under Secretary Wagner and Principal Deputy Under Secretary Johnson. We are delighted to see you here today. I hope you are equally as delighted to see me and Jane.

I also want to praise—the communication between your office and with us on the committee has greatly improved, and I appreciate that. I hope you see this, as I do, as an opportunity for us to discuss some of the challenges faced by I&A and the DHS Intelligence Enterprise, and as an opportunity to work together to find solutions.

Nidal Hasan is an American citizen who had contact with al-Qaeda's Anwar al-Awlaki over the internet, and Federal authorities knew it at that time. But Hasan went on to brutally murder 13 innocent people at Fort Hood, just outside of my district, on November 5. No one ever told the base commander or Hasan's immediate superiors that they had a potential problem on their hands. That attack demonstrated a devastating information-sharing failure between the FBI and the Department of Defense, and in my questions I would like to expand upon the National fusion center and how this could potentially prevent any future Hasans from occurring.

We had Abdulmutallab, the terrorist who trained with al-Qaeda, whose violent radicalization was brought to the attention of the State Department by his own father. In addition, the NCTC had threat information coming in.

Nevertheless, he attacked us—or attempted to—on Christmas day with a bomb that he brought onto an airplane. This wasn't just a failure to connect the dots and identify terrorist targeting the homeland; it has also shown a weakness in our ability to detect terrorists boarding airplanes with explosives.

Mr. Shahzad, also an American citizen, tried to blow up Times Square in a terrorist attack just 11 days ago, and while law enforcement did an outstanding job identifying and apprehending him quickly, Shahzad showed us difficulties in updating watch list information to the airlines, as well as our vulnerability to individuals who simply are not on anyone's radar screen.

The list goes on—15 terror plots within the past year. We are still under attack today as much as we were on the morning of September 11 and the subsequent creation of the Department of Homeland Security.

We have been lucky. We have been very lucky. But that cannot be the basis of our homeland security policy. Next time, we may not be so lucky.

A robust system of homeland security intelligence and information sharing must work, and I think we all agree that failure is not an option. We have come a long way over the past few years, particularly in the creation of a network of State and local fusion centers around the country, which has transformed information sharing between all levels of government.

I know that the men and women at DHS are wholly committed and patriotic to their mission to do their very best to protect this Nation. But the Department of Homeland Security continues to be so burdened with internal troubles that it cannot fully execute its mission to keep the American people safe from terrorists, drug violence along the southwest border, threats of weapons of mass destruction, or to prepare for National disasters.

Do we set ourselves up for failure by trying to fix all of the external problems DHS faces without DHS fixing itself first? In my

view, I think we need to get the house in order first before we look to the external.

Since its inception, the Office of Intelligence and Analysis has been plagued by a confused mission, low employee morale, hiring and retention problems, and an evolving organizational structure. To no one's surprise, this has resulted in poor analytical intelligence products.

It is that reason, Madam Chair, I am grateful to you for holding this important hearing. We have an obligation to make intelligence and information sharing within DHS as robust as we want it to be between DHS and other Federal agencies and State and local partners. We have an obligation to look at what may be wrong within the Department itself that prevents it from being the best it can be.

Recently—I think we need to give credit to the two witnesses—we have seen signs of improvement and are hearing good things. But we are still a long way from where we need to be.

Just recently, Under Secretary Wagner, we had a very good meeting, I think, in my office, and I have high hopes that under your leadership that the DHS Intelligence Enterprise can realize the level of greatness that is required.

With that, Madam Chair, I yield back.

Ms. HARMAN. Thank you, Mr. McCaul.

The Chair now yields 5 minutes to the Chairman of the full committee, Mr. Thompson, of Mississippi, for opening remarks.

Mr. THOMPSON. Thank you very much, Madam Chair.

Welcome, Ms. Wagner. I understand that this is your first appearance before the committee since your confirmation, as we had a chat one Sunday afternoon, but we didn't get a chance to see each other, so I am happy to have you.

Mr. Johnson, it is always good to see you.

As I am sure you have discovered, you have a particularly challenging position. As the under secretary for intelligence and analysis you must continue to build that organization, as you have said, to be trusted leader in meeting our Nation's homeland security intelligence needs.

Simultaneously, as chief intelligence officer you must craft a strategic approach to support and leverage the unique intelligence capability of each of the Department's components. As you know, we created I&A 6 years ago in part to break down traditional stovepipes, set mission-based agendas, and develop an integrated Homeland Security Intelligence Enterprise. As I said in September and unfortunately must say again, we are still not there.

Unfortunately, your I&A has never established a specific set of effective strategic plans that both describes and delivers results, measures those results, and helps course correct if or when those results are insufficient. Without such a plan I fear that I&A risks failing its unique opportunity as an intelligence coordinator for State and local consumers within DHS or for the intelligence community.

Consider, if you will, the recent Times Square attack. We have all heard the successful contributions made by CBP to capturing Faisal Shahzad. They rightly are to be congratulated. However, absent from Congressional briefings has been what, if anything, I&A

or DHS Intelligence Enterprise brought to the table, and we will talk a little bit about that.

Further, the recent designation of Rand Beers as under secretary for the national protection and programs directorate as DHS's lead for counterterrorism raises questions about where you fit in the Homeland Security Intelligence Enterprise.

Simply put, Ms. Wagner, I&A is at a crossroads. It has the potential to become the premier provider of information to homeland security intelligence consumers, but will only succeed if organizational ambiguity that I identified is addressed, a strategic vision in place, and a dedicated people who work for you can: No. 1, demonstrate specific results; No. 2, proactively embody the position—both inside and out of DHS—of a trusted leader in meeting our Nation's homeland security intelligence needs.

I look forward to your testimony. Perhaps you can help clear the air on some of these issues.

I yield back, Madam Chair.

[The statement of Chairman Thompson follows:]

PREPARED STATEMENT OF CHAIRMAN BENNIE G. THOMPSON

MAY 12, 2010

Welcome, Ms. Wagner. I understand that this is your first appearance before the committee since your confirmation. As I am sure you have discovered, you have a particularly challenging position. As the Under Secretary for Intelligence and Analysis, you must continue to build that organization to, as you have said, "be the trusted leader in meeting our nation's homeland security intelligence needs."

Simultaneously, as the Chief Intelligence Officer, you must craft a strategic approach to support and leverage the unique intelligence capabilities of each of the Department's components.

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Simply put, Ms. Wagner, I&A is at a crossroads. It has the potential to become the premier provider of information to homeland security intelligence consumers but will only succeed if the organizational ambiguity that I identified is addressed, a strategic vision is in place, and the dedicated people who work for you can: Demonstrate specific results and proactively embody the position—both inside and outside of DHS—of "the trusted leader in meeting our nation's homeland security intelligence needs."

Ms. HARMAN. Thank you, Mr. Chairman.

Other Members of the subcommittee are reminded that under the committee rules opening statements may be submitted for the record.

I now welcome our witnesses this morning. Ms. Caryn Wagner was confirmed on February 11, 2010, as the under secretary for in-

telligence and analysis at the Department of Homeland Security. In this role she serves as the head of the Office of Intelligence and Analysis and as the chief intelligence officer for the Department.

In her career she has served as the budget director for the House Permanent Select Committee on Intelligence, HPSCI, where I first met her, and she has also served in the office of the director of national intelligence as the assistant deputy director of national intelligence for management and for the first chief financial officer for the national intelligence program. Ms. Wagner spent many years with the Defense Intelligence Agency, most recently as the director of DIA's liaison to the United States European Command and NATO.

Bart Johnson is the principal deputy under secretary for intelligence and analysis, and he was the acting under secretary for a period. Appointed on May 18, 2009 to the Department, he also served—well, I just mentioned that—as the acting under secretary.

Prior to his appointment, Mr. Johnson served as the director of homeland security and law enforcement at the office of the director of national intelligence. His work focused on bridging the intelligence community with State, local, and Tribal customers.

Before this, Mr. Johnson served as a colonel with the New York State Police and possesses over 30 years of law enforcement experience. I should add that the committee, I think, on a bipartisan basis, feels that the experience he brings to this position is enormously helpful, especially because our view is that the primary mission of I&A is information sharing on a vertical basis with State, local, and Tribal agencies.

Without objection, the witnesses' full statements will be inserted in the record. I now ask Secretary Wagner to summarize her statement for 5 minutes.

STATEMENT OF CARYN A. WAGNER, UNDER SECRETARY, OFFICE OF INTELLIGENCE AND ANALYSIS, DEPARTMENT OF HOMELAND SECURITY

Ms. WAGNER. Thank you very much, Chair Harman, Ranking Member McCaul, Chairman Thompson, other Members of the committee. I am very pleased to be here before you today for the first time. This is the 3-month anniversary of my first day on the job at I&A, and I am very happy to be here with Bart Johnson, who is my partner at I&A. As the Chair has already mentioned, Mr. Johnson's distinguished career and credibility with National and local law enforcement has made him an indispensable asset to the Department and to achieving the Department's goals.

As has been mentioned, Mr. Johnson did an outstanding job as acting under secretary for 10 months, and he and I are now in the process of building on the foundation that he laid to hopefully take I&A to a new level and address some of the issues that you all have raised.

I find the subject of this hearing—"DHS Intelligence Enterprise: A Vision or Reality?"—actually very appropriate since the major focus of both of our efforts has been on building a true homeland security enterprise. In fact, I think we see this as being two interlocking enterprising—one that is within the Department and one

that is between the Department and all of its State, local, Tribal, territorial, and private sector partners.

As the chief intelligence officer I am primarily focused on leading the effort to create that internal DHS enterprise, while Mr. Johnson is leading the effort to create the distributed homeland security enterprise, made up of the State and local fusion centers, who then all have their own enterprises at their—at the State and local level. So we are trying to create a fabric across the Nation.

After 3 months on the job, I can say I have never been in an organization that has the broad range of customers and requirements that I&A does. We are responsible for supporting the Secretary and senior Departmental leadership, the diverse set of DHS operational components, the State, local, Tribal, territorial, and private sector partners, other Federal partners, and also the intelligence community.

In order to provide the best intelligence support to that wide range of customers it is important that the intelligence activities of the components of the Department be synchronized. That is the job of the chief intelligence officer, or CINT, and it is accomplished largely through the Homeland Security Intelligence Council, or HSIC.

The HSIC is made up of the intelligence chiefs of the components and other key elements of the Department, such as infrastructure protection and ops coordination. It meets regularly; it is supported by a staff to follow up on its actions; and it has undertaken and overseen many important tasks over the past year.

It has overseen the production of the first ever Department-wide production plan to coordinate and deconflict analysis. It has overseen the process of developing and validating standing information requirements to be used to leverage the intelligence community on behalf of the components and the State and local fusion centers.

It has also been used to charter, recently, a working group to standardize and streamline our process of homeland intelligence reporting across the entire Department, which requires standardization and improvement to make it more timely and useful, again, to our customers in the State and local fusion centers and in the intelligence community. We have also recently chartered a working group to improve—accelerate classified connectivity to the components along the border.

So I believe that the HSIC is operating in a collegial and effective manner to improve the coordination of the Department's intelligence efforts, and I would like to point out that we actually have several key members of the HSIC present here today to support us, and they are sitting behind me, and I would like to call out Admiral Cindy Cougan, from the U.S. Coast Guard; Mr. Jim Woosley, from ICE; Mr. Don Crusetti, from Citizenship and Immigration Services; and Ms. Cindy Farkas, from TSA. I appreciate their willingness to be here in solidarity with us.

As the CINT, I am responsible not only for coordinating current intelligence activities but also advising the Secretary on the overall intelligence posture of the Department to meet our future needs as defined in the recently completed Quadrennial Homeland Security Review. I recently received briefings from all of the components on their programs, and I will be advising the Secretary on my rec-

ommendations for the 2010 budget bill process, and I am also working with the components to refine and justify their intelligence initiatives.

A recent example, I think, of how the DHS enterprise operates is the new Silent Partner aviation security screening program that I know you are familiar with. While the details of the program are classified, it is an intelligence-driven program that significantly improves our aviation screening efforts.

The program itself is the result of an outstanding collaboration between CBP and TSA, for which I&A takes absolutely no credit. But our role in this is to work with them and the intelligence community to brief the intelligence community on what is needed to support this program and to make sure that we have the processes and procedures in place to get that information to them on a timely basis. That partnership, I think, is emblematic of the enterprise and the way that it should operate.

Another good example of where the enterprise is at work is along the southwest border, where we are working hard to improve the coordinated efforts of I&A, CBP, ICE, Coast Guard, and also the other elements, such as DEA, DOJ, and the Department of Defense, that are down there.

So, two other quick things to highlight: We now are having a weekly intelligence VTC at the senior level with the components to make sure that we are on top of these very concerning threat streams and we are sharing our information, and I think that has been very helpful. We have also increased manning levels for the DHS Threat Task Force, which I believe you are familiar with, which is made up of elements from the components and I&A and is focused on keeping on top of those threats.

So overall, I believe while we have still room for improvement, I think it is fair to say that the DHS internal enterprise is reality, and we are focusing our efforts to provide better products and support to the other part of our enterprise, which is the State and local part, which Mr. Johnson is now going to address, so I will turn it over to him.

[The joint statement of Ms. Wagner and Mr. Johnson follows:]

JOINT PREPARED STATEMENT OF CARYN A. WAGNER AND BART R. JOHNSON

MAY 12, 2010

INTRODUCTION

Chair Harman, Ranking Member McCaul, and distinguished Members of the subcommittee, thank you for the opportunity to appear before you today to discuss the vision and goals for the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A). This is my first testimony before the Subcommittee on Intelligence, Information Sharing and Terrorism Risk Assessment since my confirmation on February 11, 2010. I am honored to serve as the Under Secretary for Intelligence and Analysis and Chief Intelligence Officer for DHS. I look forward to working closely with this subcommittee and the Congress to lead and strengthen the critical intelligence mission of the Department.

THE OFFICE OF INTELLIGENCE AND ANALYSIS STRATEGIC VISION

I&A's overarching vision is to be the trusted leader in meeting our Nation's homeland security intelligence needs. This vision drives our core focus of strengthening the Department's and our partners' ability to protect the homeland by accessing, integrating, and sharing timely and relevant intelligence and information, while protecting the privacy and civil rights and civil liberties of all Americans.

I&A's programs and activities align with the core DHS missions designated in our recently completed Quadrennial Homeland Security Review (QHSR). Intelligence and information sharing are identified as key activities for the Department in the QHSR. To that end, I&A plays a critical role to DHS' success in all of its core mission areas: Preventing terrorism and enhancing security; securing and managing our borders; enforcing and administering our immigration laws; safeguarding and securing cyberspace; ensuring resilience to disasters; and strengthening and maturing the Department.

I have spent considerable time reviewing the roles, missions, functions and alignment of I&A since my confirmation in February. Much of my review has focused on what I&A must do to enhance its support to core customers at the Department and to its non-Federal partners at the State, local, Tribal, and territorial levels. I have also evaluated how I&A can improve upon the services that it already provides to the Intelligence Community (IC) and its interaction with Congress. I am focusing now on four main areas:

- Creating a true homeland security information-sharing enterprise through greater focus on the State, local, and major urban area fusion centers;
- Unifying and sustaining a DHS intelligence enterprise as the Chief Intelligence Officer of the Department;
- Producing first-rate analytic products tailored to the needs of core customers, including to those not often served by traditional members of the IC; and
- Establishing the program management processes necessary to improve the morale, efficiency, and professionalism of I&A as an organization.

In the last few months, we have made substantial progress in defining priorities, improving management processes, and determining the best structure for I&A to meet the goals that I have set forth. I would be remiss if I did not express my appreciation for the outstanding work and leadership of Principal Deputy Under Secretary Bart Johnson during his tenure as Acting Under Secretary; much of what I propose today builds on his foundational efforts. The following specific steps, already under way, will translate I&A's goals into an organizational and program-execution reality.

EXECUTING THE STRATEGIC VISION

Two basic themes drive I&A's need for realignment: (1) The need for I&A to maximize support to core customers and; (2) the need for I&A to take better advantage of its collective resources.

I have also identified areas in which we can improve I&A's organizational structure. I&A's proposed realignment consolidates similar activities, invests more resources in areas of required core competencies, and frees up existing resources for new endeavors.

I&A's proposed realignment establishes four core offices, three of which are supervised by a Deputy Under Secretary: Analysis; Enterprise and Mission Support; and Plans, Policy and Performance Management; and the fourth by a Director of the Department's new Joint Fusion Center Program Management Office (JFC-PMO). The I&A Principal Deputy Under Secretary will have direct responsibility for overseeing the overall fusion center effort. We plan to forward a reprogramming action to consolidate the resources of the legacy State and Local Program Office (SLPO) into the JFC-PMO. We are also determining the relationship the JFC-PMO will have with the emergent National Fusion Center Program Management Office (NFC-PMO) directed by the White House.

I will now describe in further detail some of the key initiatives underway that support the four focus areas previously described: (1) Supporting State and local fusion centers; (2) strengthening the DHS intelligence enterprise; (3) providing first-rate analytic information to core customers; and (4) improving I&A management and processes. These focus areas are the guiding principles under which I&A's goals have been established.

1. Supporting State and Local Fusion Centers

A primary role of I&A is to share intelligence and information with our partners at the State, local, Tribal, territorial, and private sector levels. The State, local, Tribal, and territorial first responders and first preventers are the leading edge of the homeland security enterprise. The linchpin of our interaction with our non-Federal partners is through stronger partnerships with State and local fusion centers. Fusion centers are a vital tool for strengthening homeland security, and it is I&A's job to work closely with State, local, Tribal, and territorial partners on some of the Nation's most pressing homeland security issues. Further strengthening this capability is a top priority.

We are continuing to expand the level of cooperation and information sharing with our State, local, Tribal, and territorial partners via a robust network of intelligence and law enforcement agencies participating in State and local fusion centers. Secretary Napolitano approved the plan to implement the Joint Fusion Center Program Management Office (JFC-PMO) on March 15, 2010. The JFC-PMO will bring to bear all the Department's resources—not just I&A's—to support information sharing among State, local, Tribal, territorial, and Federal law enforcement partners, as well as to coordinate relevant support from all DHS elements, not just from I&A. The Department is now considering how the JFC-PMO will align with the White House's direction that DHS be the lead agency in establishing the National Fusion Center Program Management Office (NFC-PMO). I&A developed an implementation plan for the NFC-PMO with the assistance of State and local representatives and more than 15 Federal agencies. The implementation plan was widely coordinated throughout the Federal Government and will soon be sent to Secretary Napolitano for her review.

To leverage the capabilities of our non-Federal partners, I&A has deployed 55 intelligence officers to fusion centers Nation-wide and plans to deploy a total of 70 officers by the end of fiscal year 2010, with the ultimate goal to deploy personnel to all 72 designated fusion centers and assign 10 regional coordinators to the field. I&A has installed the Homeland Secure Data Network (HSDN), which allows the Federal Government to share Secret-level intelligence and information with State, local, and Tribal partners, at 33 fusion centers. Additional centers are undergoing facilities certification to be accredited to house HSDN. This burgeoning network greatly expands two-way information sharing flows between Federal and non-Federal homeland security partners. We are also partnering with the DHS Office for Civil Rights and Civil Liberties and the DHS Privacy Office to provide training to Federal, State, and local fusion center personnel, to ensure privacy, civil rights, and civil liberties are appropriately addressed in fusion center activities and products.

2. Strengthening the DHS Intelligence Enterprise

I&A is continuing to take concrete steps to promote a unified, collaborative DHS intelligence enterprise. Our goal is to make intelligence activities at DHS more integrated, efficient, and effective, and to allow DHS, both headquarters and components, to give and receive better intelligence support. A critical tool in this effort is the Homeland Security Intelligence Council (HSIC), which I chair in my role as Chief Intelligence Officer. The HSIC is comprised of component intelligence leaders and other key officials representing a broad range of DHS activities that require intelligence support. The HSIC is focused on governance-level, DHS intelligence enterprise-wide objectives, such as overseeing the completion of the first coordinated, enterprise-wide analytic production plan, playing a leading role in reviewing DHS-wide protocols for disseminating Homeland Security Intelligence Reports and preparing a fiscal year 2012 consolidated intelligence budget recommendation to the Secretary.

Another successful example of the power of the DHS intelligence enterprise is the DHS Threat Task Force (DTTF). The DTTF was established in the summer of 2009 to support the Zazi and Headley investigations. The DTTF is composed of I&A analysts and representatives from the DHS operational components and ensures that all the Department's information and expertise is brought to bear on an issue or investigation. Last summer, the DTTF provided information to the Federal Bureau of Investigation (FBI) on hundreds of additional individuals who were determined to be potentially relevant to specific, high-profile cases. DHS reactivated the DTTF on Christmas day, after the attempted bombing of Northwest Airlines Flight 253. We institutionalized this task force to focus and unify the efforts of the whole Department on mitigating terrorist threats to the homeland. These efforts have directly contributed to the effective use of watch lists and have supported Department programs for passenger travel analysis and airport screening procedures.

I&A recently completed a comprehensive set of Standing Information Needs (SINs) that uniformly document on-going intelligence and information needs of the entire Department. These SINs improve DHS' ability to participate in the IC's collection management processes and the quality and quantity of information received in support of those needs, as well as the information I&A produces. In addition, since October 2009, our Collection and Requirements Division assisted more than 20 fusion centers in developing their own SINs, with the goal of improving the level of support they can receive from the Department and the rest of the IC. We are putting in place tools to ensure our analytic products adhere to information needs of both Departmental and non-Federal partners. These same SINs also provide the starting point for I&A's planning and performance measurement activities.

3. Providing First-Rate Analytic Information to Core Customers

I&A's analytic programs now better align with the Secretary's priorities and the Department's SINS, and encompass those analytic topics that are most meaningful for homeland security. Our analysts—in partnership with National Counterterrorism Center (NCTC) and the FBI—address threats to the homeland from both international and domestic terrorist groups and actors and also analyze terrorist tactics, techniques, and procedures to inform the development of protective measures at home. As a result of recent trends, I&A is working closely with its IC partners to develop a framework for analysis of homegrown violent extremism that is consistent with protecting privacy, civil rights, and civil liberties.

I&A has primary responsibility within the IC to analyze, evaluate, and disseminate analysis on threats to homeland critical infrastructure. Through our robust relationship with the private sector and partnership with DHS' Office of Infrastructure Protection (IP), we routinely assess the impact of threats to industry and, with our IP partners, identify specific vulnerabilities and consequences that could result from terrorist attacks or other hazards. We are working with IP to improve the partnership and the utility of the products produced in this area.

Our border and immigration security analysts focus not only on terrorist threats to the United States on or at our land and maritime borders, but also address trends regarding travel, asylum, and refugee issues and the rising violence on the Mexican side of the southwest border. I&A, in fact, uniquely supports the U.S. Government's efforts to identify, track, deter, and prevent terrorists from traveling to the homeland. I&A's role in preventing terrorist travel focuses on providing targeted intelligence analysis that leverages unique DHS databases and expertise, and on sharing information broadly within DHS and also with the U.S. Government and foreign partners. I&A plays a key role in monitoring changes to and effects of global immigration and travel security policies, provides direct support to DHS asylum and refugee programs, informs Customs and Border Protection targeting rules and Transportation Security Administration screening measures, and produces unique assessments on alien smuggling and illicit travel patterns in support of the IC and other customers.

I&A also possesses a cyber intelligence analytic program. This team provides a National intelligence analytical framework in support of key cybersecurity customers, such as the DHS National Cybersecurity and Communications Integration Center (NCCIC), the DHS United States Computer Emergency Readiness Team (US-CERT), and the Industrial Control Systems CERT. We are working with partners in the community to collaborate on strategic cyber analysis, and we continue to determine the amount of analytic support necessary to the Department's cybersecurity mission.

I&A also maintains expertise in the fields of health intelligence and chemical, biological, radiological, and nuclear (CBRN) issues to serve its Departmental, Federal, State, local, Tribal, territorial, and private sector partners. DHS is a co-founder, with the Defense Intelligence Agency, of the National Center for Medical Intelligence at Fort Detrick, Maryland, which focuses on a broad range of foreign medical risks that could threaten the United States. We use our combined research and analytic talents to produce all-source threat analyses on human health, agriculture, and food security to support DHS components—a recent example being the health intelligence we provided to support first responders' relief efforts in Haiti—as well as Federal, State, local, Tribal, and territorial government agencies and the private sector. Our analysis goes beyond just the science of health threats to address relevant foreign policy and socio-economic issues that could adversely affect homeland security operations and critical infrastructure and key resources.

On CBRN issues, our experts collaborate with their IC partners on broad-ranging assessments and National-level exercises; provide the threat basis for risk assessments that drive DHS policy formulation and detection and response programs; and provide practical insights to State, local, Tribal, and private sector partners on CBRN indicators they might encounter in the course of their operational and law enforcement roles.

4. Improving Management and Processes

To ensure that I&A is able to meet the broad range of its responsibilities, I am placing great emphasis on strengthening its planning, management, and performance oversight functions. I&A is making considerable progress developing fair and transparent policies and decision-making processes, aligning resources to priority missions, and assessing the efficacy of investments. I&A has established leadership-level policy, personnel, and resource requirements boards to improve the management of I&A's workforce, programs, and budget. As part of my commitment to improving management, policy development, and business processes, I&A's realign-

ment proposal establishes a Deputy Under Secretary for Plans, Policy, and Performance Management (PPPM), as discussed earlier in this testimony. This new element will enable more streamlined and integrated strategic planning, programming and performance measurement, and budgeting life cycle processes. PPPM will further the Department's intelligence mission by providing DHS intelligence enterprise and Departmental information sharing management guidance by overseeing the Executive Directors of both the Homeland Security Intelligence Council and the Information Sharing Governance Board. For example, PPPM will be the focal point for our partnership with the DHS Chief Information Officer to improve Departmental information-sharing governance and establish enterprise-wide best practices.

The new Deputy Under Secretary's responsibilities will include developing and unifying applicable strategies, plans, and policies for the entire intelligence mission cycle, leading to integrated DHS intelligence and information-sharing enterprises focused on mission and customers. PPPM will also develop a detailed I&A strategic action plan that will include a mapping of all organizational activities and performance management metrics to measure program execution and effectiveness. This, in turn, will institute valid metrics to measure success and create a systemic cycle that facilitates organizational improvement. Finally, it will serve as I&A's primary focal point for intelligence policy planning and representation of the intelligence mission to the rest of DHS, the larger IC, and the National security policy community.

I&A's proposed Office of Enterprise and Mission Support is intended to centralize intelligence mission support functions for I&A, as well as the larger DHS intelligence enterprise. It is designed to maximize the effectiveness of our information technology knowledge management, counterintelligence, training, collection requirements, and external operations programs.

Intelligence training is a critical capability that will enable fulfillment of I&A's strategic goals, and the proposed Office of Enterprise and Mission Support will build on existing I&A training successes. This program, which will be staffed by additional intelligence trainers, is intended to support the establishment of a culture of disciplined intelligence work in I&A.

IMMEDIATE WAY FORWARD

These steps are a beginning, and I&A will undergo further refinement over time. I&A must—and will—continue to mature its management and business standards; move towards more proactive, collaborative and prioritized process planning and; ensure that all of its activities align with DHS missions and goals.

CONCLUSION

Members of the subcommittee, I appreciate the opportunity to appear before you today to discuss the strategic vision for I&A. I&A has made significant strides, and we continue to adapt ourselves to the continuing emerging needs of the Department. I&A has a vital and unique mission, and we will continue to improve our strategic posture to more effectively support core customers.

I&A's efforts to gather, assess, analyze, and share intelligence and information will continue to be guided by the dual imperatives of protecting the country from those who wish to do it harm, and protecting our privacy, civil rights, and civil liberties. With your support, the leadership of Secretary Napolitano, and the fine men and women of I&A, I believe we can accomplish our goals and fulfill these imperatives. I look forward to keeping the subcommittee apprised of I&A's continued progress.

Thank you for your time, and I look forward to your questions.

Ms. HARMAN. Thank you very much.

Mr. Johnson.

STATEMENT OF BART R. JOHNSON, PRINCIPAL DEPUTY UNDER SECRETARY, OFFICE OF INTELLIGENCE AND ANALYSIS, DEPARTMENT OF HOMELAND SECURITY

Mr. JOHNSON. Chair Harman, Ranking Member McCaul, and distinguished Members of the subcommittee, good morning, and thank you for this opportunity to appear before you today to hopefully discuss some very concrete and positive steps and activities that have occurred since my last appearance before you.

When I appeared before you last September, I had 4 months under my belt, and you advised me that you wanted to see real progress made as it relates to interacting with our State, local, and Tribal partners. I took that direction very seriously, and I would now like to walk through with you some of those concrete examples.

First and foremost, I am very gratified and happy, quite frankly, that after 10 months of being the acting under secretary there is now a Senate-confirmed under secretary seated to my right, Ms. Caryn Wagner. Ms. Wagner brings to bear a considerable amount of experience and credibility from the intelligence community.

I have worked side-by-side with Ms. Wagner for the past 3 months and have watched her embrace this role in both her capacity as the under secretary and also the CINT, and I can say with a great deal of confidence that we are partners in this effort to make this a reality.

Ms. Wagner has empowered me and given me the leadership role within I&A regarding matters related to State, local, and Tribal law enforcement and which will, in turn, allow me to provide even more focus to this very important part of our National security enterprise.

Over nearly, now, the past year I have come to appreciate the role of I&A, and in particular I would like to compliment all the employees who are working very hard within I&A, who have been so supportive to me personally and to the Department in all they have contributed. I, too, would also like to acknowledge the Members seated behind me from the component agencies who have really developed that kindred spirit of teamwork.

So what have we done to implement, in a concrete example, some of the things that we spoke about back in September? We have taken very seriously the need to provide more timely and useful information to fusion centers, and I believe, based on the feedback that we are getting on a regular basis, we are making progress.

We have made our bulletins reports more actionable and have developed, at your encouragement, new products that have been well received by the field. We have worked very closely with the Department of Civil Rights and Civil Liberties to provide training to fusion centers and make certain that we respect the rule of law.

We have reinstated the I&A fellowships program, and right now have a member from the NYSIC, the New York State Intelligence Center, assigned to I&A. We are also in partnership with the ODNI hosting our first ever fusion center directors course to be held in Monterey, California, in June 2010.

We have accelerated our deployment of analytical training to build those analytical centers of excellence. We have accelerated our deployment of HSDN secret connectivity, and also the deployment of I&A reps to the field. We are working in lockstep with the components, once again represented behind me, along the southwest border as it relates to integrating the HIDAs and the fusion centers into an information sharing environment and enterprise that could better protect the homeland.

Obviously, to institutionalize these efforts we would need to ensure that not only these are words, but these are built in a very institutionalized and sustained way. So to that end, we have not

only developed a Joint Fusion Center Program Management Office that is bringing together the Department-wide efforts, we are also building the National Fusion Center Program Management Office, which is going to be a nimble, lean group of individuals to bring the wealth of experience of the Federal Government.

As evidenced by the terrorist activity of 2009 and thus far in 2010, the threat to the Nation is persistent, particularly as illustrated by Zazi, Hasan, Abdulmutallab, and now Shahzad. These incidents clearly illustrate that there are individuals overseas, and yes, now living within our borders, who have and do want to do us harm. Building the capabilities at the National Network of Fusion Centers and working with our Federal counterparts, it is now more important than ever to continue to build this enterprise.

Based on my previous law enforcement interactions it is obvious to me that an alert law enforcement officer, firefighter, or other public safety personnel, or, as evidenced by the Times Square incident, the public will be the first to potentially identify a threat or suspicious activity, thereby making established relationships and institutionalized and practiced information sharing vital to our National security. It is our responsibility to provide these first preventers of the homeland the information they need, and I believe I&A is working very hard to do that, and that is our role and mission within the Federal Government.

In conclusion, we have made some concrete steps to accomplish these goals. However, I know there is much more that needs to be done. With your support and the support of others, we within I&A will continue to work with our Federal partners to support State and local fusion centers along with the first responders to ensure that they are empowered to be a key defense and an integral part of our National security. Once again, I look forward to doing that in partnership with Under Secretary Wagner.

Thank you, ma'am.

Ms. HARMAN. Thank you very much, both of you. Thank you.

We will now turn to questions. I will recognize myself first, followed by the Ranking Member, and then recognize Members for questions in the order that they arrived at the hearing. Mr. Thompson assures me that he will be back to ask questions.

First, let me congratulate each of you for introducing the other as a partner. I think that is critically important.

Ms. Wagner, you didn't miss it—certainly the noise emanating from me—that I thought it was critical that someone with law enforcement background occupy the position as head of I&A. I said that because people with that background instinctively and on the basis of experience understand how important vertical information sharing is. So now that you are in this position—and we welcome you—I am very happy that you embraced Mr. Johnson as a partner and that he embraces you as a partner. Good start.

I am also happy, as you mentioned, that you are working hard on aviation screening. That clearly is a place where we may need to improve, based on the Christmas bomber experience, although, as you point out, CBP was a hero in making it work in the latest New York City bomber case.

So congratulations on that. I will be at my home airport, a twice-intended al-Qaeda target, LAX, this weekend, and I plan to walk

through with TSA and others, exactly what has changed. So I think that is hopefully an improving story.

My question is based on my opening comments. I believe strongly—and I think my view is shared by others here—that vertical information sharing is the primary responsibility of I&A. Organizing better in the Department and having a chair at the table—the intelligence table—across the Federal Government are also tasks that have some urgency, but your primary mission is to get accurate, actionable, and timely information to local law enforcement, to a public consistent with helping them be prepared, and to the private sector, because many of the things that we fear could happen in private firms or by leveraging private sector assets.

So my question to you specifically, Ms. Wagner, is: Do you agree that vertical information sharing is your primary responsibility?

Ms. WAGNER. Yes, ma'am, I do agree, understanding that information sharing goes both ways. I wholeheartedly agree with that, and I think that is one of the major authorities and responsibilities of this office.

We need to make sure that the information flows down to allow those first responders and first preventers to do what we need them to do. But at the same time, we are expecting that valuable information that they are privy to to flow back up, because the point of the whole two-way flow is making the country safer, and the two-way flow is required in order for us to accomplish that.

Ms. HARMAN. Thank you for that comment.

Mr. Johnson, do you agree?

Mr. JOHNSON. Yes, ma'am, very much so. In fact, as evidenced by Abdulmutallab and the fast-paced nature of that investigation and the concern about follow-on attacks, that information flow did occur. It is encouraging, also, to know that even some of the material that we were receiving had ready built into them tear lines, so we were much more readily available and able to pass to our partners to include the airlines.

Conversely, the information flow up—that is why, through the PMO, the program manager's office, we need to continue to partner with the Bureau of Justice Assistance, who has the lead on the National Suspicious Activity Reporting Initiative, which was led in part by the LAPD with Mike Downing and Joanie McNamara. That is being continued to roll out, and we are going to partner with them, because as Ms. Wagner referred to, there is a lot of information out there, and it is the first responders who are going to touch it, and we need to have access to it legally and lawfully and then pass it up.

Ms. HARMAN. I enthusiastically agree that information sharing—vertical information—is in two directions and just thought I would impart a bit of good news to all of our Members, and I hope to you too. This subcommittee was responsible for legislation on over-classification. Over-classification is a problem because, as Cathy Lannier, who is the chief of the Washington Police, will tell you, sometimes they are afraid to share information up because they are afraid it will get classified—this is declassified information—and then their folks won't get access to it later.

We passed, I thought, pretty responsible legislation out of the House, and that legislation has been taking a long time to get

through the Senate. My understanding is yesterday or today the Senate Committee on Homeland Security finished its report on the legislation, and it will be hopefully on the Senate consent calendars soon in a form that it will pass here again. So soon we will be able to deal with this problem, and a subcommittee initiative that was bipartisan and unanimous, I hope, will become law.

My time has expired. I now yield to Mr. McCaul for 5 minutes.

Mr. MCCAUL. Thank you, Madam Chair.

I agree that vertical information sharing is very important. I also think horizontal sharing is important. When we looked at particularly the Hasan case and the Christmas bomber—and this is where I want to lead toward the National fusion center; I think this is a monumental task for you to pull this thing off, and who are the partners, and who will be sharing the information?

We know that Hasan, as I mentioned in my opening statement—that the Joint Terrorism Task Force had information that he had been in touch with the cleric in Yemen, and yet none of that information was shared with the commander at Fort Hood, General Cohen, who I spoke with at the memorial service. “Wouldn’t you have liked to have had that information?”

“Absolutely.”

How many more Hasans are out there? We don’t know.

That is horizontal. How will this—and let’s talk about the Christmas bomber.

You have threat information coming in from the State Department that this father—his father came in to the embassy, warned them that his son was in contact with extremists in Yemen. At the same time, NCTC is getting threat information. In fairness to them, they are getting a lot of threat information every day, but that is, again, a horizontal issue.

So how do you envision this National Fusion Center to work? Who will be the partners? Specifically, will DOD be a partner to that? How will this work to prevent—in those two cases, prevent something like that from happening again?

Ms. WAGNER. I think I will defer to Bart to answer the question on the National Fusion Center since he has been the person personally responsible for working to establish the plans with the White House, so I will turn that question—

Mr. MCCAUL. Thank you.

Mr. JOHNSON. Yes, sir. As it relates to the National Fusion Center enterprise, we are meeting with the—I actually met with Assistant Secretary Paul Stockton, DOD, and he shared a lot of your concerns as it relates to force protection. In fact, we are stepping out an opportunity to assist them, you know, with the special activity, to assist them with a force protection.

Additionally, we are interacting with the high-intensity drug-trafficking areas to ensure that that horizontal information sharing is occurring; and also, obviously, building the capabilities and capacities of the fusion centers.

As it relates to the information flow within the Federal Government, from FBI to DOD, I would really like to defer, you know, answering that, but suffice to say that the fusion centers need to be considered part of this fabric, part of this enterprise. They need to be trusted colleagues.

They are secure space; they are secure connectivity; they have Federally-recognized clearances. So the Federal Government needs to look at them as partners and leverage them to share the information and make them better informed as to what to look out for and certainly what to report back into the system.

Mr. McCAUL. Mr. Johnson, as I understand it DHS has been tasked with the lead responsibility for the Nation in terms of the National Fusion Center. That is where I am concerned when you say, "Well, I can't—this is DOD and FBI, Joint Terrorism Task Force," all that. How can we help you make sure that there is a proper level of information sharing between the Joint Terrorism Task Forces out there, the HIDAs, the Department of Defense, and DHS?

Mr. JOHNSON. As it relates to deferring, I meant just the particular case facts. But to your point, yes, we have been given the lead based on Mr. Brennan's memorandum of 17 December putting the Secretary as the Executive agent for this National Fusion Center PMO.

So the help that we could, you know, get from you, obviously, and we are already getting it, quite frankly, is, you know, to build that enterprise and once again illustrate the effectiveness of it, the supportedness of it, the need for sharing the information. We are partnering very well with the FBI. Deputy Assistant Director Eric Velez is a true partner in this.

In fact, he came from the JRIC, the Joint Regional Intelligence Center, so he gets it; he is understanding it. I was in Florida. I am going out to California with him to really effectively show the SACs and partnerships with the fusion center directors about what could become of this once the full support of the Federal Government is put behind it.

I am confident as this matures you are going to see more information percolating to the surface as relates to the observations being made in the field.

Mr. McCAUL. I know that I think the Chair agrees with me. We do want to work with you and help you in this effort because you have been tasked as a lead agency, and it is a monumental task. I think to give you the authority where you can go to the Department of Defense, or the Joint Terrorism Task Forces, or even, you know, the intelligence community, and say, "Look, we are—I have the lead responsibility to protect the Nation and the homeland and you need to work with us."

Mr. JOHNSON. Thanks for that.

Ms. HARMAN. I appreciate that last comment by Mr. McCaul. We have said often that we are your partners, we are not your adversaries, and we share exactly your goal. We actually represent the communities in which some future terror attack could occur, and we depend on you to work with us to make certain that, to the maximum extent, those in—people in those communities know what to look for and what to do and hopefully can prevent or disrupt a future plot, not just respond to it.

I now yield 5 minutes to Mr. Broun.

Mr. BROUN. Thank you, Madam Chair.

Under Secretary Wagner, Mr. Johnson, thank you so much for taking your time to be with us here today. In light of the recent

bombing attempt at Times Square, I believe that this hearing is as timely as ever, and I thank you for your testimonies.

There are media reports that the would-be Times Square bomber, Faisal Shahzad, appear at Government travel lookout lists, Travel Enforcement Compliance Systems, or TECS, between 1999 and 2008 because he brought approximately \$80,000 cash or cash instruments into the United States.

TECS is a major law enforcement computer system that allows its approximately 120,000 users from 20 Federal agencies to share information. The database is designed to identify individuals suspected of or involved in violation of Federal law.

My questions are for both of you. First, can you confirm the presence of Shahzad on the TECS lookout list?

Ms. WAGNER. Yes.

Mr. BROUN. Is TECS an effective way for DHS to be communicating the travel of suspicious people into the country?

Ms. WAGNER. I think I would answer that by saying that we have a very—we have a layered system to prevent travel into the country, of which that is one aspect. I think CBP's data, TSA's data and authorities interact very effectively on the aviation side—of land crossings at the border. So I believe it is an effective tool, but it is not effective by itself. It is effective when used in conjunction with a range of other—training of the CBP and TSA people who are protecting our borders.

Mr. BROUN. What changes need to be made in order to ensure that DHS is identifying, tracking, and preventing terrorists from entering the United States?

Ms. WAGNER. I think we already have several efforts under way in response to recent events. In fact, I have already mentioned the Silent Partner program, which is already in effect. TSA is also working on putting in place a system called Secure Flight, which will improve our ability to quickly notify airlines of no-flies. I believe we are going to be attempting to accelerate the completion of that program in light of Faisal Shahzad's ability to get on the flight.

So there are a lot of activities that are already under way to improve this, and we have, as we demonstrated, however, already a layered system of redundant efforts so that even though the airline had not updated its no-fly list we were still able to identify the fact that he was on the plane in time to get him off. So we will continue to ensure that we have that layered defense.

I don't know if Bart has anything he would like to add.

Mr. JOHNSON. The only thing I would like to add is the effectiveness of what Ms. Wagner referred to before, was the DHS Threat Task Force, which really was very much supported by the Homeland Security Intelligence Council seated behind us, as it relates to CBP, and ICE, and CIS, and Coast Guard, and TSA, and others, situating some of their best and brightest at the table with us within I&A. They provided a significant role and reached back not only to the components but keeping the Secretary very much informed to implement many of these things that Ms. Wagner just referred to as it relates to the concentric circles of intervention and support as we moved out.

It was so successful, in fact, that it has been institutionalized by Ms. Wagner and made a permanent part of I&A, and we continue to look forward to working with the National Counterterrorism Center in support of what they are doing on a regular basis in partnership with the Department.

Mr. BROUN. Okay. Additionally, if Mr. Shahzad had brought those funds by way of a prepaid or a stored value card, which could be purchased in any convenience store, would he have been placed on the TECS list?

Ms. WAGNER. To be honest, I don't know the answer to that question, so I would like to get you a response for the record, if I could, unless Bart knows.

Mr. JOHNSON. All I know is, you know, regarding that, we actually produced a product about the stored value cards in partnership with Immigration Customs Enforcement, so yes, we are aware of that new type of way to transmit. But I concur with Ms. Wagner that I won't have a specific answer to the question, but we will get back to you, sir.

Mr. BROUN. Thank you very much, Madam Chair, and I will yield back.

Ms. HARMAN. Thank you, Mr. Broun.

I would like an answer for the record. If this is possibly a loophole I think we would be very interested in working with you to fix it.

Mr. Green is now recognized for 5 minutes.

Mr. GREEN. Thank you, Madam Chair. Thank you so much for the hearing and the opportunity to speak. You are a part of the avant-garde when it comes to these issues, and I am eternally grateful that I have the opportunity to serve with you.

I also thank the Ranking Member, who is a friend from Texas. Thank you for your efforts and for things that you do to help us as well. Nice to have two friends sitting so close to each other.

I would like to start by complimenting the many persons that you work with. It is important for them to know that we have some great amount of appreciation for the difficult work that they do under unusual circumstances. Very difficult—very difficult.

You do great work under adverse circumstances. If there is one thing that the New York circumstance called to our attention it is the importance of the vendor on the street working closely with the officer on the beat. That marriage, that integration of information, was crucial. It was critical, of paramount importance. For the two to work together to the extent that they did at a critical time made all the difference in the world. So we have to compliment them.

I also want to compliment the people of New York, because unfortunately and unfairly, New Yorkers are sometimes depicted as persons who would just walk on by. I am appreciative that the vendor didn't just walk on by. I am appreciative that the officer had received proper training so that that information was passed on appropriately.

With these things said, and complimenting the Chair for mentioning the vertical integration, Ranking Member for the horizontal integration, what are the chief obstacles to vertical integration of information and horizontal dissemination of information—the chief

obstacles that you can call to our attention? I would like for each witness to answer, and I will defer to the lady first.

Ms. WAGNER. Thank you for that question, because we give that a lot of thought, especially in the wake of things that don't go exactly as we would have preferred them to go.

I think the chief obstacle to horizontal integration tends to be, in the intelligence community side at least, what we call sort of signal to noise, which is not so much connecting the dots, but the fact that there is so much fragmentary information that it is very difficult to know at the time, until something happens to give you sort of hindsight, which of those pieces of information are significant enough to follow up on.

That is just a continuing challenge that the community and the homeland security community will face, and we are working on putting in place. You know, the automation helps to a certain extent, but some of this is also, you know, people and training and mindset.

One of the main improvements, I think, that is being made in the intelligence community is the idea of these pursuit groups, where we are charging people to take hold of a specific piece of information and follow it all the way through, to pull that string to find everything else, and to institutionalize that approach so that we don't have compartmentalization, you know, like, "I am assuming that this guy here did something on this so I am not going to check to make sure it got done." We can't afford to do that. I don't know that that happens very often, but we can't afford to have it really happen at all. So the idea of pursuit groups, I think, is one way to get at that signal to noise problem horizontally.

I think vertically—and I look forward to actually hearing what Bart is going to say on this—I think one of the challenges is one that the Chair has already mentioned, is classification and sort of ownership of data. We are working through those issues, but there is a lot of information that we have to push down and we have to figure out how to get it sanitized to move to lower classification levels and yet still make it useful enough for the State and locals that if we give it to them they can do something with it.

So I would tend to say that those are at least two of the challenges, and then I will turn it over to Bart for his views.

Mr. JOHNSON. Thanks for your comments about New York State. Having retired from the New York State Police a little while ago, and I have been involved in this since September 11, since 2001, and "See Something, Say Something" actually originated in New York State, NTA Chief Bill Morange, and it is great to have a street vendor make that type of observation and report it.

But what if, you know, it was during the planning stages and the acquisition stages and the storage stages? We need to make certain that that same citizen or police officer or first responder made that same report. So we need to institutionalize the processes associated with that, and I think that goes to the National Suspicious Activity Reporting Initiative and have a fusion center have the capacity and capability to receive it, analyze it, share it, and in the process, to pass it up to the intelligence community.

I applaud Director Blair as it relates to his responsibility to provide as opposed to a need to know, so we always need to work from

the premise of “let’s share it unless you could tell me otherwise” as opposed to “let’s not share it and show me why we need to share it.” I believe that we are stepping out in that regard.

Some of the obstacles, obviously, you know, include a leadership, you know, or lack thereof, accountability—holding people accountable to the statutes and the premises and policies that are being built—connectivity, trust, and things associated with that. That is something, you know, in partnership with Ms. Wagner, we are earnestly trying to do, and certainly with the support of the Secretary of the Department of Homeland Security.

Mr. GREEN. Thank you, Madam Chair.

Ms. HARMAN. Thank you very much, Mr. Green.

Chair now yields 5 minutes to Mr. Dent, of Pennsylvania.

Mr. DENT. Thanks, Madam Chair.

Under Secretary Wagner, in your prepared testimony before the Homeland Security Subcommittee of the Appropriations Committee on March 4 you stated that as a result of recent trends I&A is working closely with its IFC partners to develop a framework for analysis of homegrown extremism that is consistent with protecting civil rights and civil liberties. Could you elaborate on that collaboration?

Ms. WAGNER. Yes, I can. As a result of the Christmas Day bombing there were a number of actions that were taken to address issues that were identified then, and one of them was the DNI tasked I&A Homeland Security to lead an interagency effort to, you know, develop a plan to improve our analysis on homegrown violent extremism.

So DHS has taken the lead on that project, working very closely with the FBI and NCTC, to put together a plan to improve our understanding of the motivations of some of these homegrown violent extremists and also to lay out a plan of action for interacting more with State and locals to get a better understanding of their views of their communities and the factors at play there.

So we are doing this hand-in-glove with our civil rights, civil liberties, and privacy officers from the beginning to ensure that whatever we put in place is consistent with the—civil liberties.

Mr. DENT. What are the other agencies that you are partnering with here?

Ms. WAGNER. FBI and NCTC, primarily.

Mr. DENT. Okay.

Ms. WAGNER. Looking at the international terrorism and the domestic terrorism—

Mr. DENT. What metrics are you using to develop this framework?

Ms. WAGNER. I think we are in the process of defining what those metrics are now, again, making sure that whatever we are going to measure ourselves on is consistent with privacy, civil rights, and civil liberties. But I would be happy to come up and talk to you about that in the future when those things are finalized.

Mr. DENT. Is the Homeland Security Advisory Council part of this framework?

Ms. WAGNER. I don’t believe that we have discussed this with them yet, no.

Mr. DENT. I understand that Secretary Napolitano, in February 2010, asked the Department's Homeland Security Advisory Council to develop recommendations on how DHS can develop community-based law enforcement to tackle homegrown terrorism. Would you elaborate on the status of that review and its recommendations, either one of you? Ms. Wagner.

Ms. WAGNER. I think I will defer to Mr. Johnson on that.

Mr. JOHNSON. Yes, the Secretary has asked the Homeland Security Advisory Council to look at countering violent extremism as it relates to community-orientated policing, the buy-in of the community, the understanding of the community in very proactive and trusting ways.

So about a month ago I was fortunate enough to be able to interact with major city chiefs, the intel commanders, that was started up by Chief Mike Downing and Chief Mike Grossman and really elicited a lot of best practices on how they do it, because obviously we are not going to solve that within the beltway; we need to get back to the boots on the ground, the patrol officer, the trooper, the deputy, to understand and have the trust and relationship with the public.

So as it relates to the recommendations, the recommendations are nearly complete. I actually had an opportunity to review a draft of them the other day. They haven't been presented to the Secretary yet so if it is okay I would prefer not to illuminate on any of them, but suffice to say it covers a number of topics and goes to, I believe, what this committee would—

Ms. HARMAN. Mr. Dent, would you yield to me for 1 second?

Mr. DENT. I would.

Ms. HARMAN. I would like to request, Mr. Johnson and Ms. Wagner, that we be briefed as soon as possible on this material.

Thank you.

Mr. DENT. Just finally, what is I&A doing, really, to help improve our Government's understanding on this whole notion of domestic radicalization and extremism?

Ms. WAGNER. I think what we are doing is being done in the context of the interagency effort that I just mentioned. We are going to be taking a variety of approaches, including looking for best practices potentially overseas with our partners, reaching out to academia, open source, and leveraging expertise wherever we can find it. Again, be happy to talk to you in more detail on the details of the plan that we have laid out.

Ms. HARMAN. Thank you, Mr. Dent. I just want to commend you for raising the privacy and civil liberties issue, and just to use the airwaves afforded by this hearing to call on the administration, again, to appoint the privacy and civil liberties oversight board, which is mandated by the 2004 intelligence reform law, and which has not been filled—the positions for which have not been filled by this administration.

I think that would go a long way to making—toward making sure that all the practices we are talking about by fusion centers and new regulations and proposed legal remedies comply fully with our Constitution. That is something we are all concerned with, and so—and I know that you are, too. I would just point out also, for the record, that we have had hearings in the past with the privacy

and civil liberties officers at DHS to talk about the need to make sure that on the front end policies take account of privacy and civil liberties of law-abiding citizens.

In introducing Ms. Clarke, I want to give a shout out to the NYPD and the New York State Police. First of all, they did a heroic job in connection with the Times Square bomber apprehension. But also, they get my attention always since all four of my children and all three of my perfect grandchildren live in New York City, and I am very glad that they are well-protected.

I now yield to Ms. Clarke, for 5 minutes.

Ms. CLARKE. Thank you very much, Madam Chair, Ranking Member McCaul. It is a very timely hearing, and I know that there was quite a bit of conversation around the New York City Times Square event, but I would like to raise a concern that I have.

I want to add to your equation, Madam Chair, the observation and quick thinking of the civilians in this whole equation, and I don't think we can underestimate how important it is to have the type of campaign we have had going on in New York City for quite some time, which is the "See Something, Say Something." But having said that, I want to address, you know, our thinking around the whole lone actor scenario.

Following the recent attempted car bombing in New York City's Times Square Federal authorities swiftly investigated the incident, proving the post-incident counterterrorism cooperating across Government is improving. Roughly 53 hours after the incident the FBI, New York City Department—Police Department and its intelligence officials quickly identified and arrested the suspect.

However, the goal should be to detect and thwart these plots—even small-scale plots such as Mr. Shahzad—as early as possible. Of course, small-scale attacks would and should be handled differently than large-scale attacks. A large-scale attack is generally easier to detect because it will involve many people and there are more opportunities for someone to leak information.

Clearly, local law enforcement is at the front lines with regard to detecting small-scale attacks in our communities. However, I want to know, how can we use our National intelligence infrastructure—namely the Intelligence Enterprise and the newly institutionalized DHS Threat Task Force—to better detect the lone actor who may appear normal to his neighbors but has been radicalized either in person or by the internet?

Ms. WAGNER. I will take this, and then I will see if Mr. Johnson has anything to add. I think one of our primary missions in terms of the DHS Intelligence Enterprise is to take all of the intelligence information on a specific event and put that out to State and locals in a way that would be useful for them in terms of understanding what were the actions that the perpetrator took leading up to the event that could potentially be recognized and reported on so that we are in a position where, as you point out, we could prevent or disrupt instead of respond.

We have put out numerous products on what we call the tactics, techniques, and procedures of how the bombs were built, how they were delivered, and any kind of suspicious behaviors or activities that could be used by local law enforcement to potentially disrupt these attacks. You know, in—we have also identified in the past

the kinds of things that would be bought; I think someone already mentioned the example of the hair care products. Fertilizer is obviously a key issue that we also alert people on.

So that is how we approach this problem. I think we do a pretty good job of doing that, but we have a training and education issue as well, as you point out, not just at the local law enforcement, but then within their areas with the actual civilians who might see something along the lines of the “See Something, Say Something” campaign.

I will let Mr. Johnson add his comments.

Mr. JOHNSON. As Ms. Wagner referred to, it is important to get from the intelligence community those indicators and warnings that can be applied to every day practice and law enforcement. As I mentioned before and I agree with you—“See Something, Say Something”—the importance of that, and to articulate to the law enforcement and first responders really what to look for.

So, for example, in New York State, you know, we knew where the storage facilities were; we knew who the ammonia nitrate distributors were; we knew who was renting large vans and things like that; we had the ability to, you know, work with law enforcement, the NYPD. In the words of Commissioner Kelly, Mr. Shahzad was unremarkable. So that goes to your point, ma’am, about how can you detect it before it becomes remarkable, and those little indicators and warnings that he may very well display.

To build upon what Ms. Wagner said, also, the criticality and the importance of CBP and TSA and ICE and the information holdings that they also have, and how do you leverage them to really try to identify a person who may be doing other type of criminal activity but may also be involved in a terrorist activity, and the linkages to the JTTFs. I think they do that quite well. A lot of the components do have assets apply to the JTTFs and they played a critical role in this, you know, this investigation.

So it is really, you know, right across the board with everything that we are doing and everything that you support.

Ms. HARMAN. Thank you very much, Ms. Clarke.

As everyone knows, this line of questions and this information is central to what this subcommittee cares about. New York City and New York State are very sophisticated and very well-resourced in terms of their law enforcement and public awareness effort. Our hope is that other States—all other States—will get up to speed, too. Obviously California is doing pretty well—especially Southern California—but terror attacks could occur anywhere, anytime, and the whole country needs to be protected, not just parts of the country.

Now I yield 5 minutes to Ms. Richardson for questions.

Ms. RICHARDSON. Thank you, Madam Chair.

Mr. Johnson, I understand that the I&A analysts receive the opportunity to attend training offered to and by other members of the intelligence community. To what extent does the I&A facilitate DHS component intelligence analysts to participate in these types of training?

Mr. JOHNSON. First and foremost, you know, Dawn Scalise—she has been assigned from the Central Intelligence Agency. She has been on, I think, since September. She brings to bear a consider-

able amount of experience as it relates to analytical capabilities, and she is in the process and has implemented a number of programs, to include mentoring a lot of the young analysts, training a lot of the young analysts. Before Mr. Mike Morell became the deputy director she had been interacting with him on a regular basis to do exactly what you just described about the cross-fertilization of analysts and training and experiences and exposures.

But also, equally important is the relationship with the field and the analysts from the field, and the first week of June we are going to be bringing in some analysts from the field—from the fusion centers—to share with us their experiences and also have them share with us, you know, a lot of the best practices and some of the information that they need.

Under the leadership of Ms. Wagner, she is also exacting training as it relates to sourcing and citing and all the elements that make up what the ODNI has been doing with Dr. Peter Lavoy and a lot of the expertise resident within there.

I would also defer to Ms. Wagner as it relates to, you know, some of the efforts that she is undertaking and directing within I&A.

Ms. WAGNER. I would just add that we do work hard to provide—make training available to the components so that the analysts in the different Department operational elements have access to training that helps them understand how to leverage the intelligence community and how to interact with the rest of the intelligence elements of the Department. We are working with them as part of the Homeland Security Intelligence Council to understand what other training requirements they might have that I&A then could meet as part of our service to the DHS Intelligence Enterprise.

Ms. RICHARDSON. Would it be accurate to say that the analysts have a list of all the training that is available?

Ms. WAGNER. I believe they do. I think it is posted and they have access to it. We are able to take advantage of any courses that are offered by the intelligence community, so there is a very full roster of possibilities.

Ms. RICHARDSON. Would you verify to this committee that, in fact, the analysts are aware and have received information of what is available to them?

Ms. WAGNER. I will certainly go back and confirm that all of the courses are posted where they can have access to it and that they know that.

Ms. RICHARDSON. That they are aware that that is where it is.

Ms. WAGNER. Yes, ma'am.

Ms. RICHARDSON. Okay. Thank you.

For this next question—I apologize, I came in a few minutes late; I was presenting in the Jobs Task Force, so if it was asked I apologize—what is the progress in getting the next generation systems, such as the HSIN 2.0 and the HTSN on-line? That seemed to be a big bulk of—

Ms. WAGNER. Flip a coin on this—

One of the areas that I am trying to focus on now working very closely with Mr. Johnson is trying to solidify the information architecture to serve the enterprise, both at the SCI level, which is the HTSN, at the secret level, and at the unclassified level. I think we

are making progress in understanding where we want to go, but there is still room for improvement in terms of the speed with which we are implementing some of these solutions. In terms of any more details, I probably have to defer to Bart.

Mr. JOHNSON. Ms. Wagner has been meeting with Richard Spiers, the chief information officer, over the past couple months, and that is certainly a partnership that is developing as it relates to his expertise along with our responsibilities for those classified systems. We are working, also, with Ms. Sue Reingold, at the program manager's office, for the information-sharing environment at the secret level to make sure that those systems are sustainable and they contain within them the information that is required.

If you recall, back in September I gave a little bit of an overview about our efforts to get more information that is resident on sippernet as it relates to helpful tactics and techniques and plans for not only the components but for the fusion centers regarding VBIEDs, TATP, and really some of the materials that go into making them. To your point about HISN, we are currently working with HSSLIC, the Homeland Security State and Local Information Committee, and right now we are working with Ops, Operations, and NOC, the National Operations Center, to transition it to Next Gen. We are—

Ms. RICHARDSON. Excuse me. I apologize. My time has expired. But what I wanted to make sure you answer the question was, when do you expect it to be on-line?

Mr. JOHNSON. HISN Next Gen? That is going to be over the next year or so, and we are taking it very carefully because we don't want to diminish any of the services that are available on HSSLIC right now. However, other organizations have already been transferred over to Next Gen and we are just monitoring and watching it for the partners and the components.

Ms. RICHARDSON. Thank you very much.

Thank you, Madam Chair.

Ms. HARMAN. Thank you, Ms. Richardson.

We have discussed whether to go to a brief second round of questions, and we are planning to do that. I will start with me, and if you are both interested in doing that, please stay.

First of all, on Ms.—to follow up on Ms. Richardson's question, I would strongly urge that you consult the users of these on-line services. We learned when we did a number of field visits to fusion centers around the country that they were not using some of the homeland products because they found other products to be much more effective.

The goal is not just to consult horizontally in Washington, DC. The goal is to make sure that information sharing vertically works. Therefore, I would urge you—and I know this is something you would instinctively do, Mr. Johnson—but to consult carefully to make sure that your new products will be well received. Thank you.

Let me ask you two questions that Mr. Thompson had planned to ask if he had been able to stay for the rest of this session. First of all, he mentioned in his opening remarks that Rand Beers has now been named the top counterterrorism official for the Depart-

ment. He, Rand Beers, was part of the panel that briefed us last week on the New York City bombing.

The question is, Ms. Wagner, what is his relationship with you with respect to—how does his appointment as chief counterterrorism official to the Department affect your duties as the chief intelligence officer? Do you now report to him, or do you work on parallel tracks? You know, why aren't you the counterterrorism official for the Department?

Ms. WAGNER. Well, I would characterize my relationship with Rand as being, we are partners. He is, you know, as we all know, a distinguished public servant. We discussed as a Department in the recent bottom-up review process that we are doing in the wake of the Quadrennial Homeland Security Review how many of us have terrorism as a key element of our mission, and it ends up being almost every component and departmental element of the Department.

So the Secretary wanted to ensure that we had an effective mechanism for pulling all those pieces together and she appointed Rand to be the CT coordinator. So no, I don't report to him, but I work very closely with him. In fact, we do function as partners. When the Secretary goes to the White House for the terrorism briefing, if he doesn't go I go, and he actually took the briefing yesterday because I was testifying in front of the Senate Select Committee on Intelligence on my budget at the time.

So I think we have a very constructive relationship and what we are both trying to do is to serve the Secretary as best we can to make sure that all of the elements that are focused on counterterrorism are rowing in the same direction.

Ms. HARMAN. Your answer makes me smile, since we have that problem up here. We have counterterrorism subcommittees of every committee, and this is the only committee called "The Homeland Security Committee." I think we are somewhat jurisdiction-starved, so I get it, that there is a need to coordinate, and I understand better. I have known Rand Beers personally for years and think he is a very capable fellow.

But the bottom line here is, we don't want big org charts and people doing duplicative functions; we want straight, fast info sharing, right? Okay.

The second question that the Chairman would have asked is about the use of outside Federal contractors. I remember being appalled to learn that the ratio was 60/40, outside to inside, or maybe even worse. Mr. Johnson, you pledged 8 months ago to help fix that. I think the goal was to get to 40/60, which is still not terrific. Where are we?

Ms. WAGNER. Well, I think Mr. Johnson had already made considerable progress when I came on board. We are moving in the right direction but we are only down to about 55 percent, now. It has dropped 15 percent since the beginning of the fiscal year. I am working—

Ms. HARMAN. Excuse me, 55 percent what?

Ms. WAGNER. Fifty-five percent contractors.

Ms. HARMAN. So it is 55/45?

Ms. WAGNER. Down from 60 percent to 55 percent, a 15 percent reduction since the beginning of the fiscal year. We are looking very hard—

Ms. HARMAN. Excuse me, maybe I can't add. How is 60 to 55 a 15 percent reduction?

Ms. WAGNER. It was 60 percent; it is now 55 percent. So it was a 15 percent reduction in total contractors on the—

Ms. HARMAN. Thank you.

Ms. WAGNER [continuing]. From the beginning of the fiscal year. We are looking very hard at seeing where we can make further reductions, but I must be honest that with the amount of work to be done, unless I can figure out a way to dramatically increase my level—my rate of hiring of Government employees, it will be difficult to draw down too much too quickly.

We are working very hard to remedy this ratio. Bart and I are doing everything we can to micromanage the hiring process, and we are working with our Department to try to advocate for direct hire authority from OPM to allow us to make some headway on these billets, because we all know there are too many vacant billets and we are trying to address that problem.

Ms. HARMAN. Right. Well, I think my time has expired, but this is an administration-wide problem, and it has huge implications for I&A, which you know, and again, for your—for successfully achieving your mission.

I now yield to Mr. McCaul.

Mr. MCCAUL. Thank you, Madam Chair. I have a couple of organizational questions to add on the last questions I asked, but I do want to just focus on the specific cases.

Hasan, we had threat information prior to the incident and intelligence coming in. In the Christmas bomber case we did. Is it your testimony that in the Times Square bomber there was really nothing we could have done to have prevented that?

Ms. WAGNER. He was not watch-listed, and I think that he is an example of a new paradigm—a difficult paradigm—that we are having to deal with of individuals who are mounting very small-scale, unsophisticated attacks without having a great deal of communication or support from others, necessarily, although obviously this investigation is still on-going and—

Mr. MCCAUL. I agree that that is a challenge. They have indicated they are going to smaller-scale attacks and it is very difficult to detect this prior to prevent it. I know he went to Pakistan, and perhaps that was looked at, but there was nothing further to indicate that he would be a threat in any way?

Ms. WAGNER. There are many, many tens—I don't even know how large the number is—of people that go to Pakistan regularly, so there—no, we need a little bit more than that.

Mr. MCCAUL. This may be a little bit out of I&A's jurisdiction, but the no-fly list, UAE did not have him down. It wasn't refreshed every 12 hours; now it is down to 2 hours they will refresh that, is that correct?

Was there an alert that was sent out, though? It seems to me in this type of case that an alert should have been sent out to all the airlines saying, "Don't let this guy get on a plane."

Ms. WAGNER. He was, as you point out, expedited onto the no-fly list, and unfortunately the airlines under the previous rules were only required to update that information I believe it was every 12 hours. So the new rule that TSA is putting in place will require them to update those expedited no-flies every 2 hours—

Mr. MCCAUL. Every 2 hours, but can't you send out an alert separately just saying, "Special alert," you know?

Ms. WAGNER. I believe that those are the special alert. But again, if we had—

Mr. MCCAUL [continuing]. Refresh—

Ms. WAGNER. But when the Secure Flight system is completely implemented, we will not have this problem any longer. It will be automatic.

Mr. MCCAUL. That is the good news here.

Two quick issues, and they are big: One, tripling the intelligence agents representatives down on the southwest border, that was—the Secretary said that that was going to be done. Can you update me on that?

Then the second one on cybersecurity. This is one of those issues that a lot of people—it is not on their radar screen, but I consider it to be one of the biggest threats that we have to our National security. Can you tell me what you are doing in that regard, too?

Ms. WAGNER. Yes. Cybersecurity, and it was tripling of the—

Mr. MCCAUL. We were told that—basically that there would be a tripling of the intelligence analysts down on the southwest border. Has that occurred yet, and what is happening down there?

Ms. WAGNER. I think its—whether it is officially tripling I do not know, but we have substantially increased the level of intelligence support that we have located within the El Paso Intelligence Center. We now have, I believe, 12 people on our homeland intelligence support team down there doing analytic support to the operational elements on the border.

We have also added a collection manager, with another en route to assist in working with the intelligence community to leverage their capabilities in support of the operation. We have got a network of State and local fusion centers, HIDAs, elements of DOJ, DOD, everybody working together, and we are trying now to formalize sort of the new interagency intelligence coordination body at IPIC, which is being worked at the highest level with CBP, ICE, DEA, and us.

Mr. MCCAUL. That is good. Because as you know, it is getting very dangerous down there.

Ms. WAGNER. Yes.

Mr. MCCAUL. Cybersecurity? I only have about 35 seconds.

Ms. WAGNER. Cybersecurity is—we have created that as a major mission area within the Department as part of the Quadrennial Homeland Security Review, and we work very closely with NPPD, with Rand Beers and Phil Reidinger, specifically, to figure out what intelligence support to bring to bear for their responsibilities to secure the dot-gov network.

We are attempting to increase the level of cybersecurity analysis we are doing to look at this unique source of data that we have within the Department—the CERT data—and try to see if we can improve our ability to do predictive analysis and attribution.

Mr. MCCAUL. That is good. That is very good.
Thank you.

Ms. HARMAN. Thank you, Mr. McCaul.

Ms. Clarke.

Ms. CLARKE. Ms. Wagner, I just wanted to bring to your attention that for quite some time we have been hearing about the deployment of Secure Flight—at least since I have been in Congress, and I was elected and started here—elected in 2006 and started here in 2007. During that time we have had a number of events that we keep referring back to when we have Secure Flight up and running.

Do you have a sense at all of when Secure Flight will actually be deployed in its full glory with the capability of doing everything that we expect it will do?

Ms. WAGNER. Ma'am, I actually would prefer to defer that question to TSA—

Ms. CLARKE. Okay.

Ms. WAGNER [continuing]. To come and speak to you, because it is not really an intelligence issue; it is more of a Departmental issue—

Ms. CLARKE. Yes.

Ms. WAGNER [continuing]. And I don't have the exact date.

Ms. CLARKE. But it would seem to me that it would be a major tool for the intelligence community.

Ms. WAGNER. It will be a major tool for the homeland security and law enforcement communities, and it will certainly assist us in ensuring that the no-fly information is acted on immediately.

Ms. CLARKE. So it just seems to me that there should be some urgency in everyone's mind around the Secure Flight program. I will share that with you because, you know, you raised this with Mr. McCaul, which is the issue of the fact that we have thousands of people that fly to Pakistan every year, if not tens of thousands.

Many of the folks who fly to Pakistan every year come from my district. If we are going to get really solid intelligence it is like finding a needle in a haystack when you have a system that doesn't weed out the bad actors from the misidentifications from folks who we really know are out there to do our Nation harm.

So I just raise that because I think there needs to be a clarion call coming from every part of the homeland security community that is relying on clear intelligence that this program be expedited. But having said that, that is just my own pet peeve.

I want to ask about the costs associated with building secure spaces that are needed for the installation of information sharing technology systems. Many fusion centers do not have connectivity to secret—excuse me, connectivity to secret-level DHS networks. However, TSA uses storable, secure laptops and devices, allowing the TSOs to access classified networks from remote locations.

To what extent has I&A looked into this option or a similar way of providing access to secure networks for fusion centers?

Ms. WAGNER. Thank you for that question. If I could go back to your previous question just for a moment, because my TSA colleague has just given me some information to pass on, which is that there is going to be a briefing for Members tomorrow on this topic, that they are expecting the Secure Flight to be implemented

domestically in early summer and internationally by the end of the calendar year.

On to your question about secure coms, we—as I think Mr. Johnson mentioned earlier, and I will let him add his remarks to this—we are looking at an overall secret-level architecture to support not just the components but also the State and local fusion centers.

We know that TSA has had some success with their Trace architecture, which uses the talon card, and we are looking at whether or not there are circumstances where it would make sense for us to employ that.

We don't necessarily view it as a substitute for getting our HSDN secret connectivity because it doesn't have all the same functionality, and it does have some disadvantages associated with its use in terms of it has to be locked—you know, the card has to be locked in a safe, and there are some, you know, security issues that you have to weigh in the balance. But we do believe that it is possible that for some of our folks it would be a good interim solution, and we are reviewing that.

Mr. JOHNSON. Additionally, we have accelerated the deployment of HSDN to the field, and you are exactly right about the need to build out secure space, secure coms. So we are pretty optimistic by the end of the year we will have 64 HSDN terminals deployed to those fusion centers capable of receiving it.

Another critical thing is the components and their ability to have HSDN and give them the connectivity that they need. I recall using Trace back in 2004 during the RNC in New York City, and it is effective, but yes, it is a stop-gap, and we are not going to rely on that to be the final solution. We want to roll out HSDN as effectively as we can.

Ms. CLARKE. Thank you very much, Madam Chair. Thank you.

Ms. HARMAN. Thank you, Ms. Clarke.

Thank you, Mr. McCaul.

Again, I thank the witnesses for their valuable testimony, and the Members for their brilliant questions.

This partnership has been going on a long while and we expect it to continue. We need this partnership to work. Our country will not be safe if it doesn't work. Our country still may face future attacks, but the chances of that are somewhat reduced if this partnership is robust and successful.

So I thank you, Ms. Wagner, for agreeing to submit some additional information for the record. That was requested, and I strongly support it, and if there is a loophole—we were exploring this—we obviously want to work with you to close it.

Having no further business, this subcommittee stands adjourned.

[Whereupon, at 11:32 a.m., the subcommittee was adjourned.]

