

***OPENING STATEMENT OF SENATOR CHRISTOPHER S. BOND;
11-13-07 (as prepared)***

Introduction

- **Thank you, Mr. Chairman for holding this hearing today. You received a letter from all the Republican members of the Committee a few months ago exercising their prerogative under Committee Rule 1.3 asking you to hold this hearing, and I appreciate you scheduling it accordingly.**
- **During the debate on S.4 (the “9/11 Bill”) in March, the Senate adopted a Sense of the Senate provision that you and I sponsored calling upon our Committee and the Senate Homeland Security and Government Affairs Committee to conduct hearings on intelligence reform, and more specifically, on Congressional reform of fiscal oversight of intelligence.**
- **We did this because, although the Senate has adopted some of the Congressional reforms recommended by the 9-11 Commission such as ending term limits for committee members, the recommendation that the Commission felt was most important with regard to Congressional oversight has not been addressed.**

9-11 Commission

- **The 9-11 Commission stated that “Of all our recommendations, strengthening congressional oversight may be among the most difficult and important.”**
- **The Commission also stated that “Congressional oversight of intelligence---and counterterrorism---is now dysfunctional.”**

- **The Commission's bold recommendation to address the dysfunction of Congressional oversight was to consolidate authorization and appropriations functions into a single committee.**
- **I understand that Senators Burr, Bayh, Snowe, Hagel and Feingold from this Committee, along with other members of the Senate, introduced a Resolution on the Senate floor this morning to do exactly that, and I commend them for bringing greater attention to this issue.**
- **The traditional authorization and appropriations processes, while not perfect, serve the nation's needs adequately in most instances. So what is different about oversight of intelligence within today's national security framework and how does it differ from our recent past?**

The Role of National Intelligence Changed with the End of the Cold War and the Rise of Islamic Radicalism

- **Throughout the Cold War, when two superpowers dominated the international arena, the primary function of our national intelligence apparatus was to provide "strategic warning" of Soviet intentions or actions.**
- **The risk of miscalculation on either side could have resulted in a cataclysmic war involving nuclear weapons. Both the United States and the Soviet Union understood the cost of such a conflict.**
- **Therefore, the Soviets sought their political objectives through intimidation and coercion rather than actual war.**

- **That threat, and with it, the former purpose of national intelligence, receded with the dissolution of the Soviet Union and the rise of a new and potentially more ominous threat.**
- **While the Soviet Union did not seek violent confrontation as its primary objective, our new adversary sees violent confrontation as the primary means to its goals.**
- **The convergence of Islamist extremism with the spread of weapons of mass destruction technologies has dramatically shifted our national intelligence requirements at this particular point in our history.**
- **A failure of intelligence over the next decade and beyond, similar to that of 9-11, could result not in several thousand deaths, but in several million deaths.**
- **Surprise attacks by large scale military forces of hostile nations can easily be detected by national technical capabilities, but a small suicidal cohort armed with a weapon of mass destruction, is extraordinarily hard to detect or disrupt.**
- **This necessitates a fundamental shift in the purpose, organization, training and operations of our national intelligence capabilities.**
- **With that shift comes an increased demand for rigorous and consistent intelligence oversight by the Congress. The question we must answer is whether or not today's traditional, bifurcated Senate oversight process is suitable to the needs of the nation.**

Change has not occurred

- **Some would like to say that change has already occurred, so we should “call it a day” on this issue. Well, as one of the three appropriators for intelligence who sits on this Committee along with Senators Feinstein and Mikulski, I can tell you that if change has occurred, then I haven’t seen it. On the contrary, in my experience I’ve seen more evidence of the need for a better synthesis between the two.**
- **For example, this Committee is currently conferencing our FY08 Intelligence Authorization Act with the House, and we’re looking at a number of issues where our bill is disjointed from the FY08 Defense Appropriations Act. As recently as a few hours ago, my staff was receiving calls from intelligence officials worried about a number of potential “A not A” (appropriated but not authorized) issues. That’s not a showstopper in most fields, but when it comes to national security and intelligence, it usually does not make a whole lot of sense.**
- **We have almost 50 professional staff on this Committee who spend all their time doing nothing but intelligence oversight, day in and day out. The Defense Appropriations Committee has fewer than one half dozen staff who write the intelligence appropriation which is fewer than 1/10th of their bill.**
- **Our Committee has held scores of intelligence oversight hearings this year; the Defense Appropriations Committee has held notably few. I think the disparity is clear and speaks for itself. What I’m saying is, let’s effectively bring the oversight power to bear on the budget; right now it is disjointed.**
- **Now, let me be fair to my other Committee, the Defense Appropriations Subcommittee. That Committee (SAC-D) does**

outstanding work, and I commend Chairman Inouye and Ranking Member Stevens, in particular, for the attention they put into defense matters.

- **But that is my point, that Committee is consumed with defense matters, not intelligence matters. That Committee is wrapped up in a nearly half a trillion dollars appropriations bill, with less than one tenth of it comprising the National Intelligence Program that the SSCI oversees. SAC-D as currently constructed cannot give intelligence the attention it deserves with all its other responsibilities.**

Memorandum of Agreement

- **Mr. Chairman, we discussed this issue at the beginning of this Congress, and you believed the best road ahead was to sign a Memorandum of Agreement with the Chairmen and Ranking Members of the Appropriations Committees promising better coordination. I expressed to you my disagreement with that option because I believed the MOA was weak and would not affect real change.**
- **Despite stating that we would only move forward together on this issue, you went ahead and drafted and signed an MOA over a recess when I was overseas on a trip. Upon return, Senate counsel informed me that the MOA was invalid as drafted for several reasons that you probably would not like me to lay out here, and I have always considered it a dead document.**
- **Since you brought it up, putting it in our memos before us here today, let's look at how difficult it is to address this issue by showing how ineffective that MOA has been.**

- **The MOA has four points. The first says that staff of each committee will be notified of and allowed to attend the intelligence hearings of the other. Well, I canvassed our staff and one of them, once, was invited to one meeting. My staff was never even notified of them and I'm on that committee. So that easy task was not followed. Strike one.**
- **Second, it states that Diane, Barbara and I could bring one staffer with us to SAC-D markups. Well, we've always been able to do that, yet the marks were decided well beforehand, so that did not have any real effect. Strike two.**
- **Third, we're supposed to be able to review the SAC-D mark before markup. Well, we were shown it right beforehand with no opportunity to provide SSCI influence to it. Another failure of the supposed MOA. Strike three.**
- **Fourth and finally, you and I were supposed to appear before SAC-D to make our case for our marks, and SAC-D's Chairman and Ranking member were supposed to appear before our committee to do the same. Would anyone like to guess if that ever happened? Of course it did not. Strike four.**
- **Mr. Chairman, I've been looking at better integrating intelligence expertise into the appropriations process for some time, and I predicted that the MOA would fail as drastically as it has. I also don't think that even if it were followed religiously it would address all of the concerns the 9/11 Commission raised. That's why I did not support it.**

So Has Anything Really Changed?

- **So has anything really changed since the 9/11 Commission's recommendation over the past few years? Well, this year, the**

SSCI included, in particular, four major oversight initiatives in its bill. Each of these issues represents a substantial departure from business as usual:

- 1. Stop funding a Cold War technology collection capability.**
- 2. Move to cheaper technical collection capabilities so more sensors can be deployed and provide more data to policy makers and the military.**
- 3. Realign the management of a collection program that has failed for more than a decade to deliver a capability integral to its mission. This year represents the third consecutive year that the Committee has identified severe technical and managerial difficulties in this program some of which go back a decade.**
- 4. Undertake an innovative technology demonstration program.**
 - The first three of these initiatives were ideas that the Chairman and I supported upon recommendation by our staff. The fourth was an amendment offered by Senator Mikulski and me that was adopted on a bipartisan vote.**
 - Each of these issues was fully briefed to the SSCI members and approved by a vote of committee members. Actions by the appropriations committee, however, were completely dissimilar.**
 - Senators Mikulski, Feinstein and I are members of the Defense Appropriations Committee known as SAC-D, yet none of these four issues was brought before SAC-D so that members could be briefed on them, debate them and vote on them.**

- **In fact SAC-D marked up the nearly half a trillion dollars Department of Defense bill in about 20 minutes in an open session. That's far less time than we spent debating just one of the issues I just cited.**
- **If anyone thinks this is a new problem, it is not.**

Canceled Program

- **In 2000, the Clinton administration proposed a new collection program. The SSCI analysis indicated the program would cost substantially more than estimated and that the utility of the data collected did not justify the cost.**
- **Chairman Shelby and Vice Chairman Bryan opposed the program. Chairman Roberts and Vice Chairman Graham opposed the program. Chairman Rockefeller and I have supported program termination as well. In other words, the SSCI has recommended terminating the program on a bipartisan basis for years.**
- **If you think that this fight was just an intra-committee squabble in the Senate, nothing could be further from the truth. Every outside technical review conducted on the merits of the program by the administration's outside experts recommended killing the program.**
- **In 2001, the Scowcroft Panel recommended termination in NSPD 5. In 2004, an independent panel of technical collection experts appointed by the Bush administration recommended terminating the program. The outside technical advisory board of the agency in charge of the program recommended terminating it consistently.**

- **The first DNI, John Negroponte, recommended killing it. Chairman Rockefeller, when you were Vice Chairman and now as Chairman, you have been the most consistent, vocal and articulate advocate for the program's termination.**
- **It took until recent time to end a program that, at the least, should have been terminated a few years ago. Unfortunately, all told, the loss to the taxpayers is astronomical, in the billions of dollars.**
- **I could go on, Mr. Chairman, but suffice it to say that the same institutional and structural problems that have existed for years still impede consistent oversight.**
- **I want to hear what our witnesses say that Congress should do about it. I'm not backing any particular option yet; I have seen the 9/11 recommendations, and the panel that Speaker Pelosi put together on the House side to address this issue, and I've heard a number of others, a few of which I'm looking at closely. But I think there are good options to choose from and they need to be discussed. We can do better for the American people, Mr. Chairman.**
- **That's why I'm pleased you called this hearing, so we can hear from our expert witnesses and then at our next business meeting this week that we can discuss their ideas, among others, as a Committee.**
- **Thank you, Mr. Chairman. I look forward now to hearing from our witnesses.**