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Statement for the Record of

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Introduction

Chairwoman Harman, Ranking Member Reichert, and Members of the Subcommittee: Thank you for the opportunity to appear before you today to discuss the progress that the Department of Homeland Security has made, and will continue to make, on its intelligence and information sharing programs.

As you know, the Intelligence Community's focus traditionally has been aimed at foreign threats and its customer set focused on international level partners. The Community's interaction with State, local and tribal law enforcement and other first responders intentionally was limited or non-existent. But homeland security, in a post-9/11 world, requires a new paradigm for intelligence support. My task as Under Secretary for Intelligence and Analysis and the Chief Intelligence Officer for the Department has been to lead the effort to develop the vision for, design the architecture of, and implement a comprehensive homeland security intelligence program that is fully integrated into the traditional Intelligence Community but which equally reaches out to new, essential partners at all levels of government and within the private sector.

This was no small task and required new authorities, new structures, and new kinds of cooperation across the Community. I commend Congress for providing key authorities to the DHS intelligence efforts in support of our mission, particularly through the *Implementing Recommendations of the 9/11 Commission Act of 2007*. By elevating the head of Intelligence and Analysis to an Under Secretary level and significantly expanding the position's authorities to integrate and standardize the intelligence components, products, and processes of the Department, these authorities have provided an essential foundation for development of an effective Department-wide intelligence effort.

The DHS Intelligence Mission

DHS intelligence authorities were first established in the *Homeland Security Act of 2002*, with additional authorities provided later in the *Intelligence Reform and Terrorism Prevention Act of 2004* and, as mentioned previously, the 9/11 Commission Act. The specific mission of the Office of Intelligence and Analysis (I&A)—DHS' primary representative in the Intelligence Community—has been reinforced since the Homeland Security Act, including in the recent amendments to Executive Order 12333.

The Secretary personally defined the role of intelligence in the Department as a result of his 2005 Second Stage Review, in which he emphasized that, "Intelligence is at the heart of everything we do." One central conclusion from this review was that the Department required a strong intelligence arm to focus on Departmental needs. As a result, the Secretary established the position of Chief Intelligence Officer to lead and manage the integration of the Department's intelligence programs.

When I arrived at DHS in late 2005 after the conclusion of the Second Stage Review, I committed to delivering results against the critical priorities identified by the Secretary. My overarching priorities for the DHS Intelligence Enterprise have been:

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- Improving the quality of intelligence analysis across the Department;
- Integrating DHS Intelligence across its several components;
- Strengthening our support to State, local, and tribal authorities as well as to the private sector;
- Ensuring that DHS Intelligence takes its full place in the Intelligence Community; and
- Solidifying our relationship with Congress by improving our transparency and responsiveness.

Before providing you the details of the progress we have made on these priorities, I want to emphasize the breadth of the customer set we serve. It is unique in the Intelligence Community. The DHS Intelligence Enterprise must effectively serve all homeland security customers, including all of DHS, our State, local, tribal, territorial, and private sector partners, and the Intelligence Community. Each of these customers has different needs.

Let me start by discussing our fundamental responsibility to support our primary customer—the Department—including both headquarters as well as operational components. The Secretary defines the Department’s mission as keeping dangerous people and dangerous goods from crossing our air, land, and sea borders and protecting our critical infrastructures. This requires having reliable, real-time information and intelligence to allow the Department to identify and characterize threats uniformly, support security countermeasures, and achieve unity of effort in the response. As you will see when I discuss our analytic efforts, I have aligned our intelligence efforts to support these needs.

An equally important customer is our state and local partners—we must meet the intelligence needs of our State, local, tribal, and territorial customers. We are ensuring these stakeholders have access to our key intelligence and information capabilities, and the Department, in turn, has access to information obtained by these partners in the course of their operations.

In addition, DHS Intelligence and Analysis is reaching out to a broad spectrum of private sector representatives. We have learned that private sector information requirements are not only numerous, but have become more complex as our private sector partners have become more knowledgeable about our capabilities to support them. As a result we have focused products and services to meet these particular needs.

Finally, the Intelligence Community remains a key customer. DHS Intelligence and Analysis is a trusted member of the Intelligence Community, under the leadership of the Director of National Intelligence (DNI). My Office is taking its place in all the senior Intelligence Community forums, including serving as a member of the DNI’s Executive Committee. We also contribute to the President’s National Intelligence Priorities Framework, and prepare analytic assessments for the President’s Daily Brief and the National Terrorism Bulletin.

Integrating the Intelligence Mission Across DHS

As noted above, one of my key priorities has been to create an integrated intelligence enterprise that unites the efforts of the entire Department. I have taken significant steps to build such an enterprise, for example, establishing the Homeland Security Intelligence Council composed of the heads of the intelligence components in the Department. It is the principal decision-making forum for ensuring effective integration of all of the Department's intelligence activities. I also directed the creation of the DHS Intelligence Enterprise Strategic Plan. First issued in January 2006, it established a strong, unified, and long-term direction for our enterprise. We have just updated this plan to reflect our new authorities and responsibilities.

These efforts were enhanced by the issuance of the *DHS Policy for Internal Information Exchange and Sharing* that was signed by the Secretary in February 2007. Referred to as the "One DHS" memorandum, its purpose is to promote a cohesive, collaborative, and unified Department-wide information sharing environment. The Secretary expanded this policy in May 2008 when he issued the DHS Information Sharing Strategy, which provides strategic direction and guidance for all DHS information sharing efforts, both within DHS and with our external partners.

Improving Intelligence Analysis

Intelligence analysis is at the very core of what we do and is why I made improving our analysis my top priority. It is driven by a dynamic threat environment; the need to support legacy, new, and ever-expanding homeland security customers; and the need to respond quickly to emerging threats that require synthesizing intelligence from both traditional and non-traditional sources.

Our analysis is focused on five critical areas that are closely aligned with the Secretary's mission priorities:

- Border security to keep out dangerous people and materials;
- Chemical, biological, radiological, and nuclear (CBRN) threats as well as other health threats;
- Critical infrastructure protection;
- Demographics to understand the flow and movement of potentially dangerous people; and
- Radicalization in order to understand the development of potentially dangerous ideologies in the domestic arena.

Let me provide a little more detail about each of these.

Border Security

I created a Border Security Branch – the first of its kind in the Intelligence Community -- to fulfill a critical need for strategic intelligence on threats to our country's borders. To keep out dangerous people, my analysts track the full range of threats to our borders, including terrorists, special interest aliens, narco-traffickers, alien smugglers, and transnational gangs.

CBRN

To help protect our nation against dangerous materials brought across U.S. borders, I have established a CBRN Branch, that assesses the threats in-bound and globally. My analysts support other Department and interagency offices and programs, such as DHS' Domestic Nuclear Detection Office, the National Bio-Surveillance Integration System, and the National Center for Medical Intelligence. We provide detailed assessments that are incorporated into the design and development of high-tech sensors for harmful CBRN materials at airports and other sites. Our analysts also assess threats from pandemic diseases, such as avian influenza, and biological threats such as foot-and-mouth disease that could cross our borders and devastate our agricultural economy.

Critical Infrastructure

To protect our critical infrastructure, our analysts assess the threats to each of the 18 critical infrastructure/key resource sectors in this country. We produce detailed assessments characterizing the threats to critical infrastructure in all 50 States, the National Capital Area, and U.S. territories, including baseline assessments on each of the 18 critical sectors. These assessments are routinely written with and shared with our state and local stakeholders.

Demographic Movements

Our analysts also assess demographic movements around the world and into the United States to develop an accurate picture of dangerous people who might come to our borders. Using the mandate from the 9/11 Commission Act, the DNI designated DHS as the lead Intelligence Community entity responsible for biennial Visa Waiver Program assessments. We independently assess the integrity and security of travel processes and documentation for each country in or applying to the program to address the potential for illicit actors—including transnational criminals, extremists, and terrorists—to exploit travel systems and the security environment that can facilitate unlawful access to the United States.

Radicalization

Our analysts also are concerned about dangerous people inside our borders, especially those who are trying to recruit for or engage in violent extremism. We focus primarily on the process of radicalization, or how individuals adopt extremist belief systems that lead to their willingness to support, facilitate, or use violence to cause social change. I should add that we are concerned with all types of violent extremists, including racial supremacists, anarchists, eco-terrorists, Islamic extremists, and animal rights radicals. All of our analysis is performed while abiding by applicable rules that protect our citizens' rights to privacy and civil liberties.

Information Sharing

Central to our intelligence responsibilities is the sharing of intelligence and information with the State and local partners as well as the entire Intelligence Community. DHS has a statutorily mandated role in information sharing as prescribed by the *Homeland Security Act of 2002* and ensuing legislation. It has taken important steps to fulfill this role. I have already mentioned the important One DHS Memorandum that provides an essential foundation for the Department's information-sharing efforts. Other foundational pieces include the Department's Information Sharing Governance Board (ISGB) that serves as the executive level steering committee and decision making body for all information sharing activities within the Department. I serve as chair for the ISGB. We also formed the DHS Information Sharing Coordinating Council (ISCC), an advisory, action-oriented body that is fully representative of the Department's many organizational elements.

We are also establishing Shared Mission Communities (SMCs) within DHS. The SMCs are cross-cutting information-sharing efforts that address the need to build integrated cultures, processes, and policies that facilitate information sharing across organizational boundaries. I am pleased to share with the committee our efforts with the Law Enforcement Shared Mission Community (LE SMC). The LE SMC was the first shared mission community to be established and unites the full breadth of DHS law enforcement elements to enhance information sharing among components, other Federal agencies, and State, local and tribal law enforcement elements.

State and Local Program Office

Building and improving our relationships with State, local, tribal, and private sector partners is the cornerstone of the Department's information-sharing efforts. As the 9/11 Commission Act and the President's National Strategy for Information Sharing make clear, fusion centers are an essential part of this information flow and framework. As you know, I am the Department's Executive Agent for its program to support fusion centers nationwide. DHS is committed to providing fusion centers with the people and tools they need to participate in the Information Sharing Environment.

DHS recognized the importance of these fusion centers and established a State and local fusion center program office in 2006, even prior to the enactment of the 9/11 Commission Act. Our program office is responsible for deploying intelligence officers to fusion centers nationwide. These officers are my representatives in the field who ensure that DHS is fulfilling its information-sharing responsibilities. Core activities of our intelligence officers include providing daily intelligence support; routinely communicating and exchanging information with other fusion centers; writing products for and with State and local partners; collaborating on research; and delivering intelligence products to all customers. Deployed officers provide analytic training opportunities and real-time threat warning guidance directly to State and local partners. These officers can also collaborate with FBI analysts to develop joint products.

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As of today, my Office has deployed 25 intelligence officers to 23 fusion centers nationwide. Our goal is to deploy 35 officers by the end of 2008. DHS would like to eventually deploy up to 70 officers to the field, one to each State-designated fusion center as well as officers in several major cities. The presence of these important DHS personnel assets in the field has served to create strong personal relationships with our State and local partners. They serve as the front line of the DHS Intelligence Enterprise and help ensure that DHS is meeting these important customer needs.

In addition, to meet specific State and local information needs, we have developed a national set of SLFC Priority Information Needs (PINs) that reflect the critical mission needs of fusion centers. We are using these PINs to expand analytic exchanges between fusion centers and I&A analysts and to drive I&A production planning.

Information Sharing Networks for State, Local, and Tribal Customers

My Office also provides these non-Federal authorities direct access to DHS intelligence and information through both classified and unclassified networks. A critical part of our efforts at the unclassified level is the Homeland Security Information Network's "Intelligence" portal. Known as HSIN-Intelligence, this portal provides more than 8,000 people with access to unclassified intelligence products. More significantly, my Office has created the Homeland Security State and Local Intelligence Community of Interest (HS SLIC). The HS SLIC is the first nationwide network of Federal, State, and Local intelligence analysts focused on homeland security ever created in the United States. The HS SLIC is a virtual community of intelligence analysts that fosters collaboration and sharing of best practices and lessons learned through access to a special portal within the HSIN network. Through the HS SLIC, intelligence analysts collaborate via weekly For Official Use Only-level threat teleconferences and biweekly Secret-level secure video teleconferences. Members are able to share intelligence and information in appropriately secure and privacy-sensitive environments. The community also sponsors regional and national analytic conferences based on the interests of its members. As evidence of its value and success, its membership has grown dramatically from a six-state pilot in 2006 to now having members representing 45 States, the District of Columbia, and seven Federal Agencies. In addition, I have established an HS SLIC Advisory Board that includes State and local partners to advise me on issues relating to intelligence collaboration with our non-Federal partners.

For our classified networks, we are in the process of deploying the Homeland Secure Data Network (HSDN) at fusion centers across the country. With this network, we are delivering, for the first time, classified threat information to State and local authorities on a regular basis. I believe this unprecedented type of communication will lead to a sea change in relations between Federal and State analysts. To date, we have deployed HSDN to 24 fusion centers nationwide and are working to have it in 40 centers by the end of this year.

To further expand State and local connectivity to the Intelligence Community, HSDN provides access to NCTC On-line—a classified portal that maintains the most current

terrorism-related information at the Secret level. Our long-term goal is for each fusion center to have not only HSDN access but its own webpage to which relevant products can be posted and made available to other fusion centers and the broader Intelligence Community.

Protection of Privacy, Civil Rights, and Civil Liberties

My Office continually is taking preventative steps to ensure that the rights of American citizens are safeguarded; this is especially true as it relates to the State and Local Fusion Center program. DHS requires all deployed intelligence officers to take an annual intelligence oversight and information handling course that addresses proper handling of U.S. person information. DHS also collaboratively developed and is implementing privacy and civil liberties training for all its deployed intelligence officers, in accordance with the 9/11 Commission Act.

Interagency Threat Assessment and Coordination Group

DHS remains a full partner in, a leader within, and a staunch supporter of the Interagency Threat Assessment Coordination Group (ITACG). This group has become a critical mechanism for serving the information needs of our State, local, tribal, and private sector partners. Established at the direction of the President in his Guideline 2 report and the 9/11 Commission Act, it pulls together federal and non-federal homeland security, law enforcement, and intelligence officers from a variety of disciplines to guide the development and dissemination of federal terrorism-related intelligence products through DHS and the FBI to our non-Federal partners. While the ITACG is integrated into NCTC, its mission is more expansive than the scope of the NCTC mission. The ITACG officers monitor sensitive databases, and screen hundreds of highly classified finished intelligence reports each day to determine what should be sanitized and/or enhanced for sharing with our non-Federal partners.

The ITACG consists of two elements: the ITACG Detail and the Advisory Council. The Detail is the group of individuals who sit at the NCTC and conduct the day-to-day work of the ITACG. The Council sets policy and develops processes for the integration, analysis, and dissemination of Federally-coordinated information, as well as overseeing the ITACG Detail and its work.

The Detail achieved initial operating capability just eight months ago--on January 30, 2008. While fully integrated into the work and leadership at NCTC, the Detail is led by one of my senior intelligence officers who serves as the ITACG Director. The Deputy Director is a senior analyst from the FBI. The FBI and my Office have each provided an additional senior analyst to help with the operation of the Detail. Currently there are four law enforcement officers from State and local police departments, a tribal representative who works at NCTC, and two NCTC contractors with extensive experience in the Intelligence Community and State and local law enforcement assigned to the Detail. These non-Federal participants provide critical insight into the needs and perspectives of our State, local, tribal and private sector partners. We are working hard to expand the number of non-Federal participants to 10 in order to include a broader range of State and local expertise.

The members of the Detail have essential systems connectivity in NCTC, participate in key briefings, and are engaged in the NCTC production processes and activities that provide broad perspectives of the Intelligence Community. They then act as advocates for State, local tribal and private sector partners by informing and shaping Intelligence Community products to better meet the specific needs of State, local, tribal and private sector entities. They support the production of three types of reports: alerts; warnings; notifications; as well as updates of time-sensitive information related to terrorist threats to the United States; situational awareness reports regarding significant events or activities occurring at all U.S. levels and internationally; and strategic and foundational assessments of terrorist threats to the United States. In the event of conflicting reporting or as the need arises, the ITACG facilitates Federal coordination to ensure that reporting on threat information is as clear and actionable as possible.

We have also established the ITACG Advisory Council that I chair on behalf of the Secretary. The Council, at least 50 percent of whose members must represent State, local, and tribal organizations, has become a robust organization with participation of its non-Federal members in all of its decision-making processes. Although the 9/11 Commission Act requires that it meet a minimum of four times a year, its work is too important and too pressing to meet so infrequently. Instead, I directed that we meet in person or by teleconference monthly. Five face-to-face meetings have been held to date with the sixth scheduled for late October. Meetings in other months are conducted via teleconference—the next one is scheduled for this week. These meetings address a priority challenge that this new organization faces – especially recruiting outstanding State, local, and tribal personnel to serve on the Detail, establishing an attractive Fellowship Program for the selected detailees, developing formal mechanisms to ensure that information is getting to the right customers, and creating a feedback process tailored for State, local, tribal and private sector customers. I am extremely proud of the team we have assembled – both for the Detail and the Advisory Council – and expect great things from their continuing contributions to this critical work. I also am grateful for the strong support that I receive from Mike Leiter and NCTC in the overall management of the ITACG program.

Other Accomplishments of DHS Intelligence

I recognize that this hearing is geared toward establishing a “report card” on information-sharing activities of the Department. Information sharing, however, supports and is interwoven into key enabling programs managed by DHS Intelligence. Therefore, I want to share with the Committee the progress we have made in creating an integrated DHS Intelligence program beyond just sharing information.

Quite candidly, we are building a new departmental intelligence organization where one did not exist three years ago. We have had to recruit and train new cadres of intelligence officers, integrate existing departmental and external intelligence and information sharing functions, comport Department practices with Intelligence Community standards, and fundamentally define the realm of homeland security intelligence.

Our intelligence is distinct from that of CIA, the FBI, NCTC, and elsewhere in the Intelligence Community as it encompasses the totality of threats to the Homeland—not just terrorism.

Collection Responsibilities and Reforms

I&A collection activities have improved support to our customers and enhanced our readiness posture relative to the Department's all-hazards threat environment. We are the Department's collections focal point for delivery of Intelligence Community capabilities to the Department and to other Federal, State, local, tribal, private sector, and international partners.

My Office's mission is unique within the Intelligence Community as we are at the crossroads of the Intelligence Community and the Department's law enforcement organizations. For example, in coordination with the National HUMINT Requirements Tasking Center, we have developed the southwest and northern border National HUMINT Collection Directives (NHCDs) in support of U.S. southwest border enforcement initiatives. Collection directives provide the Department's components with the critical HUMINT reporting required to support Homeland Security operations. The border collection directives represent the **first time** DHS has led development of a national collections strategy.

As part of our intelligence, surveillance, and reconnaissance (ISR) architecture, my Office completed an ISR baseline for and in coordination with U.S. Customs and Border Protection. This baseline will help identify gaps and redundancies in order to facilitate the most informed ISR resource decisions, while allowing the Department to develop new capabilities and create enterprise-level collection management processes that meet tactical, operational, and strategic intelligence needs.

The DHS Open Source Enterprise has been established to acquire and disseminate domestic open source information on Homeland threat issues, and represents departmental and State and local interests in the National Open Source Enterprise's National Open Source Committee.

I released the DHS Open Source Enterprise Strategic Vision on September 12th at the National Open Source Conference, which we co-hosted with the Office of the DNI and the Open Source Center. Our Open Source vision clearly establishes DHS' intelligence role as a focal point for open source among the homeland security law enforcement and first-preventer communities. We are now implementing it and are in the process of formally documenting our actions through an Implementation Plan.

We have a close and mutually supportive relationship with the Intelligence Community on Open Source. I have a senior executive who represents the homeland open source community on the National Open Source Committee (NOSC) and all sub-committees. We continue to provide open source reporting on the DHS homepage in Intelink-U, the DNI's unclassified information network, and began providing actionable open source

reporting on the Homeland Security State and Local Intelligence Community of Interest web portal in March 2008. In sum, we have a robust program underway that is focused on state and local government support.

DHS Intelligence Products

My Office has successfully adjusted our production in response to communicated stakeholder needs. I streamlined my Office's finished intelligence product line from more than 25 types of products to 6 distinct, standardized products that are customer-friendly and better aligned to our core missions. Since 2005, we have disseminated 1,470 finished intelligence products, the majority at the Unclassified/For Official Use Only level. Many of the most important products are collaborative joint products it co-authors with state and local fusion center personnel.

My production elements house the reports officer program, which facilitates the timely sharing of homeland security-related information obtained by DHS components, State, local, and tribal partners, and the Intelligence Community. Currently, 19 reports officers are located at I&A headquarters; 18 others support DHS components and elements, including the Human Smuggling and Trafficking Center. In addition, two officers are deployed to State and local elements along the Southwest border and in Florida.

My reports officers access and share valuable intelligence and information on topics such as transnational threats from the Caribbean and Latin America and sensitive information from ports of entry. This information is produced and distributed in the form of Homeland Intelligence Reports, or HIRs, and is precisely the granular level of information that is of greatest value to State and local authorities. Since 2005, I&A has produced, and disseminated 8,777 HIRs to State, local, and tribal partners and the Intelligence Community.

Intelligence Enterprise Training and Recruitment

Intelligence training is critical to develop an all-source cadre of DHS intelligence professionals who have standardized knowledge and competencies across the enterprise. The keystone of the learning roadmap is our Basic Intelligence and Threat Analysis Course (BITAC), which provides a foundational understanding of intelligence and analysis tradecraft. We have piloted four iterations of the five-week course to date, reaching students from across the Department's intelligence components. As a complement to BITAC, I am proud to announce that our Mid-level Intelligence Threat Analysis Course (MITAC) started on September 15. This pilot is a 10-day course targeted at DHS intelligence components' mid-career (GS 12-14) personnel.

Additional DHS Intelligence Programs of Note

National Applications Office

The National Applications Office (NAO) will be on the cutting edge for supporting key DHS stakeholders. DHS has acquired and installed lawful and appropriate intelligence capabilities to allow the NAO to access commercial satellite data and national technical means. In preparation for production, the NAO has developed performance management

metrics; a training plan to comply with the NAO charter requirements to train staff and affiliates regarding privacy and civil liberties safeguards; and a communications strategy. As a training exercise, NAO analysts assisted the National Geospatial-Intelligence Agency's preparation for the Democratic and Republican National Conventions and in support and response to Hurricanes Hanna and Ike.

The NAO was designed with strong protection of privacy, civil rights, and civil liberties. DHS has worked with the Homeland Security Council and across the Federal government to develop the now-signed charter for the NAO. The Secretary certified that the NAO charter complies with all existing laws, including all applicable privacy and civil liberties standards. Further, by law the Government Accountability Office (GAO) conducted a review of the Secretary's certification. DHS has incorporated GAO's two recommendations into various policy and procedural documents of the NAO. Thus, the NAO is prepared to begin operations to support the civil and homeland security domains.

Counterintelligence

In January 2007, Secretary Chertoff directed the establishment of a DHS Counterintelligence Program to detect and deter the growing threat posed by foreign intelligence services, terrorists, and foreign criminal enterprises. At the Secretary's direction, I stood up a counterintelligence policy office within I&A. In conjunction with the DHS Office of Security, we have drafted a strategic plan and counterintelligence concept of operations, and sought review—working with the DNI's Office of the National Counterintelligence Executive—to ensure that the departmental counterintelligence program benefits from the Intelligence Community's experience and best practices.

Integrated Border Intelligence Program

I&A's Integrated Border Intelligence Program (IBIP) fills a unique role within the Department as the only program that can collectively leverage state and local fusion center, Intelligence Community, and the Department's own dedicated intelligence collection, analysis, and reporting staff to strengthen intelligence support to and promote information sharing among border security and interior enforcement stakeholders.

The Homeland Intelligence Support Team (HIST)—a key component of the IBIP—is co-located with the El Paso Intelligence Center. The HIST serves as a conduit for providing stakeholders along the U.S. southwest border with reachback to intelligence collection, analytic expertise, and access to the Intelligence Community. The HIST's cadre of professional intelligence analysts and program managers uses its unique and routine access to information in order to pull specific, relevant information for the border mission stakeholders, and produce and disseminate reports with mission-specific comments and context.

Partnering with Operations

I&A has been supporting the new DHS Office of Operations Coordination and Planning (known as OPS) since its inception in July 2008. The Intelligence Division of OPS is a unit detailed from I&A to optimize and provide daily intelligence support to departmental

and Federal interagency planning and operational coordination efforts. The Division's mission is to facilitate—at the departmental “strategic operational” level—development of a common threat picture and prioritized intelligence requirements, resources, and capabilities in support of contingency planning and operations coordination across DHS components.

Highlights of the OPS Intelligence Division's efforts include identifying intelligence, surveillance, and reconnaissance personnel to support the DHS actions relating to Hurricanes Gustav, Hannah, and Ike; and leveraging DHS and Intelligence Community products to support incident response and recovery efforts.

Cybersecurity

As a member of the Intelligence Community, my Office supports the planning and execution of the Administration's National Cyber Security Initiative, serving as a member of the Cyber Study Group. We have also placed intelligence analysts at the National Cyber Security Division's U.S. Computer Emergency Readiness Team (US-CERT) to enhance this partnership between DHS and its stakeholders to protect the nation's cyber infrastructure. Our analysts provide threat assessments and fuse Intelligence Community information with daily intrusions monitored by US-CERT. We are developing plans for Homeland Intelligence Reports to include unique DHS information gleaned from US-CERT reports of intrusions and attacks against Federal networks.

Challenges and the Way Ahead

Despite the gains we have made, we need to remember that challenges continue as DHS intelligence remains a start-up effort and is still evolving. I see these challenges in four critical areas: facilities, recruitment and retention, excepted service, and procurement and acquisitions.

As our mission and workforce have grown, we are working with DHS Facilities to ensure we provide adequate **facilities** and infrastructure.

Throughout the Department and in the Intelligence Community, there has been a significant effort to **recruit and retain** an outstanding intelligence workforce. As a result of the number of vacancies throughout the Intelligence Community and the private sector, I&A and its counterparts throughout the DHS Intelligence Enterprise are facing great challenges to fill our vacancies and retain the staff we have onboard.

At times, our progress in recruiting and retaining the best and brightest has struggled because we cannot compete effectively with Intelligence Community agencies that have **excepted service** status. I recognize that several authorization bills contain language to grant DHS Intelligence the same excepted service flexibility available to its partner organizations in the Intelligence Community. I strongly urge the Committee to support enactment of excepted service authority for DHS Intelligence to help us create the more

unified and mobile intelligence workforce envisioned by the 9/11 Commission Act and Intelligence Community reform.

Another significant challenge for my Office has been the ability to achieve timely planning, development, and execution of **procurement and acquisitions**. Working closely with the DHS Office of Procurement Operations we have made significant improvements in our acquisitions program and continue to work towards establishing the right contractual vehicles to meet our ever changing needs.

Continuing the task of building a quality intelligence organization that can overcome these challenges is of critical importance as we move to a new administration. We are on the right track; we must now execute these programs.

Conclusion

On September 11, 2008, Secretary Chertoff wrote "...[on September 11, 2001,] our country was senselessly attacked and nearly 3,000 lives were tragically lost. That fateful day changed our Nation and our lives." Even though that day was over seven years ago, the threat has not passed and our adversaries remain committed to doing us harm. They have been foiled by many factors, including the dedicated men and women of the Department of Homeland Security who defend our Homeland every day.

To enable and support our critical departmental mission, we are developing and honing homeland security intelligence. DHS intelligence programs are young and growing, but we are working hard and with increasing effectiveness to create integrated homeland security structures where the operating components and DHS headquarters elements work together. We are also making good progress to provide a unifying role—developing and integrating the Department's Information Sharing activities. My intention today was to crystallize these major accomplishments in such a short time as well as to focus on the challenges that we still need to overcome.

We remain committed to protecting the Homeland, to improving our analysis and information sharing—especially with our state and local partners—and to integrating DHS intelligence programs. In doing so, we scrupulously adhere to the protection of our cherished privacy and civil liberties rights. Protecting our nation from the myriad of threats that we face requires courage and resolve. It is my steadfast belief that our accomplishments show we are up to the task.