

NOMINATION OF CARYN A. WAGNER

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

OF THE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

NOMINATION OF CARYN A. WAGNER TO BE UNDER SECRETARY FOR
INTELLIGENCE AND ANALYSIS, U.S. DEPARTMENT OF HOMELAND
SECURITY

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CONTENTS

Opening statements:	Page
Senator Lieberman	1
Senator Collins	3
Senator Kirk	4
Prepared statements:	
Senator Lieberman	17
Senator Collins	20
Senator Kirk	22

WITNESS

THURSDAY, DECEMBER 3, 2009

Caryn A. Wagner to be Under Secretary for Intelligence and Analysis, U.S. Department of Homeland Security:	
Testimony	5
Prepared statement	23

NOMINATION OF CARYN A. WAGNER

THURSDAY, DECEMBER 3, 2009

U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:05 a.m., in room SD-342, Dirksen Senate Office Building, Hon. Joseph I. Lieberman, Chairman of the Committee, presiding.

Present: Senators Lieberman, Kirk, and Collins.

OPENING STATEMENT OF CHAIRMAN LIEBERMAN

Chairman LIEBERMAN. The hearing will come to order. Good morning and welcome to this hearing at which we will consider the nomination of Caryn Wagner to be Under Secretary for Intelligence and Analysis at the Department of Homeland Security (DHS).

Although Ms. Wagner's nomination has been referred by the Senate to the Select Committee on Intelligence, S. Res. 445 gives committees with jurisdiction over the departments where nominees will serve the right to also hold hearings and interviews on the nomination—a right that we assert today.

We do so because the development of the Intelligence and Analysis Directorate (I&A) has been a high priority for this Committee since the passage of the Homeland Security Act in 2002.

When the Act was being debated on the Senate floor, I said the provision that established the Information Analysis and Infrastructure Protection Directorate “goes to the heart of the weaknesses that have been exposed in our Nation's homeland defenses since September 11, 2001—and that is, the lack of information sharing related to terrorist activities between intelligence, law enforcement, and other agencies.”

In 2007, this Committee was privileged to lead efforts in the Senate to pass the second 9/11 Act, the unfinished legislative business that came out of the 9/11 Commission, which clarified and expanded the responsibilities of the I&A Directorate and DHS and established the position for which Ms. Wagner has been nominated.

Under the leadership of her predecessors, former Under Secretary Charlie Allen and current Acting Under Secretary Bart Johnson, the Department of Homeland Security's Intelligence and Analysis Directorate has, I think, taken important steps forward to clarify its duties, to implement its responsibilities both within the Department and the intelligence community and with its many stakeholders outside of the community. And I think the American people clearly are safer as a result.

(1)

But this is unfinished work, and Senator Collins and I have talked with Secretary Napolitano about it, and I think she has a vision that is consistent with the vision that created this Directorate, which is not to duplicate what other parts of the intelligence community are doing, but to add value, to add something unique.

The two most obvious, it seems to me, areas in which the I&A Directorate can add value is in the integration, coordination, and expression—sharing—of the intelligence brought forth anyway by components of the Department of Homeland Security, including, for instance, Customs and Border Protection or the Transportation Security Administration or Immigration and Customs Enforcement or the Coast Guard. That was required under the 9/11 Act, and I think it is still a very important function.

These components of DHS each possess intelligence-raising capacity and intelligence products related to travel, immigration, and individuals' access to critical infrastructure that, if brought together, really can enhance investigative and intelligence efforts to protect our homeland and our people here at home.

The importance of this work was demonstrated most recently and, I think, most impressively in the terrorism investigations that led to the arrests of Najibullah Zazi, David Headley, and Tahawwur Rana.

The Department of Homeland Security formed a Threat Task Force within itself to coordinate its support of these FBI-led investigations and provided critical information to the Federal Bureau of Investigation (FBI) as the investigations proceeded and suspects were subsequently arrested. I think the Department should be very proud of these efforts, which represent exactly the kind of coordination that we hoped for when DHS was created.

The second and an increasingly significant role played by the Department and by I&A particularly, in conjunction with the FBI, is to serve as the interface between the national intelligence community, through the DHS, and State, local, and tribal law enforcement and intelligence agencies.

The Department's efforts to support and sustain fusion centers around the country are critical to our homeland security, and I am pleased by the steps that Secretary Napolitano has taken to better coordinate these efforts.

I presume that as Under Secretary for Intelligence and Analysis, if you are confirmed, you will play a very critical role in implementing this vision and ensuring that the Department is helping to build a well-integrated and effective national network of fusion centers. In both these ways, coordination of intelligence assets within the Department will create interfacing between your Directorate and State, local, and tribal law enforcement and intelligence; you will really coordinate this effort and be an important part of what is not only our constant desire, but necessity to improve our intelligence capabilities against the terrorists, who we know are plotting every day to attack us here at home again.

I appreciate the record that you bring to this, Ms. Wagner. You have a very strong background both in the intelligence community and strong management experience, serving in the Army Signal Corps, at the Defense Intelligence Agency, and with the Office of the Director of National Intelligence at the time of its creation. It

makes me very proud that this Committee can say that we have created the opportunity for you to have the last two jobs you have had. It is our small part in increasing employment in America.

She has served also on two occasions on the staff of the House Permanent Select Committee on Intelligence, including most recently as the committee's budget director. So you come to this job with some very relevant and important experience.

I thank you for being here, and I now would call on Senator Collins.

OPENING STATEMENT OF SENATOR COLLINS

Senator COLLINS. Thank you, Mr. Chairman.

The nomination of Caryn Wagner to serve as the next Under Secretary for Intelligence and Analysis, as well as serving as the Chief Intelligence Officer at DHS, comes at a time when our understanding of threats to our security is rapidly evolving.

Recent events serve to remind us that the threat of terrorist attacks no longer comes only from countries half a world away, but also from within our borders. The arrests of plotters like Najibullah Zazi in New York, the indictment of 14 individuals in Minneapolis connected with recruiting Somali-Americans to fight with a terrorist group in Somalia, and the shooting rampage at Fort Hood have underscored a key finding of this Committee over the course of a 4-year investigation—that is, that the threat of violent Islamist radicalization occurring in this country is real, and it is happening now.

Detecting and responding to this threat does not fall to the FBI alone. An effective response requires a coordinated effort backed by the support of the hundreds of thousands of State, local, and tribal law enforcement officers on the front lines every day. The Office of Intelligence and Analysis plays a critical role in that effort.

Over the course of the last several years, the Office has provided vital support to our law enforcement community. State and local fusion centers have benefited from I&A-developed training programs. DHS intelligence analysts have been detailed to fusion centers, serving alongside their State and local partners. I&A has disseminated numerous classified and unclassified intelligence products to help Federal, State, local, and tribal officials and the private sector prepare for, prevent, and respond to homeland security threats.

Ms. Wagner, as the Chairman has pointed out, possesses considerable experience in managing the budget and analytic products of intelligence community elements. I am concerned, however, that she appears to lack experience working with State and local law enforcement, and that is an area that I will want to pursue today. It is an important responsibility of the Under Secretary. To meet the intelligence requirements of State and local law enforcement officials, who are among I&A's most significant intelligence customers, will require a sustained and focused commitment from the next Under Secretary.

To continue to improve I&A and to integrate the DHS intelligence enterprise, the next Under Secretary will also need to address several significant challenges:

Information sharing has improved, but there remains resistance to the culture of sharing that must exist across the Department, within the intelligence community, and between I&A and its Federal, State, and local partners. Important information is still not getting into the hands of those who need it at a level of classification where they can use it, plus we have seen what appears to be a failure of information sharing in the Fort Hood case.

I&A must continue to focus on improving the quality of its analysis—producing timely and actionable information for its intelligence customers, not merely repackaging or forwarding analysis that is done elsewhere.

I&A continues to rely too heavily on contractors to perform its work. While contractors can be an important force multiplier and provide a “surge capacity” on unique topics, I&A needs a strong base of Federal employees. Contractors currently make up approximately 63 percent of the I&A workforce. The new Under Secretary must correct this imbalance.

I&A must adapt to the changing nature of the homegrown threat. As this Committee has found, self-radicalizing “lone wolf” terrorists are hard to detect and to deter. I&A and the entire intelligence and law enforcement community will have to develop new ways to respond to the growing threat of homegrown terrorism.

I look forward to discussing these and other issues with Ms. Wagner today. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks very much, Senator Collins, for that very thoughtful statement.

Senator KIRK, normally we limit the freedom of expression of Members of the Committee besides Senator Collins and myself at the outset so that we can get to the witnesses, but since it is only the three of us, would you like to make an opening statement?

OPENING STATEMENT OF SENATOR KIRK

Senator KIRK. Well, thank you very much, Mr. Chairman. You are very kind. I will make a very brief statement in welcoming Ms. Wagner and thanking you for holding this hearing about her important nomination to an important office. And I thank Senator Collins for her comments as well.

As was said, Ms. Wagner has an impressive record in intelligence, having served at the Defense Intelligence Agency (DNI), the Central Intelligence Agency (CIA), and the House Permanent Select Committee on Intelligence (HPSCI). She may not know this, I did mention it to her a little earlier, but our career paths are not totally unconnected since I was an alumnus of Fort Benning in Columbus, Georgia, where Ms. Wagner was born, and I am also an alumnus of Fort Devens in Massachusetts where she served. So we know about neighborhoods, in any event.

My interest will be hearing this morning from Ms. Wagner about the relationship and the intelligence needs at the State and local level. That is the line of the first responders. That is where the action and the antennae, if you will, and the ears and eyes are open for suspected threats. And that relationship with the first responders and the training and development of that area is going to be vitally important, I would think, under your watch, if you are confirmed.

And the second area is the area of cyberspace and cyber attacks, which is obviously a network where those who are looking to do damage to us will focus their attention. And so the policing of the cyberspace area and also the sharing of information with those at the State and local level on intelligence needs, intelligence products that relate to things on their watch are going to be important as well. So I am going to look forward to your statement and maybe follow up with some specific questions in those two areas. So I welcome you. And I thank you, Mr. Chairman, for allowing me to make an opening statement.

Chairman LIEBERMAN. Thank you, Senator Kirk. I appreciate it.

Ms. Wagner, as you may know, our Committee rules require all witnesses at nomination hearings to give their testimony under oath, so I ask you to please stand and raise your right hand. Do you swear that the testimony you are about to give the Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Ms. WAGNER. I do.

Chairman LIEBERMAN. Thank you. Please be seated, and we would invite and welcome an opening statement and introduction of any family or friends that are with you today.

TESTIMONY OF CARYN A. WAGNER,¹ TO BE UNDER SECRETARY FOR INTELLIGENCE AND ANALYSIS, U.S. DEPARTMENT OF HOMELAND SECURITY

Ms. WAGNER. Thank you, Senator Lieberman. My husband, Chad Lash, is here, and a friend, Hope Headley.

Chairman LIEBERMAN. Good.

Ms. WAGNER. I am honored to appear before you as the nominee for Under Secretary for Intelligence and Analysis at the Department of Homeland Security. I would like to thank President Obama and Secretary Napolitano for having the confidence in me to nominate me for this position.

I believe this position occupies a unique mission space between the national intelligence and law enforcement communities and the State, local, tribal, and private sector entities that are the front lines of homeland security. There is nothing more important than forging and fostering these connections. If confirmed, I believe I have the right skills to continue building on the foundation laid by Pat Hughes, Charlie Allen, and the current acting Under Secretary, Bart Johnson.

As Senator Kirk mentioned, Mr. Chairman, I began my intelligence career as a signals intelligence officer in the U.S. Army, serving 8 years on active duty. In the years since, I have spent 7½ years at the Defense Intelligence Agency, 5 years on the staff of the House Permanent Select Committee on Intelligence, 3 years in the private sector, and 3 years with the Office of the Director of National Intelligence. I have had a mixture of staff and line management positions, including leading a 2,000-person analytic organization within the Defense Intelligence Agency.

I have also had a great deal of experience in the interagency environment, and I am familiar with all facets of the intelligence

¹The prepared statement of Ms. Wagner appears in the Appendix on page 23.

community. As Senator Collins noted, however, my experience with law enforcement has been more limited. I have had significant exposure while working at the DNI and in Congress to the capabilities and contributions of national law enforcement and homeland security agencies. I know I still have a lot to learn about State, local, and tribal law enforcement, which is why, if confirmed, I am eager to get started with the help of Principal Deputy Under Secretary for Intelligence and Analysis, Bart Johnson, who is a highly respected and decorated veteran of the New York State Police Force and who has done an outstanding job as Acting Under Secretary for the past 6 months.

I have had the opportunity to observe the Office of Intelligence and Analysis from the outside while I served in the Office of the DNI and on the HPSCI staff, and I am aware of the challenges that the organization still faces. Since my nomination, I have learned more about I&A's statutory mission, its ongoing activities and programs, and the Secretary's vision about where she would like to take the Department. I have formed some preliminary views on what needs to be done to enhance I&A's support to its customers and the Department and to improve its standing within the Intelligence Community and with its congressional overseers.

If confirmed, I plan to focus my initial efforts in three main areas: First, creating a true homeland security information-sharing enterprise through a greater focus on the State and local fusion centers; second, creating a DHS intelligence enterprise as the Chief Intelligence Officer for the Department; and, third, putting in place the management processes necessary to improve the morale, efficiency, and professionalism of I&A as an organization.

The unique niche that DHS I&A occupies, as defined by the Congress, is best defined by its responsibility to share information with State, local, and tribal authorities and the private sector on the full range of threats to the homeland—often referred to as “all threats, all hazards.” First responders at the State and local levels are the Nation's first line of defense. They are uniquely able to identify anomalous or criminal behavior that could have a terrorist nexus. It is critical to educate them on terrorist indicators and behaviors as they are identified, to capture information that is lawfully obtained while strictly adhering to privacy, civil rights, and civil liberties regulations, and to share it with the larger intelligence and law enforcement enterprise. This is a multifaceted challenge that requires adapting analytic methodologies and product lines, a great deal of training at all levels of the enterprise, and information technology (IT) and information-sharing solutions to enable two-way information flow. It also requires an approach that is tailored to the different threat and operational realities of the individual fusion centers. If confirmed, I intend to develop a comprehensive, multi-year strategic plan for supporting the State and local fusion centers that can be used to guide resource and analytic planning.

The role of Chief Intelligence Officer for the Department was created to empower the Under Secretary for Intelligence and Analysis to create a DHS intelligence enterprise that was more than the sum of its parts. DHS's operational components have intelligence elements that support their individual missions, and they also have data and expertise that can be leveraged by I&A in support of de-

partmental priorities or national, State, local, and tribal clients, again, while strictly adhering to privacy, civil rights, and civil liberties regulations. In addition, the components may have intelligence or information requirements that are not adequately being met. I&A can help to meet those requirements by leveraging the rest of the intelligence community on their behalf, producing tailored products for or with them, providing analytic training and mentoring, and serving as an advocate for increasing their organic capabilities. By leveraging both the components' and I&A capabilities, we can build on the recent progress that you mentioned, Senator Lieberman, to create a true intelligence enterprise that enables I&A and the Department to achieve their full potential and best serve their customers. If confirmed, I will view the role of Chief Intelligence Officer for the Department as one of the most important of my missions and functions, and I will put in place a staff structure to manage it.

In the management arena, I&A is still a young organization, and several recent studies have suggested that it suffers from a lack of institutionalized processes and poor morale. If confirmed, one of my biggest priorities will be developing and formalizing internal processes for planning, programming, and budgeting, performance measurement, and human capital management, which will include taking a hard look at contractors in the organization, what they are doing and whether it is appropriate, and trying to reverse that ratio that Senator Collins mentioned in her opening statement. I believe that communicating clear mission guidance, implementing fair and transparent processes for hiring, promoting, and rewarding people, and developing a structured and inclusive process for building the budget will go a long way toward improving morale. If confirmed, I also plan to make training a centerpiece of my agenda. I have already mentioned the importance of training to building information-sharing and intelligence enterprises, but it is equally important for professional development and morale within I&A. If confirmed, I will focus on ensuring that I&A analysts receive the training and tradecraft that they need.

Finally, if confirmed, I will work hard to establish and maintain constructive partnerships, particularly with the Office of the DNI, the National Counterterrorism Center (NCTC), the FBI, and the Congress. If confirmed, I pledge to keep you fully informed of I&A's progress and activities. Thank you.

Chairman LIEBERMAN. Thank you very much. That was an excellent opening statement. Obviously, you know about this area and have thought some about it.

We will have 7-minute rounds of questioning. I am going to start with the standard questions we ask of all witnesses.

First, is there anything you are aware of in your background that might present a conflict of interest with the duties of the office to which you have been nominated?

Ms. WAGNER. No.

Chairman LIEBERMAN. Do you know of anything, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Ms. WAGNER. No.

Chairman LIEBERMAN. And, finally, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of Congress if you are confirmed?

Ms. WAGNER. Yes.

Chairman LIEBERMAN. Thank you.

Let me begin with just a few baseline factual questions that I thought about as you were delivering your opening statement. Do you know how many employees there are in the I&A Directorate now?

Ms. WAGNER. Senator, I believe there are between 600 and 700 employees.

Chairman LIEBERMAN. That sounds right, yes. So it has grown in the years since it was created. Incidentally, I want to make an apology on the record to Pat Hughes. How quickly we forget. I mentioned Charlie Allen and Bart Johnson, but Pat Hughes got this started and, as part of a long career of service to our country, did a really great job.

To the best of your knowledge—and maybe you have knowledge of this particularly from your time at DNI—what is the way the Under Secretary for I&A interfaces regularly with the rest of the national intelligence community? Are there regular meetings?

Ms. WAGNER. Yes, Senator Lieberman, there are regular meetings, and they take place at all levels of the organization. As the Under Secretary, if confirmed, I would attend Executive Committee (EXCOM) meetings hosted by the DNI, along with all the other members of the intelligence community, on topics ranging from the budget to current intelligence problems. I know that members of the I&A organization meet regularly with their counterparts on such things as establishing collection priorities and ensuring that they are communicated to the elements of the intelligence community (IC) that can answer them.

There is also a lot of interaction between the analysts and the Deputy Director of National Intelligence for Analysis and the analytic ombudsman.

Chairman LIEBERMAN. Just in an informal, ongoing way.

Ms. WAGNER. Some formal meetings and a lot of informal coordination on analytic tradecraft, on the analytic guidelines that have been established in the wake of the Intelligence Reform and Terrorism Prevention Act. And there is a lot of interaction with the National Counterterrorism Center, of course.

Chairman LIEBERMAN. I was going to ask that. Does I&A have a representative there?

Ms. WAGNER. I&A has something called the Interagency Threat Assessment and Coordination Group (ITACG) that was created in legislation. It is made up of State and local law enforcement officials headed by an I&A employee who reports to Michael Leiter as the Director of the National Counterterrorism Center.

Chairman LIEBERMAN. So you are plugged into the National Counterterrorism Center, or I&A is, on a 24/7 basis.

Ms. WAGNER. Yes, Senator.

Chairman LIEBERMAN. So before I get to a couple of substantive questions, let us say that somebody in the Immigration and Customs Enforcement intelligence section sees something that is sus-

pect of potential terrorist activity. In the normal course, how does that make its way up and through the rest of the intelligence community and to the law enforcement community?

Ms. WAGNER. In the normal course of events, in the course of executing their legal authorities, if they identify any information in accordance with those authorities, they would enter them into appropriate databases and notify the appropriate person. And I am not 100 percent sure at this point in my nomination to know exactly how that works, and I would expect to become familiar with that very early, if I am confirmed.

The idea of identifying suspicious behavior and reporting it upward is something that I think is being addressed as part of the Suspicious Activity Reporting Initiative, which would apply much more broadly than just to components of DHS. And that would be, based on what I have read and learned, a very structured, formal process to ensure that the information is reported in a way that is useful and, again, consistent with privacy, civil rights, and civil liberties.

Chairman LIEBERMAN. Right. Is that process being initiated by the DNI?

Ms. WAGNER. I believe it is being initiated from the White House with the cooperation—

Chairman LIEBERMAN. Through John Brennan.

Ms. WAGNER [continuing]. Of multiple elements of the Executive Branch.

Chairman LIEBERMAN. Yes. Well, this is really important, and I am going to go now to a question about what happened at Fort Hood with Major Hasan. Again, hindsight is always clearer, but it was really about a judgment call made by the people at the Joint Terrorism Task Force (JTTF) who looked at the e-mails apparently between Hasan and the radical imam in Yemen and what decision they made about whether to share that or not. So this heightened sensitivity, very difficult, I understand, because the data flowing by people and all the components of the Department of Homeland Security and intelligence divisions every day is large, but how to sensitize them to err on the side of caution when they see something that worries them, I think without prejudging, is going to be one of the conclusions we are going to make about the Hasan case and the people at JTTF who happen to be looking at those e-mail transcripts. Do you agree? I am not asking for a judgment on the Hasan case, but just generally about the handling of suspect data.

Ms. WAGNER. Yes. Generally, I would agree. I am not, as the nominee, briefed on all the details of the Hasan case.

Chairman LIEBERMAN. Understood. This Committee, as you probably know, has launched an investigation into the terrorist attack at Fort Hood by Nidal Hasan. I&A plays an important role today with respect to radicalization and violent Islamist extremism, producing analytic reports and disseminating them often at the "For Official Use Only" (FOUO) level to key partners in State and local law enforcement.

For instance, and of real interest, I&A issued reports at the FOUO level to State and local law enforcement in September 2008 and January 2009 on Anwar al-Awlaki, the radical Yemeni-Amer-

ican imam who, according to media reports, was involved in this e-mail correspondence with Hasan.

I want to ask you what you believe I&A's responsibility should be with respect to analysis of radicalization and violent Islamist extremism and how should those responsibilities be distinct from the FBI or, in another sense—less relevant, but relevant—the National Counterterrorism Center.

Ms. WAGNER. Thank you for that question because I have actually given that some thought.

Chairman LIEBERMAN. Good.

Ms. WAGNER. I think that I&A plays an important role both before and after and, to a lesser extent, during these kinds of investigations. And certainly analysis of radical and violent extremism is an appropriate mission, with the emphasis on the violent part.

I expect that they would coordinate closely with analysts who are working on this issue at NCTC and other elements of the community to ensure that the products are meeting the needs of their specific State, local, and tribal customer sets. Where they do not, I would expect I&A to try to fill those gaps and tailor those products or take them to the next level since the goal is to leverage that knowledge and expertise to provide actionable, useful information that the first responders/preventers can use to identify these behaviors early on and potentially stop any terrorist plots from going on.

So before something would happen, you would expect, exactly as you said, that I&A would be putting out products to provide situational awareness and, wherever possible, specific indicators and actionable intelligence for use for the fusion centers to pass on in their areas of jurisdiction.

During an investigation, they would support the FBI by ensuring that all of the information that resides within the DHS components and that they have gleaned from State, local, and tribal sources would be brought to bear to support the investigation. And afterward, they would participate in any after-action lessons learned and, again, try to translate that into useful, actionable products that could be put out to State, local, and Tribal law enforcement.

Chairman LIEBERMAN. Thanks. I appreciate the answer. It is clear you have thought about it. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Ms. Wagner, you have talked about the reports and products that I&A produces. Obviously, it is critical that those products be of high quality. Earlier this year, I&A produced a report on right-wing extremism in the United States that was widely panned. It was considered to be poorly written and inadequately sourced. It needlessly offended a number of veterans organizations such that Secretary Napolitano had to make apologies for the Department.

It is also of concern to me to learn, when we looked into this, that the Office of Civil Rights and Civil Liberties had not concurred with the release of the report, and yet it was released. The Office of General Counsel had not reviewed the report, and yet it had been released.

Have you read this report?

Ms. WAGNER. Yes, Senator Collins, I have.

Senator COLLINS. What is your judgment of the quality of the analysis in the report?

Ms. WAGNER. I believe that the report showed some serious shortcomings in tradecraft and in concern for privacy, civil rights, and civil liberties.

Senator COLLINS. Do you believe that the Department, and I&A in particular, has now adopted a sufficient process to help ensure the quality of future reports and prevent poorly sourced and poorly written reports such as this one from being released in the future?

Ms. WAGNER. I know that they have taken steps to put in place a process for vetting, review, and release of products to ensure that the tradecraft is rigorous and that the appropriate concerns for privacy, civil rights, and civil liberties have been accommodated in the products. If confirmed, I will certainly review that process to make sure it is adequate, and I intend to focus a great deal, along with Dawn Scalici, who is the new Deputy Under Secretary for Analysis and has worked at the National Counterterrorism Center, to ensure that we are inculcating the analysts with the appropriate tradecraft, providing them mentoring, taking advantage of the analytic ombudsman at the DNI, and everything we need to do to raise the level of tradecraft in I&A.

Senator COLLINS. The Homeland Security Institute recently reviewed the activities of the Office, and among its findings was that it concluded that I&A had not clearly defined the value that it adds to the products that we just discussed that are distributed to stakeholders. Clearly, our vision was that I&A would do more than simply disseminate intelligence reports prepared by other components of the intelligence community. That, too, is important, but what do you see as I&A's role in adding value to analysis that may be prepared elsewhere to make sure that it meets the needs of your customers?

Ms. WAGNER. Senator Collins, I think it has to start with ensuring that we have the best understanding of what the requirements of the customers are, and part of that is going to involve sending more I&A people out to the fusion centers to live that life for a while and possibly even bringing some of those folks back for a mutual exchange of perspectives.

I am going to rely a lot on Bart Johnson to help me as I go out to the fusion centers to understand what should we be providing, and then I think what I&A needs to do—and will do if I am confirmed—is examine how do you best meet those requirements. In some cases, you can meet it by using the analysis produced by other elements of the community with a few changes. In others, you are going to have to tailor that or, again, take it that next step, sort of like what the ITACG folks do at NCTC where they can sometimes find a paragraph within a highly classified report that is classified at a much lower level, but includes a nugget of really useful information on a terrorist methodology that you can then extract out, package, add whatever needs to be added, and get out to the customers.

In some cases, we may find that the intelligence community is not producing the information we need to meet those requirements, and then I&A would have to determine whether they want to es-

establish their own ability to do that kind of original analysis or leverage a task on the intelligence community.

So I think the answer is to figure out the best way to meet the need and get it done, and it will be a combination of tailoring an original analysis and levying requirements on the rest of the community.

Senator COLLINS. You mentioned in your opening statement that although you have a great deal of experience on Capitol Hill and in certain intelligence agencies, you have not worked closely with State and local law enforcement and tribal law enforcement, and that is a critical role that the Department of Homeland Security plays.

Other than relying on and learning from Deputy Secretary Johnson, who, I agree, is a tremendous asset to you, how do you intend to compensate for that gap in your experience? What will you do beyond turning to your Deputy?

Ms. WAGNER. I intend to travel to some of the State and local fusion centers and basically meet the people, talk to them, and try to understand what it is that they need and what they are looking to I&A to provide. And I will, obviously, read as much as I can. I will try very hard to learn as much as I can as quickly as I can.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Collins. Senator Kirk.

Senator KIRK. Thank you, Mr. Chairman.

This is in part a follow-up to Senator Collins' question, and it has to do with what I will call the local, State first responders and so forth who are the front line of this effort and so many others. And I know that the Department is making some strides to, shall we say, increase progress on its information sharing and that you particularly, if confirmed, hope to do more in that area.

One of the things that you may hear as you travel around and visit is that the intelligence products are sometimes not relevant or helpful to those at the State and local level, that they may be just not useful and too dense and so forth. So one of the things that perhaps you could speak to this morning is, if you have enough knowledge at this point, what you might do about it, is how you intend to improve and strengthen information sharing, and I am especially interested in how you would provide tailored intelligence products so they are more relevant and useful on the front lines.

Ms. WAGNER. Thank you, Senator Kirk. I do think that there is somewhat of a parallel—not an exact parallel, but somewhat of a parallel—to work that I have done in the past in the military. When I was at the Defense Intelligence Agency (DIA), one of the functions of the analytic organization that I led was to provide actionable and useful intelligence to deployed forces in theater. And it was a similar exercise of, is this just sort of academic information that is not necessarily going to help them, or is this something that they can actually use and act on.

There is also a long tradition in the military of being able to put out information at lower classification levels without sources and methods that then can be acted on by tactical forces. And so I think there are some parallels in my experience.

But I will focus on looking at what is the bottom line of these products. If I read it, do I see that there can be some action taken,

some training provided, something that will actually move the ball down the field, if you will. And I know that Bart Johnson is focused on that as well, and he and the ITACG have actually already started, I think, a very nice product line called the Roll Call Release, which is a one-pager designed for the local police forces to use during their roll calls. And those are the kinds of things I think we need to focus on.

Senator KIRK. The other aspect of this is the collection of information at the local level. In some areas, it has been suggested that, as the information is collected and then hopefully shared, training would be more helpful so that those on the front line could be more sophisticated perhaps in how and what to do with that information. Do you have some thoughts about that and how you might be able to help on the training aspect of the front-line folks again?

Ms. WAGNER. I think training is absolutely critical. The State and local fusion centers are State-run entities. They do not belong to the Federal Government, and they are part of an enterprise. They need to be mutually reinforcing, and we need to support them, and they are providing information back to us.

One of the things that I&A and the Department can do to help them is to help train the people that are there, both the I&A people and the other folks at the fusion centers, so that they understand the legal frameworks within which they are collecting information and the requirements for safeguarding that information, how long it can be stored, and that is definitely something that, if I am confirmed, I will focus on, trying to ascertain what training is needed and start providing it to anybody actually who is interested.

Senator KIRK. If I may, I am just going to thank you for that. I wanted to switch now, if I could, to the cyberspace issue, and, again, it is the collecting and disseminating of cyberspace information and possible threats from the local level to the sharing entities and also the training of local folks within the cyberspace area because that, it seems to me, in this age and moving forward is going to be a potential battleground, if you will, that we need to protect. So any thoughts that you want to offer with respect to that?

Ms. WAGNER. Well, I agree with your assessment of the cybersecurity threat. I believe that right now I&A's efforts in cybersecurity are focused on critical infrastructure protection, and there is an analytic effort that is taking place as part of the joint threat vulnerability analysis for critical infrastructure. I do not know yet whether that is sufficient, and if confirmed, one of the things I intend to do is to meet with Phil Reitingger, who is the Deputy Under Secretary for Cybersecurity within the Department, and find out ways that I&A can team with him to provide more analytic support to what is going on as the cybersecurity effort ramps up. And one of the key areas that I will discuss with him is the information-sharing piece and what role I&A should play in that. And I will do everything I can to support the Department's efforts to ramp up that capability consistent with the overall Administration's approach.

Senator KIRK. And just perhaps a final follow-up, if I may. Tell me, if you know, what the Department's role in information sharing is with the private sector, and particularly I am thinking, obviously, about our electric national grid system and utilities and the

danger or threat that might pertain with the kidnapping of key products or the dismantling of certain transformers and the impact it might have on the Nation's communications system and other aspects of electric-based transmissions.

Ms. WAGNER. I believe the Department has a very robust information-sharing effort with the private sector in all of the key domains for critical infrastructure protection. I&A's role in that is working with the critical infrastructure protection folks to assess the threat to the infrastructure, so I&A teams with the analysts who are looking at the vulnerability, and they bring the threat component, and those products are produced jointly and they are shared with the private sector components of each of the domains that they deal with.

Senator KIRK. I am beyond my time, but I would only repeat that, if you are confirmed, it seems to me that in the age in which we live and to which we are headed, that is a very sensitive and potentially threatening area of technology that we need to protect for the purpose of the security of our homeland.

Ms. WAGNER. Yes, Senator, I agree.

Senator KIRK. Good. Thank you very much, Ms. Wagner. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Kirk.

I have one or two more questions. Obviously, my colleagues are welcome to ask questions, too. We just will do a quick second round.

I want to come back to these two great areas of potential for value-added through the Intelligence and Analysis Directorate. We always, after September 11, 2001, use the metaphor of connecting the dots on the board, and it seems to me that in your role you have the ability to bring quite relevant dots to the board from within the Department of Homeland Security and from State and local.

In the 9/11 Act of 2007, as I am sure you know, we gave the Under Secretary strong authorities with respect to the management and integration of intelligence components within the various agencies of DHS, including authorities to develop a consolidated intelligence budget for the intelligence components of the Department. I wanted to ask you if you have thought about how you would use that authority and others to harmonize policies, standards, and processes within the Department in a way that would not only enhance integration but make it more likely that you would bring dots up from within the Department to put on the board to be connected.

Ms. WAGNER. Yes, Senator, I have thought about that. I do not know that I have an answer at this point, but I think that it is a very powerful tool that you have provided to the Under Secretary, and I would expect that it could be very useful in helping to evaluate the capabilities of the intelligence elements of the components of the Department to ensure that they are providing optimal support to their components and also to put in place the infrastructure to make sure that we can get the information and expertise that resides there to bring to bear on other problems, both to support other components and other parts of the community.

So I think it is a useful tool. I also think that potentially there needs to be sort of a staff element within I&A that is focused on

administering this effort. And that is something that I have been thinking about and, if confirmed, I will certainly explore.

Chairman LIEBERMAN. Good. The final question is about the other part of it, which is State and local, and we had the exchange with Senator Kirk about information sharing. There is greater access—but not as great as it should be—to databases. Now, I know there have been a couple of cases at least that I know of where a local or State police officer stopped someone, had a suspicion, plugged into a terrorism watchlist, and actually apprehended people who turned out to be planning terrorist activities and were charged with violations of law.

It seems to me that the other part of this may be to try to train, in some sense educate, the hundreds of thousands of State and local law enforcement officers and tribal law enforcement officers we have across the country to think of themselves as not just first responders but first preventers and to see themselves as intelligence gatherers. A police officer walking along the beat has a responsibility to that neighborhood, etc. But he or she may see something that has an intelligence aspect to it, and to educate them to report on it is, I think, an important tool. I have no idea what is going on in this regard. I do not know whether you do, but I wanted to mention it to you.

Ms. WAGNER. Well, I agree. They are absolutely critical. They are the first line of defense. And I think the kind of product that I mentioned earlier, the Roll Call Release that you can send out to all of the local police departments so that they can brief their folks, is a good step in that direction, and also training, obviously.

I think there will be a great deal of training that is going to be associated with the Suspicious Activity Reporting Initiative. When that moves from the pilot project to be more broadly implemented, it will be absolutely key for that to happen so that what you are getting is quality information.

So I agree with you, and I need to explore, if I am confirmed, the ways to make every first preventer aware of the kind of information that would be useful if it was passed back up the line.

Chairman LIEBERMAN. Good. Thank you. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Just one final question. I&A has significant human capital issues. It has a very lengthy hiring process that often discourages highly qualified applicants so they get snapped up by other agencies at other levels of government. It also has problems in providing a career path for individuals who are hired, and thus, I&A has individuals working there with low morale and with a lot of turnover. And that has led to an overreliance on contractors, which in turn limits opportunities for people who are working there as Federal employees. So it is a vicious circle in many ways.

In 2007, the Government Accountability Office (GAO) did a review and discovered that DHS had a particularly high number of contractors who were performing inherently governmental functions, and that should not occur. We held a hearing on that GAO report, and to see a couple of years later that I&A still has a workforce that is made up of more than 60 percent contract employees is very disturbing because it shows that no one is taking this problem seriously.

How do you intend to address the workforce needs of I&A? Obviously, we need to have long-term career employees at I&A that will help to improve the quality and the quantity of the products that they are producing, so it is an important issue. So what steps would you take to reduce the reliance on Federal contractors and build a highly qualified cadre of Federal employees?

Ms. WAGNER. I will rely on the guidelines that exist from the Office of Management and Budget (OMB) and the DNI on the use of contractors to inform what I do. But I also intend to basically, if I am confirmed, look across the board at who is doing what and map out a strategic human capital plan that says how many people we think we need for these functions.

There are some functions that are on a growth path, like potentially cybersecurity analysis, and others that potentially may not need all the resources currently devoted to them. We will try to re-allocate. We will try to look at making sure that contractors are being used in an appropriate way consistent with the DNI and OMB guidelines.

And as for the hiring, I had a similar challenge in DIA, and what I will do initially is map out the entire hiring process and try to find out where the problems are. There is always going to be a percentage of that process from when you think about hiring someone to when they walk in the door that you do not control. But when you map it out, you actually find out that you control a lot more of it than you thought. And the things that I can affect, if I am confirmed, I am going to make a matter of my management leadership emphasis to try to bring some new blood and some new people into those billets.

Senator COLLINS. Thank you.

Chairman LIEBERMAN. Very good. Thanks very much. Thanks for appearing before the Committee. Thanks for your service to the country up until now, and if you are confirmed, obviously, we look forward to working with you as you develop this very important function of the Department, over which we have an oversight responsibility, to yet greater levels of its potential.

Without objection, the record will be kept open until 12 noon tomorrow for the submission of any written questions or statements, and we will try our best to see if we can get you confirmed as soon as possible.

Ms. WAGNER. Thank you, Senator Lieberman and Senator Collins.

Senator COLLINS. Thank you.

Chairman LIEBERMAN. Thank you very much. The hearing is adjourned.

[Whereupon, at 11:02 a.m., the Committee was adjourned.]

A P P E N D I X

**Opening Statement of Chairman Joseph Lieberman
Homeland Security and Governmental Affairs Committee
Nomination of Caryn Wagner
Under Secretary for Intelligence and Analysis, Department of Homeland Security
Washington, DC
December 3, 2009**

Good morning and welcome to this hearing at which we will consider the nomination of Caryn Wagner to be Under Secretary for Intelligence and Analysis at the Department of Homeland Security.

Although Ms. Wagner's nomination has been referred by the Senate to the Select Committee on Intelligence, Senate Resolution 445 gives committees with jurisdiction over the departments where nominees will serve the right to also hold hearings and interviews on the nomination – a right that we assert today.

We do so because the development of the Intelligence and Analysis Directorate, that everyone calls I&A, has been a high priority for this committee since the passage of the Homeland Security Act in 2002.

When that Act was being debated on the Senate floor, I said the provision that established the Information Analysis and Infrastructure Protection Directorate “goes to the heart of the weaknesses that have been exposed in our nation's homeland defenses since September 11, 2001— and that is, the lack of information-sharing related to terrorist activities between intelligence, law enforcement, and other agencies.”

In 2007, this Committee was privileged to lead efforts in the Senate to pass the second 9/11 Act, the unfinished legislative business that came out of the 9/11 Commission, which clarified and expanded the responsibilities of the I&A Directorate and DHS and established the position for which Ms. Wagner has been nominated.

Under the leadership of her predecessors, former Under Secretary Charlie Allen and current Acting Under Secretary Bart Johnson, the Department of Homeland Security's Intelligence and Analysis Directorate has I think taken important steps forward to clarifying its duties, to implement its responsibilities within the Department and with its many stakeholders outside of the community. And I think the American people clearly are safer as a result.

But this is unfinished work. And Senator Collins and I have talked with Secretary Napolitano about it and I think she has a vision which is consistent with the vision that created this Directorate, which is not to duplicate other parts of the intelligence community, but to add value or something unique.

The two most obvious, to me, areas where they can add value is the integration, coordination and expression—sharing--of the intelligence brought forth anyway by components of the Department of Homeland Security, including for instance Customs and Border Protection, or the Transportation Security Administration, or Immigration and Customs Enforcement, or the Coast Guard, that was required under the 9/11 Act. And I think it is still a very important function.

These components of DHS each possess intelligence-raising capacity and intelligence products related to travel, immigration, and individuals' access to critical infrastructure which if brought together really can enhance investigative and intelligence efforts to protect our homeland and our people here at home.

The importance of this work was demonstrated most recently and I think most impressively in the terrorism investigations that led to the arrests of Najibullah Zazi, David Headley, and Tahawwur Rana.

DHS, the Department of Homeland Security, formed a Threat Task Force within itself to coordinate its support of these FBI-led investigations and provided critical information to the FBI as the investigations proceeded and suspects were subsequently arrested. I think the Department should be very proud of these efforts which represent exactly the kind of coordination that we hoped for when DHS was created.

Second, and an increasingly significant role played by the Department and by I&A particularly, in conjunction with the FBI, is to serve as the interface between the national intelligence community, through the DHS, and state, local, and tribal law enforcement and intelligence agencies.

The Department's efforts to support and sustain fusion centers around the country are critical to our homeland security, and I am pleased by the steps that Secretary Napolitano has taken to better coordinate these efforts.

I presume that as Under Secretary for Intelligence and Analysis, if you are confirmed, you will play a very critical role in implementing this vision and ensuring that the Department is helping to build a well-integrated and effective national network of fusion centers. You will be responsible for coordination of intelligence assets within the Department and working with state, local and tribal law enforcement. You will really coordinate this effort and be an important part of what is our constant not only desire, but necessity, to improve our intelligence capabilities against the terrorists, who we know are plotting every day to attack us here at home again.

I appreciate the background you bring to this, Ms. Wagner. You have a very strong background both in the intelligence community and strong management experience, serving in the Army Signal Corps, at the Defense Intelligence Agency,

and with the Office of the Director of National Intelligence at the time of its creation. It makes me very proud that this Committee created the opportunity for you to have the last two jobs you've had. It's our small part in increasing employment in America.

She has served also on two occasions on the staff of the House Permanent Select Committee on Intelligence (HPSCI), including most recently as the Committee's budget director. So you come to this job with some very relevant and important experience.

I thank you for being here and I would call on Senator Collins.

Statement of
Senator Susan M. Collins

“Nomination of Caryn A. Wagner to be Under Secretary for Intelligence and Analysis at the Department of Homeland Security”

Committee on Homeland Security and Governmental Affairs
December 3, 2009

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The nomination of Caryn Wagner to serve as the next Under Secretary for Intelligence and Analysis and Chief Intelligence Officer at DHS comes at a time when our understanding of threats to our security is rapidly evolving.

Recent events serve to remind us that the threat of terrorist attacks no longer comes only from countries half a world away, but also from within our borders. The arrests of plotters like Najibullah Zazi in New York, the indictment of 14 individuals in Minneapolis connected with recruiting Somali-Americans to fight with a terrorist group in Somalia, and the shooting rampage at Fort Hood have underscored a key finding of this Committee over the course of a four-year investigation. The threat of violent Islamist radicalization occurring in this country is real – and it is happening now.

Detecting and responding to this threat does not fall to the FBI alone. An effective response requires a coordinated effort backed by the support of the hundreds of thousands of state, local, and tribal law enforcement officers on the front lines every day. The Office of Intelligence and Analysis plays a critical role in that effort.

Over the course of the last several years, the Office of Intelligence and Analysis has provided vital support to our law enforcement community. State and local fusion centers have benefitted from I & A-developed training programs. DHS intelligence analysts have been detailed to fusion centers, serving alongside their state and local partners to understand and respond to their intelligence needs. I & A has disseminated numerous classified and unclassified intelligence products to help federal, state, local, and tribal officials and the private sector prepare for, prevent, and respond to homeland security threats.

Ms. Wagner possesses considerable experience in managing the budget and analytic products of intelligence community elements but appears to lack experience working with state and local law enforcement. That is an important responsibility of the Under Secretary. To meet the intelligence

requirements of state and local law enforcement officials, who are among I & A's most significant intelligence customers, will require a sustained and focused commitment from the next Under Secretary.

To continue to improve I & A and integrate the DHS intelligence enterprise, the next Under Secretary also will need to address several significant challenges:

- Information sharing has improved, but there remains resistance to the culture of sharing that must exist across the Department, within our intelligence community, and between I & A and its federal, state, and local partners. Important information is still not getting into the hands of those who need it at a level of classification where they can use it.
- I & A must continue to focus on improving the quality of its analysis – producing timely and actionable information for its intelligence customers, not merely repackaging or forwarding analysis done elsewhere.
- I & A continues to rely too heavily on contractors to perform its work. While contractors can be an important force multiplier, and provide a “surge capacity” on unique topics, I & A needs a strong base of federal employees. Contractors currently make up approximately 63 percent of the I & A workforce. The new Under Secretary must correct this imbalance.
- I & A must adapt to the changing nature of the homegrown threat. As this Committee has found, self-radicalizing, “lone wolf” terrorists are harder to detect and deter. I & A and the entire intelligence and law enforcement community will have to develop new ways to respond to the growing threat of homegrown terrorism.

I look forward to discussing these and other issues with Ms. Wagner today.

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STATEMENT OF SEN. PAUL G. KIRK, JR.
Committee on Homeland Security and Government Affairs
Nomination of Caryn A. Wagner to be Under Secretary for Intelligence and
Analysis, Department of Homeland Security
Thursday, December 3, 2009

Mr. Chairman, I commend you for calling this hearing today to consider the nomination of Caryn Wagner to be Under Secretary for Intelligence and Analysis at the Department of Homeland Security.

Ms. Wagner has an impressive record in intelligence, having served at the Defense Intelligence Agency, the CIA, and the House Select Committee on Intelligence. She also trained as a military intelligence officer at Fort Devens, so I'm proud that my home state helped Ms. Wagner develop the skills that led to her nomination.

The Office of Intelligence and Analysis has a unique and important mission in meeting the intelligence needs of our state and local first responders. It's essential for the intelligence community to keep these local needs in mind as it conducts its work.

I look forward to hearing the nominee's views on this issue. If confirmed, I hope she will emphasize the threat information needs of first responders during the Office's interagency work within the intelligence community. Meeting the needs of first responders could make an enormous difference in saving lives.

I'm also interested in her views on how the Office can help prepare the nation to deal more effectively with the increasing number of cyber-attacks. The electronic frontier of the internet has become a major target that, if compromised, could put critical infrastructure at risk. Millions of cyber-attacks—originating here and abroad—occurred last year, and the Office could help to collect and disseminate intelligence on such attacks to state and local first responders.

Again, I commend the Chairman for holding this hearing, and I look forward to the testimony of our witness.

STATEMENT FOR THE RECORD

NOMINATION OF CARYN A. WAGNER TO BE UNDER SECRETARY FOR
INTELLIGENCE AND ANALYSIS, U.S. DEPARTMENT OF HOMELAND
SECURITY

I am honored to appear before you as the nominee for Under Secretary for Intelligence and Analysis at the Department of Homeland Security. I believe this position occupies a unique mission space between the national intelligence and law enforcement communities and the State, local, tribal and private sector entities that are the front lines of homeland security. There is nothing more important than forging and fostering those connections. If confirmed, I believe I have the right skills to continue building on the foundation laid by Pat Hughes, Charlie Allen, and the current acting Under Secretary, Bart Johnson.

I began my intelligence career as a signals intelligence officer in the United States Army, serving 8 years on active duty. In the years since, I have spent 7½ years at the Defense Intelligence Agency, 5 years on the staff of the House Permanent Select Committee on Intelligence, 3 years in the private sector, and 3 years with the Office of the Director of National Intelligence. I have had a mixture of staff and line management jobs, including leading a 2,000 person analytic organization within the Defense Intelligence Agency.

I have a great deal of experience in an interagency environment, and I am proud of my career as an intelligence professional, and my familiarity with all facets of the Intelligence Community. While my experience with law enforcement has been more limited, I have had significant exposure while working at the DNI and in Congress to the capabilities and contributions of national law enforcement and homeland security agencies. I know I have much to learn about State, local and tribal law enforcement, which is why, if confirmed, I am eager to get started with the help of Principal Deputy

Under Secretary for Intelligence and Analysis, Bart Johnson, a highly respected and decorated veteran of the New York State Police Force, who has done an outstanding job as acting Under Secretary for the past six months.

I have had the opportunity to observe the Office of Intelligence and Analysis (I&A) from the outside while I served in the Office of the DNI and on the HPSCI staff, and I am aware of the challenges the organization faces. Since my nomination, I have learned more about I&A's statutory mission, its activities, and the Secretary's vision about where she would like to take the Department. I have formed some preliminary views on what needs to be done to enhance I&A's support to its customers and the Department, and to improve its standing within the Intelligence Community and with its Congressional overseers.

If confirmed, I plan to focus my initial efforts in three main areas: creating a true homeland security information sharing enterprise through greater focus on the State and local fusion centers; creating a DHS intelligence enterprise as the Chief Intelligence Officer of the Department; and putting in place the management processes necessary to improve the morale, efficiency and professionalism of I&A as an organization.

HOMELAND SECURITY INFORMATION SHARING ENTERPRISE

The unique niche that DHS I&A occupies is best defined by its responsibility to share information with State, local, and tribal authorities and the private sector on the full range of threats to the Homeland—often referred to as “all threats, all hazards.” First responders at the State and local levels are the nation's first line of defense. They are uniquely able to identify anomalous or criminal behavior that could have a terrorist nexus. It is critical to educate them on terrorist indicators as they are identified, capture information that is lawfully obtained while strictly adhering to privacy, civil rights and civil liberties regulations, and share it with the wider enterprise. This is a multi-faceted challenge that requires adapting analytic methodologies and product lines, a great deal of training at all levels of the enterprise, and IT and information sharing solutions to enable two-way information flow. It also requires an approach that is tailored to the different

threat and operational realities of the individual fusion centers. If confirmed, I intend to develop a comprehensive strategic plan for supporting the State and local fusion centers to guide resource and analytic planning.

DHS INTELLIGENCE ENTERPRISE

The role of Chief Intelligence Officer for the Department was created by Secretary Chertoff to empower the Under Secretary for Intelligence and Analysis to create a DHS intelligence enterprise that was more than the sum of its parts. DHS' operational components have intelligence elements that support their individual missions and also have data and expertise that can be leveraged by I&A in support of Departmental priorities or national, State, local and tribal clients, while strictly adhering to privacy, civil rights and civil liberties regulations. In addition, the components may have intelligence or information requirements that are not adequately being met. I&A can help to meet these requirements by leveraging the rest of the intelligence community on their behalf, producing tailored products for or with them, providing analytic training and mentoring, and serving as an advocate for increasing their capabilities. By leveraging both the components' and I&A capabilities, we can build on recent progress to create a true intelligence enterprise that enables I&A and the Department fulfill their full potential and best serve their customers. If confirmed, I will view the role of Chief Intelligence Officer for the Department as one of most important of my missions and functions, and put in place a staff structure to manage it.

MANAGEMENT REFORMS

In the management arena, I&A is still a young organization, and several recent studies have suggested that it suffers from a lack of institutionalized processes and poor morale. If confirmed, one of my biggest priorities will be developing and formalizing internal processes for planning, programming and budgeting, performance measurement, and human capital management. I believe that communicating clear mission guidance, implementing fair and transparent processes for hiring, promoting, and rewarding people,

and developing a structured and inclusive process for building the budget will go a long way towards improving morale. If confirmed, I also plan to make training a centerpiece of my agenda. I already mentioned the importance of training to building enterprises, but it is equally important for professional development and morale within I&A. If confirmed, I will focus on ensuring that I&A analysts receive the tradecraft training they need.

Finally, if confirmed I will work hard to establish and maintain constructive partnerships, particularly with the Office of the DNI, the National Counterterrorism Center, the FBI and the Congress. If confirmed, I pledge to keep you fully informed of I&A's progress and activities. Thank you.

