DEPARTMENT OF HOMELAND SECURITY PROPOSED INFORMATION ANALYSIS BUDGET FOR FISCAL YEAR 2005

HEARING

OF THE

SUBCOMMITTEE ON INTELLIGENCE AND COUNTERRORISM

BEFORE THE

SELECT COMMITTEE ON HOMELAND SECURITY HOUSE OF REPRESENTATIVES

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THE DEPARTMENT OF HOMELAND SECURITY PROPOSED INFORMATION ANALYSIS BUDGET FOR FISCAL YEAR 2005

Wednesday, March 10, 2004

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTELLIGENCE AND COUNTERTERRORISM,
SELECT COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 10:55 a.m., in Room 2141, Rayburn House Office Building, Hon. Jim Gibbons [chairman of the subcommittee] presiding.

Present: Representatives Gibbons, Sweeney, Dunn, Shays, King, Thornberry, Cox (ex officio), McCarthy, Markey, (Del.) Norton, Meek, and Turner (ex officio).

Also Present: Delegate Christensen.

Mr. GIBBONS. The Subcommittee on Intelligence and Counterterrorism will come to order. The subcommittee is meeting today to hear testimony on the Department of Homeland Security's proposed information analysis budget for fiscal year 2005.

General Patrick Hughes, Assistant Secretary For Information Analysis, is with us today. Thank you, General, for being here. We look forward to your testimony. I ask unanimous consent that members' statements be included in the hearing record and encourage members of the subcommittee to submit their opening statements for the record.

I also ask unanimous consent that Ms. Christensen, who is not a member of this subcommittee, be allowed to sit and ask questions. Without objection so ordered.

Pursuant to the committee's rules, any member waiving their opening statement will have an additional 3 minutes for questions. The members of the committee may also have some additional questions, and we will ask you to respond to these in writing. The hearing record will be held open for 10 days.

I want also to let members know that we plan to proceed in open session this morning for taking testimony and questioning, and it is further my hope that we will be able to explore issues of concern without the need to close the hearing to the public.

However, if it becomes necessary to discuss classified information, we will at an appropriate time take all necessary steps to close the hearing and proceed in executive session.

I now recognize myself for an opening statement.

General Hughes, once again, thank you for being here today.

Your role in the Department is critical for the success of our homeland security efforts over the last few years. We have heard a lot about connecting the dots so that, we are sure that all of the intelligence information that we process is brought together in one big picture.

The Office of Information Analysis has a difficult task of ensuring that relevant information about terrorist threats to the homeland gets where it needs to go and gets there quickly. Without intelligence, and the talented men and women who make intelligence their business, we are blind to the intentions of our enemies. However, knowing your enemy is simply not enough. he information that we process must be brought together, analyzed and disseminated to the people on the front lines protecting our Nation from harm.

Because protection is so highly dependent on intelligence, I find it appropriate that in your budget submission it is difficult to determine where information analysis ends and infrastructure protection begins.

While this level of interdependence is appropriate, I hope you will be able to draw some lines for us here today so that we may more clearly see how your office fits into the big picture.

I look forward to your testimony and to hearing how we can help you accomplish your goals for the coming year.

When Ms. McCarthy arrives, we will offer her an opportunity for an opening statement. Until that point in time, is there any other member who wishes to make an opening statement? Seeing none.

PREPARED STATEMENT OF THE HONORABLE KAREN MCCARTHY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI, AND RANKING MEMBER, SUBCOMMITTEE ON INTELLIGENCE AND COUNTERTERRORISM

Thank you Mr. Chairman, thank you Assistant Secretary Hughes for taking us through the Fiscal Year 2005 budget submission for the Information Analysis and Infrastructure Protection Directorate Budget (IAIP).

Last week, Under Secretary Libutti testified before a joint hearing of the Subcommittee on Intelligence and Counterterrorism and the Subcommittee on Infrastructure Protection and Border Security. I raised a number of issues with him that I would also like you to address today, hopefully in more detail, concerning the Department's real-time ability to assess threats to the homeland. This morning, we are interested in hearing about ongoing efforts to improve the depth and breadth of intelligence analysis at the Directorate, as well as the connectivity among all key units across government doing similar analysis.

Where are the existing gaps and weaknesses and what can our Committee do to help your office solve these problems rapidly in authorizing legislation that we expect to pass and enact later in the year? Also, what is the time frame within the coming fiscal year for showing results? Hopefully you can cover all this ground this morning.

Mr. Secretary, it would also be my hope that you will cast light on what is being done to speed the issuing of information warnings and advisories to state and local officials, and to improve the quality of those communications so that businesses, schools, churches and families across America have the best guidance in hand from the federal government when the threat level rises.

Secretary Ridge's announcement on March 1 of a new initiative, the Homeland Security Information Network, heads us in the right direction by creating a comprehensive, computer based counterterrorism communications system to all 50 states and 50 major urban centers. The Department has the right idea to strengthen the quality and flow of threat information. Now we'll need to assure that there is sufficient follow through.

If there is one universal cry from constituent groups, it is the need for DHS to provide *timely and actionable* information sharing between the federal agencies and state and local agencies, *who look to the Department for reliable and accurate information concerning terrorist threats in local communities all across America.*

Tim Daniel, the Director of the State of Missouri Office of Homeland Security, tells me that information sharing needs to go *both* ways. When Missouri state and local officials have information concerning possible terrorist activities, they need to know not only *who* to contact at the federal level, but also that state information will be considered in a timely way. The feedback loop is still under construction. Mr. Secretary, I would welcome your wisdom on how best to complete this information loop.

Since we're primarily focused today on the dissecting the Directorate budget, it would be helpful to have a clearer understanding of how many dollars are dedicated toward information sharing with localities and communities. The Homeland Security Operations Center is receiving a big plus up of funds, $10 million, in part to undergird the "implementation of national systems for information sharing" and I would appreciate your sharing with the committee a Directorate-wide breakdown on how funds are actually expended for information sharing purposes.

It would be useful to hear a broader explanation, too, of where and how time is lost in the process of forwarding important real-time intelligence threat information to first responders. The First Responders in the Fifth District of Missouri and all around the U.S. need *timely* and *actionable* information from the federal government *now*. Mr. Secretary, please share your plans for enhancing communication at all levels and working to provide our local communities with the *resources* they need to respond to emergency situations. I hope you will provide more information on this topic so our Committee has a better sense of how to fix this nationwide dilemma.

A separate policy matter slow to develop involves IAIP completing a comprehensive threat and vulnerability assessment to guide spending priorities. In releasing our one year anniversary report last week, the Committee emphasized the need to have this blueprint in place, regardless of the cost, by October 1, 2004, and I'd simply like to reiterate that point with our distinguished panelists. Mr. Secretary, how realistic is our goal?

Let me close by saying that I have a deep appreciation I have for the work you are doing. Obtaining usable intelligence in order to protect the homeland is a mammoth responsibility given the many different avenues that exist for attacking our infrastructure. We are supportive of your intentions, efforts and long-term goals, and will continue, in a bipartisan way, to be a good faith partner in helping you close the security gaps facing our nation.

Thank you.

PREPARED STATEMENT OF THE HONORABLE JIM TURNER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Good morning, General Hughes.

We are pleased to have you with us today. Your mission of identifying, assessing and mapping threats to the homeland is crucial, and we thank you for agreeing to lay aside the comforts of semi-retired life, after 37 years of distinguished military service, to serve our country once again.

We had a good give and take with your boss last week, General Libutti. Today we would like to pick right up with you and talk about the relevance and effectiveness of the Directorate's intelligence analysis given the existence of the Terrorist Threat Integration Center and other units doing similar work. The Directorate has faced criticism from Congress, the Century Foundation, the Heritage Foundation and others that it is just a junior partner in the analysis process given the emphasis and focus on TTIC, the CIA's existing Directorate of Intelligence and the military intelligence agencies. We would like to hear you clarify the roles, responsibilities and authorities of your unit and how it differs from the others.

In addition, two and one half years after 9/11, it is a good time to take stock of the government's efforts to do a better job of "connecting the dots" in our intelligence analysis. We have seen the rapid creation of numerous new organizations—TTIC, IAIP, DoD's Northern Command, the FBI's Terrorist Tracking Task Force—to name a few.

To avoid repeating bureaucratic mistakes of the past, though, there ought to be a clear delineation of what your office is doing and the formal analytic interplay between IAIP, TTIC and other related organizations. The left hand needs to know what the right hand is doing, and that begins with a formal, clear, understandable structure to government-wide intelligence analysis. The plan ought to be in writing so there is a common understanding and so organizations can be held accountable. Right now we simply don't have that in place.

Now let me offer some constructive criticism in a number of other areas.

First, I am concerned that the practice of not sharing information within the Intelligence Community continues to be a problem. For example, 1 would be interested

to know whether your office receives intelligence from DoD Special Access Programs relating to the terrorist threat? And with this new, hard push underway to locate Osama Bin Laden, I can only assume that sensitive covert operations are part of the effort. Are you regularly provided intelligence information attained through worldwide covert operations? In short we need assurance that you have access to absolutely all information the U.S. government has related to terrorism. If you have any doubt about that, we need to hear about it today.

Second, an important part of IAIP's mission is to receive the same intelligence data as TTIC and other organizations but to review and analyze it in a different way to ensure that we are thinking "outside of the box". Al-Qa'eda and others are considering creative and new means for attacking us, so IAIP is responsible for doing that cutting edge analysis that keeps us one step ahead of Osama bin Laden.

My questions is how vigorously is the Department pursuing this competitive intelligence analysis? If you could note some concrete examples of how your analysts have seen things differently than others in the Intelligence Community, that would assure us that this work is underway.

And on the same subject a Department organizational chart indicates that the JAIP Under Secretary's Chief of Staff is in charge of the Competitive Analysis and Evaluation Office. I would have thought that your office, General Hughes, particularly since you're the individual with the most senior intelligence experience in the Directorate, handled these matters. So I'm concerned that poor organization with the Directorate could be hampering this critical function.

Third, in closed session we'd appreciate hearing your thoughts on the extent and effectiveness of Al-Qa'eda operatives working inside the United States. We know they're actively recruiting individuals of non Middle Eastern extraction to blend into U.S. crowds. What about their logistics, financing, training, and attack planning—how boldly are they moving ahead?

Finally, let me comment about your responsibility to map threats against our vulnerabilities. Part of the Directorate's mission, as you know, is to identify threats as they relate to vital U.S. infrastructure, sites and potential targets. But General Libutti indicated last week that the Directorate is some time away from completing a national risk assessment. Since the vulnerabilities have not been determined, then it obviously prevents you and others from mapping threats against those key targets. I would submit that we have a long way to go in fulfilling this basic mission and ought to pick up the pace to complete it.

Let me end by saying thank you, again, General, for appearing before the Committee today. I look forward to hearing your testimony on these issues and fully recognize that you are working hard to defend and secure our homeland. We deeply appreciate your service and want to help you succeed in your mission in any way that we can.

All right. We will turn now to General Hughes. I want to thank you again for being here today, and I look forward to your testimony. And the floor is now yours.

STATEMENT OF LIEUTENANT GENERAL PATRICK HUGHES, ASSISTANT SECRETARY FOR INFORMATION ANALYSIS, DEPARTMENT OF HOMELAND SECURITY

General Hughes. Well, thank you. Good morning, Mr.

Chairman and members of the committee. I would like to read just a very brief summary of my statement for the record and for your knowledge and then turn over to the remainder of the time to your questions.

I am privileged to appear before you today to discuss the role of the Office of Information Analysis within the Information Analysis and Infrastructure Protection Directorate of the Department of Homeland Security as well as the IA effort at intelligence coordination and information sharing. IAIP, and specifically IA, are moving forward in our statutory responsibilities, which include providing the full range of intelligence support to senior Department of Homeland Security leadership and component organizations and to State, local, tribal and private sector respondents; mapping terrorist threats to the homeland against assessed vulnerabilities to

drive our efforts to protect against terrorist attack; conducting independent analysis and assessments; assessing the vulnerabilities of key resources, and critical infrastructure; merging relevant analyses and vulnerability assessments to identify priorities for protective, defensive and supportive measures; partnering with the Intelligence Community, notably the Terrorist Threat Integration Center, law enforcement agencies, notably the Federal Bureau of Investigation and State, local and tribal partners and the private sector, as well as all of DHS's components to manage the collection and processing of information involving threats to the homeland; and finally disseminating time sensitive warnings, alerts and advisories.

I have been the Assistant Secretary of Information Analysis now for less than 4 months. We have accomplished much in a short period of time, and we continue to press forward to strengthen this vital office in our ability to support the overall Department of Homeland Security mission to secure our homeland.

As I aim for this, we will achieve robust connectivity to all respondents. Indeed we have robust connectivity now. We will develop a world class information technology support system for the work of intelligence. We will bring on fully trained and cleared staff that will form direct relationships with intelligence persons at the State and local, tribal, major city, private sector levels, and with our partners in the Intelligence Community, and we will develop a full capability to engage in all source fusion and production.

We are and will continue to be a full partner in the U.S. Intelligence Community. Together we will help you and others in the government to protect the people of this Nation.

Thank you very much for your time and, Ms. McCarthy, it is nice to see you this morning, too.

[The statement of General Hughes follows:]

STATEMENT OF THE HONORABLE PATRICK M. HUGHES, ASSISTANT SECRETARY INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION DIRECTORATE, DEPARTMENT OF HOMELAND SECURITY

Good morning Mr. Chairman, Representative McCarthy, and distinguished members of the Committee. I am privileged to appear before you today to discuss the role of the Office of Information Analysis (IA), within the Information Analysis and Infrastructure Protection Directorate (IAIP) of the Department of Homeland Security (DHS), as well as IA's intelligence, coordination, and information sharing efforts to date.

Through the Homeland Security Act of 2002, the Information Analysis and Infrastructure Protection Directorate, and consequently, the Office of Information Analysis, is charged with "integrating relevant information, intelligence analyses, and vulnerability assessments (whether such information, analyses, or assessments are provided or produced by the Department or others) to identify protective priorities and support protective measures by the Department, by other executive agencies, by State and local government personnel, agencies, and authorities, by the private sector, and by other entities."

The philosophical underpinning of IA as an integral part of the IAIP Under-Secretariat of DHS is to provide the connectivity, the integration, the communication, the coordination, the collaboration, and the professional intelligence work necessary to accomplish the missions of, and the products and capability necessary for the customers and the leadership of DHS. Simply put, we perform the intelligence work of Department of Homeland Security.

IAIP is moving forward in carrying out our statutory responsibilities which include:

- Providing the full range of intelligence support to senior DHS leadership and component organizations and to state and local and private sector respondents.

- Mapping terrorist threats to the homeland against assessed vulnerabilities to drive our efforts to protect against terrorist attacks
- Conducting independent analysis and assessments of terrorist threats, including competitive analysis, tailored analysis, and "red teaming"
- Assessing the vulnerabilities of key resources and critical infrastructure of the United States
- Merging the relevant analyses and vulnerability assessments to identify priorities for protective and support measures by the Department, other government agencies, and the private sector
- Partnering with the intelligence community, TTIC, law enforcement agencies, state and local partners, and the private sector, as well as DHS' components to manage the collection and processing of information involving threats to the Homeland into usable, comprehensive, and actionable information.
- Disseminating time sensitive warnings, alerts and advisories to federal, state, local governments and private sector infrastructure owners and operators

It is the mandate to independently analyze, coordinate, and disseminate the entire spectrum of threat information affecting the homeland that makes IA unique among its Intelligence Community partners. The analysts within Information Analysis are talented individuals who draw on intelligence from other components within DHS, IA's fellow Intelligence Community members, the Terrorist Threat Integration Center (TTIC), and federal, state and local law enforcement and private sector entities. The comprehensive threat picture produced is coordinated with the vulnerability assessment and consequence predictions identified by the Infrastructure Protection half of the IAIP Directorate.

The Office of Information Analysis is also unique in its ability to communicate timely and valuable threat products to state and local officials, federal sector specific agencies (as indicated in HSPD–7), and the private sector as is appropriate. The relationship IA and indeed the entire Department of Homeland Security has with these contacts results in the IAIP Directorate being in the position to effectively manage information requirements from the state and local governments and private sector entities that are vital to protecting the homeland. DHS will continue to work in close communication with these officials, as well as with the other organizations it receives inputs from, to maintain the effective relationships that have been established.

IA is the heart of the intelligence effort at DHS. It is responsible for accessing and analyzing the entire array of intelligence relating to threats against the homeland, and making that information useful to those first responders, state and local governments, and private sector. As such, IA provides the full-range of intelligence support to the Secretary, DHS leadership, the Undersecretary for IAIP, and DHS components. Additionally, IA ensures that best intelligence information informs the administration of the Homeland Security Advisory System.

Central to the success of the DHS mission is the close working relationship among components, the Office of Information Analysis ("IA") and the Office of Infrastructure Protection ("IP"), and the Homeland Security Operations Center (HSOC), to ensure that threat information and situational awareness are correlated with critical infrastructure vulnerabilities and protective programs. Together, the three offices provide real time monitoring of threat information and critical infrastructure to support the Department of Homeland Security's overall mission. This permits us to immediately respond to and monitor emerging potential threat information and events, and to take issues or information for more detailed analysis and recommendations for preventive and protective measures. The integration of information access and analysis on the one hand, and vulnerabilities analysis and protective measures on the other, is the fundamental mission of the IAIP Directorate.

IA and TTIC

The Office of Information Analysis and the Department of Homeland Security are fully committed to the mission driving the Terrorist Threat Integration Center. From a personal standpoint, I believe both organizations are fulfilling their missions and enriching both each other and the wider Intelligence Community. This opinion is backed by the tremendous track record of success TTIC has in supporting the Department of Homeland Security and its needs. As partners, IA and TTIC spend much time communicating, both through the DHS representatives located at TTIC and through direct communication of leadership. Personally, my relationship with TTIC Director John Brennan could not be better. At present, we talk at least daily and as specific threats pertinent to the homeland arise. The close professional associations that have been forged between the two offices will allow both organizations to work on complimenting each other in the best interest of the nation's security. For example, IA is responsible for translating the analysis done at the TTIC into actionable data for law enforcement officials.

IA and TSC

The Office of Information Analysis has a similarly productive relationship with the Terrorist Screening Center. While both perform duties that result in information being passed to local first responders and state and local officials, both entities have separate missions. IA provides the full spectrum of information support necessary for the operation of the Department of Homeland Security and for the benefit of Federal, State, Local, and Private Sector officials throughout the United States, to secure the homeland, defend the citizenry and protect our critical infrastructure. In contrast, the TSC is in the process of developing a fully integrated watch list database which will provide immediate responses to federal border-screening and law-enforcement authorities to identify suspected terrorists trying to enter or operate within the United States.

Just as TTIC plays a vital role in supplying its federal partners with the broad threat picture, the TSC has quickly become an essential resource for local law enforcement, its federal government contributors, and other users. Already, over 1,000 calls have been made to the center, with over 500 positive identity matches. Through the matching and cross-referencing of lists, the TSC is allowing those first responders on the front lines of the fight against terrorism to access the information they need to identify and detain suspicious individuals.

DHS, IAIP, and especially IA will continue to work with the TSC to coordinate information sharing efforts and to establish requirements for accessing information. IA and the TSC will grow together in their effort to serve the people and guardians of this nation.

In Conclusion

I have been the Assistant Secretary of Information Analysis now for less than four months. Building up the IA office, increasing our information capabilities, and coordinating information sharing across the entire federal government has been a monumental task. And, while we have accomplished much in a short period of time, we continue to press forward to strengthen this vital office and our ability to support the overall DHS mission of securing our homeland. In order for the Office of Information Analysis to accomplish its unique mission, we need the right organizational structure, qualified and cleared personnel, resources, and technical capabilities.

As IA matures, we will complete a robust connectivity to all respondents. We will develop a world-class IT support system for the work of intelligence. We will bring on a fully trained and cleared staff that will form direct relationships with intelligence persons at the State and Local, Tribal, Major City, and Private Sector levels. We will develop full capability to engage in all-source fusion and production. We are and will continue to be a full partner in the Intelligence Community. Together, we will protect the people of this nation.

Mr. GIBBONS. Thank you very much, General Hughes. We appreciate the information that you provided us. It is very helpful. And I want to remind the members of the panel again we limit our questions to 5 minutes, unless you have had an opportunity to make an opening statement, at which point you, if you have intended to put that in the record, then we will make it an 8-minute questioning period.

So let me recognize myself for the first 5 minutes. General there is always this question in everybody's mind about connecting the dots, but the real question is not so much connecting the dots as it is collecting the dots.

We have to have a robust Intelligence Community, a robust intelligence capability in order to get enough dots to be able to connect them so that we know we are looking at the right picture.

As I always say, if you have got only four dots you can make four dots look like anything you want. But if you have 24 dots that makes a big difference in the picture you are looking at. How do you know you are getting everything you need in your office in the way of information from the Intelligence Community so that you are able to do your job?

And let me ask, is there a need for an information technology system that automatically shares intelligence or will that add some potential to overload, say, the DHS analysts that you have?

General HUGHES. The first part of the question, sir, I think is a very interesting issue for me, because I am living through that part of the process now of determining whether I do get everything that is available.

My view to the answer is yes, I do, although, sometimes I have to work hard to get it. It would be better, and I hope to achieve this goal to have it come to me somewhat automatically, so that I don't have to reach out quite as much or to intercede on occasion and gain information.

But I would say that right now my direct answer to your question is that I am fully engaged, involved, and informed in the U.S. Intelligence Community, to include with the Central Intelligence Agency, some of their most sensitive information and operations, somewhat less so with the Federal Bureau of Investigation, somewhat less so with the Department of Defense and others.

But to be honest, that is probably the evolving form of this arrangement; in my view, the FBI and the TTIC as my prime two conduits for information, and then many others. Looking at the—away from the Federal family to the State, local, major city, tribal and private sectors, there are shades of gray and green there. Depends on the place and the connectivity that they have and the circumstances they find themselves in.

But especially in the major cities, the interaction is fairly good. When there is a reason for that interaction, my goal is to make that interaction rather autonomous and continuous. We have not yet achieved that connectivity. The interaction there isn't present for that yet, but I hope it will be soon, and the initiative by the Department to put in place an interactive system of communications and connectivity is part of that effort.

Mr. GIBBONS. Okay. I didn't mean to interrupt you.

General HUGHES. I was going to say with regard to the last part of the question it is my goal, and it is the Department's goal, to make this autonomous, to make it somewhat automatic, although we still want a human to make judgments about the information and whether or not it is sending the information or receiving the information. We must have human beings in this loop to make good judgments. So I am pressing for and hope to achieve within this year a very large degree of autonomy and automatic delivery and receipt of information. But I would like to emphasize that we want to make sure we exercise deliberate judgment by human beings at appropriate points along the way, especially at points that do not impede the flow of information, but actually assist in placing the information in context.

Mr. GIBBONS. Thank you, General. Let me ask in the very brief time remaining, I know that DHS is working with both State leaders and DHS personnel in identifying and getting proper clearances for handling classified information. But how is DHS working with other agencies to identify those other people who may need access to this information in order to identify a sharing mechanism capability and assure that they have the proper clearances?

General HUGHES. In the Federal family that does not seem to be a problem. By the person's specific positions with specific responsibilities, they are fairly clear, and I don't view that as an issue. Outside of the Federal family, at the State, local, through private, that is an issue, and we have to come to grips with it. We are requesting that persons who do not have security clearances get them at the Secret level, so that they are authorized under U.S. Federal policy and law to be allowed to have U.S. Federal Government information to at least the Secret level.

In some cases there is a fairly robust capability for that, and others there is less capability. So we have to proceed as rapidly as we can to build the capability out in the State through local, and to some perhaps lesser degree in the private sector we have to build that capability in.

Mr. GIBBONS. Thank you very much, General. My time has expired. I turn now to my colleague, the gentlelady from Missouri, Ms. McCarthy, who has agreed to enter her opening statement in the record. It will be offered. She has 8 minutes for opening questions. Thank you.

Ms. MCCARTHY. I thank you, Mr. Chairman, and Mr. Secretary, it is a delight to have you with us today. I appreciate very much your testimony that you shared, particularly the bullets on partnering with State and local partners and private sectors so that the message, the material is usable, comprehensive and actionable information.

The time sensitivity of this is still problematic out in the heart of America with some of our State and local responders, and also a concern about closing the information loop to see that when State and local responders send word up to the agency at the Federal level about some time sensitive information they have, whether or not it is acted upon in—that the information loop doesn't seem to be quite complete.

Although the budget is recommending $10 million more to undergird the implementation of these national systems for information sharing, could you be a little more specific with us today about your vision of how best to make all of that information come together and complete the loop so it is actually a very effective system as you envision it?

General HUGHES. Of course. We are trying to use the—any preexisting structure that already exists for the passage of classified information, and right now out to the State and local and other respondents away from the Federal family the prime conduit is the JTTF structure, operated by the FBI, which terminates in the State and major city level. And we do pass information via that conduit. We also pass it over secure telephones. We have an effort underway, and it is largely finished, to provide STU, STE, secure telephone capability out to at least the State and major city homeland security providers. And we also have similar capability, although we are not sponsoring much of it, it already exists in the private sector. So right now, today, I can get on the telephone to all of the 50 States, secure, and talk to them about information, and I have done that in a number of cases.

I can also pass classified information via the JTTF connection system, or in some cases we have used a preexisting military sys-

tem where there is a coincidence between the National Guard office or some military office that has secure communications.

Our intent, our hope, and my vision, is to put in place a system which is actually called JRIES. It is really—a name is not really that important. The idea here is to put in place a Secret level connectivity to the State and major city to begin with, and then follow on with a broader fielding later to the State and major city homeland security advisers, a capability to communicate with them directly that is controlled by and supported by the Department of Homeland Security, yet would be in parallel with preexisting law enforcement connectivity and preexisting other Federal Government connectivity.

It is an issue, I believe, to manage that properly, and we have to manage that here at the Federal Government level by making sure that we don't unnecessarily duplicate or unnecessarily be redundant or unnecessarily flood the system with information.

Back to Chairman Gibbon's question here, we don't want to overload not only the Department of Homeland Security, but we certainly don't want to overload the responders out at the State and local, major city and private sector and tribal levels. So we have a management responsibility that goes along with this that is not part of the technical component necessarily, but it is probably more important in my view.

The last thing that I would like to tell you is that the vision that I have to be able to do this, and that the Department has, indeed is on the way to fruition. We have rolled out the information system to produce a Secret level connectivity, but we are only fielding it now at the unclassified level. We hope to encipher it later on and make it Secret.

Ms. McCARTHY. If I might, General, thank you for that information. It is heartening to those of us concerned about our communities out there where we know that they are partnering and they are working together. But I am not sure they always are confident that they know what to do.

Prior to 9/11, for example, in my community there were a lot of individuals, immigrants wanting to learn how to fly crop dusters. In retrospect, we now understand why. But what I want to pursue in the limited time left to us is how do you perceive getting the knowledge out to the State and locals about what you are really looking for, based on your intelligence, so that they can be better prepared to respond to you with things that are insightful and timely?

General HUGHES. We are doing that now by publishing and disseminating in a variety of different ways information about terrorist tactics, techniques and procedures. We are doing that largely at the unclassified level. So we take classified information into our system, we develop—and we do this by way—as well as the FBI and the Terrorism Threat Integration Center, we do it sometimes together and sometimes separately. But the net result is the same, an informed citizenry away from the Federal Government. And all of this information I guess that has come to us, and we have disseminated out, has greatly aided in an understanding out in the communities of our country, an understanding of how terrorists

might act and what to look for, which was the kind of the construct of your question.

We hope to continue that in a more robust way with this enhanced communications system. I will also mention that we have an initiative to bring three or four, or however many can be supported, persons from each State and from a number of the major cities here to Washington this summer, to gather them here and teach them or train them about some of the information handling mechanisms that they are going to have to implement now that we are moving them into this classified environment.

Ms. MCCARTHY. Will the $10 million in the budget for security operations cover that, not just that training but the States' capacity or the—.

General HUGHES. We hope to cover parts of it. I don't think $10 million will cover all of it. But in some cases, interestingly enough, the States have taken their own initiatives with their own money or their own resources, and once again, in some places this is extremely robust, like New York, Los Angeles, for example, and other places it is less robust. But we will help where we need to help and where it is appropriate to help in the best way that we can.

Ms. MCCARTHY. Thank you. I know that States like Missouri are broke. So I am sure that they will welcome that opportunity for your help.

Thank you, Mr. Chairman. I yield back.

Mr. GIBBONS. Thank you. We will turn to the gentlelady from Washington, Ms. Dunn, for 8 minutes.

Ms. DUNN. Thank you very much, Mr. Chairman, and welcome to our committee, General. It is good to have you here. I am very curious about TTIC, and I am not sure how it ended up under the aegis of the CIA in the beginning. I know that you are on that board.

I was a little concerned a couple of weekends ago, as we went to SOUTHCOM and had a session with them, that the Department of Homeland Security wasn't even on their chart for people who are receiving information from the task forces, and so forth, that are controlled by them.

I am wondering what your take is on TTIC. Many of us believe it should be under your aegis. Could you give me a read on that, tell me how it is working, whether you believe that you have adequate input and how it might work if it were under the Department of Homeland Security?

General HUGHES. Sure. My view is that—and I should tell you, by the way, that before coming to this job I was a member of the Kerr Commission, which was put in place by the Director of Central Intelligence to study the Terrorism Threat Interrogation Center and to come up with some viewpoints about this issue by living and working in the Terrorism Threat Interrogation Center for about 2-1/2 months.

So I am pretty familiar with what they do and how they do it and why the decision was made to place them where they are. My view is that that decision to place them under the umbrella of the Office of the Director of Central Intelligence was a very good decision for a couple of reasons. They formed this organization rapidly and brought it on line very rapidly within the support system, the

structure of the Central Intelligence Agency. Without that structure or something similar to that, I think it would been a very slow start and much more difficult. They are a very robust organization now and getting more so all of the time. And I am directly connected to them, and I would say that they are today, as we speak this morning, the most robust information source for the Department of Homeland Security. We are a direct customer of theirs, and John Brennan and I directly communicate several times a day whenever he is here. He is right now traveling. But when he is here, we are very close and very much interacting.

My view, which has not changed, is that at some point we need to consider the Terrorism Threat Interrogation Center coming under a different kind of management structure, perhaps under DHS, perhaps under an association of structures of some kind, because it is a very broad organization in its charter. It is very connected to so many different kinds of organizations, which is a very interesting feature to have an organization like this when you build a kind of, let's call it a joint organizational or combined organization, in the context of the Department of Homeland Security. That means that it is connected virtually to every other correspondent in the environment of counterterrorism and securing the homeland.

The same thing is true at the TTIC. One should not view it as a central intelligence agency or just as an intelligence agency organizational entity. It is very interactive with law enforcement, with others in the Federal Government. I think it has an important place. I think we ought to let things evolve for a little bit.

With regard to your comments on—not your comments but Ms. McCarthy's comments perhaps on the way this information passage works, it is a very difficult kind of thing. The TTIC right now at the all-source Top Secret special compartment intelligence level acts as a hub for international and domestic terrorism. To the degree that international terrorism affects the United States I am interested, and that information comes to me. To the degree that I am connected to the TTIC all of the information on the domestic environment comes to me. And we work together in a very, what I would call synergistic way. They do first the line analysis, prepare products, put the information in context in a lot of ways and deliver it to us. My organization does more detailed analysis in some cases, or we work together to do it. My organization has an independent assessment of it. My organization deals with it with regard to the State through private sector entities very directly, and that is what we should do. I think it is working very well.

I do think, and I personally think that the Director of Central Intelligence would agree with this, at some point in time the placement of the organization and its roles, missions and functions with regard to central authority needs to be reconsidered. We might, by the way, in that reconsideration decide it is fine where it is. I don't know. But I do think that that should be done sometime after a little longer evolution.

Ms. DUNN. I appreciate your answer. I would think that since your department, the Department of Homeland Security, really is charged with the very responsibilities that TTIC is doing, I think the sooner rather than later that critique takes place and that analysis takes place of where it should be located, that would be

good, because we may have to change the act, since it specifies that you do the very things that TTIC does yet they are housed in a completely different department. But I appreciate your flexibility on it.

General HUGHES. Please keep in mind, ma'am, that—I wanted to make a point, and we don't do everything that TTIC does. With regard to international terrorism, we are not directly involved in the broadest scope of the Terrorism Threat Integration Center. The focus that we have is on the United States. Where international terrorism touches the United States, of course we are interested. Where it does not or where it seems apart from the security of our homeland, that is the business of others and TTIC serves them all; it broadly is serving the United States Government.

Ms. DUNN. Thank you, General. Let me ask you a couple of budget oriented questions quickly. Does the IA Directorate have an integrated cross-cutting budget or management focus that pulls together other intelligence components within the Department, such as those that are run by the Coast Guard and TSA, and if this is true, how is it being coordinated?

General HUGHES. We do not have such a cross-cutting budget process. We have an interaction between the component parts of the Department of Homeland Security, of which there are some important organizations like the Coast Guard, the Secret Service, the Immigration and Customs Enforcement, the Customs and Border Protection, the Transportation Security Administration, the Emergency Preparedness and Response, formerly the FEMA organization and the Federal Protective Service.

We are beginning the process of amalgamating the intelligence elements of those organizations in some ways. One of them will be better knowledge and oversight of the budgets that they have and the resources that they apply.

Ms. DUNN. Thank you.

Mr. GIBBONS. Thank you, Ms. Dunn, and I will now recognize the ranking member of the full committee for 5 minutes. Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman. General Hughes, thank you for being with us today. I have just put a chart before you there that I wanted to direct your attention to. I think that you have a copy of it already.

SUBMITTED FOR THE RECORD FROM THE HON. JIM TURNER

UNITED STATES GOVERNMENT INTELLIGENCE

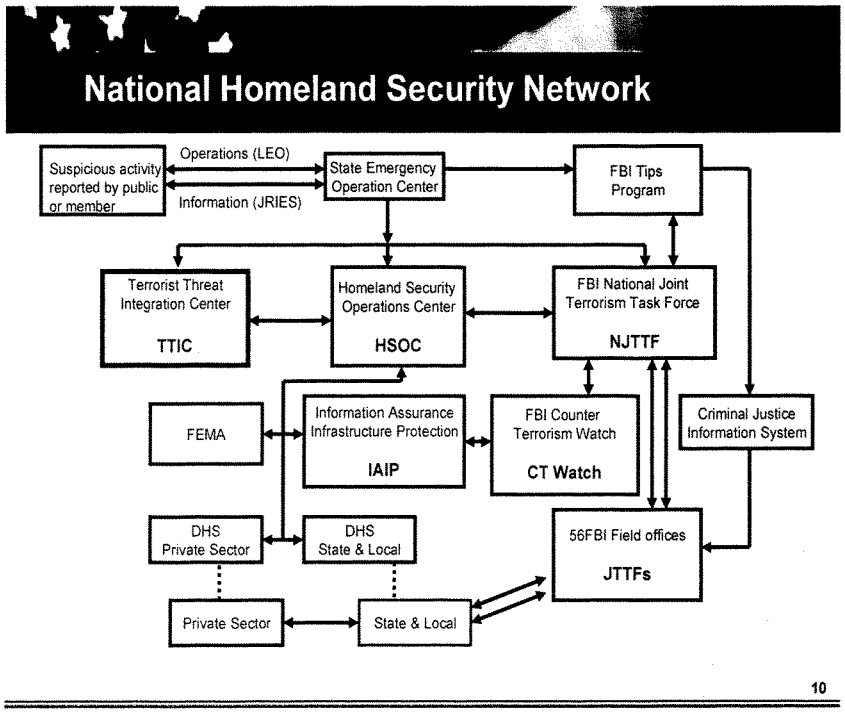
ANALYSIS ORGANIZATION

Pre 9/11

- CIA & FBI Counterterrorism Center (CTC)
- DOD Intelligence Agencies
- FBI's Counterterrorism Division
- CIA Directorate for Intelligence
- State Department Bureau of Intelligence and Research

Post 9/11

- Terrorist Threat Integration Center (TTIC)
- DHS Information Analysis and Infrastructure Protection (IAIP) Directorate
- FBI National Joint Terrorism Task Force
- DOD Undersecretary for Intelligence
- Northern Command Combined Intelligence Fusion Center (CIFC)
- The Associate Director of Central Intelligence for Homeland Security
- FBI Foreign Terrorist Tracking Task Force (FTTTF)


National Homeland Security Network
Suspicious activity reported by public or member
Operations (LEO)
Information (JRIES)
State Emergency Operation Center
FBI Tips Program
Terrorist Threat Integration Center
TTIC
Homeland Security Operations Center
HSOC
FBI National Joint Terrorism Task Force
NJTTF
FEMA
Information Assurance Infrastructure Protection
IAIP
FBI Counter Terrorism Watch
CT Watch
Criminal Justice Information System
DHS Private Sector
DHS State & Local
56FBI Field offices
JTTFs
Private Sector
State & Local
10

What it shows us is the intelligence analysis organizations that existed before September 11th. Do you see, five of them there? And then the new organizations that have been added since

September 11th, and of course all of the pre–9/11 organizations are still in existence.

So it does give us some concern as to whether or not with this proliferation of new agencies we are going to be able to connect the dots, so to speak, with all of this information available coming from new sources. I guess in looking at that total picture, there was a National Journal article that came out this week. I don't know if you have seen it. It made a couple of comments that I suspect I should read to you and let you respond to it.

In that article it says, TTIC now produces a Top Secret daily report on threats to the Nation, but isn't required to share with Ridge and his key lieutenants the intelligence on which its conclusions are based. Is that a true statement?

General HUGHES. That is false. Indeed, I receive that document every day directly on my desktop computer first thing in the morning in a very timely fashion, and the Secretary and

Deputy Secretary of the Department of Homeland Security also receive it.

Mr. TURNER. Well, the comment was not about you receiving the daily report. The comment that I read you said that you are not able to access the intelligence upon which the conclusions in that daily report are based.

General HUGHES. That is false.

Mr. TURNER. So you are telling me you can get any information you want to out of the CIA or these other agencies that are listed on this chart?

General HUGHES. During my opening comments, and first line of questioning from Mr. Gibbons, I did relate that there are shades of autonomy or automatic mechanisms here. Sometimes I have to work a little harder to get that information, depending upon its compartmentalization and depending upon the nature of the information source. But to date I am not aware of information from the Central Intelligence Agency that has been directly withheld from me. There isn't any as far as I know.

Mr. TURNER. But you are in the same position that we often find ourselves; you can't get behind some of that information because some of that is very well protected by the CIA and some of these other agencies?

General HUGHES. Interestingly enough, sir, because of my previous position and my experience I am badged at the CIA, I have had direct working access at the CIA. I am invited to join the DCI's afternoon/evening meeting on the topic of countering terrorism, and I indeed do have very robust access personally.

Mr. TURNER. In your division right now I understand that you have 60 employees. Is that a correct statement?

General HUGHES. There are more employees than that at this time, but it is not as robust as we would certainly wish, and the total number of employees that you just quoted counts not only Federal full-time persons who are employees of the Department of Homeland Security, but indeed are detailees and are government

contractors and IPAs from the laboratory and other government organizations.

Right now I am told by my staff that the total number this morning—by the way, it is changing every day—is 97.

Mr. TURNER. When you said a minute ago that you have access to all information based on your previous work, do you have access to all covert action programs that the CIA conducts?

General HUGHES. No, I do not. But—certainly not all, by any means.

Mr. TURNER. You made mention a minute ago that you have access to information relating and are provided information relating to domestic terrorist activities and threats but not foreign?

General HUGHES. I hope—I tried to say that if the foreign events or the foreign information touches on the security of the homeland, then I do have an interest in it and I get access to it.

Mr. TURNER. But it is not routinely provided?

General HUGHES. It is. There is an issue here of definition. Much of it does flow routinely. But there is some of it that is a little bit nebulous, maybe something that happens in a place like Afghanistan. The context of the conflict may not seem in the due course of events to touch upon the security of our homeland, but occasionally it does. And so when it does it is kind of the burden to decide that is placed on a number of intelligence organizations and officers along the way as to whether I need to know about it as the Department of Homeland Security intelligence chief.

So that is the kind of thing that we need to evolve into and have greater understanding than we do now.

Mr. TURNER. Thank you, General. I see my time has expired. Thank you.

Mr. GIBBONS. Thank you, Mr. Turner. We will turn now to the chairman of the full committee, Mr. Cox, for 5 minutes.

Mr. COX. Thank you, Mr. Chairman. Welcome, Secretary. As you know, your responsibilities are very near and dear to the oversight aims of this committee. We are very, very keen on not only the Department succeeding, but specifically your directorate succeeding and specifically IA, because it is the heartbeat of prevention. It is the best means that we will have to find these terrorists and stop them before it is too late. And it is for that reason that IA exists within the Department of Homeland Security, because the focus being the United States territory itself, there are great concerns about CIA taking on this new domestic responsibility.

The CIA, which houses TTIC, is of course ahead of IA in its development, and as the ranking member was just inquiring, we want to make sure not only that you have access to everything at TTIC and in fact access to everything else on the chart that was up there a moment ago, but that it is routinely provided as the statute requires and you don't have to pry it out like a dentist doing a root canal, that it is provided in real-time and that the purpose for which it is provided is your own analysis.

And beyond doing your own analysis, we want to make sure that you and your troops are the front line for the United States Government in analyzing this intelligence as necessary and providing it to U.S. domestic actors, particularly in the private sector. I am

not entirely certain that at least thus far we have got DHS out in that lead role, and it needs to happen.

Likewise, we want to make sure that you are out in front and DHS is out in front using what you know and what you have learned to train people within the domestic hemisphere so that they can handle this information as well.

And so I wonder if you could talk to me about IA's role, first, in sanitizing intelligence and providing it to the U.S. domestic actors, and, second, training U.S. domestic actors on their part of this intelligence sharing network?

General HUGHES. I am going to be duplicating a couple of things that I said earlier, especially in response to Ms. Dunn's question.

Mr. COX. Well, you don't need to do that. If you want to refer me to that answer, that is sufficient.

General HUGHES. Let me just make two replies to you, sir. First, we have not achieved the kind of connectivity yet that we need to achieve. We are working hard to do it, and this is both a technical issue and a policy issue, and it also encompasses the issues of training that you brought up.

One of the efforts we have ongoing is to try to figure out how to train a rather large number of persons who are in the State, local, tribal and private sector, and major cities, offices that have charged homeland security as a kind of a large topic area out there in the country. And we have a plan to bring some of them in here to the United States Capital this summer and train them over a 3-day period or so, both train them and inform them, by the way, and also get to know them better and make them part of this larger extended family of homeland security.

So we do have efforts that I think you will applaud, and I hope you will be part of in fact to do this activity. I want to make sure though and leave with you this final thought. This is an evolving thing. It is something that we are going to have to build over some period of time. It is not something that you can do very rapidly overnight.

I would say—I would give ourselves a B-plus right now for effort. We are trying hard to get this done. Where there is truly a piece of critical information I will do anything, and I have done a few things, to call, to communicate, to get it out there in some way.

One of the issues I covered earlier is that sanitizing it at the unclassified level does take away a good deal of the detail and some of the vital information that must be communicated at times. So my vision, my effort, is to put it out there at the unclassified level when we can, but when we can't, to have the option to put it out there at the Secret level, which seems to be the right working level generally. In some cases we might go beyond that, but in most cases that is the goal.

Mr. COX. Well, you have nothing but support on this committee for what you are trying to do, and at least for my part I want you to understand that I fully appreciate the fact that this is an evolutionary undertaking and that no one here, 1 year into the existence of the Department, expects that this is going to be a completed edifice. What we are interested in is the blueprint. We want to make sure that we know where we are heading and some day we can expect to reach these destinations, and I am particularly in agree-

ment with you that our sharing, which I hope that DHS and you and particularly General Hughes will take the lead on, be not exclusively unclassified information. Part of the reason for wanting you in the forefront of training in fact is so that we will have people with experience and knowledge across the country who can instantly receive this information at the State and local level and at the private sector.

So you are to be commended for what you are doing. I am very, very appreciative that the President and the Secretary have selected you given your background, your experience, and I think the country is very well served by your being there. I am very pleased that you are using your background and experience in a muscular way to make sure that the blueprint in the statute is what is realized, and also that the good policy aims that are better than that statute which you share are realized. So thank you very much.

General HUGHES. Well, thank you, sir.

Mr. GIBBONS. Thank you, Mr. Cox. We will turn now to Mrs.

Christensen for 5 minutes.

Mrs. CHRISTENSEN. Thank you. Thank you, Mr. Chairman, and welcome, General. I also share the concerns about TTIC and your agency, but I am not going to ask those questions again, but just to let you know that I think many of us on the committee share those concerns. And I realize that you have only been in your office for about 4 months, but many of us are also concerned about the slowness with which the Department has moved to get up to speed. And so my question is really a very basic one. Are you now in a permanent home, is your directorate now—.

General HUGHES. Yes. I believe we are in a permanent home for the foreseeable future, I would say for 5 years or longer. I believe that I am in a permanent place, and the building that I am in, we are proceeding to finish it and make it more effective and capable, because we believe we are in a permanent place.

Mrs. CHRISTENSEN. And your staffing level, with respect to the staffing level that has been set for you, where are you?

General HUGHES. Staffing level is not yet at 50 percent of our hope. In fact, we are far short of it, but we are trying to hire people as rapidly as we can. If I may just elaborate on that for a moment.

We have to have people in the section that I am responsible for, intelligence, who are cleared for Top Secret, special intelligence or willing to take a polygraph examination, and persons who come into that office immediately get access to information that bears great responsibility personally. So we have to do this right. It is not simple or easy to go out and hire these kind of people. We are doing it as fast as the system can kind of bear, and we are doing it as well as we can right now.

However, I will tell you, this is one of my areas of greatest frustration. We have had a fairly large number of people apply for jobs. Some of them have had background issues that we found to be unsuitable. Some of them have not been willing to wait for background investigations of this nature to take place, and some of them frankly just haven't been suited to the work. But we are hiring people.

Mrs. CHRISTENSEN. Well, not only am I concerned that you are not fully staffed for the very critical function of your office, but how

are you set up to do the housekeeping, getting the offices set up, the staffing set up and still not have that detract from your statutory responsibilities?

General HUGHES. Well, please keep in mind, ma'am, that we have used contractors to great effect, and we are continuing to do that. They are indeed responsible in many ways for the development of our information technology structure. They have built out the facilities that we now live in. We have fell in on a Navy facility, and some of that Navy infrastructure is still in place and supporting us. There is a transition period here where much of the support requirements will now begin to fall on the Department of Homeland Security, and we have to put in place our own infrastructure support mechanisms to do that.

Mrs. CHRISTENSEN. It is not taking away from your direct staff's responsibilities on the intelligence side?

General HUGHES. The way you phrased the question, ma'am, it is not talking away from it. It is something of a competitive issue at times. Information technology, as an example, has been a struggle, but we are now seeing a light at the end of this tunnel. We have gone to a new building. We now have computers that operate in the U.S. Intelligence Community structure in a pretty robust way and things are very rapidly improving, and we hope that that improvement will continue as it has.

Mrs. CHRISTENSEN. Okay. Among the statutory responsibilities are of course assessing vulnerability of key resources and critical infrastructure and merging relevant analyses and vulnerabilities assessments, identify priorities. I am reading from your statement.

Where are we in that, assessing vulnerabilities of key resources and critical infrastructure, and doing those assessments to identify the priorities for protective and support measures?

General HUGHES. In the structure that I am placed in, I don't think this is necessarily easy to understand without some kind of a diagram. But IAIP, Information Analysis and Infrastructure Protection, is two parts. I am the IA guy, the intelligence person. I provide the threat, and I provide assessments, judgment.

Mrs. CHRISTENSEN. So do you have then the key resources and critical infrastructure—do you have the IP side information on which to do your IA side?

General HUGHES. Yes. The other side of this organizational entity, infrastructure protection, is described in considerable detail, what is referred to as the critical infrastructure of the United States sometimes by way of excruciating detail. And I think over the months and perhaps a couple of years to now, that will be a continuing effort, to describe it more fully and in more detail. But as that description begins to occur and is occurring, that is then mapped against, or another way to put it, is threat information is mapped against it so that the two are kind of interactive against the infrastructure. And where there are vulnerabilities, where there is targeting ongoing against part of our infrastructure, where there are concerns and gaps and issues, those are being identified and they are being acted upon. But the action is left to others. We are the organization that characterizes the problem.

Mrs. CHRISTENSEN. Thank you, Mr. Chairman. I will give you back the balance of my time.

Mr. GIBBONS. Thank you very much, Mrs. Christensen. We turn now to the gentleman from Connecticut, Mr. Shays, for 8 minutes.

Mr. SHAYS. Thank you very much, Mr. Chairman, and, General thank you very much for your very important work.

One of the things that I am very convinced about is that as we set up this new Department of Homeland Security we have a wonderful reservation of very experienced people to draw on. We appreciate your experience.

I do want to say to you that I know that the Department is wrestling with a lot of issues and there will always be things that we don't like that it is doing, just by the nature of it. But when we wrote this bill and created you, you are now implementing that. We are trying to see if it is being implemented in the way that we thought. I view your effort as the receptacle of information. I didn't view that you sent people out and you did the work. And one reason we didn't want you to have a part in the Intelligence Community where you were directing their activities was that frankly a lot of us felt that this whole effort needs to be improved. And while we are doing the Department of Homeland Security, do we have the capability to also kind of rework intelligence?

Having said that, however, I believe that you should be privy to all information and that you shouldn't have to cajole, you should haven't to use charm, you shouldn't have to use your past experience. It is just part of the law and they should have to perform, and I would hope that one of the things that you will do is if you are not getting cooperation you will let the chairman of the full committee and the chairman of this subcommittee know, however you choose to, that it could be better.

I chair the National Security Subcommittee, and before 9/11, even though I have theoretical jurisdiction over some aspects of the Intelligence Community, they always gave us a permission slip not to show up for our full intelligence committee.

What I am interested in knowing is the following. I am interested to know what your role is in determining the terrorist threat level, whether it is low, green; guarded, blue; elevated, yellow; high, orange; or severe, red. What is your role in determining that?

General HUGHES. Well, sir, I am happy to report to you, and kind of proud of this, that during the recent period when we did raise the threat level to orange, and even within that orange level perhaps raised some parts of it to a level of pretty intense defensive and protective activity, and then reduced the threat level back to the yellow elevated level that we remain at today, that I was the person who was directly turned to and asked by the Secretary of the Department of Homeland Security—both inside the Department's own deliberative group and externally in the security consultive body of our government, I was the person that he turned to and asked for the intelligence assessment about whether to raise, and which I actually advised him to raise, and whether to lower, and I advised him to lower and moderate.

Mr. SHAYS. Well, I appreciate knowing that you had this level of impact. I would love to then—it is comforting to know that I am finally speaking to someone who is taking some ownership.

What concerns me is I have heard Mr. Turner suggest that given how it works, we may not even want this warning system. I tend

to view, given how it works, I think it needs to be improved. It is not a criticism of you in terms of knowing that we need to raise it, but it is a criticism of the implementation of it.

For instance, I am having a rough time understanding why we are at elevated when we are all acting like we are at guarded, and I am concerned that we only have one level to really go up to. I view red as basically under attack. And so we are at elevated, which is significant, but we are acting as a populace, and I think even our first responders back home, that they are under a general risk right now, and that they are under a guarded condition. I think you have a sense of what I mean here. I would love you to have some impact over maybe getting us to allow for another gradient.

The other thing I am interested to know is what is the benefit of having a yellow alert, which is elevated, around the country when we knew for a fact that the threat was not national, it was fairly geographical and urban in many cases.

General HUGHES. It is—those are very complex questions.

I think I will answer it in two ways, two thrusts if you will.

First, I personally like the system as it is, and I think there is room for flexibility within each color zone. We have chosen to be at elevated for what I think are the reasons that I am going to explain in the second part of this answer.

General HUGHES. But let us suppose for a minute that there are gradations, and I believe there are, and there are actually ways inside this threat advisory system for the Secretary of Homeland Security and others in the Federal Government to include the President to give directions that are very specific within the color codes and combinations; and those colors especially, but also the gradations within the colors, are meant to allow both for a national alerting mechanism, kind of a national view of the condition we are under and for some more specific, focused efforts to be delivered to particular people, particular groups, particular sectors, particular locales within our country that, for reasons of threat and perhaps for vulnerability, require a different sort of approach than merely the color and verbal or wordage definitions that are in the Homeland advisory system now.

I think it is okay, but others besides me—and this is not really my policy issue. I think that others will be able to decide whether or not changes are required. Whatever they are, I will honor them, but I need to give you the second part of this answer just briefly.

Mr. SHAYS. And then I am going to want to make a quick response.

General HUGHES. Okay. I am an old soldier, and I am very familiar with war, and we are characterizing this as a war. But in the war that conventionally is thought of and understood, there is a time of development of the nature of the conflict and the conflict itself and the war that takes place and the post-conflict environment, and it is relatively slow, in many cases. In some few cases, it might be days to weeks, but in most cases it is weeks to months to years even that these approaches to the conflict, the conflict itself and the post-conflict environment takes shape.

We are dealing in a much different environment where, literally, my timeline for action with regard to information is one hour. That is what I tell people.

Mr. SHAYS. Let me say I am going to be having a hearing in my own committee on this issue and get in greater depth, but I still am concerned that we need a system that the public also understands and knows what to do. It cannot be that the public just does what it normally does when you are at yellow alert. It needs to be a geographic, I believe. I do think the system is worth using, but I think we need to improve it.

Thank you.

General HUGHES. Sir, I am in favor of making sure that the citizenry understands what we are doing.

Mr. GIBBONS. Thank you, Mr. Shays.

I turn now to the gentleman from Massachusetts, Mr. Markey, for 5 minutes.

Mr. MARKEY. Thank you, Mr. Chairman.

At yesterday's hearing before the Senate Armed Services Committee, CIA Director Tenet revealed that he has spoken to Bush administration officials when he felt inaccurate statements were being made about the threats posed by Iraq. Specifically, CIA Director Tenet acknowledged yesterday that on more than one occasion he has noted questionable statements in defense of the Iraq war by Vice President Dick Cheney. As we all know, these private corrections did not prevent the Vice President from continuing to make assertions about the imminent threat posed by Iraq, statements which we know now were exaggerated and inaccurate.

Since you began serving as Assistant Secretary, have you or the information analysis group disagreed with intelligence assessments or statements about terrorist threats made by the Department, the White House, the CIA, the FBI or other members of the intelligence community?

General HUGHES. Yes, we have had differing views and different view points at times. We have discussed them in the appropriate setting.

Mr. MARKEY. So please indicate in which instances you disagreed, the process you followed to register your disagreement, and whether your disagreement resulted in any adjustment in the intelligence assessment.

General HUGHES. In most cases these disagreements are at the analytic level, where an analyst will have a different view and the analysts in IA may have one view of the importance of or the meaning of information and I will share their view or not, as the case may be. This is a very individual sort of thing. But at some point I need to make the difference mine, and then I will represent that to my associates, the heads of intelligence at the CIA, at the TTIC, at the FBI, and the Department of Defense, the appropriate people that I interact with. Quite often, it never reaches that level.

Mr. MARKEY. What about when it does?

General HUGHES. When it does, then I am certainly very capable of expressing my view, and I do.

Mr. MARKEY. What happens when there is a disagreement with the intelligence assessment which the intelligence officer, you, is making?

General HUGHES. To the best of my knowledge, there has never been an agreement—or disagreement, rather, that has risen to the level where I felt I had to take a note or make a public declaration of difference. That has not happened. We have been able to iron out our views.

Mr. MARKEY. Well, obviously, CIA Director Tenet felt the same way, that he never had to publicly criticize, but it is obvious now that CIA Director Tenet had not let the public know that he did not believe that there was no uranium found in Niger and that there were issues that were being completely distorted by the President and Vice President in terms of items that were dangerous that were inside of Iraq. It is obvious that he just kept quiet and never made it public.

General HUGHES. Without my commenting on your statement there—I mean, there are so many issues there I don't know whether that is what Mr. Tenet did or did not do. I would rather not agree with your premise. I would rather just say that in my case I can assure you I can look you and anyone else in the eye and tell you that I am very capable of expressing my independent views. I have and I will in the future.

Mr. MARKEY. Well, you told Mr. Turner that sometimes you have to work a little harder to get the information which you need.

General HUGHES. That is true.

Mr. MARKEY. Well, that doesn't make me feel comfortable that you have to work hard. My mother always said that you should always work smarter, not harder. That is the point of having you there. But what you are telling us is that you have to work harder than other intelligence agencies in order to get the information. That is a dangerous situation.

General HUGHES. If I thought it was dangerous, I would tell you. At times I have certainly been frustrated by it, but it is not dangerous yet. It hasn't been dangerous, but I will have to tell you that it is very much a concern of mine. But please keep in mind, sir, I am giving you a characterization of many events over the 4 months that I have been at this job, approximately. My view is that we are improving this each and every day.

Mr. MARKEY. I understand that. But what you said was that your own past professional experience has helped you to gain access to information collected by the intelligence community. That doesn't make us feel good. Anyone who sits in your position, even if you are not an old war horse, should be able to get the information.

General HUGHES. I agree with you.

Mr. MARKEY. The very fact that you are there and not someone else, that makes it possible for you to get specific types of information, then that is a very dangerous situation for the homeland security of our country.

General HUGHES. I disagree completely, and I will tell you why. I think the reason I am there is because I am an old war horse. I was brought in to kind of know how things work in this large amalgam we call the U.S. intelligence community. What I am doing, sir, and I think you ought to be not only happy but I hope you will help me to do this, I am building the foundation that others can come in and then—.

Mr. MARKEY. Describe a situation where the old war horse was able to get information as someone else wouldn't. Could you do that for us?

General HUGHES. As I answered Mr. Turner, I am knowledgeable of the U.S. intelligence community in a broad way because of my previous position. I am also invited specifically by the CIA and by others to come into their organization where others may not be invited or indeed might not be as knowledgeable as I am. There could be others that are just as knowledgeable. I think some of my predecessors in this job were, in the case of CIA. But if you will look over at my background and my record, I have been able to fill for about 3-1/2 years a position of the 1Director of Defense Intelligence Agency and before that the J–2 of the Joint Staff.

Mr. MARKEY. I understand.

I will just finish in 10 seconds and just say, if I may, Mr. Chairman, that it shouldn't take an old war horse. You used the word others might not be given access. All of that conditionality goes to the core of whether or not there has been a seamless information flow which has been put in place. Every time you use the word "might" during your testimony, you actually raise questions about whether or not this administration has come to grips with the necessity to connect the dots in a way that gets all the people who need the information into the flow as quickly as possible to prevent another 9/11, and that is very dangerous.

General HUGHES. Just a brief rejoinder. I think that the last few words you stated, sir, are right. I am laying the groundwork, and it just happens to be me and my personality, my background, for this work. It has to be laid. It doesn't matter if I am a completely new person, but it helps if I am not, and that is the advantage I have, and I am taking full advantage of it. Someone, hopefully far younger and far less experienced, frankly, than me, is going to come into this job, and their foundation is going to be very, very good.

Mr. MARKEY. My only point is, when you walk into the room, you should walk in as though you are the President of the United States with his direct orders to give every piece of information to you; and what you are telling me is that they do not see you as a direct extension of the White House in ensuring that all information is given to you to prevent another 9/11. Unless the White House takes that step, I am afraid that you are playing a valuable role but in substitution for something which should be coming from a much higher level.

Thank you, Mr. Chairman.

Mr. GIBBONS. Mr. Sweeney from New York is recognized for 5 minutes.

Mr. SWEENEY. Thank you, Mr. Chairman.

General WELCOME. I don't consider you an old war horse. I consider you a patriot. Young or old, I thank you for what you are doing.

As you can tell by the questioning, there is a great deal of concern. We are in a new phase of developing the Department of Homeland Security, and I think some of this is natural, and you have made the point in reoccurring themes that is all revolutionary. The concern is, in merging these entities and creating

what Mr. Turner referred to as a proliferation of agencies or certainly an expansion of agencies, it all seems to be centering on at this point in time TTIC. Whether this is normal response to bureaucracies or not, we are all concerned, as the chairman pointed out, that you need to be relevant and at the table and involved.

We had this line of questioning last week with General Lebutti. In fact, I know the chairman has asked and I have asked for some specific information back on staffing, et cetera; and we were told it was coming soon. If you could ensure that it comes today, for example, because it has been a week, that would be greatly appreciated.

This all really gets to the core of what you said, the issue of definition between the sharing of information and intelligence and defining between the domestic versus the international and its application. I understand that, but I have some real practical concerns.

For example, our view I believe when we passed this process, it is not that you necessarily had the ground forces to gather and collect, because that would duplicate something that already existed, but that you were right there in the filtering of that information. You were right there at the evolutionary parts of that process.

My simple question is, if you are 25 minutes away from TTIC, how are you going to do that? Really, I think it is at the core of questions on both sides of the aisle of this issue. We are very concerned that you are essentially being in some ways pushed aside and having to fight when Congress has already determined your role. Could you address that issue more specifically than you have thus far?

General HUGHES. Well, I don't know if you were here when I did take up that issue at the beginning a little bit. My view is that we are about one millisecond away from TTIC. We are directly connected to them with regard to automation and communications.

One of the earlier questions was about the primary intelligence that is produced by TTIC for the national leadership and I receive that now on my computer desktop.

Mr. SWEENEY. Do you need a physical presence there?

General HUGHES. We do have a physical presence there. We have a representative there, and we are just changing that person out from one to another person. So our intent—my intent personally—is to sustain that relationship there. We also have a personnel bill which we are finding it very tough to honor, but we are doing our best to try to honor it, to put some fairly large number of persons in the TTIC, about 30.

Mr. SWEENEY. I would like to work with you in this committee and the approps on that.

On the personnel end of it, you mentioned you have some frustrations in finding the right people, qualified people, etcetera, et cetera. We are hearing that you are losing people to TTIC because either the perception or the reality is they are really in the game and you are not, and I have heard this from a number of sources. Is there any truth to that?

General HUGHES. Boy, I can give you the most—.

Mr. SWEENEY. Your staff is nodding yes.

General HUGHES. I can give you the most recent issue. I am not aware of anybody that has gone to TTIC. Is there someone?

I think there might be a huge misunderstanding here. Not only—I feel kind of funny giving you this answer. Not only have we not lost anybody to TTIC, to the best of our collective knowledge, but it is not really possible for us to lose anybody to TTIC because it is an amalgam of intelligence professionals. It is not a competitive environment.

Mr. SWEENEY. Okay, I have some executive session questions. The last one involves the need for a comprehensive, all-hazard Federal emergency warning system. Currently, there are eight separate systems that exist to provide cognitive notification of imminent and potentially catastrophic threats to health and safety. What are we doing to integrate those systems and do you agree we need to integrate those systems, I guess I should have asked first.

General HUGHES. The honest truth is, sir, I don't know what we are doing. This is out of my area of responsibility a little bit, and it is also something I just am not well informed on, but I would like to get back to you about that question, and I will. Do I think there should be a coherent warning system in the United States? Absolutely.

Mr. SWEENEY. Okay. Thank you, General.

Mr. GIBBONS. Thank you, Mr. Sweeney.

We turn to Mr. Meek for 5 minutes.

Mr. MEEK. Thank you very much, Mr. Chairman.

I appreciate your service to the country and also your coming before the committee today. I guess I want to ask a couple of questions that you have already heard, but I think that it is important enough to ask not the same question, but similar questions.

You are the gateway to information not only to the Federal law enforcement agencies but also State and local agencies, am I correct?

General HUGHES. I don't think I am the only gateway. I am one.

Mr. MEEK. Yes, but you are the gateway as it relates to real intelligence.

General HUGHES. For the homeland security effort, yes.

Mr. MEEK. That is correct. I think it is important—and I am sorry. I didn't hear your opening statement. I am a member on the Armed Services Committee, and we had a similar meeting going on.

I guess I want to pretty much address, from what I have read of your statement, your involvement not only with TTIC but with also the TSC, your personal involvement. I am glad that you have the CIA badge, I am glad you have the relationship with many others, but I am afraid that if you catch a cold, we are in trouble. I know that you are trying to build the infrastructure that is needed, and I think Mr. Sweeney—and I am glad that he is well-read and studied on this issue. I mean, I am concerned about this whole issue of physically not being with the rest of the team that is kind of moving in your direction, doing some of the same things—I think there is some value in having a cup of coffee with those folks. I think there is some value in running into them in the parking lot so they are thinking of not only you but your office. I know that you are building onto that, but I am very concerned about who is the number two and who is the number three person, since you are switching them out now—we know that attrition happens every-

where. How is that going to work towards the security of the country?

I think also, as we start looking at your testimony, and I am so glad that you broke it down so that people can understand the role of your office and other offices, but pulling from your testimony. It provides a full spectrum of information support necessary for the operation of Homeland Security for the benefit of Federal, State, local and private sector officials throughout the United States to secure the homeland and defend the citizenry and protect our crucial infrastructure.

Now that is important, and that is a very profound statement on your behalf. As we look at that in that mindset, the one hour, the human intelligence—the right here, right now —is so very, very important. I know, being someone who has been in law enforcement and sharing information—Ranking Member Turner talked about the pre–9/11 versus the post–9/11. We are looking at a lot more post–9/11. But is the information sharing really working? Are you getting the information that you need? You feel that you are, but what happens if you have to go on a trip or a conference or what have you?

That same automation as it relates to being secure, I don't know if that is real-time with you. They have the relation with you. So I would urge if you could possibly reevaluate your location, where you stand physically every day, even the time that you are here in the committee, and while you have been here over an hour and a half, who is sitting at the wheel? It may seem elementary, but it is very important if you can give us some response.

General HUGHES. Well, first of all, a one-way pager from the Homeland Security Operations Center and from my staff, which is manned 24 hours a day, the intelligence analysis element of the Homeland Security Center. The people work directly for me.

They are in constant communication with me wherever I am.

I would like to introduce Mr. John Rollins behind me. If you will stand up, John.

John is my Chief of Staff, essentially my deputy. He does not have all of the same access that I do. In fact, just last night we had a conversation about that very issue. I know that what you are saying, the issues that you are pointing out, are important to solve; and I have to get that done.

Mr. MEEK. Yes, General, that is important; and that is work that needs to be done.

You are fully aware of the 9/11 Commission and what they are doing. The whole issue on 9/11 was intelligence and sharing of information, and we have so many—and I am not saying that you or anyone in this building or in the Department devalues the importance of making sure that State, local, the frontline people that are putting their lives on the line every day, that they have good information right here, right now. Your office is responsible for that.

If something was to, unfortunately, take place or about to take place in this country, there is always going to be an evaluation of what took place; and I would say that in closed session that you really drive home the importance of pushing from the Hill of letting the intelligence agencies know that they must—if they like it or not, if it is a fraternity or sorority or whatever you want to call it,

that your office has to be at the forefront. If not, they are at the table, when they get real information, to pass that on to those individuals that are on the front lines.

Mr. Chairman, thank you for the extra additional time I took myself.

But, General, I want to thank you. I believe that you are committed, from what I can see. I have read your background. You have been a patriot your entire life. But it is vitally important that we do that, and I don't care if other folks get upset about, oh, the Secretary went to the Hill and the next thing you know, we have all these Members of Congress that are barkingdown—I would rather barkdown their back. I would rather make them upset of your presence here today versus the latter.

Thank you, Mr. Chairman.

Mr. GIBBONS. Thank you, Mr. Meek. We will turn now to Ms. Norton for 5 minutes.

Ms. NORTON. Thank you very much, Mr. Chairman; and thank you, General Hughes, for your testimony and, of course, for this vital service you are rendering to our country.

I am interested in the fact that we may have gone from having too little intelligence to having your analysts bombarded with intelligence. I suppose that is better than if we had only those two choices. That would be the better choice.

This past weekend or the weekend before last, I was with a congressional delegation that went to Guantanamo. Actually, I was very impressed with Guantanamo. I was impressed with the kind of intelligence that our folks, most of them, Reserves, public school teachers who are now interrogators—I was particularly impressed with their methods which do not involve the kind of coercion you see in movies but very sophisticated rewards, harmless rewards, that are apparently getting real intelligence, according to all we heard from those who briefed us and from what we saw with our own eyes. We actually saw people being interrogated, some very dangerous Al-Qa'eda being interrogated.

At the same time, I represent the District of Columbia; and I saw the effect of what must have been good intelligence when at Dulles we had planes that were turned back or not allowed to leave from Europe. What I am interested is, given this intelligence from so many sources, how your analysts are able, given the load of intelligence the likes to which they have never seen before, to distinguish, for example, disinformation from credible information. Here you have it coming at you from all sources. We cannot tell whether some of what, for example, we see here is just a case of people covering their you-know-what just in case something happens could be disinformation—but even if it is, better to stop everything—or whether you are able, given intelligence and an intelligence load the like of which our analysts never had before, to decide whether or not anybody could decide what was credible and what is actionable.

Can you tell me how, given the fact that you are getting it now, not just as the CIA used to get it, as the FBI used to get it, but from any number of sources, how in the world you are able to tell whether we are dealing with something that ought to be acted on

and particularly how you are able to distinguish disinformation from credible information?

General HUGHES. It is hard for me to answer that question, and it is really a good topic for discussion. It might be a better thing to come out and visit anytime you wish. I am happy to have you and discuss that, or any member from this committee, and have you discuss that in person. But I will give you a brief answer.

The issues that you raised, whether or not we are getting too much or a lot of information in a very complicated information environment is accurate. We are getting a lot of information, and some of it has a different kind of weight. Some of it from law enforcement channels or from the local, State, private sector is different than the information flow that we normally were used to working with in the past. We are coming to grips with that issue.

If I may draw a picture in the air for you for just a moment, we are receiving foreign intelligence from the traditional sources. We are receiving law enforcement information from the law enforcement community. We are receiving domestic information from a whole variety of information sources, and we are also receiving information from other sources like academia, the Internet, that sort of thing. Bringing these four vectors together—foreign intelligence, law enforcement, domestic information, and other sources of information—together and associating them in the body of knowledge is something new. I do not believe it has ever been done before here in the United States.

So we are having to design a system—and that, actually, in my view, is something I—maybe I should have said earlier.

Part of this evolutionary process is good, in my view, because this is new and it is different. It is something that has to be carefully done to avoid impinging upon the civil rights and the constitutional rights of our citizenry while at the same time meeting the needs of our government to defend ourselves against people who will attack unwarned and unprotected citizens. There are many features and facets of this which I would have to tell you we have to defer to another time and place for discussion.

But the last point I would like to make to you is the information itself at times does seem to be faulty or flawed. In fact, I have kind of a saying that some of my staff make fun of me about. The first 12 reports are always wrong. The last report, the 13th report, might be an approximation of truth. That is kind of the way this is working. Because we are bombarded by initial information of various kinds. Some of it is truly intelligence about intentions and activities, some of it about events that are happening and ongoing, much different kinds of information realms; and when the information comes to us, frankly, it is quite often flawed. Sometimes it might seem to us to be disinformation, especially with regard to intelligence. That is a judgment, experience, cross-checking, cross-cutting kind of issue; and it is not easy to do, especially in a very timely manner.

Ms. NORTON. I appreciate your candor. When you say that, essentially, one has to build a new system and you face that fact, it seems to me very important, given the new complications that have been now merged into intelligence activity.

If the chairman will indulge me with a brief additional question, there is, of course, and continues to be concern that much of our intelligence from Iraq and places like that does not come from the ground. We have difficulties that we are trying now to overcome with language and the rest of it so that on-the-ground intelligence, which means some kind of infiltration into groups, is difficult abroad.

Well, here in the United State we would expect to be further along with intelligence on the ground. I would like to ask you how much of your intelligence comes—I mean, in the United States, does a significant amount of your intelligence within the United States come from infiltration, on-the-ground intelligence that you are able to receive? I recognize that there are language problems even there, but clearly people in this country speak English. Is there yet a significant amount of intelligence that you can derive from on-the-ground here in the United States?

General HUGHES. I think I understand your question. I would say that that is a growing body of knowledge. It is not fully developed yet. It is not being reported fully yet, in many cases, but it is certainly the effort that we are putting forth to try to get information from, actually, the people we serve.

I have addressed a number of forums now of State, local, major city, tribal and private sector groups and asked them to become part of our system; and to date all of them have been very happy to accept that challenge.

Ms. NORTON. I am sorry. What kind of groups did you say?

General HUGHES. From State—all different kinds of people, frankly—from local, tribal, major city, and private sector. So that is kind of the spectrum—.

Ms. NORTON. I am talking about, for example, we are told over and over again there are cells across the United States. Fine. Are we now part of those cells so we know what is going on in those cells?

General HUGHES. Yes, to the degree that we know about it.

I mean, there may be some things that I don't know, but I would say that I am pretty well informed where it counts.

Ms. NORTON. That, of course, would be of great importance to us, given 9/11 and the fact that these men were on the ground all that time talking to everybody but, of course, with no intelligence coming back to us.

Thank you very much, Mr. Chairman.

General HUGHES. I don't want to leave with you the thought this is perfect. It is not. We need to work on it with great effort.

Ms. NORTON. Thank you, Mr. Chairman.

Mr. GIBBONS. Thank you Ms. Norton.

General Hughes, I have known you for a number of years, especially in your previous occupation as Director of the Defense Intelligence Agency, and you have been before our Intelligence Committee many times. I understand why you were chosen to lead this newly created organization; and I have the greatest respect for your background, your abilities, and look forward to your leadership as you lead this from its inception to its ultimate and hopefully effective utilization of this new body.

I did want to make sure that we get a firm commitment from you for an ultimate return to our committee for a classified session. We are not going to do that today simply because you have been very generous with your time. We have to be out of this room, and it would take an enormous amount of time to clear the room and make it right for a classified briefing.

Getting back to some of the things that I wanted to sort of wrap up with, it is normal in the analysis function of intelligence for people to disagree, because it is literally a form of art. It is not a science. People tend to expect that intelligence coming to us, raw intelligence, should lead a course of one and only one conclusion. Sometimes that works; sometimes that doesn't work. So a disagreement between educated individuals, knowledgeable people about the meaning of raw intelligence and sometimes disparate pieces of evidence can lead to differing conclusions, differing estimates. That is, of course, the part of the intelligence community that is one of art rather than science; and I am sure that you understand that.

With regard to your clearance and being where you are, as I said, your previous life as the Director of the Defense Intelligence Agency, you are the right person at the right time for the right job. If someone else were sitting in your chair without your experience, without your background, they would have to go through a clearance and security process even though they were the Assistant Secretary for Information Analysis under the Department of Homeland Security. If they had not previously acquired a classified background check, they would have to go through that process.

So to say simply that you and your previous military experience were immaterial to the process is wrong. I mean, the reason you are in the position you are in is to expedite the ability for the Department that you have to function effectively. So I wanted to bring those out.

I again want to thank not just all the members of the committee who have participated today but, most importantly, I wanted to thank you, General Hughes. I don't know if I should call you Secretary Hughes or General Hughes. You are very well respected in your position, but I did want to thank you for your candid assessment today.

We will have some questions that will be submitted to you. We would appreciate your responding to them.

The record will be held open for 10 days; and with your commitment, as I said earlier, to return for a classified briefing at which time we can get into some finer granularity on some of these intelligence issues, that would be great. Just to get your commitment on the record, General Hughes, if you could respond to that.

General HUGHES. Mr. Chairman, I will certainly come before this committee anytime you desire for any reason. You can rest assured of that.

I would just like to say that I share a very positive view—I mean, my experience with you has just been great over these years and with some of the staff here. I hope you appreciate, too, this personal relationship between a person like me and some of the members here. It is a wonderful thing. I am looking forward to serving the country with you, sir.

Mr. GIBBONS. Thank you, General; and we, too, are looking forward to your service again. It is always a pleasure to have you before this committee.

With that, since we have kept you here the requisite time, which has been 2 hours—and we know that you want to stay longer, but we are going to let you go—this subcommittee hearing is closed.

[Whereupon, at 12:32 p.m., the subcommittee was adjourned.]

APPENDIX

QUESTIONS SUBMITTED FOR THE RECORD

QUESTIONS FOR THE RECORD FROM THE HON. JIM TURNER FOR GENERAL PATRICK HUGHES

Issue #1

During the hearing, when you were asked whether you have immediate access to relevant threat information from the Intelligence Community, you responded:

> "My view to the answer is yes, I do, although, sometimes I have to work hard to get it. It would be better. . .that I don't have to reach out quite as much or to intercede on occasion and gain information."Later in the hearing, you noted:
>
> ". . .there are shades of autonomy or automatic mechanisms here. Sometimes I have to work a little harder to get that information, depending upon the nature of the information source." You confirmed the point again stating that "At times I have certainly been frustrated by it. . .I will have to tell you that it is very much a concern of mine."

The fact that you are able to secure certain information because of your "old war horse" status is reassuring on the one hand but troubling in other respects. As you know, the Homeland Security Act requires that "Except as otherwise directed by the President, the Secretary [Homeland Security} shall have such access as the Secretary considers necessary to all information, including reports, assessments, analyses, and unevaluated intelligence relating to threats of terrorism against the United States. . .".

Thus, I would appreciate hearing from you what information sharing mechanisms you believe ought to be in place right now to ensure that all relevant threat information is delivered to the IA Office, regardless of an Assistant Secretary's prior employment history handling these issues or ability to secure information from past colleagues still working in the Intelligence Community.

My questions are as follows:

(1) What intelligence information is immediately accessible to the IA Office?
(2) What intelligence information is accessible to the IA Office only through TTIC?
(3) What intelligence information is accessible to the IA Office by request?
(4) Can you provide examples of intelligence information that was accessible only through your own direct and personal efforts by the Assistant Secretary?
(5) What steps ought to be taken to improve the intelligence information sharing process so that the IA Office Assistant Secretary is no longer "frustrated" by having to "work hard" to receive all related threat information, regardless of the "nature of the information source"?

Issue #2

I understand that the IA Office's ability to access information from law enforcement agencies and the intelligence community depends, in part, on the Homeland Security Information Sharing Memorandum of Understanding which was signed on March 4, 2003 by Attorney General Jolm Ashcroft, CIA Director George Tenet, and DHS Secretary Ridge. My great concern, of course, is that the most sensitive intelligence collected by the U.S. government, which I believe is more likely to provide you timely and useful information on terrorist motivations, strategy and actions, is too closely held and not always being disseminated to you and your colleagues serving at the Department of Homeland Security.

There is an element of arbitrariness, I would submit, about what information is shared with the IA Office and what is excluded from your review. Any light that you could cast on this subject, such as the basis under which sensitive raw and finished intelligence is disseminated to the Terrorist Threat Integration Center (TTIC)

and the IA Office, would be helpful in my understanding whether legislative action could improve the process and ought to be pursued.

Specifically, my questions are as follows:
(1) Does it make sense for you to be briefed on covert action programs and terrorism—related DoD Special Access Programs so that you can determine whether information derived from those activities are relevant to securing the homeland?
(2) Should you have authority to review any other Intelligence Community compartmented programs to determine, on an independent basis, what should be shared with Secretary Ridge?
(3) Are there aspects to the MOU that require expansion or updating?
(4) Does the MOU give the IA Office sufficient leverage to secure intelligence or law enforcement information that is highly classified?
(5) Who is the official responsible within the Intelligence Community for deciding what intelligence threat information is shared with TTIC and the IA Office, and how does the process unfold for making those decisions?

Issue #3

I concurred with your testimony about where TTIC ultimately resides.

> "My view. . .is that at some point we need to consider the Terrorist Threat Integration Center coming under a different kind of management structure, perhaps under DHS, perhaps under an association of structures of some kind . . .".

Further, you noted:

> I do think, and I personally think the Director of Central Intelligence would agree with this, at some point in time the placement of the organization and its roles, missions and functions with regard to central authority needs to be reconsidered."

I am persuaded, too, that TTIC should be moved under the DHS umbrella in order to improve and refine overall intelligence sharing and am puzzled why, if you believe the DCI would view such action favorably, there is not more active consideration of this matter within the Administration.

Recognizing that DHS is a newly created organization and that bureaucratic obstacles continue to affect the Department's overall development, I would strongly urge you to press this issue with your senior colleagues within the Intelligence Community. I believe TTIC's separate operations from DHS hinders the level of connectivity necessary to allow the government to effectively, and on a real-time basis, integrate intelligence and disseminate threat analysis to our local, community and state responders.

My question is as follows:

> (1) Would the connectivity between the DHS and TTIC be improved if TTIC were moved to the Department? Short of moving TTIC, what other steps should be taken to improve connectivity between the two organizations?

Issue #4

I would welcome continuing updates from your staff to mine about the IA Office's efforts to hire qualified personnel as quickly and efficiently as possible. I share your substantial concern about administrative delays inherent in the security clearance process and am prepared to do everything I can to improve the current system. Your testimony that the "staffing level is not yet 50 percent of our hope" two and a half years after 9/11 leaves me discouraged and wondering why DFIS is unable to expedite the hiring process to ensure that we have sufficient intelligence and policy personnel onboard to help prevent terrorists from striking our homeland all over again.

Specifically, my questions are as follows:
(1) How many Full Time Equivalent (FTE5) employees currently work in the IA Office?
(2) How many FTE slots have been authorized for FY 2004?
(3) How many FTE slots have been filled as of April 1, 2004?
(4) How many individuals are ready to be hired once they obtain security clearances?
(5) Besides security clearance issues, what are the other key administrative issues delaying the full staffing of the IA office?

Issue #5

It would be useful to better understand the different kinds of analysis being conducted by your office on a daily basis. A February 2004 DHS Office of Inspector General Report (Survey of IAIP Directorate—OIG–04–13) notes that intelligence information is "analyzed and processed into a usable format for distribution." The only documents that we receive directly from the IA Office are the occasional threat warnings distributed to local law enforcement. In furtherance of our oversight re-

sponsibilities, I would like to be provided example copies of bulletins, threat analysis assessments, competitive analysis documents, warnings and any other formats being used to inform relevant partners both internal and external to DHS in your return reply.

Moreover, I would like to receive an explanation regarding the primary means of disseminating your classified and unclassified analytic findings to entities within DHS and other federal, state, local, and private sector partners. The OJG report notes "the lack of an agreed upon Information Technology (IT) infrastructure to communicate with these partners inhibits the exchange of information." That being the case, a key concern I have is how we ensure that existing IT weaknesses are not the reason that we fail to detect another attack against the homeland.

Issue #6

Since the IAIP Chief of Staff is responsible for managing the Competitive Analysis and Evaluation Office (CAEO), I would like to hear your views regarding why strategic red cell sessions and red teaming does not fall under the purview of the IA Office. The bulk of intelligence analysis is being conducted by your qualified staff, and I am not convinced that the small number of full time equivalent employees in CAEO (10 FTEs were authorized in this office in FY03) is sufficient to accomplish this critical task. More generally, I am concerned about the IA Office, and the Directorate as a whole, relying too heavily on detailees and outside contractors instead of Full Time Equivalent (FTEs) personnel, and would seek your views on the optimal mix of workers to carry out the threat analysis mission.

My specific questions, then, are as follows:

(1) How many detailees, and from which other agencies, does the IA Office employ? How many outside contractor employees work in the IA office?

(2)What role do you have in overseeing red cell sessions and red teaming, if any?

(3)And should the functions of the CAEO fall under the jurisdiction of your office?

In closing, let me thank you again for your testimony last month. I look forward to learning more about your efforts to build an excellent foundation for the IA Office.