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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Testimony of the Honorable Clay Johnson III

before the

**Subcommittee on Oversight of Government Management,
the Federal Workforce and the District of Columbia
of the
Committee on Homeland Security and Governmental Affairs**

United States Senate

November 9, 2005

Thank you, Mr. Chairman, for inviting me to testify on the Administration's efforts to improve the process by which the government grants security clearances. We recognize that the granting of security clearances should be faster, but also should ensure only those who need and deserve a security clearance actually get one in a timely manner.

The keys to improving the effectiveness and efficiency of the security clearance process will be:

- Having the Office of Management and Budget (OMB), the Office of Personnel Management (OPM), and the agencies set clear, mutually agreed upon goals;
- plans and milestones that measure whether we're on track to meet our goals;
- a lot of monitoring of the performance of responsible investigative and adjudicative agencies; and
- accountability for achieving mutually set goals.

We've had goals before, but have never held agencies accountable for meeting them.

Since enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, the Administration has taken serious steps to improve the security clearance process. The Administration gave lead responsibility for improving the security clearance process to the Director of OMB. The Director has delegated that

responsibility to me. Various other responsibilities have also been delegated, principally the responsibility for the day-to-day supervision and monitoring of security clearance investigations, and for the tracking of the results of individual agency-performed adjudications, which were assigned to OPM.

To assist OMB and OPM in this endeavor, we have enlisted the support and commitment from all major agencies seeking and involved in providing security clearances. They include the Departments of Defense, Homeland Security, Energy, Justice, Transportation, Commerce, and State, as well as the National Archives and Records Administration and the Director of National Intelligence. These agencies, together with the National Security Council, which make up the Security Clearance Oversight Steering Committee, are committed to reforming the process and achieving the goals laid out in the Intelligence Reform and Terrorism Prevention Act: they are very proud to be a part of this effort.

The Security Clearance Oversight Steering Committee first met in August of this year with the initial focus on improving the investigative work done by OPM. OPM currently conducts 90 percent of the investigations necessary to determine eligibility for a security clearance. The Steering Committee met again in September, October, and late last week. It established two working groups, one to craft the plan to meet the goals of the Intelligence Reform and Terrorism Prevention Act and another to address issues related to the reciprocity of security clearances among Federal agencies.

The Plan for Improving the Personnel Security Clearance Process

I will let the Office of Personnel Management discuss the plan in greater detail. If implemented as promised, however, you can be assured the plan will result in improving the timeliness and processing of personnel security clearances. The plan details individual areas of responsibility and actions required for success. For instance,

- By the end of this year, a single consolidated data base of personnel security clearance information within OPM's jurisdiction will be established and it will be easily accessible by authorized users to confirm who already has what clearances.
- By December 2006, 80% of background investigations will be completed within 90 days of receipt of the necessary information
- By December 2006, 80% of adjudications will be completed within 30 days of receipt.

Interim goals and metrics are agreed to by the participating agencies and will be tracked on a quarterly basis.

Reciprocity

Of course, if many agencies now requiring additional investigation of personnel with existing security clearances no longer require those investigations, the strain on the security clearance process would be diminished significantly. We commit to enforcing the longstanding policies that require agencies to honor existing security clearances except under extraordinary circumstances. Reciprocity means that for individuals with existing clearances at the same level, unless one of several narrow exceptions are present, an agency may not:

- request a new security questionnaire;
- review existing background investigations;
- review existing security questionnaires;
- initiate any new investigative checks.

The Reciprocity Working Group has identified the narrow exceptions which must be present in order for an agency to require the above additional investigations. Those exceptions are:

- the current clearance is interim or temporary;
- for highly sensitive programs, the current agency accepted greater risk by granting a waiver or other exception;
- for certain highly sensitive programs, the individual must satisfy a polygraph requirement of the new agency when no such requirement was imposed by the current agency;
- for certain highly sensitive programs, the individual is disqualified based upon immediate family who are not U.S. citizens if applicable to the new program;
- for certain highly sensitive programs, the individual does not meet additional but not duplicative investigative or adjudicative requirements approved by OMB on a program specific basis.

Reciprocity has been required before, but no one has ever held agencies accountable for honoring it. We will.

Technology

Technology can improve the way we collect information, investigate an individual's background, and track the security clearance process end to end. Our first priority is to maximize the use of technology at our disposal today. For instance, all agencies have committed to full use of eQIP, the system for electronic collection and transmission of individual background information, by April of 2006. This, alone, will ensure not only the timely collection of background information, but also that it is complete and accurate when it is received.

Agencies are also beginning to employ phased reinvestigations, the process of accessing available electronic databases to update an existing background investigation and security clearance. Expanded use of this technology will greatly reduce the time it takes to update existing security clearances.

We plan on achieving the security clearance goals of the Intelligence Bill with better use of current methodologies and technologies. Developing new technologies and enhanced tools will allow us to further speed and improve the effectiveness of the granting of security clearances.

Contractors

Companies with employees waiting for security clearances are justifiably troubled by the length of time it takes to complete a background investigation and grant a security clearance. The Steering Committee met with contractors to hear their concerns and brief them on our progress. We will meet with additional contractors next week. It will be important to establish a feedback mechanism for contractors so their concerns about the timeliness of security clearances are addressed but the risk of alienating the agencies with whom they are attempting to do business is minimized.

Conclusion

The Steering Committee's current focus is on improving the ninety percent of investigations now performed by the Office of Personnel Management, and making the greatest use of current technology. Once improvement plans for this work are final and well into implementation, the Steering Group's focus will shift to ensuring the remaining ten percent of investigative operations are performing to the same standards, and to the developing and applying new technologies. The bulk of this remaining 10%, the Intelligence Community, has been an active part of our oversight work to date, and agrees with all the standards and measures of success.

I am very proud of the progress we have made in a short time to address the challenges facing the security clearance process. I expect to be back before this Subcommittee over the next year to inform you of the progress we have made.