



House Permanent Select Committee on Intelligence

Congressman Silvestre Reyes, Chairman

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**Opening Statement of Rep. Anna Eshoo (D-CA)
Chair, House Permanent Select Committee on Intelligence
Subcommittee on Intelligence Community Management
Hearing on Security Clearance Reform**

February 27, 2008

Washington, D.C. -- Congresswoman Anna Eshoo, D-CA, Chair of the Intelligence Community Management Subcommittee of the House Permanent Select Committee on Intelligence, delivered the following opening statement at today's open hearing on security clearance reform:

“Security clearances are the gateway to our national security establishment. Everyone in the intelligence community has to possess a security clearance to do their job, not just government employees, but also the contractors who build satellites, maintain computer systems, and protect government officials.

“The security clearance process fundamentally affects who is hired by the intelligence community, how agencies share information and coordinate, and how well we deter and prevent espionage.

“For years, our security clearance system was plagued by delays and inefficiency. This hurt our national security by making it harder to hire good people who couldn't wait months, or in some cases, years, to know if they have a job. It hurt contractors who may have had good ideas, but could not get clearances fast enough to bid on classified programs.

“The clearance system was primarily developed for the Cold War, when the concern was communism. In that environment we tended to exclude people who had relatives overseas. This meant that our intelligence community was not very diverse. Today we need people who can blend in all over the world. We need

people who understand the cultural context and speak the languages of countries where terrorists are likely to hide.

“When the clearance system developed we dealt in paper records, not electronic files. Investigators knocked on neighbors’ doors. Today, people make paperless complex financial transactions over the internet and use social networking programs.

“We have to find ways to leverage these technological developments in the clearance process to both streamline the system and identify security risks.

“Three years ago, Congress passed the Intelligence Reform and Terrorism Prevention Act. The legislation established some requirements for improving the security clearance process government-wide.

“The House Armed Services Committee recently held a similar hearing to discuss the DOD’s progress on improving the security clearance process. Many of the agencies that this committee oversees are responsible for their own security clearance processes, and thus may have a different perspective on the government’s progress.

“I hope the witnesses will address a few key questions:

- How does the Intelligence Community handle their security clearance process compared to the rest of the government?
- What are the strengths and weaknesses of the Intelligence Community’s current security clearance process?
- How do we evaluate the effectiveness of the DNI’s pilot program for security clearance reform?
- How do we ensure that the security clearance process helps meet the nation’s goals hiring good people and protecting classified information?

“Today’s witnesses are:

- The Honorable Clay Johnson III, Deputy Director For Management, OMB
- Mr. Eric Boswell, Assistant Deputy DNI for Security
- Ms. Kathy Dillaman, Associate Director, Federal Investigative Services Division, OPM

- Ms. Brenda Farrell, Director, Military and Civilian Personnel & Healthcare, Defense Capabilities and Management, GAO

“Mr. Johnson, Mr. Boswell, and Ms. Dillaman will provide testimony about the Administration’s efforts to transform the security clearance process.

“Ms. Farrell will provide the members with historical perspective on the challenges we’ve faced in the past with the security clearance process, what strengths and weaknesses exist in the current system. She will advise committee members on what objective metrics we should use to evaluate the progress under the Administration’s reform efforts.

“I look forward to the testimony from our witnesses and recognize Mr. Issa for any remarks he wishes to make.”