



Testimony before the Committee on  
Homeland Security, House of  
Representatives

For Release on Delivery  
Expected at 10:00 a.m. EST  
Thursday, November 8, 2007

**TERRORIST WATCH LIST  
SCREENING**

**Recommendations to  
Promote a Comprehensive  
and Coordinated Approach  
to Terrorist-Related  
Screening**

Statement of Eileen R. Larence, Director  
Homeland Security and Justice Issues





Highlights of [GAO-08-253T](#), a testimony before the Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

The Federal Bureau of Investigation's (FBI) Terrorist Screening Center (TSC) maintains a consolidated watch list of known or appropriately suspected terrorists and sends records from the list to agencies to support terrorism-related screening.

This testimony discusses (1) standards for including individuals on the list, (2) the outcomes of encounters with individuals on the list, (3) potential vulnerabilities in screening processes and efforts to address them, and (4) actions taken to promote effective terrorism-related screening.

This statement is based on GAO's report (GAO-08-110). To accomplish the objectives, GAO reviewed documentation obtained from and interviewed officials at TSC, the FBI, the National Counterterrorism Center, the Department of Homeland Security, and other agencies that perform terrorism-related screening.

## What GAO Recommends

GAO recommends several actions to promote a comprehensive and coordinated approach to terrorist-related screening. Among them are actions to monitor and respond to vulnerabilities and to establish up-to-date guidelines, strategies, and plans to facilitate expanded and enhanced use of the list.

The departments that provided comments on the report generally agreed with GAO's findings and recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-253T](#). For more information, contact Eileen Larence at (202) 512-8777 or [larencee@gao.gov](mailto:larencee@gao.gov).

# TERRORIST WATCH LIST SCREENING

## Recommendations to Promote a Comprehensive and Coordinated Approach to Terrorist-Related Screening

### What GAO Found

The FBI and the intelligence community use standards of reasonableness to evaluate individuals for nomination to the consolidated terrorist watch list. In general, individuals who are reasonably suspected of having possible links to terrorism—in addition to individuals with known links—are to be nominated. As such, being on the list does not automatically prohibit, for example, the issuance of a visa or entry into the United States. Rather, when an individual on the list is encountered, agency officials are to assess the threat the person poses to determine what action to take, if any. As of May 2007, the consolidated watch list contained approximately 755,000 records.

From December 2003 through May 2007, screening and law enforcement agencies encountered individuals who were positively matched to watch list records approximately 53,000 times. Many individuals were matched multiple times. The outcomes of these encounters reflect an array of actions, such as arrests; denials of entry into the United States; and, most often, questioning and release. Within the federal community, there is general agreement that the watch list has helped to combat terrorism by (1) providing screening and law enforcement agencies with information to help them respond appropriately during encounters and (2) helping law enforcement and intelligence agencies track individuals on the watch list and collect information about them for use in conducting investigations and in assessing threats.

Regarding potential vulnerabilities, TSC sends records daily from the watch list to screening agencies. However, some records are not sent, partly because screening against them may not be needed to support the respective agency's mission or may not be possible due to the requirements of computer programs used to check individuals against watch list records. Also, some subjects of watch list records have passed undetected through agency screening processes and were not identified, for example, until after they had boarded and flew on an aircraft or were processed at a port of entry and admitted into the United States. TSC and other federal agencies have ongoing initiatives to help reduce these potential vulnerabilities, including efforts to improve computerized name-matching programs and the quality of watch list data.

Although the federal government has made progress in promoting effective terrorism-related screening, additional screening opportunities remain untapped—within the federal sector, as well as within critical infrastructure components of the private sector. This situation exists partly because the government lacks an up-to-date strategy and implementation plan for optimizing use of the terrorist watch list. Also lacking are clear lines of authority and responsibility. An up-to-date strategy and implementation plan, supported by a clearly defined leadership or governance structure, would provide a platform to establish governmentwide screening priorities, assess progress toward policy goals and intended outcomes, consider factors related to privacy and civil liberties, ensure that any needed changes are implemented, and respond to issues that hinder effectiveness.

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Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss our report on U.S. efforts to develop and use the terrorist watch list to screen for known or suspected terrorists who pose a threat to homeland security. The list is an important tool in the government's overall efforts to combat terrorism.

The Terrorist Screening Center (TSC) is responsible for maintaining the watch list and providing for its use during agency screening processes. TSC receives the vast majority of its watch list records from the National Counterterrorism Center, which compiles information on known or suspected international terrorists from executive branch departments and agencies. In addition, the Federal Bureau of Investigation (FBI) provides TSC with information on known or suspected domestic terrorists who operate primarily within the United States, such as Ted Kaczynski (the "Unabomber"). TSC consolidates this information into its watch list database and makes records available for a variety of screening purposes, such as the screening of visa applicants and the screening of airline passengers. When an individual on the watch list is encountered during screening, several entities—TSC, the screening agency, investigative agencies, and the intelligence community—can be involved in deciding what action to take, if any.

My testimony today discusses (1) the standards agencies use for including individuals on the list, (2) the outcomes of encounters with individuals on the list, (3) potential vulnerabilities in agencies' watch list screening processes and efforts to address them, and (4) actions taken to promote effective terrorism-related screening.

This statement is based on the report we issued in October 2007.<sup>1</sup> To accomplish our report objectives, we reviewed procedural guidance, statistics, and other relevant documentation obtained from and interviewed officials at TSC, the FBI, the National Counterterrorism Center, the Department of Homeland Security, and other agencies that perform terrorism-related screening. Specifically, at the Transportation Security Administration, we examined the prescreening of airline passengers prior to their boarding a flight; at U.S. Customs and Border

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<sup>1</sup>GAO, *Terrorist Watch List Screening: Opportunities Exist to Enhance Management Oversight, Reduce Vulnerabilities in Agency Screening Processes, and Expand Use of the List*, GAO-08-110 (Washington, D.C.: Oct. 11, 2007).

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Protection, we examined the screening of travelers entering the United States through ports of entry; and at the Department of State, we examined the screening of visa applicants. We conducted our work in accordance with generally accepted government auditing standards.

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## Summary

In summary, we found the following:

- The National Counterterrorism Center and the FBI rely upon standards of reasonableness in determining which individuals are appropriate for inclusion on TSC's consolidated terrorist watch list. In general, individuals who are reasonably suspected of having possible links to terrorism—in addition to individuals with known links—are to be nominated. As such, inclusion on the list does not automatically prohibit an individual from, for example, obtaining a visa or entering the United States. As of May 2007, TSC's watch list contained approximately 755,000 records.
- From December 2003 (when TSC began operations) through May 2007, agencies encountered individuals who were on the watch list about 53,000 times. Many individuals were encountered multiple times. Actions taken in response included arresting individuals and denying others entry into the United States. Most often, however, agencies questioned and then released the individuals because there was not sufficient evidence of criminal or terrorist activity to warrant further legal action. Nevertheless, such questioning allowed agencies to collect information on the individuals, which was shared with law enforcement agencies and the intelligence community.
- Screening agencies do not check against all records in the consolidated watch list, partly because screening against certain records (1) may not be needed to support the respective agency's mission or (2) may not be possible due to the requirements of computer programs used to check individuals against watch list records. Not checking against all records may pose a security risk. Also, some subjects of watch list records have passed undetected through agency screening processes and were not identified, for example, until after they had boarded and flew on an aircraft. Federal agencies have ongoing initiatives to help reduce these potential vulnerabilities.
- The federal government has made progress in using the consolidated watch list for screening purposes, but it has not (1) finalized guidelines for using watch list records within critical infrastructure components of the private sector or (2) identified all appropriate opportunities for

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which terrorist-related screening should be applied. Further, the government lacks an up-to-date strategy and implementation plan—supported by a clearly defined leadership or governance structure—which are important for enhancing the effectiveness of terrorist-related screening.

We have recommended several actions to promote a more comprehensive and coordinated approach to terrorist-related screening. Among them are actions to monitor and respond to vulnerabilities and to establish up-to-date guidelines, strategies, and plans to facilitate expanded and enhanced use of the list. The Department of Homeland Security and the FBI, which provided the Department of Justice’s comments on a draft of the report, generally agreed with our findings and recommendations. The Homeland Security Council was provided a draft of the report but did not provide comments.<sup>2</sup>

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## Background

Pursuant to Homeland Security Presidential Directive 6, the Attorney General established TSC in September 2003 to consolidate the government’s approach to terrorism screening and provide for the appropriate and lawful use of terrorist information in screening processes. TSC’s consolidated watch list is the U.S. government’s master repository for all records of known or appropriately suspected international and domestic terrorists used for watch list-related screening.

When an individual makes an airline reservation, arrives at a U.S. port of entry, or applies for a U.S. visa, or is stopped by state or local police within the United States, the frontline screening agency or airline conducts a name-based search of the individual against applicable terrorist watch list records. In general, when the computerized name-matching system of an airline or screening agency generates a “hit” (a potential name match) against a watch list record, the airline or agency is to review each potential match. Any obvious mismatches (negative matches) are to be resolved by the airline or agency, if possible, as discussed in our September 2006

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<sup>2</sup>The Homeland Security Council was established to ensure coordination of all homeland security-related activities among executive departments and agencies and promote the effective development and implementation of all homeland security policies. See The White House, *Homeland Security Presidential Directive/HSPD-1, Subject: Organization and Operation of the Homeland Security Council* (Washington, D.C.: Oct. 29, 2001).

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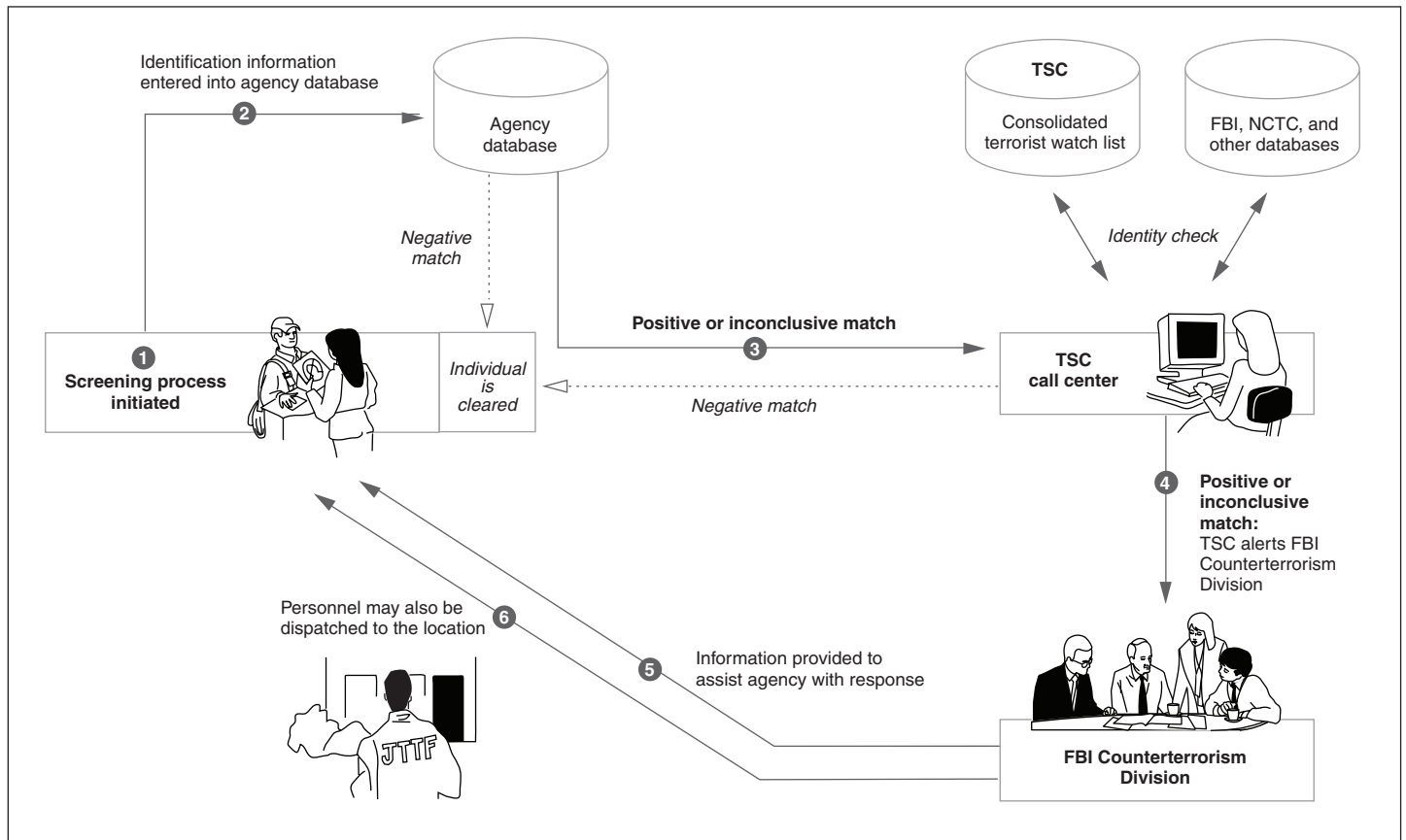
report on terrorist watch list screening.<sup>3</sup> However, clearly positive or exact matches and matches that are inconclusive (difficult to verify) generally are to be referred to TSC to confirm whether the individual is a match to the watch list record. TSC is to refer positive and inconclusive matches to the FBI to provide an opportunity for a counterterrorism response. Deciding what action to take, if any, can involve collaboration among the frontline screening agency, the National Counterterrorism Center or other intelligence community members, and the FBI or other investigative agencies. If necessary, a member of an FBI Joint Terrorism Task Force can respond in person to interview and obtain additional information about the person encountered.<sup>4</sup> In other cases, the FBI will rely on the screening agency and other law enforcement agencies—such as U.S. Immigration and Customs Enforcement—to respond and collect information. Figure 1 presents a general overview of the process used to resolve encounters with individuals on the terrorist watch list.

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<sup>3</sup>Terrorist watch list-related screening can cause travel delays and other inconveniences, which may be inevitable consequences of enhanced homeland security. Nonetheless, as we reported in September 2006, it is important for TSC and screening agencies to provide effective redress for individuals who are inadvertently and adversely affected by watch list-related screening. See GAO, *Terrorist Watch List Screening: Efforts to Help Reduce Adverse Effects on the Public*, [GAO-06-1031](#) (Washington, D.C.: Sept. 29, 2006).

<sup>4</sup>Joint Terrorism Task Forces are teams of state and local law enforcement officials, FBI agents, and other federal agents and personnel whose mission is to investigate and prevent acts of terrorism. There is a Joint Terrorism Task Force in each of the FBI's 56 main field offices, and additional task forces are located in smaller FBI offices.

**Figure 1: General Overview of the Process Used to Resolve Encounters with Individuals on the Terrorist Watch List**



Source: GAO analysis of TSC information.

To build upon and provide additional guidance related to Homeland Security Presidential Directive 6, in August 2004, the President signed Homeland Security Presidential Directive 11. Among other things, this directive required the Secretary of Homeland Security—in coordination with the heads of appropriate federal departments and agencies—to submit two reports to the President (through the Assistant to the President for Homeland Security) related to the government’s approach to terrorist-related screening. The first report was to outline a strategy to enhance the effectiveness of terrorist-related screening activities by developing comprehensive and coordinated procedures and capabilities. The second report was to provide a prioritized investment and implementation plan for detecting and interdicting suspected terrorists and terrorist activities. Specifically, the plan was to describe the “scope, governance, principles, outcomes, milestones, training objectives, metrics, costs, and schedule of

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activities” to implement the U.S. government’s terrorism-related screening policies.

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## Agencies Rely upon Standards of Reasonableness in Assessing Individuals for Inclusion on TSC’s Watch List

The National Counterterrorism Center and the FBI rely upon standards of reasonableness in determining which individuals are appropriate for inclusion on TSC’s consolidated watch list.<sup>5</sup> In accordance with Homeland Security Presidential Directive 6, TSC’s watch list is to contain information about individuals “known or appropriately suspected to be or have been engaged in conduct constituting, in preparation for, in aid of, or related to terrorism.” In implementing this directive, the National Counterterrorism Center and the FBI strive to ensure that individuals who are reasonably suspected of having possible links to terrorism—in addition to individuals with known links—are nominated for inclusion on the watch list. To determine if the suspicions are reasonable, the National Counterterrorism Center and the FBI are to assess all available information on the individual. According to the National Counterterrorism Center, determining whether to nominate an individual can involve some level of subjectivity. Nonetheless, any individual reasonably suspected of having links to terrorist activities is to be nominated to the list and remain on it until the FBI or the agency that supplied the information supporting the nomination, such as one of the intelligence agencies, determines the person is not a threat and should be removed from the list.

Moreover, according to the FBI, individuals who are subjects of ongoing FBI counterterrorism investigations are generally nominated to TSC for inclusion on the watch list, including persons who are being preliminarily investigated to determine if they have links to terrorism. In determining whether to open an investigation, the FBI uses guidelines established by the Attorney General. These guidelines contain specific standards for opening investigations, including formal review and approval processes. According to FBI officials, there must be a “reasonable indication” of involvement in terrorism before opening an investigation. The FBI noted, for example, that it is not sufficient to open an investigation based solely on a neighbor’s complaint or an anonymous tip or phone call. If an investigation does not establish a terrorism link, the FBI generally is to

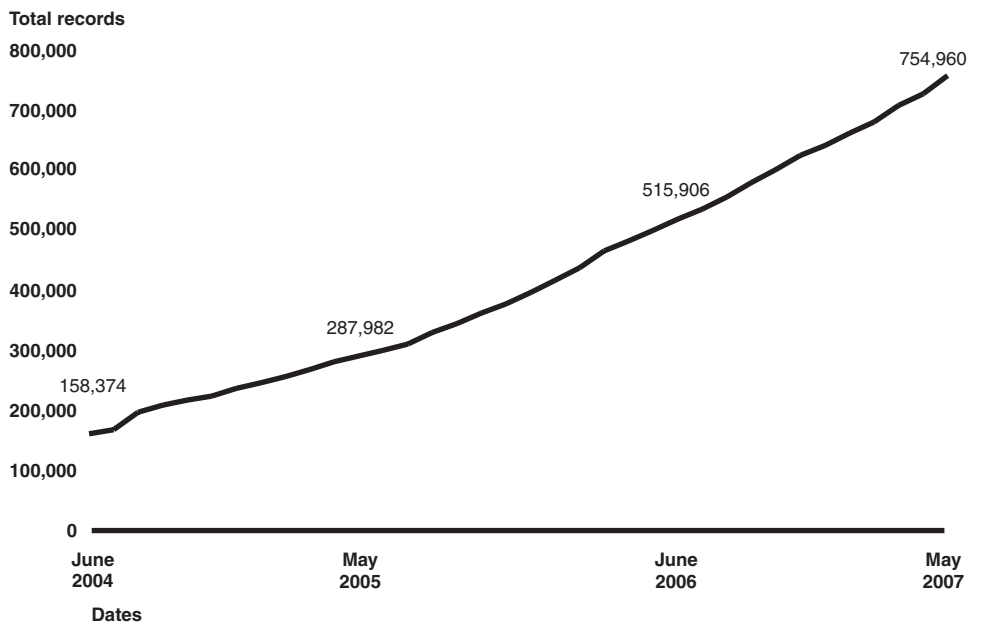
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<sup>5</sup>In general, and in this context, a standard of reasonableness can be described as a government agent’s particularized and objective basis for suspecting an individual of engaging in terrorist-related activities, considering the totality of circumstances known to the government agent at that time. See, e.g., *United States v. Price*, 184 F.3d 637, 640-41 (7th Cir. 1999); *Terry v. Ohio*, 392 U.S. 1, 30 (1968).



close the investigation and request that TSC remove the person from the watch list. Based on these standards, the number of records in TSC's consolidated watch list has increased from about 158,000 records in June 2004 to about 755,000 records as of May 2007 (see fig. 2). It is important to note that the total number of records in TSC's watch list does not represent the total number of individuals on the watch list. Rather, if an individual has one or more known aliases, the watch list will contain multiple records for the same individual.

**Figure 2: Increase in Terrorist Watch List Records, June 2004 through May 2007**



Source: GAO analysis of TSC data.

TSC's watch list database is updated daily with new nominations, modifications to existing records, and deletions. Because individuals can be added to the list based on reasonable suspicion, inclusion on the list does not automatically prohibit an individual from, for example, obtaining a visa or entering the United States when the person is identified by a screening agency. Rather, when an individual on the list is encountered, agency officials are to assess the threat the person poses to determine what action to take, if any.

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## Agencies Have Had Approximately 53,000 Encounters with Individuals on the Watch List, and Outcomes Indicate the List Has Helped to Combat Terrorism

From December 2003 (when TSC began operations) through May 2007, screening and law enforcement agencies encountered individuals who were positively matched to watch list records approximately 53,000 times, according to TSC data. A breakdown of these encounters shows that the number of matches has increased each year—from 4,876 during the first 10-month period of TSC’s operations to 14,938 during fiscal year 2005, to 19,887 during fiscal year 2006. This increase can be attributed partly to the growth in the number of records in the consolidated terrorist watch list and partly to the increase in the number of agencies that use the list for screening purposes. Our analysis of TSC data also indicates that many individuals were encountered multiple times. For example, a truck driver who regularly crossed the U.S.-Canada border or an individual who frequently took international flights could each account for multiple encounters. Further, TSC data show that the highest percentage of encounters involved screening within the United States by a state or local law enforcement agency, U.S. government investigative agency, or other governmental entity. The next highest percentage involved border-related encounters, such as passengers on airline flights inbound from outside the United States or individuals screened at land ports of entry. The lowest percentage of encounters occurred outside of the United States.

The watch list has enhanced the U.S. government’s counterterrorism efforts by allowing federal, state, and local screening and law enforcement officials to obtain information to help them make better-informed decisions during encounters regarding the level of threat a person poses and the appropriate response to take, if any. The specific outcomes of encounters with individuals on the watch list are based on the government’s overall assessment of the intelligence and investigative information that supports the watch list record and any additional information that may be obtained during the encounter. Our analysis of data on the outcomes of encounters revealed that agencies took a range of actions, such as arresting individuals, denying others entry into the United States, and most commonly, releasing the individuals following questioning and information gathering.

- TSC data show that agencies reported arresting many subjects of watch list records for various reasons, such as the individual having an outstanding arrest warrant or the individual’s behavior or actions during the encounter. TSC data also indicated that some of the arrests were based on terrorism grounds.
- TSC data show that when visa applicants were positively matched to terrorist watch list records, the outcomes included visas denied, visas

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issued (because the consular officer did not find any statutory basis for inadmissibility), and visa ineligibility waived.<sup>6</sup>

- Transportation Security Administration data show that when airline passengers were positively matched to the No Fly or Selectee lists, the vast majority of matches were to the Selectee list.<sup>7</sup> Other outcomes included individuals matched to the No Fly list and denied boarding (did not fly) and individuals matched to the No Fly list after the aircraft was in flight. Additional information on individuals on the watch list passing undetected through agency screening is presented later in this statement.
- U.S. Customs and Border Protection data show that a number of nonimmigrant aliens encountered at U.S. ports of entry were positively matched to terrorist watch list records. For many of the encounters, the agency determined there was sufficient information related to watch list records to preclude admission under terrorism grounds. However, for most of the encounters, the agency determined that there was not sufficient information related to the records to preclude admission.
- TSC data show that state or local law enforcement officials have encountered individuals who were positively matched to terrorist watch list records thousands of times. Although data on the actual outcomes of these encounters were not available, the vast majority involved watch list records that indicated that the individuals were released, unless there were reasons other than terrorism-related grounds for arresting or detaining the individuals, such as the individual having an outstanding arrest warrant.

Also, according to federal officials, encounters with individuals who were positively matched to the watch list assisted government efforts in tracking the respective person's movements or activities and provided the

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<sup>6</sup>In this context, ineligibility waived refers to individuals who were ineligible for a visa based on terrorism grounds, but the Department of Homeland Security approved a waiver for a one-time visit or multiple entries into the United States. In general, waivers are approved when the U.S. government has an interest in allowing the individual to enter the United States, such as an individual on the terrorist watch list who is invited to participate in peace talks under U.S. auspices.

<sup>7</sup>In general, individuals on the No Fly list are to be precluded from boarding an aircraft, and individuals on the Selectee list are to receive additional physical screening prior to boarding an aircraft.

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opportunity to collect additional information about the individual. The information collected was shared with agents conducting counterterrorism investigations and with the intelligence community for use in analyzing threats. Such coordinated collection of information for use in investigations and threat analyses is one of the stated policy objectives for the watch list.

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## Potential Vulnerabilities in Agency Screening Processes and Agency Efforts to Address Them

The principal screening agencies whose missions most frequently and directly involve interactions with travelers do not check against all records in TSC's consolidated watch list because screening against certain records (1) may not be needed to support the respective agency's mission, (2) may not be possible due to the requirements of computer programs used to check individuals against watch list records, or (3) may not be operationally feasible. Rather, each day, TSC exports applicable records from the consolidated watch list to federal government databases that agencies use to screen individuals for mission-related concerns. For example, the database that U.S. Customs and Border Protection uses to check incoming travelers for immigration violations, criminal histories, and other matters contained the highest percentage of watch list records as of May 2007. This is because its mission is to screen all travelers, including U.S. citizens, entering the United States at ports of entry. The database that the Department of State uses to screen applicants for visas contained the second highest percentage of all watch list records. This database does not include records on U.S. citizens and lawful permanent residents because these individuals would not apply for U.S. visas.

The FBI database that state and local law enforcement agencies use for screening contained the third highest percentage of watch list records. According to the FBI, the remaining records were not included in this database primarily because they did not contain sufficient identifying information on the individual, which is required to minimize instances of individuals being misidentified as being subjects of watch list records. Further, the No Fly and Selectee lists disseminated by the Transportation Security Administration to airlines for use in prescreening passengers contained the lowest percentage of watch list records. The lists did not contain the remaining records either because they (1) did not meet the nomination criteria for the No Fly or Selectee list or (2) did not contain

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sufficient identifying information on the individual.<sup>8</sup> According to the Department of Homeland Security, increasing the number of records used to prescreen passengers would expand the number of misidentifications to unjustifiable proportions without a measurable increase in security. While we understand the FBI's and the Department of Homeland Security's concerns about misidentifications, we still believe it is important that federal officials assess the extent to which security risks exist by not screening against certain watch list records and what actions, if any, should be taken in response.

Also, Department of Homeland Security component agencies are taking steps to address instances of individuals on the watch list passing undetected through agency screening. For example, U.S. Customs and Border Protection has encountered situations where it identified the subject of a watch list record after the individual had been processed at a port of entry and admitted into the United States. U.S. Customs and Border Protection has created a working group within the agency to study the causes of this vulnerability and has begun to implement corrective actions. U.S. Citizenship and Immigration Services—the agency responsible for screening persons who apply for U.S. citizenship or immigration benefits—has also acknowledged areas that need improvement in the processes used to detect subjects of watch list records. According to agency representatives, each instance of an individual on the watch list getting through agency screening is reviewed to determine the cause, with appropriate follow-up and corrective action taken, if needed. The agency is also working with TSC to enhance screening effectiveness.

Further, Transportation Security Administration data show that in the past, a number of individuals who were on the government's No Fly list passed undetected through airlines' prescreening of passengers and flew on international flights bound to or from the United States. The individuals were subsequently identified in-flight by U.S. Customs and Border Protection, which checks passenger names against watch list records to help the agency prepare for the passengers' arrival in the United States. However, the potential onboard security threats posed by the undetected individuals required an immediate counterterrorism response, which in

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<sup>8</sup>Of all of the screening databases that accept watch list records, only the No Fly and Selectee lists require certain nomination criteria or inclusion standards that are narrower than the "known or appropriately suspected" standard of Homeland Security Presidential Directive 6.

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some instances resulted in diverting the aircraft to a new location.<sup>9</sup> According to the Transportation Security Administration, such incidents were subsequently investigated and, if needed, corrective action was taken with the respective air carrier. In addition, U.S. Customs and Border Protection has issued a final rule that should better position the government to identify individuals on the No Fly list before an international flight is airborne.<sup>10</sup> For domestic flights within the United States, there is no second screening opportunity—like the one U.S. Customs and Border Protection conducts for international flights. The government plans to take over from air carriers the function of prescreening passengers prior to departure against watch list records for both international and domestic flights. Also, TSC has ongoing initiatives to help reduce instances of individuals on the watch list passing undetected through agency screening, including efforts to improve computerized name-matching programs.

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## The U.S. Government Has Made Progress in Using the Watch List, but a Strategy and Plan Supported by a Governance Structure Would Enhance Use and Effectiveness

Although the federal government has made progress in using the consolidated watch list for screening purposes, additional opportunities exist for using the list. Internationally, the Department of State has made progress in making bilateral arrangements to share terrorist screening information with certain foreign governments. The department had two such arrangements in place before September 11, 2001. More recently, the department has made four new arrangements and is in negotiations with several other countries.

Also, the Department of Homeland Security has made progress in using watch list records to screen employees in some critical infrastructure components of the private sector, including certain individuals who have access to vital areas of nuclear power plants, work in airports, or transport hazardous materials. However, many critical infrastructure components are not using watch list records. The Department of Homeland Security has not, consistent with Homeland Security Presidential Directive 6, finalized guidelines to support private sector screening processes that

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<sup>9</sup>In July 2007, we issued a report that examined federal coordination for responding to in-flight security threats. See GAO, *Aviation Security: Federal Coordination for Responding to In-flight Security Threats Has Matured, but Procedures Can Be Strengthened*, [GAO-07-891R](#) (Washington, D.C.: July 31, 2007).

<sup>10</sup>See 72 Fed. Reg. 48,320 (Aug. 23, 2007). The provisions of the final rule take effect on February 19, 2008.

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have a substantial bearing on homeland security. Finalizing such guidelines would help both the private sector and the Department of Homeland Security ensure that private sector entities are using watch list records consistently, appropriately, and effectively to protect their workers, visitors, and key critical assets. Further, federal departments and agencies have not identified all appropriate opportunities for which terrorist-related screening will be applied, in accordance with presidential directives.

A primary reason why screening opportunities remain untapped is because the government lacks an up-to-date strategy and implementation plan—supported by a clearly defined leadership or governance structure—for enhancing the effectiveness of terrorist-related screening, consistent with presidential directives. Without an up-to-date strategy and plan, agencies and organizations that conduct terrorist-related screening activities do not have a foundation for a coordinated approach that is driven by an articulated set of core principles. Furthermore, lacking clearly articulated principles, milestones, and outcome measures, the federal government is not easily able to provide accountability and a basis for monitoring to ensure that (1) the intended goals for, and expected results of, terrorist screening are being achieved and (2) use of the list is consistent with privacy and civil liberties. These plan elements, which were prescribed by presidential directives, are crucial for coordinated and comprehensive use of terrorist-related screening data, as they provide a platform to establish governmentwide priorities for screening, assess progress toward policy goals and intended outcomes, ensure that any needed changes are implemented, and respond to issues that hinder effectiveness.

Although all elements of a strategy and implementation plan cited in presidential directives are important to guide realization of the most effective use of watch list data, addressing governance is particularly vital, as achievement of a coordinated and comprehensive approach to terrorist-related screening involves numerous entities within and outside the federal government. However, no clear lines of responsibility and authority have been established to monitor governmentwide screening activities for shared problems and solutions or best practices. Neither does any existing entity clearly have the requisite authority for addressing various governmentwide issues—such as assessing common gaps or vulnerabilities in screening processes and identifying, prioritizing, and implementing new screening opportunities. Thus, it is important that the Assistant to the President for Homeland Security and Counterterrorism address these deficiencies by ensuring that an appropriate governance structure has clear and adequate responsibility and authority to (a)

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provide monitoring and analysis of watch list screening efforts governmentwide, (b) respond to issues that hinder effectiveness, and (c) assess progress toward intended outcomes.

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## Conclusions and Recommendations for Executive Action

Managed by TSC, the consolidated terrorist watch list represents a major step forward from the pre-September 11 environment of multiple, disconnected, and incomplete watch lists throughout the government. Today, the watch list is an integral component of the U.S. government's counterterrorism efforts. However, our work indicates that there are additional opportunities for reducing potential screening vulnerabilities, expanding use of the watch list, and enhancing management oversight. Thus, we have made several recommendations to the heads of relevant departments and agencies. Our recommendations are intended to help (1) mitigate security vulnerabilities in terrorist watch list screening processes that arise when screening agencies do not use certain watch list records and (2) optimize the use and effectiveness of the watch list as a counterterrorism tool. Such optimization should include development of guidelines to support private sector screening processes that have a substantial bearing on homeland security, as well as development of an up-to-date strategy and implementation plan for using terrorist-related information. Further, to help ensure that governmentwide terrorist-related screening efforts are effectively coordinated, we have also recommended that the Assistant to the President for Homeland Security and Counterterrorism ensure that an appropriate leadership or governance structure has clear lines of responsibility and authority.

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## Agency Comments and Our Evaluation

In commenting on a draft of our report, which provides the basis for my statement at today's hearing, the Department of Homeland Security noted that it agreed with and supported our work and stated that it had already begun to address issues identified in our report's findings. The FBI noted that the database state and local law enforcement agencies use for screening does not contain certain watch list records primarily to minimize instances of individuals being misidentified as subjects of watch list records. Because of this operational concern, the FBI noted that our recommendation to assess the extent of vulnerabilities in current screening processes has been completed and the vulnerability has been determined to be low or nonexistent. In our view, however, recognizing operational concerns does not constitute assessing vulnerabilities. Thus, while we understand the FBI's operational concerns, we maintain it is still important that the FBI assess to what extent security risks are raised by not screening against certain watch list records and what actions, if any,



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should be taken in response. Also, the FBI noted that TSC's governance board is the appropriate forum for obtaining a commitment from all of the entities involved in the watch-listing process. However, as discussed in our report, TSC's governance board is responsible for providing guidance concerning issues within TSC's mission and authority and would need additional authority to provide effective coordination of terrorist-related screening activities and interagency issues governmentwide. The Homeland Security Council was provided a draft of the report but did not provide comments.

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Mr. Chairman, this concludes my statement. I would be pleased to answer any questions that you or other members have at this time.

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## **GAO Contacts and Staff Acknowledgments**

For questions regarding this testimony, please contact me at (202) 512-8777 or [larencee@gao.gov](mailto:larencee@gao.gov). Other key contributors to this statement were Danny R. Burton, Virginia A. Chanley, R. Eric Erdman, Michele C. Fejfar, Jonathon C. Fremont, Kathryn E. Godfrey, Richard B. Hung, Thomas F. Lombardi, Donna L. Miller, and Ronald J. Salo.

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