

STATEMENT FOR THE RECORD OF
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DIRECTOR FOR DEFENSE INTELLIGENCE
(INTELLIGENCE & SECURITY)
DEPARTMENT OF DEFENSE
before the
SELECT COMMITTEE ON INTELLIGENCE
UNITED STATES SENATE
on
Personnel Security Clearance Reform

March 7, 2018

Chairman Burr, Ranking Member Warner, and Committee Members, thank you for the invitation to offer testimony on behalf of the Department of Defense on the status of security clearance reform.

The Department is focused on collaborating with our interagency partners to transition the investigative mission for DoD personnel to the Defense Security Service (DSS) and to modernize the government-wide vetting enterprise. This is a top reform agenda item for the Secretary, and three Under Secretaries of Defense – for Intelligence, Personnel and Readiness, and Comptroller – along with the Chief Management Officer and the Chief Information Officer, who are personally engaged in efforts to develop and implement new and innovative approaches to modernize the vetting process while also addressing cost, performance, and timeliness within the Department. Ensuring the effectiveness and efficiency of the personnel vetting enterprise is also critically important for the Military Department Secretaries, as it will lessen the negative impact on their mission readiness.

As the committee is aware, the Department's implementation plan, under Section 951 of the National Defense Authorization Act for Fiscal Year 2017, highlights our intent to look beyond the realm of incremental improvements and take full advantage of today's technology and innovations to alleviate the burdens of costly, time-intensive investigations. We acknowledge the key challenges ahead and are prepared to address any obstacle that arises including logistics, budget, human resources, and cultural issues. By working closely with the Performance Accountability Council and the Executive Agents, we intend to modernize our current investigative processes to meet the challenges of the evolving threat landscape and the dynamic changes in our workforce.

Executing the phased implementation plan over a three-year period will provide DoD with a unique opportunity to build on our existing continuous evaluation and automated records checks architecture and leverage insider threat mitigation measures, user activity monitoring and related initiatives to more effectively manage risk. Currently, the Department has 1.1 million DoD personnel enrolled in a continuous evaluation program, exceeding our annual goal for last year. This program has demonstrated clear and compelling benefits of ongoing and more frequent vetting of cleared personnel and, when expanded, will integrate with DoD's insider threat and physical access programs to create a more comprehensive security architecture. These continuous vetting methods, which significantly decrease the risk associated with periodic reinvestigations that are currently conducted every five or ten years, have shown convincing results for early detection of security risks and provide the basis for new approaches to modernize the vetting enterprise.

We will also continue to work very closely with the Executive Agents to streamline traditional labor-intensive processes that exist today, to continue to identify ways to economize field investigative work and automate the process wherever possible. Long delays for background investigations can be eliminated by enhancing and largely replacing time intensive field work with the power of big data analytics, artificial intelligence, and machine learning. We will use field investigations to fill gaps, not as the means to collect information that is more readily available through automated processes.

As we implement the Section 951 plan, we remain committed to our task to design, build, operate, secure, and maintain the National Background Investigative Service, or NBIS. This is a single end-to-end IT shared service solution for personnel vetting throughout the government; not only for NBIB, but for all federal agencies that conduct background investigations or adjudications. DoD will remain committed to resourcing NBIS throughout this transition process. By optimizing our investments and simplifying service delivery, we can achieve significant cost savings and cost avoidance, while more effectively driving system efficiency.

This work will be done hand-in-hand with the Performance Accountability Council as well as the Security and Suitability Executive Agents, collaboratively developing alternative vetting procedures that will establish and sustain a continuous vetting process that can identify at-risk situations as they occur, and focus investigative and management intervention efforts ahead of a problem. These alternative investigative methodologies will be supplemented with automated prioritization tools and integration with partner missions such as insider threat and physical security programs. As a result of this work, we will implement modern alternative processes that are approved and vetted with no impact to reciprocity.

We will continue to collaborate with our partners to identify these additional measures in parallel with our work to implement the Section 951 plan. Once established, we will route new work into that pipeline, allowing NBIB to focus on their existing work and modernization efforts, as we continue to develop automated processes and integrate them into the overall vetting architecture for use across the government.

DoD continues to engage actively with our congressional partners, industry and the think-tank community through security-focused forums and roundtable discussions that have resulted in excellent feedback essential to developing innovative and effective enterprise-wide solutions. We have developed new relationships and reinvigorated long-standing ties to ensure our partnership with industry avails of us the best practices. What we learn from the experience of the private sector helps up examine innovative methods for assessing risk in the workforce and

crafting mitigation strategies to protect people, information, and programs from insider and outsider threats.

As we prepare for the phased implementation of our plan, the Department is well postured to take bold steps, while maintaining cognizance over the risks associated with an endeavor of this magnitude. We are getting the right people on board – recruiting talent, adjusting organizational design, establishing the management structure, completing the IT infrastructure, and most importantly, embracing a new way of doing business. Simultaneously, we will need to keep the critically important DSS National Industrial Security Program mission operating effectively while we adapt DSS to its future state.

This is a very ambitious endeavor, but highly necessary in light of all the challenges we have faced in recent years. We must restore confidence in the background investigation process, eliminate long and costly delays, and fine tune our vetting protocols to guard against future compromises of national security information. Our plan is sound, we are steadily laying the groundwork for execution, and we have solid support across the government and with our industry partners. Thank you again for your interest in this most important topic. I would be happy to discuss these DoD initiatives in more detail. I look forward to your questions.