

Statement of
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Before the
SENATE SELECT COMMITTEE ON INTELLIGENCE regarding
PERSONNEL VETTING REFORM

March 29, 2023

Chairman Warner, Vice Chairman Rubio, and members of the Committee, thank you for your continued bipartisan support for transforming our personnel vetting system, including holding today's hearing with the Security, Suitability, and Credentialing Performance Accountability Council (PAC). Over the course of our work together, my colleagues and I have developed a strong working dynamic among us, and I have deep respect for their commitment, dedication, and professionalism. Today's topic is an important one, and I look forward to updating you and the American public on the ongoing efforts to overhaul a process that has remained largely unchanged since the second World War.

I am here today as the Chair of the PAC. The PAC is the interagency body accountable for improving *personnel vetting*, which covers how the Government determines the trustworthiness of its workforce. Personnel vetting of Federal employees and Federal contractors is vital for ensuring Government agencies can better retain and quickly acquire the expertise needed to accomplish their missions. This is especially critical for organizations focusing on defense, intelligence, homeland security, and critical infrastructure. Improving vetting performance has been a priority for successive Administrations based on its substantial impact on enabling a well-performing government. The reform effort enjoys broad support from industry, which will specifically benefit from shorter onboarding times and more consistent processes.

The PAC is led by four Principal members, who are all here today. Their functional roles within the personnel vetting mission space are highlighted below, but each Principal will expand on these responsibilities in their statements. Collectively, our goal is to help guide you through why personnel vetting reform is important, how it is being achieved, progress to date, and our path forward.

- **Jason Miller – Deputy Director for Management, Office of Management and Budget (OMB)**
 - Chairs the PAC and sets overall direction for reform
 - Coordinates implementation and ensures accountability
- **Dr. Stacey Dixon – Principal Deputy Director of National Intelligence**
 - Sets personnel vetting policy for determining access to national security (classified) information
- **Ronald Moultrie – Under Secretary of Defense for Intelligence & Security**
 - Provides most background investigations for agencies and processes bulk of adjudications
 - Develops and operates enterprise personnel vetting information technology (IT)
- **Kiran Ahuja – Director, Office of Personnel Management**
 - Sets personnel vetting policy for suitability, fitness, and credentialing determinations

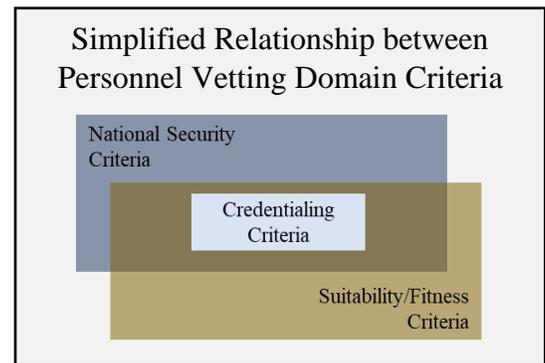
Background

Personnel vetting is the process through which the Federal Government determines whether individuals are sufficiently trustworthy to fill a certain role within its workforce. This process is applicable to all civilian employees, military personnel, and contractors at various levels depending on the work they will perform. Currently, nearly 7 million individuals receive some level of personnel vetting from the Executive Branch.

There are three general domains within personnel vetting. Simplified descriptions for each domain are provided below:

- *National Security*: Determines whether an individual is trusted to serve in a national security sensitive position, which can include (but does not require) holding a security clearance.
- *Suitability/Fitness*: Determines whether an individual can be trusted to perform the work they were hired to do for—or on behalf of—the Government.
- *Credentialing*: Determines whether an individual is trusted to be granted the ability to access Government facilities or IT systems.

All three domains function similarly. An agency first assesses the risk and sensitivity level of the position. Once they have identified a candidate, the Government collects information from the individual through a standard form and conducts a background investigation. The scope of this investigation depends on the risk and sensitivity level of the position sought. The more sensitive the position level, the more expansive the investigation. After collecting investigative information, the Government makes the appropriate trust determination(s). Most Federal positions require a suitability/fitness decision and a credentialing

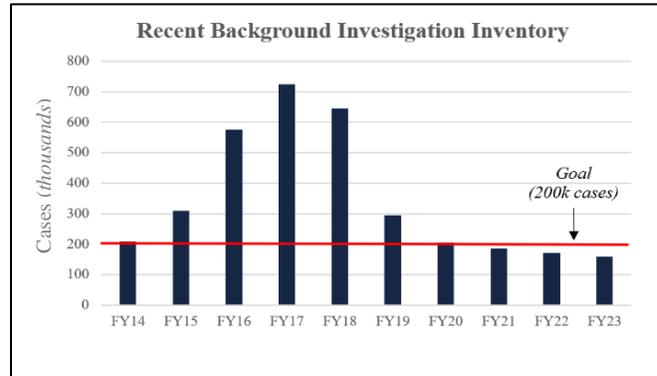


decision, while some also require a national security determination. The Government's trust determinations cover the wide range of positions entrusted to Federal employees and contractors. This can include occupations that care for veterans, teach service members' children, analyze classified materials, and build enabling systems for the intelligence community.

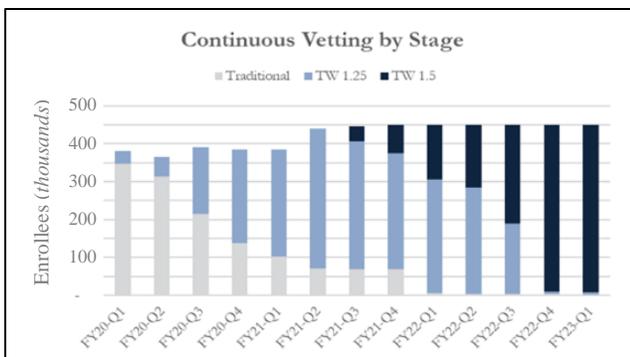
Over the past 75 years, the personnel vetting mission space has struggled to keep pace with the world changing around it. The primary technology used to process background investigations was developed almost 40 years ago and has not been significantly overhauled since. While most personnel vetting files have been digitized since the late 1990s, the Government was slow to adapt its underlying business and operational processes. When confronted with new challenges, the mission space often made workaround changes without fully aligning them to the existing policy framework. This created a relatively effective but generally inefficient process.

These inefficiencies contributed, in part, to multiple background investigation backlogs that slowed the onboarding of personnel, most recently between 2015 and 2019. Delays caused by these backlogs hindered the ability of agencies to onboard the workforce needed to accomplish their missions. This was especially detrimental to filling defense, homeland security, intelligence, and critical infrastructure positions focused on national security issues. Further, appalling betrayals by vetted personnel, such as Robert Hanssen and Aaron Alexis, also raised concerns regarding the overall effectiveness of the mission space.

Starting with the creation of the PAC under [Executive Order 13467](#) in 2008 by President George W. Bush, the last four Presidential Administrations have attempted to address these problems. Since 2018, personnel vetting reforms have been pursued through the Trusted Workforce 2.0 initiative—or simply TW 2.0. These efforts include numerous policy and organizational changes made with bipartisan congressional support and backing from industry. My colleagues and I are building on our predecessors’ successes and learning from their setbacks. Working more closely with Congress, industry, and affected agencies, current reforms offer the Government its most promising window to effect change in decades. It has led to significant accomplishments, such as eliminating the 2015-2019 background investigation backlog. This success reduced initial end-to-end security clearance processing from highs in Fiscal Year (FY) 2019 (an average of 414 days for a Top Secret; 182 days for a Secret) to sustainable levels today (an average of 128 days for a Top Secret; 78 days for a Secret).



After eliminating the background investigation backlog, the PAC shifted towards implementing reforms that would more fundamentally improve the overall personnel vetting system. A key aspect of this change was the shift from periodic reinvestigations to continuous vetting. Under periodic reinvestigations, agencies would primarily focus on intermittent reviews for their national security workforce after the initial adjudication was approved. These reviews were typically every 5 years for Top Secret clearances, and every 10 years for a Secret clearance. Under a shift towards continuous vetting, personnel in national security positions are checked against relevant databases constantly. The PAC worked aggressively to stand up this capability. It used a phased approach that leveraged an initial continuous vetting capability—known as TW 1.25—by the end of FY2021. It expanded this capability to include additional data sources under an interim maturity stage—known as TW 1.5—by the end of FY2022. This system is in place today, and it is identifying potential security concerns much faster than intermittent periodic reinvestigations used under traditional vetting. Based on the Department of Defense’s (DoD) analysis, this has **allowed the agency to identify potentially problematic behavior over a year-and-a-half faster for Top Secret clearance holders and approximately 7 years faster for Secret clearance holders.**



As the PAC Chair, I actively work with my PAC Principal colleagues and the larger interagency community to improve the mission space. My role is focused on effective cross-agency coordination, including administration of the governance structure used to drive reforms. I also provide accountability and facilitate transparency for reform progress. This includes working to ensure agencies are adequately planning their reform implementations, keeping the public aware of progress by publishing quarterly updates on Performance.gov, and regularly providing briefing updates to Congress, including this Committee.

As its Principals, we have convened the PAC as a full body every quarter since our confirmations. We quickly recognized the accomplishments made prior to our arrival, such as eliminating the background investigation backlog and improving timeliness. This led us to push even harder for additional reforms. Consequently, the four of us meet regularly to oversee implementation, typically several times per quarter. Enterprise-wide policy and aligned operational transformation requires this level of sustained leadership to be successful.

Calendar year 2022 was a critical year for implementing personnel vetting reform. Last year, we issued an implementation strategy to help coordinate progress across the Executive Branch and make the transition easier for agencies. Additionally, we published key policies that improved the personnel vetting system, including performance management, investigative standards, and adjudication principles. In order to mature the continuous vetting capability, we also shifted the national security workforce into a more robust slate of checks through TW 1.5. While we delivered on these substantial improvements, the remainder of FY2023 is crucial for ensuring we remain on a path to fully realizing the Trusted Workforce vision.

The Benefits of Reform

Ultimately, our leadership team will deliver a modernized personnel vetting system that is better designed to meet the challenges of today. Most importantly, the revised framework will allow agencies to make more informed decisions based on investigatory information that is provided more quickly. This is already happening by leveraging continuous vetting to flag potentially concerning information about a cleared member of the workforce quickly, and will be enhanced when we issue an improved investigation questionnaire that is simpler to understand and complete. Risk will be further reduced once the majority of personnel are processed through DoD's integrated personnel vetting IT system, which is under development and will feature more expansive cybersecurity protections.

In addition to improved effectiveness, agencies are already able to better accomplish their missions due to improved onboarding times. This is the result of numerous policy improvements, including greater standardization and more efficient processes across agencies. Additionally, agencies are beginning to emphasize faster onboarding of personnel, including by more quickly recognizing each other's determination that an individual is trustworthy. Broader improvements to the mobility of the workforce—military, civilian, and contractor—will be gained through automation once the majority of personnel can be processed through DoD's new IT system.

As we are implementing the new personnel vetting system, we are also focused on building a framework that can evolve over time. This includes a continued commitment to improving the effectiveness and speed of the process and greater flexibility in adapting to unanticipated threats and novel technologies that can impact risk.

Reform Direction & Leadership

Once confirmed by the Senate, I quickly reconvened the PAC Principals as a group to focus on furthering personnel vetting successes already achieved through TW 2.0. As the Chair, I work with my colleagues to define a clear vision of what the initiative must accomplish to be successful. I also serve to hold my fellow PAC Principals and the interagency accountable for achieving that vision.

Performing these roles includes working within the Administration to advance reform. I have highlighted some recent examples below.

- A) *Inclusion within the President's Management Agenda.* The Biden-Harris President's Management Agenda (PMA) serves as a blueprint for equitable, effective, and accountable Government that delivers results for all Americans. Within the PMA, the Administration has highlighted personnel vetting as part of its strategy for [Strengthening and Empowering the Federal Workforce](#). It specifically seeks to transform personnel vetting into a system that better supports agency missions and improves workforce mobility while mitigating risk. Released in November 2021, the PMA puts forth a whole-of-Government focus on critical reforms. It includes commitments from senior agency representatives on the President's Management Council to dedicate the time, energy, and resources to address the PMA's priorities.
- B) *Prioritization as a National Security Issue.* Improving personnel vetting is a critical management reform area across the Executive Branch. However, it is especially a key issue for agencies and cleared companies working in the national security arena. In recognition of its importance and in alignment with the National Security Memorandum [Revitalizing America's Foreign Policy and National Security Workforce, Institutions, and Partnerships](#), I worked with the Assistant to the President for National Security Affairs to issue a December 2021 memorandum entitled Transforming Federal Personnel Vetting to Cabinet officials and members of the intelligence community. The memorandum requested that these agency heads prioritize and immediately begin TW 2.0 reforms and designate Senior Implementation Officials (SIOs) to be accountable for their organizations' progress.
- C) *Release of the TW 2.0 Implementation Strategy.* In April 2022, the PAC released the TW 2.0 Implementation Strategy to establish a roadmap for modernizing its personnel vetting reforms. The document, which was previously provided to the Committee, identifies actions that agencies are expected to implement to ensure success. This includes drafting agency-specific TW 2.0 Implementation Plans consistent with the Strategy that the PAC's leadership uses to hold agencies accountable for progress. My fellow PAC Principals and I were excited to endorse the Strategy as part of a broad effort to ensure agency SIOs had the information needed to achieve reform success within their respective agencies.
- D) *Directing Agencies to Budget for Reform.* As the organization responsible for coordinating the President's budget each year, OMB provides annual guidance to agencies through its [A-11 circular](#). The most recent version, issued in August 2022, included instructions for how agencies should budget for personnel vetting costs tied to their implementation plans as part of core workforce planning. This guidance encourages agencies to consider expenses related to enrolling personnel in continuous vetting, ensuring adequate personnel vetting staff, acquiring the IT resources necessary to implement reforms, and considering the use of personnel vetting shared services.
- E) *Ensuring Alignment of Policy and Operational Delivery.* In keeping with my interagency coordination responsibilities for driving reform efforts and enterprise development, I work closely with my fellow PAC Principals to drive core policy updates—such as the recently issued investigative standards—developed in an aligned manner and on track with implementation milestones. I also confer with my colleagues on operational workstreams. This includes tracking timely continuous vetting enrollments, delivery of enabling IT systems, and responding to the

Government Accountability Office. My ultimate goal is to ensure that these efforts remain on track and meet policy, budgetary, and transparency requirements.

Driving Implementation & Accountability

One of my responsibilities as PAC Chair—in addition to lifting up personnel vetting efforts so its legacy of prioritization across successive Administrations continues—is to ensure reform guidance is understood and adopted across the Executive Branch. The most direct method the PAC leadership uses to accomplish this is through the TW 2.0 Implementation Strategy. This document organizes the highly complex choreography of reforms into thirteen strategic actions and establishes success indicators that illustrate whether each is on track to achieve the desired outcome. Additionally, the Strategy provides agencies with guidance, templates, timelines, and other tools to support their TW 2.0 Implementation Plans.

While a key instrument for driving reform implementation, the Strategy is only one of several reinforcing means available. Additional tools the PAC Principals use to encourage implementation progress include:

- A) *TW 2.0 Executive Steering Group*. A group of senior Government officials representing key national security agencies, as well as senior representatives from industry. This group helps inform the strategic direction of the TW 2.0 initiative. It ensures both that the organizations most impacted by reforms are able to share their perspective and that programmatic decisions will usher in the desired direction. This also provides the opportunity to obtain the buy-in necessary to drive improvements and have them be effectively adopted.
- B) *TW 2.0 Workforce Advisory Group*. An operational-level group representing personnel security offices across the Executive Branch. The PAC leadership works with this group to keep agencies up to date with changes and collect feedback. By keeping operational managers informed of anticipated reforms, they are better equipped to make the changes needed to adopt them. They are also pivotal for flagging issues that could undermine specific reforms under consideration before moving to the final implementation phase.
- C) *Quarterly Committee Briefings*. These briefings are offered by senior PAC leaders to congressional staff members from the oversight, intelligence, armed services, homeland security, and appropriations committees of both chambers. The core intent is to keep Congress informed of progress in key reform areas. However, these briefings also help the PAC better understand which reforms might require additional scrutiny or prioritization.
- D) *Performance.gov Quarterly Progress Reports*. Since the creation of TW 2.0, the PAC has provided updates to the public by posting progress reports on [Performance.gov](https://www.performance.gov). These updates provide performance metrics and track what key milestones have been met. Reporting updates publicly ensures greater transparency and helps hold us accountable for achieving our objectives.

The Path Forward

Personnel vetting has come a long way over the last few years. As my colleagues will outline in their statements, modernized policy and tools have dramatically increased the speed and effectiveness of vetting processes.

Continuous vetting allows agencies to become aware of concerning behavior within their workforces faster than ever before. Some agencies—especially DoD—have reformed their processes to make reciprocal decisions quickly and with minimal bureaucratic delays. This has led to a dramatically improved experience for previously vetted personnel taking new jobs at different agencies.

Despite these successes, I recognize that substantial work is still ahead of us in order to meet all of our objectives. The PAC has released the policies and established core transitional capabilities, and now we must keep our focus on full agency-level implementation of the revised vetting framework through DoD’s new end-to-end IT platform, currently under development. I fully expect, as with every major governmentwide reform of this scale, we will continue to experience bumps along the way. I am determined to have the PAC Principals and their staffs continue to work together until we reach our overall reform goals.

I look forward to continuing to work with the Committee on ensuring that TW 2.0 is a success for the American people. As we move forward, I would ask that you maintain the spirit of bipartisan participation that has enabled our successes to date over multiple Administrations. Additionally, I would like your assistance in two key areas:

- 1) Guide enactment of any legislative changes necessary to align existing statutes with TW 2.0 reforms, as required in the FY2023 Intelligence Authorization Act.
- 2) Help ensure that the PAC can remain focused on the most critical elements of reform by minimizing legislative requirements that do not address the most urgent reform issues.

While many of the historical challenges have been addressed in policy, we still have the significant task of implementing them across the Executive Branch and industry. Working together, we will implement a more effective personnel vetting system that will deliver a stronger workforce to the American public for decades to come.

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