Statement of the Honorable Clay Johnson Deputy Director for Management Office of Management and Budget

before the

<u>House Permanent Select Committee on Intelligence</u> Subcommittee on Intelligence Community Management

February 27, 2008

Attached is evidence recent security clearance timeliness is significantly improved over 2005, and equal to – and in some cases better than – statutory goals.

<u>Current efforts to improve</u> the security clearance process include:

- Better agency management of/accountability for improved timeliness, with better performance information to make it possible. In the past, agencies generally were not held accountable for the timeliness of security clearances.
- Expanded investigation, records retrieval and adjudication capacity. Agencies have identified and, in most cases, acquired the staff and contractor support needed to accomplish their security clearance goals.
- Faster (electronic)/more accurate transfer of security clearance applications to the investigative agency and investigative files to the adjudicating agency.
- Greater reciprocal acceptance of other agencies' security clearances.
- Prioritized focus on the timeliness of initial investigations (getting new people on the job), versus reinvestigations.

The primary <u>impediments</u> to significant short term reform have been:

- The lack of timely access to relevant records primarily with states and the FBI, where significant process changes are required but difficult.
- Extra time (currently 25 days) required to adjudicate Industry cases at DoD because of extra steps now deemed unnecessary.

<u>Going forward</u>, we will continue to hold agencies accountable for achieving the timeliness improvement goals they agreed to.

Additionally, we are researching ways to <u>transform the current process</u>, to possibly:

- Obtain more information from the subject and electronic data providers.
- Make all files electronic.

- Assess security risk of individuals more continuously.
- Ensure suitability and clearance standards and capabilities are aligned with each other.

The President has asked for the initial proposals for reform by April 30, 2008, with additional proposals following promptly.

Thank you for inviting me.