



STATEMENT

OF

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BEFORE THE

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY

SUBCOMMITTEE ON TECHNOLOGY AND INNOVATION

*“An Overview of Science and Technology Research and Development Programs and
Priorities to Effectively Protect Homeland Security”*

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INTRODUCTION

Chairman Quayle, Ranking Member Wu and Members of the Committee, I thank you for giving the Homeland Security & Defense Business Council an opportunity to appear before you today.

At the outset, we want to express our appreciation to this Subcommittee and to the full Science, Space and Technology Committee for its continued leadership on the full range of critical issues associated with improving research and development (R&D) within government and encouraging even greater involvement of industry. We also want to recognize, in particular, your guidance on initiatives to enhance the partnership and recognition of the importance of substantive engagement between the government and the private sector when it comes to fulfilling our collective mission – to keep our nation safer and more secure. That partnership is essential to our government’s ability to deliver high quality solutions to citizens effectively, efficiently, and fiscally responsibly.

I am Marc Pearl, President and CEO of the Homeland Security & Defense Business Council, a not-for-profit, non-partisan organization of the leading companies that deliver homeland security solutions to the marketplace. The Council works to ensure that the perspective, innovation, expertise and capabilities of the private sector are fully utilized in our nation’s security, as well as recognized and integrated with the public sector.

The Council and its members, first and foremost, support fairness and openness in the Federal contracting process; inclusion of the private sectors' perspective in major legislative and administrative initiatives; and the effective use of resources and adoption of the most advanced security solutions to protect our citizens,

economy and critical assets. Council members employ over 3 million Americans in all 50 states. We are honored and proud to work alongside leaders from civilian, defense and Intel agencies in support of their strategic initiatives, through our individual and collective expertise in technology, facility and networks design and construction, human capital, financial management, technology integration, and program management.

This focus of the Council's testimony is to provide the subcommittee with industry's collective perspective on the relationship and interaction between DHS science and technology programs and the private sector's recommendations for success. It will also address any observable changes that have occurred following the Quadrennial Homeland Security Review and reorganization of the Science and Technology Directorate.

QUADRENNIAL HOMELAND SECURITY REVIEW (QHSR)

The Council applauds the Department's effort in collecting input and developing the Quadrennial Homeland Security Review published last year. The Council and all of our members hope the QHSR will lead to a strategic plan that would include priorities, budgets, operational requirements, and programmatic alignments that will help to achieve cost efficiencies and mission success. This process could serve to inform the business sector of the Department's long-range priorities and long-term needs in a timely manner. In addition, this process could give industry solution providers an opportunity to engage the government and help identify any gaps in technology, capabilities, and reasonable expectations about timeliness and cost of delivery.

The QHSR – in and of itself – has been an important policy guidance document, but it and the entire process need practical, identifiable and operational linkages to budget and a long-term strategic needs assessment with corresponding goals, priorities and budget.

Any strategic planning review and ‘head-of-curve’ discussions should focus on answering three basic, but crucial questions with respect to the specific linkage between the policy and the implementation:

1. Is the plan **economically reasonable**?
2. Is it **technologically feasible**?
3. Does it take into account any significant **unintended consequences**?

These fundamental questions should guide all future development, deployment, and implementation. When addressed – whether by program managers, senior officials and/or, even Members of Congress – we all will be able to successfully move forward to ensure industry’s ability to align its business lines and strategies to meet the Directorate’s and our nation’s needs.

SCIENCE & TECHNOLOGY DIRECTORATE REORGANIZATION

The Council supports the continued efforts to improve the Science and Technology Directorate. However, reorganization, as such, is not as important as establishing an operating philosophy that includes more effective engagement with Department’s components to better solicit and understand its requirements; and with the private sector to better solicit the most effective and efficient solutions to those requirements. The Council’s believes that the following examples of reorganization might assist it in improving mission success.

- The creation of an “Acquisition and Operational Analysis Division” to improve the writing of the necessary requirements and the overall strengthening of the individual components’ acquisition programs can be of great benefit. Existing efforts to link R&D to operational requirements are a positive step forward, but there remains ambiguity over the requirements.
- Enhance the Homeland Security Advanced Research Projects Agency (HSARPA) by combining all the S&T divisions, thereby strengthening and gaining better alignment across the disciplines and needs. This process also has potential to improve consistency with the way DoD & DoE use DARPA and ARPA-E to leverage science. We recognize, of course, that there are still a lot of cultural changes required to ensure cooperation, but working towards such a goal will promote greater science, provide more effective and efficient solutions, and lead to practical applications that serve our nation’s security needs.

Real mission success in R&D can be achieved through the establishment of policies and procedures that advance the movement of critical technologies from the laboratory, and early research and development to the field in a manner that supports successfully transition of these technologies for homeland security application.

ACQUISITION PROCESS

The Council believes that the acquisition process is part of a lifecycle that must begin much earlier than contracting activity itself. Long before the ‘blueprint’ is drawn up, and before the RFIs or RFPs are proffered, there must be collective cooperation with and substantive engagement between experts on the ground and practitioners in the field. A successful process should also require equipping the

entire team with an understanding of the challenges and risks in place during the entire lifecycle of the project to ensure success. This process could successfully address a project’s economic reasonability, technological feasibility, and unintended consequences.

A GAO Report that has been cited by the House and Senate leadership on countless occasions found that “contracts with well-defined requirements linked to measurable performance standards delivered results within budget and provided quality service.”¹

This process must be properly managed and communicated to ensure the necessary solutions are developed with “man on the ground” requirements development, including input from the private sector to meet the goals of the “final customer.” We would very much like to see a functioning process that identifies and tracks requirements generated at any level through validation, budgeting, acquisition, and success or effect. The development of a clear DHS-wide process would not only serve to enhance efficiency, but would provide needed transparency so that end-users – acquisition and operations officials – and industry can work in concert, rather than exist in a seemingly disconnected and stove-piped environment.

THE RELATIONSHIP AND INTERACTION BETWEEN DHS SCIENCE AND TECHNOLOGY PROGRAMS AND THE PRIVATE SECTOR

We are very grateful that the subcommittee has also asked us to address this issue. The work and mission of the Council is primarily focused on how industry can be more successful in building trusting, cooperative, and substantive engagements

¹ GAO report GAO-08-263 entitled 'Department of Homeland Security: Better Planning and Assessment Needed to Improve Outcomes for Complex Service Acquisitions' – released on May 8, 2008.

with our counterparts in the public sector. There is no question that our continuing efforts in striving to identify and develop successful interaction with the Directorate have paid dividends for both government and industry. The Council and its members have successfully worked closely and nurtured a substantive relationship with the Directorate since its inception to discuss and develop innovative solutions to protect our country. But even amidst the establishment of an effective relationship, the business sector, as a whole, has struggled to comprehend the long-term strategic needs and goals of the Department, especially within the Directorate. This has made our long-term investments toward innovative technologies that might become effective solutions, challenging at best.

Similar to the Federal sector, industry has limited resources to devote to developing homeland security solutions. They cannot devote these resources to building speculative technologies. We want to deliver the solutions that the Department and our nation needs.

The Council's overarching mission is to work with DHS officials to improve its engagement with the private sector long before a crisis or even the development of a program. Ultimately, the private sector will provide the innovation needed to develop the appropriate solutions as demonstrated time over time in our nation's history. In order to pursue a level playing field across industry and to spur innovation efforts, broad and interactive communications to inform strategic planning and a national technology framework are needed. The business sector is willing to devote resources and take risks in order to help provide homeland security solutions, but we are looking to DHS to further improve its requirements development and definition.

Large amounts of guidelines, forms, databases and other documents must be reviewed and produced to initiate dialogue in some parts of the agency. Focusing less on documentation and process and more on interaction and partnership could substantially free up bottlenecks. In addition, identifying private sector SMEs in relevant scientific disciplines could enable partnerships more quickly and effectively.

The Council is hopeful that the future will include greater long-term strategic planning and more opportunities to engage the Department earlier in the planning process. Through early engagement in the process we can better understand and deliver the innovative solutions that will protect our country and its people.

RECOMMENDATIONS

The Council submits the following recommendations for consideration by the subcommittee:

- Increased Cooperation and Visibility: The private sector brings more than a ‘vendor’ mentality to the table. We have our own R&D projects ready to respond to stated needs of our nation, but we cannot develop them in a vacuum. We want to continue meeting the needs of the Department, the Directorate, and the nation as a whole. Government and its industry partners share the same goals. Projects completed on time and on target are a *win-win*. Programs that meet their objectives are a *win-win*. We understand the needs are complex and challenging, but our common goal is to find the most appropriate, effective, and efficient routes to mission success. The public and private sectors – working from previous recommendations and developing new ones if necessary – must be able to work from the same strategy.

- Greater Authority and Planning for Science and Technology Directorate: The Council supports greater authority for the Science and Technology Directorate. Currently homeland security R&D efforts are spread among many governmental organizations. The Directorate is highly dependent on other federal agencies to achieve its mission. However, there does not appear to be a clear strategy for how to do that effectively, and collaboration with DoD, DoE, NIST and other scientific organizations is not clearly organized, resulting in duplicate and potentially unleveraged efforts. It must be recognized that there are significant cultural challenges within the Department, and it remains a challenge to effectively bring new technologies to maturity, and concurrently, to gain broad acceptance in the operational communities. In order to succeed, the S&T Directorate must be able to direct the government-wide homeland security R&D agenda, not compete against numerous organizations inside and outside the Department.
- Innovative Solutions vs. “Gadgets”: The Council believes there is a need to improve the way the Directorate thinks about and pursues innovation. "Needs" are typically defined by end-user practitioners and frequently fail to incorporate scientific perspectives and commercially available technologies effectively. As a result, requirements frequently end up defining a point source technology, product or service (“gadget”) that may or may not successfully address the true need. Additionally, ineffective requirements processes result in increased or lost cost of development, commercialization delays across the board, and potential duplication of effort. Industry expertise in commercial technology development is also not leveraged to the extent it could be.
- SAFETY Act Commitment: The Council supports continued commitment to the SAFETY Act – one the Directorate’s best and most tangible methods for working with the private sector. The SAFETY Act is the most reliable way

DHS can learn about and encourage the deployment of critical security tools and services. The Council hopes for continued commitment from S&T leadership, starting with the Under Secretary and her personal staff, to implement the SAFETY Act in a full and complete fashion. Ideally, complete implementation would create a clear application process and establish standards that promote the full utilization of the law.

- Continued Congressional Funding: The Council also believes continued congressional funding of the research and development of technological homeland security solutions is a worthy and necessary investment. Without adequate funding, the Department will have a diminished ability to deliver solutions to protect our nation, have a devastating effect on the overall homeland security R&D enterprise, and potentially extinguish technology advantages over an ever-evolving adversary. HR-1 proposes to eliminate more than \$500 million from the Department of Homeland Security's Science and Technology budget – effectively cutting it by half. The Council hopes that the legitimate desire on the part of Congress to curtail unnecessary spending will not result in the reduction of our nation's ability to develop tools to counter the threats it faces and spur its global competitiveness.

CONCLUSION

On behalf of the Homeland Security & Defense Business Council, I once again express our appreciation for the opportunity to provide our comments on the important issues before the Subcommittee. The Council and its members pledge to provide this Committee and the Department with the appropriate support, expertise and input needed to achieve mission success. We are prepared to work with the subcommittee not just as a neutral conduit between the public and private sectors,

as a very interested actor and trusted advisor to mutually achieve the following goals:

- Identify and find real world solutions to our homeland security challenges;
- Work towards a strategic plan with visibility and cooperation in the research and development of homeland security solutions; and
- Ensure a sound, fair and responsible acquisition process.

We believe the achievement of these goals will help get our nation where it needs to be – where this Committee, the administration, the Department, and the private sector want us to go – and ensuring that we get there together.

We look forward to working with the Subcommittee as it continues its deliberations.