MS. RENEE MONTAGNE (NPR): The President wants Congress to update a law that allows the U.S. to conduct surveillance, like eavesdropping, on suspected terrorists overseas. The current law expires tomorrow. The Senate has passed a bill that the President endorses, the House has not.

Joining us now is the Director of National Intelligence, Mike McConnell.

Good morning.

DIRECTOR MIKE McCONNELL: Good morning, Renee. How are you?

MS. MONTAGNE: Fine, thank you.

The Bush administration says that if the Protect America Act -- and that's this surveillance act that's temporary at the moment -- if it isn't made permanent, it will tie your hands -- intelligence hands -- especially when it comes to new threats.

But isn't it true that any surveillance under way -- that does not expire, even if this law isn't renewed by tomorrow?

DIRECTOR McCONNELL: Well, Renee, it's a very complex issue.

It's true that some of the authorities would carry over to the period they were established for one year. That would put us in the August-September time frame; however, that's not the real issue. The issue is liability protection for the private sector. We can't do this mission without their help. Currently, there is no retroactive liability protection for them. They're being sued for billions of dollars. So the board fiduciary responsibilities causes them to be less cooperative.

So in the current bill and the current law, which is on the books today, there is no protection for them. If it expired, of course, there's no protection. And even if you extended the current bill there's no protection in a retroactive sense.

MS. MONTAGNE: Well --

DIRECTOR McCONNELL: So the issue is we need the new bill passed by the Senate, which is passed by an overwhelming majority.
MS. MONTAGNE: Let's get to that issue of protection of private telecom companies in a
moment.

But just -- isn't the risk of missing some vital intelligence fairly remote?

DIRECTOR McCONNELL: No. No.

MS. MONTAGNE: Especially when weighed against America's privacy concerns?

DIRECTOR McCONNELL: You have to appreciate a very dynamic situation where you're
attempting to detect and track a single human being who is attempting to be covert.

So one -- one thing that troubles me about this is the public debate has caused this to be -- caused
us to get very close to the edges of what we can say about our capabilities. So in the attempt to
track and detain or disrupt a cell where there is a small group of people who want to carry out
suicide bombs or an explosion of some sort, it's dynamic and we have to be agile and flexible to
be able to track them.

MS. MONTAGNE: Now, back to this issue of protecting or giving immunity to U.S. telecom
communications companies: That is a sticking point and has stalled things in the House.

But the question is: If U.S. telecom companies broke the law or do break the law, why shouldn't
they be held responsible for that?

DIRECTOR McCONNELL: Well, the Senate committee that passed the bill on the Senate side
examined in close detail all the activities and concluded there was no violation of law. And in
fact, we need their help for success to protect the country.

Also, I would highlight, in the bill that passed on the Senate side, there is warranted protection
for a U.S. person anywhere on the globe. So the assertions that we're spying on Americans with
unwarranted coverage is, quite frankly, would not be true, is not true today, would certainly
would not be true if they passed this new bill.

So the issue is we need the bill so we have warranted protection for a U.S. person anywhere on
the globe. We do not then have to get a warrant for a foreign terrorist in a foreign country --
regardless of where we intercept that.

The thing that most people don't fully appreciate is global communications has changed so
dramatically. What we used to do 30 years ago intercepting something in a foreign country -- it's
quite often today that we would intercept it in this country, although it's foreign activity by
foreigners in a foreign country. That's the global nature of communications today.

MS. MONTAGNE: Mr. McConnell, very briefly -- we just have a few seconds -- the Congress is
suggesting that you accept another short extension of the law -- the administration -- while the
House and Senate work out differences. Why not do that?
DIRECTOR McCONNELL: Well, quite frankly, we've been working this for two years and each time we get close to a decision or a hard decision, we want to extend it. The point is, if we have the current law or the extended law, we still don't have liability protection for the carriers.

So what the American people need to appreciate is we are losing capability to protect the country as we debate this without acting on the bill that's already passed the Senate by a two-thirds majority.

MS. MONTAGNE: Thank you very much for joining us.

DIRECTOR McCONNELL: Thank you.

MS. MONTAGNE: Mike McConnell is the Director of National Intelligence.

(END)