**STATEMENT FOR THE RECORD FOR WILLIAM EVANINA, DIRECTOR,
NATIONAL COUNTERINTELLIGENCE AND SECURITY CENTER:
SENATE SELECT COMMITTEE ON INTELLIGENCE HEARING ON SECURITY
CLEARANCE REFORM
Wednesday, 22 January 2020**

Chairman Burr, Vice Chairman Warner, and Members of the Committee, thank you for the opportunity to appear before you today to discuss our progress on security clearance challenges and reforms.

I am here before you representing the Acting Director of National Intelligence (A-DNI) who has been designated in legislation and Executive Order as the U.S. Government's Security Executive Agent (SecEA). In this role, the DNI is responsible for the development, implementation, and oversight of effective, efficient, and uniform policies and procedures governing the conduct of investigations, adjudications, and, as applicable, polygraphs for determinations of eligibility for access to classified information. The National Counterintelligence and Security Center (NCSC), which I lead, has been designated as the lead staff element supporting the DNI's SecEA responsibilities.

When we were last before you on this topic in March of 2018, we described the robust efforts on the part of the DNI and our partners on the Security, Suitability, and Credentialing Performance Accountability Council (PAC)-specifically, the Office of Personnel Management (OPM), the Office of Management and Budget (0MB), and the Undersecretary of Defense for Intelligence and Security (USDI&S)-to eliminate the background investigation backlog, enhance clearance reciprocity, and improve the security clearance process. We also announced a personnel vetting reform initiative called "Trusted Workforce 2.0" (TW 2.0) that will transform the current Security, Suitability and Credentialing (SSC) process via a top-to-bottom overhaul into a revolutionary new security clearance process that will be streamlined and efficient, and which maximizes the use of information technology (IT). Today I will describe for you the tremendous progress we have made on all of these important issues, and I will outline the new security clearance process coming out of the TW 2.0 effort.

Since our last appearance here, the National Background Investigations Bureau (NBIB) has been fully transferred and integrated into the Defense Counterintelligence (Cl) and Security Agency (DCSA). While this transfer was occurring, the DNI, as the SecEA, and the Director of OPM, as the Suitability and Credentialing Executive Agent, issued Executive Correspondence providing additional guidance to departments and agencies on measures to take to help eliminate the investigation inventory. As a result, the previous inventory high of 725,000 is now 231,000, which is very close to its normal healthy inventory level, known as "steady target state." Timeliness of investigations also improved, with a 55 percent improvement on the timeliness of Secret investigations and a 60 percent improvement on the timeliness of Top Secret investigations.

Regarding security clearance reciprocity, the DNI issued Security Executive Agent Directive (SEAD) 7 in November of 2018, which provides U.S. Government policy on reciprocity of background investigations and national security adjudications. The DNI followed the issuance of SEAD 7 with Executive Correspondence that stressed the importance and urgency of appropriate application of the guidance in the SEAD. By doing so, departments and agencies will expedite onboarding, meet mission needs and continuity of operations, integrate our talented federal government, military, and contract workforce who require career mobility, and help eliminate duplicative and unnecessary investigative resources and adjudicative efforts.

There has also been significant progress made with the DNI's Continuous Evaluation System (CES). Since our last hearing, the DNI implemented a CES which provides automated flags and alerts encompassing seven federally required data categories. CES now has more than 300,000 individuals enrolled from 26 Executive Branch departments and agencies. ODNI also works with DCSA to ensure our mutual Continuous Evaluation systems provide coverage for the entire Executive Branch population, including the Department of Defense (DoD). This achievement is extremely important, as you will see from my description of TW 2.0. Continuous Evaluation is a cornerstone of this clearance reform effort that will radically transform the security clearance process.

I now would like to focus my remaining remarks on the progress made in the TW 2.0 clearance reform effort, which is the first transformative effort to the personnel vetting process since the immediate post-World War II era.

Shortly after our testimony in front of this committee in March of 2018, the DNI and the then Acting Director of OPM, along with senior representatives from DoD and 0MB, met together to launch the TW 2.0 effort with partner agencies across the U.S. Government. We agreed to fundamentally overhaul the federal personnel vetting process and create a new framework of personnel vetting policies, standards, and procedures. We also agreed to organize the TW 2.0 effort into two phases: Phase One, which was designed to reduce and eliminate the background investigation inventory (which I have already addressed), and; Phase Two, which will establish a new government-wide approach from the ground up.

With Phase One well underway, we now pivot to Phase Two. A senior-level Executive Steering Group with principals from ODNI, OPM, OMB, DoD, and non-Title 50 (NT50) agencies commenced monthly meetings in July 2018 to make decisions regarding TW 2.0 clearance reforms.

There is an additional demonstration of progress on TW 2.0 by the Administration making personnel vetting reform a priority via the President's Management Agenda. The PAC principals have formally chartered the TW 2.0 effort. Industry also expressed support since TW 2.0 closely aligns with their long-expressed desire for change and improved processing times.

Regarding implementation of TW 2.0 changes, the approach will be iterative and change is already taking place. New vetting policies, such as updated investigative standards and adjudicative guidelines, will be in coordination this calendar year, with implementation taking place in late 2022. Next- generation IT is also coming online, and will include a new position designation tool and an electronic application capability.

So, what are the components of the TW 2.0 reform effort? The TW 2.0 new approach is based on a ONE-THREE-FIVE framework. This ONE-THREE-FIVE model is risk-based and it leverages modem IT. It will speed up the process, reduce complexity, eliminate repetitive and duplicative checks, and mandate better use of resources.

There will be ONE Personnel Vetting Model, structured to foster mobility. This vetting model will align security, suitability, and credentialing vetting, employing a streamlined policy framework of executive issuances, guidelines, and standards. The future vetting model will have THREE Tiers designed for mission speed. The number of background investigation tiers will be reduced from five to three: Tier 1 for low-risk public trust vetting; Tier 2 for moderate-risk public trust vetting and Secret clearances; and Tier 3 for high-risk public trust vetting and Top Secret clearances.

Finally, TW 2.0 delineates FIVE vetting scenarios tailored around specific mission needs, rather than a one-size-fits-all approach. Initial Vetting will turn outsiders into trusted insiders and will establish the initial baseline of trust. Continuous Vetting, as noted previously, will replace PRs and will consist of automated record checks (many of which are already in place via continuous evaluation capabilities), agency-specific checks, and certain time or event-driven fieldwork. The third vetting scenario involves Upgrades, adjusting the level of vetting commensurate with a move to a higher-risk level position. The next vetting scenario is regarding a Transfer of Trust, moving an individual from one agency to another, and addressing ongoing challenges with reciprocity with the goal of improving the speed of mobility. The final vetting scenario is the Re-establishment of Trust following a break, vetting an individual for expedient return to the workforce.

While we've been hard at work creating this new approach, we have not been working in a vacuum. As I have noted, what we put in place must work not only for the government, but also work for our partners in industry. At the March 2018 Hearing, you heard from industry representatives who raised their concerns regarding the U.S. Government personnel vetting process.

In 2017, several CEOs from industry wrote a letter to Senator McCain and Congressman Reed articulating a number of concerns with the security clearance enterprise and making recommendations to improve the process. We share the concerns raised by industry, believe they are valid, and have committed to addressing them. With the new approach framework, we believe we are addressing the concerns head-on. For example:

Industry has advocated for elimination of periodic reevaluation in favor of continuous evaluation. While we call it Continuous Vetting, our new approach accomplishes this.

Industry has advocated for us to reengineer the whole process. Our new approach accomplishes this.

Industry advocated for reciprocal treatment of clearances. Our new approach accomplishes this under the transfer of trust vetting scenario.

Industry advocated for a single, uniform, transparent standard to determine who is trustworthy, including replacing the five-tier structure. Our new approach accomplishes this.

Recognizing that much has been done over the last year and a half to improve the clearance process, with significant successful accomplishments along the way, we must stay laser-focused on continuing to improve and we must complete the TW 2.0 transformation. It will necessitate strong commitments to change, with support from Congress an absolute necessity for success.

Thank you for providing me the opportunity to testify before this Committee on our successes, as well as the critically important TW 2.0 initiative. I will be happy to address any questions.