HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2015

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

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SUBCOMMITTEE ON INTELLIGENCE, EMERGING THREATS AND CAPABILITIES HEARING

ON

FISCAL YEAR 2015 NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST FOR INTELLIGENCE ACTIVITIES

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HEARING HELD
APRIL 4, 2014

C O N T E N T S

CHRONOLOGICAL LIST OF HEARINGS

2014

FRIDAY, APRIL 4, 2014

FISCAL YEAR 2015 NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST FOR INTELLIGENCE ACTIVITIES

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

WITNESSES

APPENDIX

FISCAL YEAR 2015 NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST FOR INTELLIGENCE ACTIVITIES

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HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON INTELLIGENCE, EMERGING
THREATS AND CAPABILITIES,
Washington, DC, Friday, April 4, 2014.

The subcommittee met, pursuant to call, at 11:00 a.m., in room 2212, Rayburn House Office Building, Hon. Mac Thornberry (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. MAC THORNBERRY, A REPRESENTATIVE FROM TEXAS, CHAIRMAN, SUBCOMMITTEE ON INTELLIGENCE, EMERGING THREATS AND CAPABILITIES

Mr. THORNBERRY. Hearing will come to order.

Today is the first of two events the subcommittee is hosting related to the fiscal year 2015 defense intelligence budget.

Today we will hear from the Under Secretary of Defense for Intelligence as well as the heads of the DIA [Defense Intelligence Agency], NSA [National Security Agency], and NGA [National Geospatial-Intelligence Agency]. Next week we will hold a second session with the senior intelligence officers of each of the military services as well as Special Operations Command.

Armed Services Committee continues to be focused on making sure that our warfighters have the best possible intelligence support.

DIA, NSA, and NGA are each combat support agencies, and we have asked them to describe today their efforts to support current military operations as well as to help the Department of Defense [DOD] anticipate and prepare for future conflicts.

Each of these agencies is part of the Intelligence Community and has responsibilities to both the larger U.S. Government and to the Department of Defense. That is a delicate balance, and both missions are critical to our Nation.

Over the past year, we have been presented with numerous additional challenges, whether it is the current crisis in Ukraine, ongoing military operations against terrorist groups, or mitigating the most serious compromise of classified information in U.S. history.

Intelligence and the protection of that intelligence continues to be one of the most important parts of our national defense.

Let me yield to the distinguished ranking member for any opening comments he would like to make.

**STATEMENT OF HON. JAMES R. LANGEVIN, A REPRESENTA-
TIVE FROM RHODE ISLAND, RANKING MEMBER, SUBCOM-
MITTEE ON INTELLIGENCE, EMERGING THREATS AND CAPA-
BILITIES**

Mr. LANGEVIN. Thank you, Mr. Chairman.

And I want to thank our witnesses for being here today.

I especially want to thank Chairman Thornberry for organizing and putting together this very important hearing.

I hope that today's discussion will be both productive and constructive as we continue to exercise this subcommittee's new oversight responsibilities relating to the intelligence portfolio for which the Armed Services Committee has oversight responsibilities for.

First and, unfortunately, foremost, of course, I continue to be concerned about the implications and ramifications to the Department from the leaks of the NSA contractor. I have read the information review task force report. It was an essential assessment and a very sobering one, indeed.

However, I would like to get a better idea of what we know now and what we don't know and what we are going to do about it.

After all, as DNI [Director of National Intelligence] Clapper testified before the Intelligence Committee, the vast majority of the information comprised has nothing to do with NSA surveillance and collection, but, instead, has dire impacts directly on DOD.

I am very concerned about the damage assessment and the practical effects of these leaks on our men and women in uniform who are at risk each day, but just as important is the way forward on mitigation.

We certainly don't need to scrap every operations plan, but we do need to look at shifting some Department priorities and policies. And I would appreciate you speaking to the magnitude of what we will have to face in the coming years.

I am also interested in the progress of the Defense Clandestine Service [DCS] and its ability to meet strategic defense priorities.

I know that the Defense Clandestine Service is not new to DIA, but certainly it is—under General Flynn's direction and that of Secretary Vickers, has enhanced its capabilities. I am looking forward to getting an update on that.

There have been some growing pains, but I strongly believe the DOD must maintain a clandestine human capability, which I have to say is sometimes challenged in the Intelligence Committee.

How is DCS progressing and improving its capabilities, refining its requirements, moving officers into places where they can be most effective, and integrating and coordinating with others in the Intelligence Community?

From a budget perspective, money above the Budget Control Act [BCA] levels via the Bipartisan Budget Act was given back largely to the services. This puts a particular strain on agencies like yours.

We are going to have to take some risk, but there is a breaking point. As your partners on the Hill, we would like to help you avoid that breaking point and manage your risk wherever possible.

We would also appreciate the benefits of your perspective on particular cuts in other parts of the Department that could impair your activities such as the COCOMs [combatant commands].

And, finally and fittingly, given today's hearing on the QDR—given yesterday's hearing on the QDR [Quadrennial Defense Review], I would like to discuss the overall defense strategy implications to intelligence.

When the Department looks out over the next decade, is the defense intelligence apparatus correctly postured to meet our operational priorities? And is it correctly aligned to cover the globe, operate where we need, and operate to sustain our counterterrorism operations?

So, with that, Mr. Chairman, I would like to again thank you for holding this very important hearing.

To our witnesses, thank you again for your appearance today and your service to the Nation. I certainly look forward to our continued and productive relationship as we work together to ensure the best intelligence posture for the Nation.

Thank you. I yield back.

Mr. THORNBERRY. Thank the gentleman.

I want to welcome our witnesses: Dr. Michael Vickers, Under Secretary of Defense for Intelligence; General Michael Flynn, Director of Defense Intelligence Agency; Ms. Letitia Long, Director of National Geospatial-Intelligence Agency; and Mr. Richard Ledgett, the Deputy Director of the National Security Agency.

We will start with unclassified opening statements from each of our witnesses and then reconvene in a classified setting next door, where each witness will then be able to make brief classified remarks, followed by Members' questions.

Dr. Vickers, the floor is yours.

STATEMENT OF DR. MICHAEL G. VICKERS, UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE

Dr. VICKERS. Chairman Thornberry, Ranking Member Langevin, distinguished members of the subcommittee, I appreciate the opportunity to come before you today to discuss the fiscal year 2015 budget requests for defense intelligence.

I am especially pleased to be here with Mike, Tish, and Rick. Betty Sapp, our director of the National Reconnaissance Office, testified yesterday before the Strategic Forces Subcommittee.

While the unclassified nature of our opening remarks keeps us from discussing in detail many aspects of defense intelligence, we look forward to meeting in closed session to discuss these topics more fully.

Intelligence is a major source of U.S. advantage. It informs wise policy and enables precision operations. It is our front line of defense.

The challenges we face, however, are increasing and becoming more complex, and our resources are declining. It is imperative, therefore, that we make the best use of available resources, given the challenges we confront.

As the USDI [Under Secretary of Defense for Intelligence], I am the program executive for the Military Intelligence Program [MIP] and have oversight over the related programs that comprise what we call the Battlespace Awareness [BA] portfolio.

The Department's fiscal year 2015 MIP budget request for base appropriations is $13.3 billion, which does not include overseas con-

tingency operations funds. The BA portfolio includes significant additional resources.

Defense intelligence collectively encompasses the defense portion of the National Intelligence Program, the MIP, and the BA portfolio.

My close relationship with DNI Clapper enables DOD and the Intelligence Community to work seamlessly to manage, resource, and apply our intelligence capabilities in pursuit of our national security objectives while avoiding duplication of effort.

We have five defense intelligence operational priorities: Countering terrorism, particularly countering the threat posed by Al Qaeda; countering the proliferation of weapons of mass destruction and associated delivery systems; countering the actions of repressive governments against their people, such as in Syria; countering state-on-state aggression; and countering cyber threats.

To address the intelligence gaps that exist within these operational priority areas, we are focused on enhancing defense intelligence capabilities in five areas: Enhancing global coverage; improving our ability to operate in anti-access/area denial, or A2/AD, environments; sustaining counterterrorism and counter-proliferation capabilities; continuing to develop our cyber operations capabilities; and strengthening our counterintelligence capabilities and reforming our security clearances processes to minimize insider threats.

All four of us are committed to working with the Congress to find the best way to continue to deliver intelligence advantage to our Nation and our warfighters.

I thank you for the opportunity to address this subcommittee today, and turn now to my colleagues to address what they are doing within their individual agencies to further our defense intelligence goals.

[The prepared statement of Dr. Vickers can be found in the Appendix on page 15.]

Mr. THORNBERRY. General Flynn.

STATEMENT OF LTG MICHAEL T. FLYNN, USA, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

General FLYNN. Chairman Thornberry, Ranking Member Langevin, and members of the subcommittee, on behalf of the men and women of the Defense Intelligence Agency, I want to say thank you for your invitation to present our fiscal year 2015 budget request.

Let me begin by saying I fully support the priorities Under Secretary Vickers outlined in his remarks. As you have recently heard from Admirals McRaven and Locklear and Generals Rodriguez and Austin during their appearances before the full committee earlier this year, the need for more timely and accurate intelligence continues to exponentially grow.

Persistent crisis in the Middle East and recent developments in Crimea, Central Africa, and the Asia-Pacific region underscore the constant drumbeat for more fighters, commanders, and policymakers for specialized understanding and insight into the countless threats and military capabilities around the world.

Both you and I have a responsibility to our men and women to make smart decisions in these austere times to take risks where we must, but, also, maintain those investments which will ensure our security well into the future.

DIA has made significant changes to manage risk to ensure that we will continue to meet the increasing operational needs and strategic challenges that threaten our military advantage.

During my testimony this morning, I will highlight four critical priorities in our request: Number one, intelligence collection operations; number two, all-source analysis; number three, investments in our workforce for professional development and career-broadening experiences; and, number four, how we have reshaped much of our business practices and process.

First, within intelligence collection operations, ensuring the success of the Defense Clandestine Service is a priority not only for DIA, but for the Defense Department and the Intelligence Community as a whole.

Your oversight and support have helped DCS mature as a human intelligence capability and make measurable progress in support of all defense intelligence equities.

On all measures—tradecraft, professionalization, and both the quantity and quality of recruitments—we have experienced a marked increase in performance this past year.

In terms of counterintelligence, this is another critical investment for DIA. Recent events remind us that accepting too much risk in the CI—or in counterintelligence realm can come at an unacceptable cost.

Our budget request focuses our CI investments on creating a holistic strategy that addresses traditional counterintelligence, increases network monitoring, improves insider threat identification, and fortifies a security-conscious culture within our workforce.

Second, all-source analysis is a core mission of DIA and rightly comprises one of the largest portions of our budget. We are implementing new solutions to mitigate global coverage risks, particularly by forging closer ties to the combatant command Joint Intelligence Operations Centers, or JIOCs, through the Agency's five Intelligence Integration Centers.

Our integrated centers fuse our analytic and collections workforce to maximize enterprise support to operational decisionmaking and strategic policy.

While only in their first year of operation, our combined performance in response to the recent crisis in Ukraine, flash points in the South China Sea, instability in Sub-Sahara Africa, and the ongoing civil war in Syria, highlight the benefit of multifaceted integration and collaboration as well as a strong lash-up with the combatant command JIOCs.

Third, over the past year, we have increased our investments in our workforce professional development programs as well as career-broadening experiences.

In terms of professional development, we consolidated 21 separate offices into one Academy of Defense Intelligence, realizing an immediate cost savings of $3 million.

Additionally, through our Office of Defense Intelligence, we have reemphasized enhanced training for our analytic workforce through our new Professional Analyst Career Education program.

In terms of career-broadening experiences, this past year we rotated 225 DIA and combatant command personnel overseas and plan on an additional 320 personnel for fiscal year 2015, further integrating the Defense Intelligence Enterprise.

Lastly, to further prepare our workforce for an uncertain future, we have also consolidated three of our military Reserves offices and over 1,200 reservist billets under one two-star component.

The impact of all of these changes has already seen an improvement in analytic production, a decrease in contract instructors, and an increase in the number of man-days we get out of our Reserve intelligence component.

Fourth, we are taking steps to significantly improve our contracting business processes with a "Start Small, Scale Fast, Fail Cheap" strategy that reduces risks, shortens delivery time by 6 to 9 months, and mitigates the "too big to fail" trap that we typically get ourselves into.

We are particularly proud of our work with small businesses, which are generating the original ideas we need for the future. The Federal Government average of small business contracting is less than 25 percent, but at DIA, over the past year, we have nearly doubled our investments in small businesses, reaching a new high of 31 percent. And now nearly 1 out of every $3 that we invest is invested in small business.

As you review our overall budget request, you will find that we have made the hard choices and the right investments to ensure that our fully integrated defense intelligence team of highly skilled professionals is equipped with the right training and technology, strengthened by partnerships across the whole of government and around the world. And we will continue to provide all-source defense intelligence whenever and wherever required in support of our warfighters.

I thank you for your continued support and look forward to your questions.

[The prepared statement of General Flynn can be found in the Appendix on page 22.]

Mr. THORNBERRY. Thank you.

Ms. Long.

STATEMENT OF LETITIA A. LONG, DIRECTOR, NATIONAL GEOSPATIAL–INTELLIGENCE AGENCY

Ms. LONG. Good morning, Chairman Thornberry, Ranking Member Langevin, and distinguished members of the subcommittee.

Thank you for the opportunity to discuss the National Geospatial-Intelligence Program and the NGA MIP budget request for fiscal year 2015. Thank you also for your continued support to enhance defense intelligence.

Pleased to appear before you today with Dr. Vickers and my fellow directors. In my more than 30 years of working in defense intelligence, the cooperation and collaboration between our agencies has never been stronger.

Geospatial Intelligence, or GEOINT, is the analysis of information from a number of unique and highly technical sources that describe, assess, and visually depict physical features and geographically referenced activities on earth,

GEOINT has always been integral to military operations around the world, and today it is one of the drivers for intelligence integration because everything in the world is someplace at some time.

As the lead Federal agency for GEOINT, NGA provides this critical information to the defense community, military commanders, decisionmakers, troops deployed in harm's way, and first responders.

Our content, analysis, and services enable mission planning, combat operations, strategic warning, precision targeting, counterterrorism operations, counter-proliferation, GPS [global positioning system] navigation, and humanitarian assistance and disaster response.

As an example, NGA produces and sustains global aeronautical and maritime safety of navigation information for military flight crews and sailors as well as civil mariners.

This effort includes updating electronic records on more than 45,000 airfields, charting more than 116 million square miles of ocean, and managing data on over 3 billion topographic features worldwide.

The bottom line is, without this information, our ships would stay in port, our pilots would not fly, and our ground forces would not leave garrisons.

A second example of the contribution of GEOINT is the integrated temporal and spatial view of the battlespace that NGA provides to combatant commanders and policymakers.

By identifying threat force capabilities, locations, patterns of activities, relationships, and infrastructure around the globe, NGA helps the commanders and policymakers hold adversaries at risk.

To support these types of missions, NGA personnel deploy all over the world, embedded alongside our military and intelligence personnel, and participate in mission planning, executions, and follow-up.

In sum, the intelligence that NGA provides every day is critical to the planning and operations of intelligence agencies and military units fighting to protect all Americans.

In the broadest terms, the vision that drives NGA's workforce is putting the best GEOINT in the hands of our soldiers, sailors, airmen, marines, and coastguardsmen.

We continuously seek to produce new value for warfighters, whether through a map, imagery and technical analysis, or a specialized interactive product.

Looking ahead, NGA's budget request includes funding for expanding our analytic capabilities and next-generation collection strategies to anticipate evolving national security threats, shaping and retaining a skilled and diverse workforce, and enhancing protections against cyber and insider threats to keep our information and our people safe.

These investments are aligned with a number of long-term strategic initiatives that NGA is pursuing to improve our contributions to the warfighter and the Intelligence Community as a whole, in-

cluding better intelligence integration, providing better access to our data, especially for the warfighter, and enhancing analytic tradecraft to discover key unknowns hidden in the masses of data.

In addition to these strategic initiatives, which focus on the long-term success of the Agency, we have kept a close eye on the more immediate risks, from Russia and Ukraine, to Iran, North Korea, and China, to Syria, Afghanistan, and counterterrorism operations as well.

Finally, I want to mention NGA's progress toward financial auditability. The Agency is undergoing our first full-scope audit of our 2014 financial statements, and the results from this audit will help us identify areas requiring additional remediation as we move toward our goal of achieving an unqualified opinion on our 2016 financial statements.

On behalf of the women and men of NGA, thank you for your support.

[The prepared statement of Ms. Long can be found in the Appendix on page 29.]

Mr. THORNBERRY. Thank you.

Mr. Ledgett.

STATEMENT OF RICHARD H. LEDGETT, JR., DEPUTY DIRECTOR, NATIONAL SECURITY AGENCY

Mr. LEDGETT. Chairman Thornberry, Ranking Member Langevin, distinguished members of the subcommittee, thank you for the opportunity to address you today.

And on behalf of the outstanding men and women of the National Security Agency and Central Security Service [NSA/CSS], thank you for your support that the Congress and this committee in particular give to NSA/CSS.

Your support makes it possible for us to provide actionable intelligence and information assurance expertise to our diverse customer set, especially the combatant commanders and our military personnel in harm's way.

With your continued support in fiscal year 2015, we will continue to do all we can to protect the Nation and its allies.

Our 2015 NSA/CSS budget reflects hard choices to ensure critical national security requirements are addressed in an era of declining budgets.

The strategic environment we face will continue to become more complex and present a dramatically new set of challenges.

Cyber attacks will allow potential adversaries to overcome U.S. advantages in conventional military power. The Nation will continue to depend upon NSA's cryptanalysis to sustain our access and understanding of foreign communications, even as encryption becomes more automatic and more prolific.

We must support our warfighters, policymakers, and allies today while preparing for the future through the development of next-generation capabilities all while scrupulously protecting privacy and civil liberties.

Our fiscal year 2015 budget, while accepting risks mandated by the current fiscal climate, keeps us on the path to accomplish these goals.

We have recruited and trained an extraordinarily talented workforce, and the fiscal year 2015 budget allows us to preserve it.

We are leveraging our human capital by providing our people with the most technologically sophisticated and innovative intelligence capabilities.

Investments in cybersecurity will expand across the enterprise to meet the demand and speed of action required in today's world.

As you know, NSA executes three distinct funding streams: The Consolidated Cryptologic Program, or CCP; the Information Systems Security Program, or ISSP; and the Military Intelligence Program, or MIP. Let me briefly describe our emphasis areas in each of these.

The CCP enables NSA/CSS to bring the capability of a global cryptologic system to bear in support of our national policymakers and our warfighting commands. NSA's global intelligence capabilities, cryptanalytic and analytic tradecraft, operational infrastructure, and reporting mechanisms have been developed over time and have resulted in the successful delivery of mission requirements.

And I look forward to providing some specific and recent examples in the classified session that will follow.

NSA/CSS's information assurance investment plan responds to the challenges of providing security solutions that keep pace with a fast-moving technology sector and agile adversaries.

We must know the cyberspace environment and its risks, protecting information and hardening systems in the national security cyber domain.

This will ensure that systems have the required security characteristics commensurate with known and anticipated risks and the ability to withstand and recover from cyber attacks and intrusions.

We are continuously refining our strategies to provide know-how and technology to suppliers and clients and to measurably improve the security of critical operations and information.

NSA/CSS's Military Intelligence Program investment plan focuses on delivering responsive, reliable, and effective SIGINT, or signals intelligence, to ensure our deployed forces can succeed in today's operations and are prepared to respond to future threats and technologies.

The NSA/CSS MIP continues previous investments to improve DOD intelligence surveillance and reconnaissance capabilities, providing timely and accurate support to our deployed forces, achieving interoperability, commonality, and modernization of service and U.S. Special Operations Command signals intelligence ISR [intelligence, surveillance, and reconnaissance] capabilities.

NSA/CSS will also continue to support an effective joint tactical system that provides SIGINT access to targets that use the global converged communications infrastructure.

The MIP investments strengthen the Department's ability to address current cyber challenges. Specifically, fiscal year 2015 investment will focus on the development of a strong cyber workforce and intelligence gathering in cyberspace.

These initiatives will focus on providing U.S. Cyber Command Cyber Mission Force support, personnel training, and threat operations support and infrastructure.

We will also continue investing in the research and development of solutions that produce actionable signals intelligence for deployed forces.

We will be responsive to the needs for intelligence support to combatant commands, including support to the development of operations plans and theater campaign plans, as directed by the Chairman of the Joint Chiefs of Staff.

I will conclude by saying that the NSA/CSS budget request reflects the necessary balance between today's fiscal realities and our unwavering commitment to support of the joint warfighter.

Thank you for your continued support in helping NSA/CSS maintain world-class capabilities and serve as a key contributor to the protection of our Nation.

[The prepared statement of Mr. Ledgett can be found in the Appendix on page 36.]

Mr. THORNBERRY. Thank you all.

We will immediately reconvene next door. And, with that, the open hearing stands adjourned.

[Whereupon, at 11:29 a.m., the subcommittee was adjourned.]

A P P E N D I X

APRIL 4, 2014

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

APRIL 4, 2014

Statement for the Record

By

Dr. Michael G. Vickers

Under Secretary of Defense for Intelligence

Before the

House Armed Services Committee

Subcommittee on Intelligence, Emerging Threats and Capabilities

April 4, 2014

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INTRODUCTION

Chairman Thornberry, Ranking Member Langevin, and distinguished Members of the Subcommittee, I am pleased to appear before you today with the Directors of the Defense Intelligence Agency and the National Geospatial-Intelligence Agency and the Deputy Director of the National Security Agency to discuss the fiscal year (FY) 2015 budget request for Defense Intelligence programs and resources. I note that the Director of the National Reconnaissance Office, Ms. Betty Sapp, testified yesterday before the HASC Strategic Forces Subcommittee on the FY 2015 budget request for "National Security Space Activities". While the unclassified nature of our opening remarks precludes us from discussing in detail many aspects of Defense Intelligence and the Military Intelligence Program (MIP), we welcome the opportunity to meet in closed session to more fully discuss these topics with you.

Intelligence is a major source of U.S. advantage. It informs wise policy and enables precision operations. It is our front line of defense. A climate of declining budgets, a war weary public, insider threats, unauthorized disclosures of classified information, and increased desire for transparency create the challenging environment in which we work. At the same time as our intelligence and defense budgets are declining, the challenges we face are increasing and becoming more complex. We must continue to provide decisive intelligence and decision advantage to national policy makers and our operators, and posture ourselves to prevent strategic surprise, all while preserving the continued economic leadership of the United States as the foundation upon which our long-term national security rests.

As the Under Secretary of Defense for Intelligence (USD(I)), I am the Principal Staff Assistant and advisor to the Secretary and Deputy Secretary of Defense regarding intelligence, intelligence-related sensitive activities, counterintelligence (CI) and security matters. I exercise

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the Secretary's authority, direction, and control over the defense agencies and Department of Defense (DoD) field activities that are defense intelligence, CI, or security components.

In addition to the MIP, I have oversight authority delegated by the Secretary of Defense for the Battlespace Awareness (BA) Joint Capability Area (JCA) portfolio. The Department's FY 2015 MIP budget request for base appropriations is $13.3 billion, which does not include Overseas Contingency Operations (OCO) funds. The BA portfolio includes significant additional resources. Defense Intelligence collectively encompasses the defense portion of the National Intelligence Program (NIP), the MIP and the BA portfolio.

In an era of declining resources, our FY 2015 MIP budget request reflects the essential choices necessary to address critical intelligence requirements in support of today's operations, while making the investments necessary to maintain our intelligence advantage. This year's budget reflects a reduction of $1.3 billion and a nearly one percent reduction in manpower from last year's budget request. The reduction's impact should also be understood within the context of reduced buying power from inflation since last year's budget. The OCO request will be submitted by the Administration at a later date when policy decisions for Afghanistan are finalized.

FY 2015 INTELLIGENCE CHALLENGES AND DEFENSE INTELLIGENCE PRIORITIES

To ensure Defense Intelligence resources are invested wisely, we continuously refine our strategy and operational priorities in order to define what capabilities are required to achieve success. This strategy and the associated priorities and capabilities maximize the Defense Intelligence contribution to the Department and the National Intelligence Program. My close

relationship with Director of National Intelligence (DNI) Clapper enables DoD and the Intelligence Community to work seamlessly to manage, resource, and apply intelligence capabilities in pursuit of our national security objectives while avoiding duplication of effort.

Key Defense Intelligence operational priorities in unclassified terms for FY 2015 include:

- Counterterrorism, particularly the threat posed by al-Qa'ida.
- Countering the proliferation of weapons of mass destruction and associated delivery systems.
- Countering the actions of repressive governments against their people, such as in Syria.
- Countering State-on-State aggression.
- Countering cyber threats.

KEY DEFENSE INTELLIGENCE CAPABILITY PRIORITIES

To meet these challenges and overcome the intelligence gaps that exist within these operational priority areas, we are enhancing Defense Intelligence capabilities in five major areas:

- Expanding global coverage.
- Improving our ability to operate in anti-access/area denial (A2/AD) environments.
- Sustaining counterterrorism (CT) and counter proliferation (CP) capabilities.
- Continuing to develop cyber operations capabilities.
- Strengthening counterintelligence capabilities and reforming the security clearance process to minimize "insider threats."

FY 2015 PROGRAMMATIC ADJUSTMENTS

In light of these capabilities and intelligence priorities, FY 2015 MIP budget resources were allocated to programs that allow the Department to best meet its intelligence mission. Highlighted below is a summary of the major Defense Intelligence and security program adjustments:

- The budget reduces Predator and Reaper combat air patrols (CAPs) from 65 to 55, allowing us to reduce airframe inventory while still maintaining the ability to surge for contingencies. Additionally, the MQ-1 Predator fleet will be drawn down as additional MQ-9 CAPs become available. By FY 2019, MQ-9s will comprise the entire fleet.

- The Air Force will transfer its fleet of 41 MC-12W Liberty aircraft to the Army and Special Operations Command (SOCOM). This retains the capable Liberty aircraft and avoids new procurement costs for Army and SOCOM replacement programs.

- Based on long term affordability, the Department will retain and enhance the RQ-4B Global Hawk Block 30 aircraft to fulfill high altitude intelligence, surveillance and reconnaissance requirements, and will retire the U-2 program in FY 2016.

- Due to programmatic delays recognized by Congress, the Navy's initial MQ-4C Triton procurement was shifted from FY 2015 to FY 2016. The Navy also delayed the planned retirement of the EP-3E and Special Project Aircraft programs by one year in order to align with the new Triton fielding schedule.

- The Department has initiated a program to develop a security clearance continuous evaluation capability for the defense intelligence workforce. This effort will build on continuous evaluation pilot programs which used existing systems at the Defense

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Manpower Data Center and leverage results of a continuous evaluation concept

demonstrations sponsored by the Defense Security Enterprise.

- The OUSD(I) staff and budget, and the direct support staffs of the Combatant Command

   J2s/Joint Intelligence and Operations Centers, were all reduced. Additionally, the

   program management of the Battlefield Information, Collection and Exploitation System

   (BICES) and program execution of Foreign Materiel Acquisition and Exploitation

   (FMA&E) were realigned from the OUSD(I) staff to the Air Force. OUSD(I) will retain

   oversight of both programs and provide guidance and direction to the Air Force on their

   execution.

CONCLUSION

We live in a dangerous world. Developing and sustaining intelligence advantage is

challenging in the best of times; it is made even more difficult with declining resources. I am

committed to working with the Congress to find the best way to continue delivering intelligence

advantage to the nation. Thank you for the opportunity to address this Subcommittee today - we

look forward to your questions.

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Michael G. Vickers

Under Secretary of Defense for Intelligence

Michael G. ("Mike") Vickers was nominated by President Barack Obama as the Under Secretary of Defense for Intelligence (USDI) on September 29, 2010, and was unanimously confirmed by the United States Senate on March 17, 2011. Secretary Vickers served as Acting USDI from January 28, 2011, to March 17, 2011, and as first and only Assistant Secretary of Defense for Special Operations/Low-Intensity & Interdependent Capabilities (ASD SO/LIC&IC) from July 23, 2007 to March 17, 2011. His service has spanned the administrations of both President George W. Bush and President Barack Obama.

As the USDI, Secretary Vickers is the principal intelligence advisor to the Secretary of Defense. He exercises authority, direction, and control on behalf of the Secretary of Defense over all intelligence organizations within the Department of Defense, including the National Security Agency, the Defense Intelligence Agency, the National Geospatial Intelligence Agency, the National Reconnaissance Office, and the intelligence components of the combatant commands and military services. Secretary Vickers is the Program Executive for the Military Intelligence Program. He is also dual-hatted as Director of Defense Intelligence in the Office of the Director of National Intelligence, and reports to the DNI in this capacity. He is the Department's principal interface with the Central Intelligence Agency and other elements of the Intelligence Community, and represents the Department on intelligence and sensitive operations at Deputies and Principals Committee meetings of the National Security Council.

As ASD (SO/LIC&IC) from July 23, 2007, to March 17, 2011, Secretary Vickers had oversight of global operations, and served as the senior civilian adviser to the Secretary of Defense on counterterrorism, irregular warfare and special activities. He played a central role in shaping U.S. strategy for the war with al Qa'ida, and the war in Afghanistan. He had oversight of the core operational capabilities (strategic forces, conventional forces, and special operations forces) of the Department of Defense, as well as the functional combatant commands (United States Strategic Command, Special Operations Command, Joint Forces Command and Transportation Command). With the Vice Chairman of the Joint Chiefs of Staff, he had oversight of the force application (maneuver and fires) joint capability area.

From 1973 to 1986, Secretary Vickers served as an Army Special Forces Non-Commissioned Officer, Special Forces Officer, and CIA Operations Officer. He had operational and combat experience in Central America and the Caribbean, the Middle East, and Central and South Asia. His operational experience spans covert action and espionage, unconventional warfare, counterterrorism, counterinsurgency, and foreign internal defense. During the mid-1980s, Secretary Vickers was the principal strategist for the largest covert action program in the CIA's history: the paramilitary operation that drove the Soviet army out of Afghanistan. From 1996-2007, Secretary Vickers was Senior Vice President, Strategic Studies, at the Center for Strategic and Budgetary Assessments.

Secretary Vickers holds a Bachelor of Arts, with honors, from the University of Alabama, a Master of Business Administration from the Wharton School of the University of Pennsylvania, and a Doctor of Philosophy in International Relations/Strategic Studies from the Johns Hopkins University.

Statement for the Record

before the

House Armed Services Committee

Sub-Committee on Intelligence Emerging Threats and Capabilities

on the

Defense Intelligence Agency's Fiscal Year 2015 Budget Request

4 April 2014

Michael T. Flynn, Lieutenant General, U.S. Army

Director, Defense Intelligence Agency

Chairman Thornberry, Ranking Member Langevin, and Members of the Sub-Committee, on behalf of the men and women of the Defense Intelligence Agency, thank you for the invitation to present our Fiscal Year 2015 (FY15) budget request. This request reflects DIA's commitment to three critical efforts: strengthening our core missions of human intelligence, counter intelligence, and all-source analysis; streamlining our business processes at all levels; and developing our world-class workforce to meet the challenges of today and the future.

As today's security environment grows more and more complex, demands on the U.S. intelligence system have steeply increased, despite a reduced military presence overseas. Recent conflicts from the Crimea, to Central Africa, to the Pacific Rim underscore the constant drumbeat from warfighters, commanders, and policy-makers for insight and specialized understanding of the countless threats and military capabilities around the world. These increasing demands, coupled with a challenging fiscal environment, require DIA and the entire Defense Intelligence Enterprise to better integrate, innovate, and operate with agility to provide intelligence support wherever and whenever it is required for the security of our nation, for the leadership of our Combatant Commands, and for the safety of our women and men on the front lines.

Our FY15 budget request includes the General Defense Intelligence Program, the Department of Defense Foreign Counterintelligence Program, and the Military Intelligence Program. These three programs account for more than 25,000 personnel who conduct intelligence work at the Combatant Commands, the Military Services, and DIA. The budget

request will sustain our analysis, collection, and counterintelligence efforts in direct support of Department of Defense and the Intelligence Community during the upcoming fiscal year.

Improving our Human and Counter Intelligence collection operations remains a top priority. Over the past year, DIA nearly doubled our overseas presence and, in doing so, greatly strengthened our integration with the National Clandestine Service. Our recruitments have increased in both quantity and quality, and improvements to our tradecraft and workforce professionalization have already shown significant results. We are also strengthening our counterintelligence posture, especially in light of recent compromises by a former intelligence community contractor. DIA's Insider Threat Program is leading by example with a robust and collaborative program designed to integrate, synchronize, and leverage existing capabilities to detect and mitigate the insider threat. I am proud to report that the Office of the Director of National Intelligence recently recognized the team's effort with a National Counterintelligence Executive award for their efforts. As an agency, we are also reinforcing the security-conscious culture within our workforce, and one of our first steps is a five-year plan to ensure 100 percent of our workforce receives polygraph examinations.

All-Source Analysis is a core mission of DIA and rightly comprises one of the largest portions of our budget request. Last year, after a great deal of study, I initiated a change in the way we conduct all-source analysis by establishing Intelligence Integration Centers that fuse our analytic, collection, and science and technology capabilities across regional and functional areas of focus. We have seen unprecedented levels of integration at all levels of the Defense Intelligence Enterprise since making these changes, particularly in our relationship with the

Combatant Commands. DIA's Centers not only merge talent, they also provide operational

flexibility to adjust to shifting developments around the world and serve as a one-stop-shop for

our broad range of intelligence consumers. The Centers' support to the ongoing crises in

Ukraine and Syria underscores their ability to flex in response to the needs of decision-makers

at the tactical, operational, and strategic levels.

The success of our all-source analysts is enabled by a sophisticated information

technology network that allows them to efficiently retrieve and review data and conceptualize

trends in a sea of information. As a key part of DIA's analytical modernization, our analysts are

incorporating new and sophisticated technologies that leverage object-based processes, cloud

architecture, and big-data methodologies. These tools are helping our analysts complete near

real-time analysis of foreign military capabilities, giving policymakers and warfighters both

better information and more time to formulate their decisions.

Tools and technology may enable the work we do, but at its core, intelligence is a

people-driven business – which is why major investments in our FY15 budget focus on

equipping our workforce with the tools and training they need to be world-class intelligence

professionals.   DIA is transforming our workforce development models to create a cadre of

intelligence officers prepared to meet diverse and growing customer demands. This initiative

includes the introduction of a rigorous training program called Professional Analyst Career

Education, or PACE, and we just graduated our first class with a cohort that completed more

than 800 hours of training on advanced analytic techniques, products, and tradecraft. With

representation across the Defense Intelligence Enterprise, this program is also aimed at

strengthening and integrating our analytic corps across DIA, the Service Intelligence Centers,

and the Combatant Commands. Additionally, we have consolidated 21 training programs and

budgets from across the enterprise under one Academy of Defense Intelligence to maximize the

agency's return on each training dollar. The Academy is leveraging existing government

subject-matter experts to reduce the need for contract labor and revising and streamlining the

many training curriculums to refine and elevate professional standards enterprise-wide.

Speaking of capitalizing on existing talent, this year we stood up DIA's Innovation Office

whose mission is to "bring ideas to action." The goal is to build agility into the core of all

Defense Intelligence Enterprise activities by unleashing the creativity of the workforce,

academia, and industry to continuously improve overall mission performance. With the help of

the Innovation Office's new Open Innovation Gateway, the agency has already started using

workforce-generated innovation pilots. We have also launched Needipedia: an online tool that

is designed to quickly identify and acquire solutions and ideas from across industry and

academia, and Needipedia has already reduced the acquisition "ask" cycle by 6-9 months.

Throughout these efforts, we have instituted a "Start Small. Scale Fast. Fail Cheap"

methodology that systematically reduces risk, shortens delivery time, and mitigates the "too big

to fail" mindset.

Finally, DIA takes seriously the responsibility to ensure that every taxpayer dollar is well

spent. We are working in close partnership with the NSA to implement DIA's first unqualified

financial audit by FY 2016. This initiative is focused on providing reliable, accurate, and relevant

financial statement information to decision-makers, improving DIA resource alignment, and

leveraging the audit process to improve corporate accountability and transparency at all levels. We have completed more than half of our audit readiness plan, and we are already reaping the rewards of that work across all business areas.

DIA's FY15 budget is prioritized to ensure that our fully integrated defense intelligence team of highly skilled professionals is equipped with the right training and technology, strengthened by partnerships across the government and around the world, and prepared to swiftly provide all-source defense intelligence whenever and wherever required in support of our warfighters and our Nation. With your support, we will continue to adapt to the changing world, and to maintain the United States' critical intelligence advantage for many years to come.

Lieutenant General Michael T. Flynn, USA

Michael T. Flynn graduated from the University of Rhode Island in 1981 and was commissioned a second lieutenant in Military Intelligence. His first assignment was as a paratrooper of the 82nd Airborne Division at Fort Bragg, North Carolina. Since then, he has served in a variety of command and staff positions to include, Commander, 313th Military Intelligence Battalion and G2, 82nd Airborne Division; G2, 18th Airborne Corps, CJ2, CJTF-180 Operation Enduring Freedom (OEF) in Afghanistan; Commander, 111th Military Intelligence Brigade at the Army's Intelligence Center at Fort Huachuca, Arizona; Director of Intelligence, Joint Special Operations Command with duty in OEF and Operation Iraqi Freedom (OIF); Director of Intelligence, United States Central Command with duty in OEF and OIF; Director of Intelligence, the Joint Staff; Director of Intelligence, International Security Assistance Force-Afghanistan and US Forces-Afghanistan and Special Assistant to the Deputy Chief of Staff, G2. He most recently served as the Assistant Director of National Intelligence for Partner Engagement before becoming the 18th Director of the Defense Intelligence Agency on 24 July 2012.

Lieutenant General Flynn's other assignments include multiple tours at Fort Bragg, North Carolina, where he deployed with the 82nd Airborne Division as a platoon leader for Operation URGENT FURY in Grenada, and as Chief of Joint War Plans for JTF-180 UPHOLD DEMOCRACY in Haiti. He also served with the 25th Infantry Division at Schofield Barracks, Hawaii, and as the Senior Observer/Controller for Intelligence at the Joint Readiness Training Center at Fort Polk, Louisiana.

Lieutenant General Flynn holds an undergraduate degree in Management Science from the University of Rhode Island and holds three graduate degrees: a Master of Business Administration in Telecommunications from Golden Gate University, San Francisco; a Master of Military Arts and Sciences from Fort Leavenworth, Kansas; and a Master of National Security and Strategic Studies from the United States Naval War College. He also holds an Honorary Doctorate of Laws from The Institute of World Politics, Washington, D.C.

Lieutenant General Flynn is a graduate of the Army's Intelligence Officer Basic, Advanced, and Electronic Warfare Courses; the Combined Armed Services Staff Course; the United States Army Command and General Staff College and School of Advanced Military Studies; and the United States Naval War College.

His awards include the Defense Superior Service Medal (with 3 Oak Leaf Clusters), Legion of Merit (with Oak Leaf Cluster), Bronze Star Medal (with 3 Oak Leaf Clusters), Meritorious Service Medal (with Silver Oak Leaf Cluster), Joint Service Commendation Medal, Army Commendation Medal (with 4 Oak Leaf Clusters), the NATO Service Medal, and several service and campaign ribbons. Lieutenant General Flynn also has earned the Ranger Tab and Master Parachutist Badge, and the Joint Staff Identification Badge.

Lieutenant General Flynn is happily married and has two sons.

Statement for the Record

before the

House Armed Services Committee

Subcommittee on Intelligence, Emerging Threats, and Capabilities

on the

National Geospatial-Intelligence Agency's

Fiscal Year 2015 Budget Request

Letitia A. Long

Director, National Geospatial-Intelligence Agency

4 April 2014

Chairman Thornberry, Ranking Member Langevin, and distinguished members of the Committee. Thank you for the opportunity to discuss the National Geospatial-Intelligence Agency's budget request for Fiscal Year 2015 and for your continued interest in efforts to provide and enhance defense intelligence.

I am very pleased to appear here with Undersecretary of Defense for Intelligence, Dr. Vickers, and my fellow Directors of the Defense Intelligence Combat Support Agencies. In my more than 30 years of working in defense intelligence, the cooperation and collaboration between our agencies has never been stronger.

Mapping and imagery analysis, now known as geospatial intelligence or GEOINT, is the analysis of information from a number of unique and highly technical sources that describe, assess, and visually depict physical features and geographically-referenced activities on Earth. Today, GEOINT serves as the driver for intelligence integration because everything in the world is somewhere at some time. As the lead federal agency for GEOINT, NGA is the primary provider of this information to the defense community, military commanders, decision makers, troops deployed in harm's way, and first responders. NGA products and services inform mission planning, combat operations, strategic warning, precision targeting, counterterrorism operations, counter proliferation, GPS navigation, and humanitarian assistance and disaster response.

As an example, NGA produces and sustains global aeronautical and maritime safety of navigation information for military flight crews and sailors, as well as civil mariners. This effort includes charting over 116 million square miles of ocean, and maintaining over 6,000 charts for surface and subsurface navigation. The Agency is also responsible for maintaining electronic files on over 45,000 airfields worldwide, producing 14,000 aeronautical navigation charts annually, and providing data for use in cockpit navigation systems and pilots' portable electronic devices.

A second example of the contribution of GEOINT is the integrated temporal and spatial view of the battlespace that NGA provides to combatant commanders and

policymakers. By revealing threat force capabilities, locations, patterns of activities, relationships, and infrastructure across the globe, NGA helps commanders and policymakers hold adversaries at risk. The intelligence that NGA provides every day is critical to the planning and operations of intelligence agencies and military units fighting to protect all Americans.

Our workforce is a highly skilled and diverse mix of over 14,500 civilian, military, and contractor personnel. These dedicated individuals possess specialized and extensive experience in geographic fields and image science, and in managing the capabilities of a complex satellite constellation, mapping and charting on a global scale, analyzing various imagery sources, and building scale models of buildings and installations. NGA personnel have deployed to conflict zones more than 5,000 times since 2001, where they are embedded alongside military and intelligence personnel and participate in mission planning, execution, and follow-up. In addition, we have a presence at all ten combatant commands and eight partner departments and agencies – including CIA, DIA, NSA, and the Service Science and Technology Intelligence Centers.

In the broadest terms, the vision that drives NGA's workforce is putting the best GEOINT possible in the hands of our soldiers, sailors, airmen, Marines, and Coastguardsmen. NGA is realizing our vision by ensuring our information is discoverable, accessible and easy-to-use, and that we are broadening and deepening our analytic expertise. We continuously seek to produce new value to warfighters – whether through a map, technical analysis, or a specialized interactive product.

One direct example of NGA's contributions is the Agency's well-earned reputation for our work with special operating forces. In the 2011 raid of the Usama bin Laden compound in Abbottabad, Pakistan, NGA provided imagery and terrain analysis, physical models of the compound itself, and other GEOINT that contributed to that mission's success.

I also want to add that our GEOINT saves lives. NGA contributes to international response and recovery operations, such as in the aftermath of the devastating Super Typhoon Haiyan in the Philippines in November 2013. During that crisis, we provided U.S. military and international disaster response organizations with time critical access to our content and expertise. As the response shifted to recovery, Admiral Locklear, Commander of the Pacific Command and the US lead for our disaster response said "The efforts of your team undoubtedly contributed to saving countless lives and alleviated much suffering. The positive impact will long endure in the minds of the people of the Philippines."

NGA continually strives to improve how the Agency provides this rapid, impactful GEOINT to warfighters and policymakers, and our FY2015 budget request is focused on accelerating our transition from a traditional product provider to a leading edge content and services provider. It includes continued investments that will enable GEOINT to be the foundation upon which NGA and our mission partners layer and synthesize information into a common, integrated intelligence picture.

The FY2015 budget request includes funding for expanding our analytic capabilities and next generation collection strategies to anticipate evolving national security threats, shaping and retaining a skilled and diverse workforce, and expanding protections against insider and cyber threats.

These investments are aligned with a number of long-term strategic initiatives NGA is pursuing to continuously improve our contributions to the warfighter and the Intelligence Community as a whole. Three initiatives I want to highlight today are Map of the World, the Globe, and Activity Based Intelligence.

The Map of the World will serve as the central hub for integrated intelligence. The Map of the World presents a cohesive view of collection from across the Community, including mapping information for military operations, GEOINT observations, and NGA analytic products, data, and models. Just as Google Maps and Google Earth have

brought location to the internet, the Map of the World is bringing location and authoritative content to the IC and DoD, enabling faster decision cycles and anticipatory analysis.

The Globe will be the single NGA gateway for discovery, presentation, and access to integrated intelligence. The Globe will become an immersive intelligence experience for NGA customers, and is the organizing principle for many of the other GEOINT products and services I have mentioned, such as Map of the World. The Globe is being designed with the customer in mind, and its development is centered on the concept that packaging and presentation of knowledge is adaptive and based on consumption. This is especially relevant for warfighters who will be able to access managed content that conveys an integrated and evolving intelligence picture, in a unified, consistent manner, in real time, as they prepare for and execute operational missions.

Activity Based Intelligence, or ABI, is our method for modeling the known and discovering the unknown. ABI is a set of algorithms for improving analytic tradecraft through discovery of key intelligence patterns hidden in masses of data. ABI is enabled by a set of automated and manual processes that structure GEOINT data in a way that allows us to expose our content and analysis to our intelligence partners and facilitates discovery of unknown objects and relationships and the sharing of that understanding. NGA's FY2015 budget provides resources for the development of capabilities to create analytic models and strategies to help us align our technological, personnel, and collection resources to help our analysts discover signatures, patterns, and relationships hidden in the GEOINT data. As warfighters begin to have better access to this information, they will go into combat better prepared and with the situational awareness to increase the success of their missions.

Before I close, I would like to comment on the damage wrought on the nation's Intelligence Community by the recent NSA contractor compromise of classified data. As intelligence professionals we understand the profound harm this betrayal of trust can

have on U.S. national security. In time, this information will help our enemies devise more sophisticated ways to elude detection, which will make our work harder and threaten the safety of all Americans. We know a substantial amount of classified information has been compromised, including NGA products and information. NGA has been working, as part of the IC-wide task force, to determine the impact of disclosure of this information on our missions, activities and personnel. We must recognize that what happened at NSA could have happened anywhere, and the need to protect our classified information from purposeful and unauthorized disclosure falls to all members of the national security community. Finally, more engagement is needed to maintain the public's trust and I look forward to working with you and my colleagues in the Intelligence Community to make that a reality.

Today's world demands timely, relevant, and accurate intelligence, which requires NGA to be flexible and adaptable, and deliver deeper insights faster than ever before. At NGA, we are driving toward a new, more engaging experience for analysis across the intelligence and defense enterprise that allows us to know what we should know, see what our adversaries cannot, and act first. Our FY2015 budget request better positions NGA to add additional depth to our analyses for policymakers and warfighters, including faster decision cycles and anticipatory analysis.

As the nation prepares for the asymmetric challenges of the future, we will continue to adapt our investments in technology, our workforce skills, and our analytical techniques in ways that leverage the tools and methodologies I have described to produce the most valued intelligence information. The investments we are making in the areas I have described will drive NGA to achieve a fully integrated and engaged GEOINT enterprise.

On behalf of the women and men of NGA, thank you for the support we receive from this Committee.

NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
Know the Earth ... Show the Way ... Understand the World   BIOGRAPHY

Letitia A. Long
Director, NGA

Ms. Letitia A. Long is the fifth Director of the National Geospatial-Intelligence Agency (NGA) and the first female head of a major U.S. intelligence agency. Ms. Long leads and directs NGA under the authorities of the Secretary of Defense and Director of National Intelligence. She became NGA's director on Aug. 9, 2010.

Ms. Long's civilian federal career in the Department of Defense (DOD) and Intelligence Community (IC) began with the U.S. Navy at the David Taylor Research Center in 1982. In 1988, Ms. Long joined the Office of the Director of Naval Intelligence, where she managed intelligence research and development programs. From 1994 to 1998, Ms. Long held a number of positions at the Defense Intelligence Agency (DIA) including serving as DIA's first chief information officer.

In 1998, Ms. Long was assigned as the Executive Director for Intelligence Community Affairs for the Director of Central Intelligence, responsible for community-wide policy formulation, resource planning, and program assessment and evaluation. She later served as the Deputy Director of Naval Intelligence from 2000 to 2003 and next as the first Deputy Undersecretary of Defense for Intelligence (Policy, Requirements and Resources). Prior to her appointment to NGA, Ms. Long served as the Deputy Director of DIA from 2006 until 2010.

Ms. Long is the recipient of the Department of Defense Medal for Distinguished Civilian Service, the Presidential Rank Award of Distinguished Executive, the Navy Distinguished Civilian Service Award, the Presidential Rank Award of Meritorious Executive (two awards) and the National Intelligence Distinguished Service Medal (two awards). In 2011, Ms. Long received the Charlie Allen Award for Distinguished Intelligence Service from the Armed Forces Communications and Electronics Association, was decorated with the Medal of Merit by the King of Norway, and was appointed to the rank of Chevalier in the National Order of the Legion of Honor of France. She was named one of the Most Powerful Women in the D.C. Metro area by Washingtonian magazine in 2013 and was honored with a 2014 Federal 100 Award by FCW.

Ms. Long earned a Bachelor of Science in Electrical Engineering from Virginia Tech and a Master of Science in Mechanical Engineering from the Catholic University of America.

February 20, 2014

Statement for the Record

By

Richard H. Ledgett, Jr.

Deputy Director, National Security Agency

Before the

House Armed Services Committee

On the

National Security Agency/Central Security Service

Fiscal Year 2015 Budget

4 April 2014

Introduction

Chairman Thornberry, Ranking Member Langevin, distinguished Members of the Committee: Thank you for the opportunity to address the National Security Agency/Central Security Service (NSA/CSS) Fiscal Year (FY) 2015 Consolidated Cryptologic Program (CCP), Military Intelligence Program (MIP), and Information Systems Security Program (ISSP) budget. I, and the outstanding men and women of NSA/CSS whom I represent before you today, greatly appreciate the excellent support that the Congress, and this Committee in particular, continually give to NSA/CSS. That support greatly facilitates our mission activities and is instrumental in enabling the many successes that we achieve in our efforts to provide actionable intelligence and information assurance expertise to the diverse customer set that we serve. With your continued support in FY 2015, we will continue to prosecute our mission to protect the Nation and her Allies from those who seek to do us harm.

The FY 2015 NSA/CSS budget reflects hard choices to ensure critical national security requirements are addressed in an era of declining budgets. The Intelligence Community's (IC) highest priority is to provide timely and accurate intelligence support to military, policymakers, law enforcement partners, and allies to keep America and its interests safe and secure. We have recruited and trained an extraordinarily talented workforce, and we must preserve it. We are leveraging our human capital by providing them the most technologically sophisticated and innovative intelligence capabilities. Through focused investment, integration, and efficiency, the IC will sustain responsive and insightful intelligence support as the worldwide threat expands in scope and complexity.

NSA/CSS is well-postured to execute our missions in an operational and technological environment that is complex, and marked by rapid and constant change. As an integral part of America's national intelligence team, NSA/CSS is chartered to lead the U.S. Government (USG) in cryptology by providing Signals Intelligence (SIGINT) and Information Assurance (IA) products and services, and enabling Computer Network Operations (CNO) in order to gain a decisive information advantage for national policy makers and war fighting components.

Strategic Environment

The strategic environment we face in the years ahead will continue to become more complex and will present a dramatically new set of daunting challenges. The power of information, the speed at which it moves, and its short shelf life in this information age will set the conditions for how NSA/CSS responds to information needs. Transactional, passive, or linear relationships will be replaced by embedded and deeply interactive engagements. Investments in cyber security will expand across the enterprise to meet the demand and speed of action required to thwart our adversaries. The nation will continue to depend upon NSA/CSS to apply cryptography to sustain our access and understanding of data, even as encryption becomes more automatic and prolific. Cyber attacks will continue to offer a means for potential adversaries to overcome overwhelming U.S. advantages in conventional military power and do so in ways that are instantaneous and exceedingly hard to trace. To succeed in this changing environment, SIGINT and IA systems must transform and mature faster than before, and the analytical tools necessary to prosecute these missions must be robust and constantly evolving.

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Accordingly, NSA/CSS will pursue the following specific goals:

- Succeed in today's operations by enabling wise policy-making, effective national security action, and U.S. freedom of action in cyberspace via exploitation of foreign electronic signals and systems while protecting privacy and civil liberties;
- Capitalize on technology opportunities to counter increased proliferation and sophistication of encryption, and continue to modernize and streamline Information Technology to improve security, increase capacity and achieve innovative capabilities;
- Prepare for the future by delivering next generation capabilities and solutions that will meet the challenges of tomorrow and drive solutions from invention to operation in support of national security and USG missions;
- Enhance and lead an expert workforce by attracting, developing, and engaging exceptional, diverse personnel prepared to overcome the Nation's hard cryptologic challenges;
- Implement best business practices in order to provide timely data to inform optimal strategic and tactical decisions; and
- Accomplish our missions while maintaining our commitment to compliance, lawfulness, and protection of the public trust.

CCP Initiatives

The CCP plan provides responsive, reliable, and actionable SIGINT and enables Full Spectrum CNO to provide national policymakers and warfighting commands with the decisive edge needed to keep the Nation safe, while protecting privacy and civil liberties. NSA/CSS global intelligence capabilities, cryptanalysis and analytic tradecraft, operational infrastructure, and information dissemination mechanisms have been developed over time and have resulted in the successful delivery of mission requirements. To strategically posture NSA/CSS to maintain its global capabilities, NSA/CSS will need to: 1) invest in infrastructure, tools, talent, and tradecraft at levels necessary to keep pace with technological changes and changes in target behaviors; and, 2) ensure appropriate balance across the entirety of the Cryptologic platform.

The environment in which NSA operates continues to evolve. Cyber attacks on the US are increasing as access to the Internet expands, IP–based technologies are converging, global telecommunication networks become more diverse, encryption is becoming the standard, and the speed and volume of the internet grows.

To succeed in such an environment, the CCP resource plan will focus on:

- Enabling NSA/CSS to be innovative and creative in developing and sustaining products and services for its customers. The Agency must proactively anticipate the operational landscape and respond with breakthrough technological advances to stay ahead of the target environment and prevent disruptions in intelligence collection.

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- Maintaining both current and future superiority in the operational environment across mission priorities. Although there will be changes in tasking consistent with Presidential Policy Directive – 28 (PPD-28), overall the Agency does not expect any significant reduction in customer needs for intelligence.
- Modernization of a uniquely complex enterprise that is engaged in critical and urgent day-to-day operations. In order to bridge current operations into the future operational environment, NSA/CSS must continue to pursue world-class support to current operations even as it strives to gain additional access to key (hard) targets through game-changing cryptanalytic tools and innovative, scalable mission processing and exploitation (P&E) capabilities which enable and support a modernized analysis infrastructure. All of this is required to ensure the ability to provide unfettered analysis of information traversing the volume, variety, and velocity of the 21st century communications infrastructure in order to support the Agency's customers with timely and relevant indications and warnings of adversarial intentions and capabilities.

ISSP Initiatives

NSA/CSS's IA investment plan responds specifically to the 21st century challenge of providing security solutions that keep pace with a fast-moving technology sector, agile adversaries and rapidly-changing customer demands. NSA/CSS IA continuously refines its delivery strategy to provide know-how and technology to suppliers and clients when and where they need it, to measurably improve the security of critical operations and information. The NSA/CSS budget reflects the Department of Defense's increased investment in cyber force/cyber intelligence capabilities.

NSA/CSS has identified five core emphases that will maximize the leverage of its expertise and capabilities:

- Protect information and harden systems in the national security cyber domain: Ensure that national security systems, and others when requested, and the information on or processed by them have the characteristics of confidentiality, authentication, availability, integrity, and non-repudiation, commensurate with known and anticipated risks.
- Shape the operational cyber environment: Know and share understanding of the cyberspace environment and risks. Strategically defend the networks and information critical to national security.
- Maneuver to defend at cyber speed: Know the cyberspace environment and risks; prepare and provide tools and actionable information for others to reconfigure, or when allowed, to reconfigure the cybersecurity posture of national security systems, and other systems when requested, before or during cyber attacks.
- Increase cybersecurity resiliency: Increase the ability to operate; maintain trust in systems and information; sustain mission critical functions in support of cyberspace users; and provide tools and actionable information for others, or when allowed, to rapidly recover or reconstitute full capabilities while experiencing the effects of attacks intending to deny, disrupt, degrade,

manipulate, and destroy national security systems, and other systems when such support is requested for them.

- Influence and take maximum advantage of commercial technology: Influence the incorporation of higher security information assurance functions, features, and capabilities into commercial market products supporting USG activities or securing cyberspace of national interest. Incorporate commercial technology and information from the commercial sector into national security systems, and other systems when requested, as well as their operations, while maintaining effective information assurance.

MIP Initiatives

NSA/CSS's MIP investment plan focuses on delivering responsive, reliable, and effective SIGINT products and services to ensure our deployed forces are able to succeed in today's operations and are prepared to respond to future threats and emerging technologies. The NSA/CSS MIP continues previous investments to expand and improve DoD intelligence, reconnaissance, and surveillance (ISR) capabilities as well as increasing the commitment to responding to the cyber challenges of today's world. NSA/CSS will also continue the support of synchronization of tactical SIGINT investments to facilitate an effective joint tactical system that targets the global, converged communications infrastructure. The MIP investments will be focused on strengthening the Department's ability to address current cyber challenges; providing timely and accurate ISR support to our deployed forces; and achieving interoperability, commonality, and modernization of Service and U.S. Special Operations Command SIGINT ISR capabilities.

Specifically, FY 2015 NSA/CSS MIP resource investment will focus on:

- Continuing its investment in a strong cyber workforce and intelligence gathering in cyberspace. These initiatives will focus on providing U.S. Cyber Command Cyber Mission Force (CMF) support, personnel training, and threat operations support and infrastructure.
- Supporting the Defense Intelligence priorities. Investments in the Joint SIGINT mission will facilitate the research and development of tools, systems, software architecture, and solutions that produce actionable SIGINT for deployed forces. Within these areas, there are numerous initiatives that support synchronization and allow for successful joint operations.
- Responding to the need for intelligence support to Combatant Commands (CCMDs). NSA/CSS will continue to invest in efforts which provide SIGINT support to the Commanders. Additionally, operations under this capability will support development of the Operations Plans (OPLANs) and Theater Campaign Plans (TCPs), as directed under Chairman of the Joint Chiefs of Staff (CJCS) Instruction, through extensive planning, modeling, execution, and review of simulation strategies.
- Providing support to the Global Cryptologic Enterprise. NSA/CSS will continue to invest in Real-Time Analytic support. Contained in this effort is RT-RG, or Real-Time Regional Gateway, which

will sustain support to the CCMDs, complete migration to the Enterprise Cloud network, and provide analytic capabilities via complex tools and repositories that provide access to large amounts of Near Real-Time (NRT) intelligence.

Conclusion

Our budget request reflects the necessary balance between the fiscal realities we face and our commitment to the unparalleled support of the joint warfighter. Moving forward, we will continue to recommend efficient and cost-effective solutions to address intelligence priorities and will remain committed to addressing the challenges posed by our adversaries.

Thank you for your continued support in helping NSA/CSS maintain world-class capabilities and serve as a key contributor to the protection of our nation. I thank you for the opportunity to appear before this esteemed committee and look forward to answering any questions you may have.

Mr. Richard H. Ledgett, Jr.

Mr. Richard (Rick) Ledgett serves as the Deputy Director and senior civilian leader of the National Security Agency. In this capacity he acts as the Agency's chief operating officer, responsible for guiding and directing studies, operations and policy.

He led the NSA Media Leaks Task Force from June 2013 to January 2014, and was responsible for integrating and overseeing the totality of NSA's efforts surrounding the unauthorized disclosures of classified information by a former NSA affiliate.

Mr. Ledgett began his NSA career in 1988 and has served in operational, management, and technical leadership positions at the branch, division, office, and group levels. From 2012 to 2013 he was the Director of the NSA/CSS Threat Operations Center, responsible for round-the-clock cryptologic activities to discover and counter adversary cyber efforts. Prior to NTOC he served in several positions from 2010 to 2012 in the Office of the Director of National Intelligence in both the collection and cyber mission areas. He was the first National Intelligence Manager for Cyber, serving as principal advisor to the Director of National Intelligence on all cyber matters, leading development of the Unified Intelligence Strategy for Cyber, and coordinating cyber activities across the Intelligence Community (IC). Previous positions at NSA include Deputy Director for Analysis and Production (2009-2010), Deputy Director for Data Acquisition (2006-2009), Assistant Deputy Director for Data Acquisition (2005-2006), and Chief, NSA/CSS Pacific (2002-2005). He also served in a joint IC operational activity, and as an instructor and course developer at the National Cryptologic School. Mr. Ledgett spent nearly 11 years in the U.S. Army as a SIGINTer and, between the Army and NSA, has completed six field tours.

Mr. Ledgett has an undergraduate degree in psychology and a graduate degree in strategic intelligence. He has taken additional graduate coursework in engineering, computer science, and business, and served as adjunct faculty at both the National Cryptologic School and the Joint Military Intelligence College.

His civilian awards include both the Distinguished and Meritorious Executive Presidential Rank Awards, the NSA Exceptional Civilian Service and Meritorious Civilian Service Awards, and the National Intelligence Superior Service Medal.

Mr. Ledgett is married with three children and three beagles. His hobbies include home improvement, motorcycle riding, and bad golf.

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