

Testimony of

The Honorable Larry D. Thompson

May 8, 2002

Chairman Leahy, Senator Hatch, Members of the Committee, thank you for inviting me to appear today to review our progress in strengthening the Federal Bureau of Investigation. This task is among our preeminent and most urgent missions at the Department of Justice because of the FBI's central role in preventing and disrupting terrorist attacks against our homeland. The Department's success in this effort is critical to restoring the full confidence of the American people in the FBI and to enabling the FBI to fulfill its counter-terrorism mission - and its many other important missions - with distinction.

On June 20, 2001, the Attorney General directed the Justice Department's Strategic Management Council to conduct a comprehensive review of the FBI and to make recommendations for reforms. The Strategic Management Council is a group that I chair, composed of senior Justice Department officials, including the FBI Director and heads of other major Justice Department agencies.

The Attorney General gave three specific directions in performing this review:

First, he directed that a private consulting firm be hired to conduct a management study of the FBI, with particular attention to the issues of information technology, personnel management, crisis management, and performance appraisal.

Second, the Attorney General directed that a wide array of views be solicited from individuals and organizations within and outside the Justice Department, including Congress.

Third, the Attorney General directed that we take into account three other reviews then under way: (1) the Webster Commission's review of the FBI's internal security practices in the wake of the Hanssen espionage matter; (2) the Inspector General's (IG's) investigation of that same matter; and (3) the IG's study of the FBI's document handling procedures in the Oklahoma City bombing case.

As directed, the Department retained a management consulting firm last July to conduct this review. The consultants conducted an extensive analysis of the Bureau, including interviews with a wide variety of FBI personnel and a thorough examination of the FBI's information technology infrastructure. The consultants then submitted a report for consideration by the Strategic Management Council.

To fulfill the Attorney General's directive to solicit a wide range of informed opinion, my staff and I conducted informal interviews with a broad cross-section of individuals, including, among others:

former Attorneys General and Deputy Attorneys General;
former FBI Directors and Deputy Directors;
Members of Congress and their staffs;
leaders of organizations representing state and local law enforcement authorities;
heads of other federal law enforcement agencies; and
current senior Justice Department officials, including a number of United States Attorneys.

In addition, we have carefully examined the Inspector General's final report concerning the belated production of documents in the Oklahoma City bombing case, as well as the report of the Commission for the Review of FBI Security Programs, chaired by Judge William Webster. We anticipate receiving the Inspector General's report concerning the Hanssen case in the next few months, and have already received preliminary comments from the IG's office regarding FBI internal security practices.

Although we began work on this project immediately following the Attorney General's directive in July 2001, the terrorist attacks of September 11, 2001, changed both our timing and our perspective. Those attacks brought into immediate focus the need to intensify our counter-terrorism efforts and accord an even higher priority at the FBI to the counter-terrorism mission. Moreover, the attack caused us to shift our focus from investigating crimes with an eye to prosecution, to detecting, preventing and disrupting terrorists' plans.

We are now in the process of developing specific recommendations. That process is still under way, however. We have not yet formalized our recommendations to the Attorney General.

While Director Mueller already has initiated improvements at the Bureau in a broad range of areas, I would particularly like to commend him for the measures that the FBI has instituted to strengthen its counter-terrorism capabilities.

- The FBI has already initiated significant management changes, establishing four new Executive Assistant Directors who report to the Director, one of whom has specific responsibility for Counterterrorism and Counterintelligence.
- The FBI's Joint Terrorism Task Forces have been expanded to 47 field offices and, by August 2002, will be operating in all 56 FBI field offices. The JTTF's have effectively merged the resources of a constellation of federal, state and local law enforcement agencies through cooperative information sharing.
- Making use of the USA PATRIOT Act's provisions expanding information sharing, the FBI now communicates more efficiently and successfully in disseminating critical time-sensitive information about the threat of terrorist attacks to state and local law enforcement, as well as other federal agencies.

For example:

- The FBI's NCIC database, accessible by 650,000 state and local law enforcement officers throughout the United States, has been expanded to include the names and identifying information of subjects of domestic and foreign terrorism investigations.
- The FBI is expediting security clearances for appropriate state & local law enforcement officials.
- The FBI has established a new Office of Law Enforcement Coordination to institutionalize

information sharing and coordination with state and local law enforcement.

- The FBI also has recently established a College of Analytical Studies and an Office of Intelligence, and has committed to hiring more than 100 intelligence analysts to enhance its ability to gather, analyze and share national security information.

The FBI also plays an integral role in the new National Security Coordination Committee (NSCC), which I chair. The Department inaugurated the NSCC in March 2002 in order better to coordinate policy, planning and operations, and more efficiently allocate resources in our paramount mission to prevent, defeat and disrupt terrorist attacks before they occur.

The other members of the NSCC include:

? The Director of the FBI - with the participation of the Executive Assistant Director for Counter-Terrorism/Counter-Intelligence;

? The Commissioner of the Immigration and Naturalization Service;

? The Chief of Staff to the Attorney General;

? The Assistant Attorney General of the Criminal Division - with the participation of the Terrorism and Violent Crime Section, the Office of International Affairs and other components;

? The Assistant Attorney General for the Office of Justice Programs; and

? The Counsel of the Office of Intelligence and Policy Review.

This new structure is helping us to marshal our wide-ranging resources to develop, direct and execute our counter-terrorism strategy and to eliminate terrorist threats before they develop into terrorist acts. The FBI's central role in the NSCC dovetails with our overall effort to integrate the FBI's counter-terrorism functions with those of other components within the Department and with the entire intelligence and law enforcement communities.

In addition, the FBI has already begun to take steps to enhance its internal security procedures and modernize its information technology infrastructure.

Once we have completed our review, we will forward our recommendations to the Attorney General. We look forward to continue working together with this Committee to sustain the FBI as our bulwark in the defense of our freedom. This will be a detailed and demanding task - requiring a dedication to persevere long beyond September's flush of fury and grief. We at the Department of Justice are committed to this effort - not only to begin it, but to follow through and achieve our goal and the goal of Director Mueller to restore the FBI to its proper place as the nation's preeminent law enforcement agency. Accomplishing this objective is clearly in our national interest.

Mr. Chairman, Senator Hatch, and other Members of the Committee, that completes my prepared remarks. I would be pleased to respond to your questions at this time.