

Testimony of

# **The Honorable Robert S. Mueller, III**

March 4, 2003

Good morning Chairman Hatch, Senator Leahy, and Members of the Committee.

In a recent appearance at FBI Headquarters, President Bush re-emphasized to all FBI employees that "the FBI has no greater priority than preventing terrorist acts against America." Since the attacks of September 11, 2001 the FBI has embraced this challenge and transformed itself to address the current threat facing this country.

Before I outline for the Committee the advances the FBI has made in the past 18 months, I want to assure the American people and the members of this Committee -- who played such a vital role in enhancing the FBI's counterterrorism efforts through the USA Patriot Act -- that the FBI is committed to carrying out its mission in accordance with the protections provided by the Constitution. Every FBI agent is trained to recognize that the responsibility to respect and protect the law is the basis for their authority to enforce it. Respect for Constitutional liberties is not optional, it is mandatory. The FBI could not be effective -- and would not exist -- without it.

The FBI's efforts to identify and dismantle terrorist networks have yielded major successes over the past 18 months. We have charged over 200 suspected terrorists with crimes -- half of whom have been convicted to date. The rest are awaiting trial. Moreover, our efforts have damaged terrorist networks and disrupted terrorist plots across the country. In the past month alone, the FBI has arrested 36 international and 14 domestic suspected terrorists;

Last month, I testified before the Senate Select Committee on Intelligence that the Al-Qaeda network will remain for the foreseeable future the most immediate and serious threat facing this country. While this remains true, the arrest of Khalid Shaikh Mohammed, or KSM, in Pakistan only three days ago is a significant blow to the leadership of the Al-Qaeda network. While Osama Bin Ladin maintains worldwide name recognition as the leader of Al-Qaeda, KSM is the operational mastermind. His terrorist plots -- believed to include the 1993 World Trade Center bomb delivered by truck, the USS Cole bomb delivered by boat, and the September 11th terrorist attacks delivered by air -- have resulted in the death of thousands of innocent people. We will never know the number of lives saved by taking this man into custody.

I would like to congratulate and thank our Pakistani partners on this major victory in the war on terrorism. I assure you that any and all resources of the FBI will be brought to bear to exploit the intelligence formation that becomes available as a result of this arrest.

We will not lose sight, however, of the fact that there are many groups committed to international jihad which offer Al-Qaeda varying degrees of support. Nor will we discount the threat from single individuals sympathetic or affiliated with al-Qaeda, acting without external support or surrounding conspiracies.

And despite the arrest of Khalid Shaikh Mohammed, Al-Qaeda and other terrorist networks are adept at defending their organizations from US and international law enforcement efforts. As these terrorist organizations evolve and change their tactics, we, too, must evolve. Accordingly, the past 18 months have brought momentous changes to the FBI -- including the incorporation of an enhanced intelligence function -- that will better enable us to defend against the terrorist threat.

## ADAPTING TO MEET THE EVOLVING TERRORIST THREAT

Mr. Chairman, to effectively wage this war against terror, we have augmented our counterterrorism resources and are making organizational enhancements to focus our priorities. I would like to review some of those changes with the Committee, beginning with the FBI's analytical program.

### Analytical Program

? To give new focus to analysis, last year I created an Analysis Branch in the Counterterrorism Division and assigned it the mission of producing strategic assessments of the terrorism threat to the United States. To date, the Analysis Branch has produced nearly 30 in-depth analytical assessments.

? Since 9/11, the FBI has increased the number of CT analysts by 61 percent. Through FY04, our proposed increase will result in quadruple the number of analysts that we had pre-9/11. Recognizing that we could not get to where we needed to be overnight, Director Tenet detailed 25 of his analysts to the FBI to provide an immediate infusion of expertise into our program while our hiring initiative is underway.

? We have also implemented a number of initiatives aimed at enhancing training for our analytic workforce, including creating the College of Analytical Studies, which, in conjunction with the CIA, has begun training our new intelligence analysts. By the end of the year, we expect over 200 analysts to have completed the six-week training course.

### Executive Assistant Director for Intelligence

? These improvements to our analytic program had to be made quickly to address our immediate needs. I now want to ensure our ability to collect and analyze intelligence for the long term.

? The centerpiece of this effort is the establishment of an Executive Assistant Director for Intelligence who will have direct authority and responsibility for the FBI's national intelligence program. Specifically, the EAD/I will be responsible for ensuring that the FBI has the optimum strategies, structure, and policies in place first and foremost for our counterterrorism mission. The EAD/I will also oversee the intelligence programs for our counterintelligence, criminal, and cyber divisions. He or she will also ensure that we are sharing information with our federal, state and local partners.

? Furthermore, intelligence units staffed with Reports Officers will be established in every field office and will function under the authority of the EAD/I. The Reports Officers will be responsible for identifying, extracting, and collecting intelligence from FBI investigations and sharing that information throughout the FBI and to other law enforcement and intelligence entities.

### Specialized Counterterrorism Units

To improve our system for threat warnings, we have established a number of specialized counterterrorism units. These include:

? CT Watch, a 24-hour Counterterrorism Watch Center, to serve as the FBI's focal point for all incoming terrorist threats;

? The Communications Analysis Section to analyze terrorist electronic and telephone communications and identify terrorist associations and networks;

? The Document Exploitation Unit which identifies and disseminates intelligence gleaned from million of pages of documents or computers seized overseas by intelligence agencies;

? The Special Technologies and Applications Section to provide technical support for FBI field office investigations requiring specialized computer technology expertise and support;

? The interagency Terrorist Financing Operations Section devoted entirely to the financial aspects of terrorism investigations and liaison with the financial services industry;

### Information Sharing and Operational Coordination Initiatives

If we are to defeat terrorists and their supporters, a wide range of organizations must work together. I am committed to the closest possible cooperation with the Intelligence Community and other federal government agencies and our essential partners at the state and local level.

#### ? Joint Terrorism Task Forces (JTTFs)

We are taking steps to enhance cooperation with federal, state, and local agencies by expanding the number of JTTFs from 35, as of 9/11, to 66 today. The JTTFs partner FBI personnel with hundreds of investigators from various federal, state, and local agencies in field offices across the country and are important force multipliers aiding our fight against terrorism.

Furthermore, over a 90-day period beginning in March, we will provide 500 JTTF agents and state, and local law enforcement personnel with specialized counterterrorism training and, by the end of the year, basic counterterrorism training to every JTTF member. This is in addition to the training initiative I mentioned previously that will reach nearly 27,000 federal, state, and local law enforcement.

#### ? The National JTTF

In July 2002, we established the National JTTF at FBI Headquarters, staffed by representatives

from 30 different federal, state, and local agencies. The NJTTF acts as a "point of fusion" for terrorism information by coordinating the flow of information between Headquarters and the other JTTFs located across the country and between the agencies represented on the NJTTF and other government agencies.

#### ? JTTF Training

To strengthen our cooperation with state and local law enforcement, we are introducing counterterrorism training on a national level. We will provide specialized counterterrorism training to 224 agents and training technicians from every field division in the country so that they, in turn, can train an estimated 26,800 federal, state, and local law enforcement officers this year in basic counterterrorism.

#### ? JTTF Information Sharing Initiative (JTTF ISI)

The JTTF ISI involves field offices in St. Louis, San Diego, Seattle, Portland, Norfolk, and Baltimore. This pilot project, which was first initiated in the St. Louis office, will integrate extremely flexible search tools that will permit investigators and analysts to perform searches on the "full text" of investigative files--not just indices. An analyst or investigator will be able to smoothly transition from searching text, to reviewing results, to examining source documents, to developing link diagrams, to generating map displays. In order to ensure proper security, four graduated levels of security access are being built into the system.

#### ? The Office of Law Enforcement Coordination (OLEC)

The OLEC was created to enhance the ability of the FBI to forge cooperation and substantive relationships with all of our state and local law enforcement counterparts. The OLEC, which is run by a former Chief of Police, also has liaison responsibilities with the White House Homeland Security Council.

#### ? The FBI Intelligence Bulletin

The Bulletin, which is disseminated weekly to over 17,000 law enforcement agencies and to 60 federal agencies, provides information about terrorism issues and threats to patrol officers and other local law enforcement personnel who have direct daily contacts with the general public, contacts which could result in the discovery of critical information about those issues and threats.

#### ? Outreach

Furthermore, FBI analysts are making unprecedented efforts to reach out to the intelligence, law enforcement, government, and public sector communities. In addition to enhancing our relationships with agencies related to WMD, as I mentioned previously, we have established working relationships with a host of non-traditional agencies, including the Army Corps of Engineers and Bureau of Land Reclamation. We have also expanded our relationship with such groups as the Transportation Security Administration and the US Coast Guard.

#### FISA Reforms

? We created a FISA Unit responsible for ensuring that FISA applications move expeditiously through the FISA process. This unit is developing and implementing an automated FISA management system, and it oversees the expeditious distribution of FISA Court orders and

warrants to the appropriate field offices, telecommunications carriers, Internet service providers, and other specified persons. With the FISA management system on line, we will have the ability -- for the first time -- to transfer FISA applications between the field offices, FBI headquarters, and the Office of Intelligence Policy and Review in a secure electronic format and to monitor the progress of each application to prevent the processing delays that have, at times, been a source of frustration for our investigators.

? The FBI's National Security Law Unit and the Department's Office of Intelligence Policy and Review are collaborating on a number of procedural and legal initiatives that are streamlining and simplifying the process by which FBI agents obtain FISA authority.

? Since September 11, 2001, attorneys from the National Security Law Unit have conducted approximately 70 training sessions on FISA-related issues. These sessions, which have been held at Quantico, at Headquarters, and in the field, have been attended by agents and supervisors in groups as small as twenty and as large as several hundred. In addition, we are in the process of implementing the Deputy Attorney General's mandate to establish a comprehensive training curriculum on FISA and related matters for all Justice Department lawyers and FBI agents who work on foreign intelligence and counterintelligence investigations. This curriculum is being compiled by DOJ's Criminal Division and Office of Intelligence Policy and Review, and the FBI, in consultation with the CIA and the Department's Office of Legal Education (OLE). The training will cover, among other things: the role and function of the FISA Court; the definitions of critical terms and concepts, such as "foreign power," "agent of a foreign power," "foreign intelligence information," and "probable cause"; FISA's new "purpose" and "coordination" provisions; the process of generating a FISA application and obtaining an order from the FISA court; and the proper minimization, use and sharing of FISA-derived information.

? Since September 11, 2001, we have made full -- and very productive -- use of the emergency FISA process whereby we can often establish electronic surveillance within hours of establishing probable cause that an individual is an appropriate FISA subject. Thanks to the efforts of our agents and the attorneys in NSLU and OIPR, in the one year period from September 11, 2001 to September 19, 2002, we have obtained 113 emergency FISAs, compared to the 46 emergency FISAs we obtained in the prior 23 years since the FISA statute came into existence.

#### Other Initiatives

? To prevent terrorists from acquiring Weapons of Mass Destruction, we have undertaken a number of initiatives. We are coordinating with suppliers and manufacturers of WMD materials in an effort to help them voluntarily report any suspicious purchases or inquiries.

? To protect US citizens abroad, we have expanded our Legal Attache and Liaison presence around the world to 46 offices. Our presence has enhanced the FBI's ability to bring investigative resources to bear quickly in the aftermath of terrorist acts, such as the October 2002 shooting of USAID officer Laurence Foley in Amman and bombing of a disco in Bali. We also assist foreign liaison in following up terrorist leads around the world.

? To augment local field office investigative capabilities, Flying Squads were established to provide for specialized personnel to respond to fast-breaking situations and provide a surge capacity in support of FBI Rapid Deployment Teams.

The counterterrorism measures I have just described essentially complete the first phase of our intelligence program. We are now beginning the second phase that will focus on expanding and enhancing our ability to collect, analyze, and disseminate intelligence.

## Information Technology

We are also addressing the shortcomings of the Bureau's information technology. Over the years, we have failed to develop a sufficient capacity to collect, store, search, retrieve, analyze and share information. Mr. Chairman, you are aware of problems the FBI has experienced because of outdated technology. Thanks to support from Congress, the FBI has embarked on a comprehensive overhaul and revitalization of our information technology infrastructure. That process is well under way, but our technological problems are complex, and they will be remedied only through careful and methodical planning and implementation. We have made progress in the past 18 months, and we have laid the groundwork for significant progress in the months and years ahead.

? The Trilogy Program.

The first major step in the right direction is our Trilogy Program. The Trilogy Program was designed as a 36-month effort to enhance our effectiveness through technologies that facilitate better organization, access and analysis of information. The overall direction of the Trilogy Program is to provide all FBI offices with improved network communications, a common and current set of office automation tools, and easy-to-use, re-engineered, web-based applications.

The original plan for Trilogy was development and deployment over 36 months from the date of the contract awards for the infrastructure and applications development, May and June 2001, respectively. The events of September 11, 2001 impacted many aspects of the FBI, including the Trilogy Program. Recognizing the urgent need for improved information technologies, I ordered that Trilogy implementation emphasize those capabilities most urgently needed to support the FBI's priority cases. The resulting improvements are significant.

? The infrastructure enhancements required to support Trilogy are in place. This architecture includes new network printers, color scanners, local area network upgrades, desktop workstations, and Microsoft Office applications.

? The full upgrade will provide wide area network connectivity, new encryption devices to protect our data and new operating systems and servers. Completion of these activities is expected by the end of this month.

? We also recognized that, outside of the Trilogy Program, we have a critical need to share Top Secret and Sensitive Compartmented Information (TS/SCI) data internally, primarily among analysts. We are planning a phased implementation at FBI Headquarters followed by deployment

within the Intelligence Community of a system that will markedly increase our ability to conduct strategic analysis.

## TERRORIST THREAT INTEGRATION CENTER (TTIC)

Mr. Chairman, I would like to take this opportunity to pledge my strong support for the President's initiative to establish a Terrorist Threat Integration Center (TTIC) that will merge and analyze terrorist-related information collected domestically and abroad. This initiative will be crucially important to the success of our mission in the FBI, and it will take us to the next level in being able to prevent another terrorist attack on our nation.

TTIC will focus on terrorist threat analysis. It will not conduct collection, though it will establish requirements for agencies. The TTIC proposal does not authorize any additional collection of any kind. TTIC will analyze information both foreign and domestic to provide a comprehensive threat picture.

TTIC participants will continue to be bound by all applicable privacy statutes, Executive Orders, and other relevant legal authorities for protecting privacy and our Constitutional liberties.

Information technology and information handling procedures will be designed consistent with the protection of our Constitutional liberties, and participants will continue to be answerable both to internal agency oversight and Congressional oversight.

TTIC will institutionalize the process we currently go through to produce the Daily Threat Matrix. As it becomes fully operational, it will be the focal point for requests for terrorist threat analysis.

The FBI views the TTIC as an important resource. The TTIC will provide all-source, integrated analysis to the FBI, DHS, and other federal intelligence and law enforcement agencies, which, in turn, can quickly share the analysis with state and local law enforcement who are essential partners in the fight against terrorism. We recognize that the two-way flow of information between federal and local law enforcement is necessary to continuously sharpen both the collection and analysis of threat-related information. Once again, the dozens of FBI JTTFs around the country provide an effective channel to share the TTIC's analytical products with our partners in state and local law enforcement. The FBI is committed to working with the Department of Homeland Security to push information and analysis out of the TTIC to other federal agencies, and to state and local officials.

TTIC will be headed by a senior U.S. Government official, who will report to the Director of Central Intelligence. This individual will be appointed by the Director of Central Intelligence, in consultation with the Director of the FBI and the Attorney General, and the Secretaries of Homeland Security and Defense.

As soon as an appropriate facility is available, the FBI's Counterterrorism Division, the Director of Central Intelligence's Counterterrorist Center, and TTIC (which will include significant

participation by DHS), will relocate to a single new facility in order to improve collaboration and enhance the government's ability to thwart terrorist attacks and bring terrorists to justice.

Co-location of the CIA's and FBI's counterterrorism operational elements will:

- ? Speed the creation of compatible information infrastructure with enhanced capabilities, expanded and more accessible databases, and greater network sharing on counterterrorism issues.

- ? Enhance interaction, information sharing, and synergy among U.S. officials involved in the war against terrorism.

- ? Potentially allow the FBI and CIA each to manage more effectively their counterterrorism resources by reducing overhead and redundant capabilities.

- ? Further enhance the ability of comprehensive, all-source analysis to guide our collection strategies.

Co-location will afford greater opportunity for the FBI and the Intelligence Community to enhance the coordination of operations against terrorist targets inside and outside the United States. For this reason, the FBI strongly supports and looks forward to the expeditious implementation of plans to co-locate the FBI's Counterterrorism Division (CTD) with the CIA's Counterterrorism Center (CTC), the Department of Homeland Security, and other U.S. agencies participating in the TTIC.

Mr. Chairman, let me conclude by saying that the nature of the threats facing the US homeland continues to evolve and so does the FBI. We have made significant strides towards enhancing our operations and I appreciate the opportunity to explain those to the Committee today. While we have come a long way in the past 18 months, we have a long way yet to go. I look forward to working with the Committee in the months ahead to further enhance our ability to combat terrorism and to ensure the strongest, most effective FBI possible.