



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2019
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3494 – Damon Paul Nelson and Matthew Young Pollard Intelligence Authorization Act for Fiscal Years 2018, 2019, and 2020

(Rep. Schiff, D-CA)

The Administration appreciates the continued work of the House Permanent Select Committee on Intelligence (Committee) to ensure the Intelligence Community (IC) has the necessary tools to provide distinctive, timely insights that advance our national security, economic strength, and technological superiority. Among other positive aspects, the bill would strengthen protections and expand opportunities for IC personnel and extend authorities that secure the IC's supply chain and facilities. In particular, the Administration strongly supports the extension of the Intelligence Identities Protection Act of 1982 to ensure covert intelligence officers are protected without regard to their assigned location. The Administration also supports the proposed transfer of the National Intelligence University to the Office of the Director of National Intelligence (ODNI).

The Administration looks forward to reviewing the classified schedule of authorizations and working with the Congress to address classified authorization levels. Although the bill contains many provisions that advance the mission of the IC, it also includes provisions of significant concern, and we look forward to continuing to work with the Congress to address these concerns as outlined below.

Limitations on determinations regarding certain security classifications. The Administration strongly objects to section 2310 of the bill, which purports to preclude IC officers nominated for a position requiring Senate confirmation from making certain classification decisions. This provision would unconstitutionally infringe on the President's control over national security information.

IC Information Technology Environment (ITE). The Administration objects to section 2312, which conflates the IC Information Environment with the IC Information Technology Enterprise (IC ITE), interferes with the intended purpose of the IC ITE, and risks reversing the gains achieved in establishing common platforms. The provision treats the IC ITE construct itself as a major system deliverable with overly prescriptive testing and developmental requirements, and it would inflexibly require IC elements to use IC ITE, regardless of whether doing so in a given situation is either necessary or appropriate. Further, the required business plan incorrectly assumes that all legacy applications are compatible with IC ITE.

Unfunded Requirements of the IC. The Administration objects to section 304, which would require the DNI to brief the congressional intelligence and appropriations committees on programs

and activities not funded in the President's Budget. This provision infringes on the President's prerogatives to define priorities as he sees fit.

ODNI Reporting Structure. The Administration objects to sections 2404 and 2405, which would unnecessarily require two positions within ODNI, the IC Chief Financial Officer and IC Chief Information Officer, to report directly to the DNI. These two positions already serve statutory roles as the DNI's principal advisors within their areas of expertise. As such, they already have and will continue to have direct access to the DNI and Principal Deputy DNI to execute their responsibilities.

Reporting Requirements. The Administration objects to certain reporting requirements in the bill. The bill contains over 50 new reporting and briefing requirements, including several that recur periodically, which would exceed the IC's ability to respond in a timely manner and would require the IC to shift limited resources away from executing its critical missions. Furthermore, the Administration strongly objects to sections 308, 602, and 2718 to the extent they would require reporting of information about ongoing law enforcement investigations. The extensive data reporting required by section 602 would, in particular, significantly strain the resources of the Federal Bureau of Investigation. The Administration also objects to section 702, which purports to require the production of deliberative executive branch information, and to section 2720, which would affect the Vulnerabilities Equities Process. In addition, sections 501, 502, and 503 should reflect the Committee's consultations with the Department of State.

Security Clearance Reform. The Administration appreciates support from the Committee for improving the security clearance process; the Administration is concerned, however, that the cumulative amount of burdensome reporting and short deadlines included in title XXVI would slow down current reform initiatives. In particular, the Administration objects to section 2604's establishment of timelines for conducting security clearances, as the prescribed deadlines are not based on empirical data and do not take into account the transformation activities already underway to significantly streamline the clearance process. The Administration looks forward to continuing to work with Congress to ensure appropriate performance measures are established as the current reform initiatives are implemented.

Election Matters. The Administration has several concerns with certain aspects of the bill's election-related provisions. Section 2501 would require the Department of Homeland Security (DHS) to disclose sensitive information obtained through voluntary partnerships that may not have anticipated such disclosures. Section 2503 would require the IC to conduct assessments of security vulnerabilities of State election systems, which is outside the scope of appropriate IC activities. Section 2505 is redundant of existing requirements. And section 2506 would duplicate ongoing DHS information-sharing activities. Moreover, the posture review required by section 2502 should be updated, and DHS should take the lead with respect to the strategy required by section 2504, given its domestic focus. The strategy should also be scoped to the threat rather than to specific countries.

Paid Parental Leave. While the Administration supports paid parental leave, it has concerns with limiting such a program to a select few Federal agencies. The Administration looks forward to

working with the Congress on proposals to provide parental leave to all families nationwide, including to all United States government employees, as set forth in the President's Budget.

Establishment of Energy Infrastructure Security Center. The Administration has significant concerns regarding section 2422, which would require the President to establish an Energy Infrastructure Security Center within the Office of Intelligence and Counterintelligence at the Department of Energy. The proposed center would create a vast infrastructure that is not needed to appropriately evaluate or mitigate cyber threats to critical energy infrastructure. The Administration would instead continue to pursue ongoing initiatives to study, better understand, and improve mitigations that address the cybersecurity threat to critical infrastructure.