



Prepared Testimony

Joseph Clancy

**Director
United States Secret Service**

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Introduction

Good morning Chairman Carter, Ranking Member Roybal-Allard, and distinguished Members of the Committee. It is my honor to appear before you to discuss the President's Fiscal Year (FY) 2017 Budget for the Secret Service. Building on the investments made by the Committee over the past two fiscal years, I am pleased the Budget fully supports my number one priority, the protection of the President and the White House. Increased hiring and training, enhancements to protective countermeasures technology and infrastructure, and upgrades to communications that directly support our front line special agents and Uniformed Division Officers all contribute to our operational success. Many of the Secret Service's operational achievements over the past year were highly visible to people inside and outside of the organization. Most notably, the agency successfully executed the largest domestic security operation in history, while also investigating some of the most significant network intrusion cases ever prosecuted.

With respect to protection, the Secret Service faced unprecedented challenges in FY 2015 regarding the National Special Security Event (NSSE) designations for Pope Francis' visit to the United States, with stops in Washington, DC, New York, NY, and Philadelphia, PA. The Pope's visit coincided with the annual United Nations General Assembly, also designated an NSSE, where many world leaders under Secret Service protection convened for multiple days. While partners from state and local law enforcement, the military, the Federal Bureau of Investigation and across all of government supported these NSSEs as envisioned in Presidential directives, I am proud to say these recent events also demonstrated a tremendous "Unity of Effort" within the Department of Homeland Security (DHS). The Federal Emergency Management Agency, the U.S. Coast Guard, the Transportation Security Administration (TSA), U.S. Immigration and Customs Enforcement (ICE), U.S. Customs and Border Protection, and others were all critical to the security planning and execution efforts. This "all of government" approach to NSSEs will be implemented again later this month when the United States hosts the 2016 Nuclear Security Summit in Washington, DC, an event that is expected to attract an estimated 45 foreign heads of state and government.

Despite the added challenges of multiple NSSEs, the Secret Service ensured the safe arrival and departure for all 6,245 protective travel stops in FY 2015, while also completing 6,617 protective surveys and conducting 136 protective intelligence arrests, an increase of over 200 percent from FY 2014. Given the pace and volume of protective travel every year, it is easy to lose sight of the fact that protection of the President and other protectees involves more than the special agents assigned to protective details and Uniformed Division officers. The majority of the staffing and advanced planning that is required to fulfill the mission is the result of special agents working in field offices around the world. The success of these protective trips is dependent on the relationships those agents have with their state, local, and international law enforcement counterparts, which is developed largely through cooperative investigative work.

In a year that will be remembered for Pope Francis' historic visit, the Secret Service achieved quiet but notable successes in protecting the nation's banking and other financial infrastructure, especially through the agency's expertise in cybercrime investigations. As a result of the agency's investigative work, more than \$589 million in cybercrime loss was prevented in FY 2015. In addition, special agents trained in the various disciplines of our Electronic Crimes Special Agent Program (ECSAP) processed 955 terabytes of evidentiary data during 3,099 forensic exams, while also supporting a 39 percent increase in terabytes examined by state and local law enforcement partners trained at the National Computer Forensics Institute (NCFI). Further, in FY 2015, the NCFI trained 764 law enforcement investigators, 286 state and local prosecutors, and 61 judicial officials for a total of 1,111 students.

Major investigative accomplishments in FY 2015 include dismantling the largest known computer hacking and securities fraud scheme ever prosecuted. As a result, nine individuals were federally charged for the international scheme, which generated approximately \$30 million in illegal profits. Identifying and charging these individuals was the result of successful investigative work and collaborative efforts amongst several state, local, and international law enforcement partners. Another successful investigative highlight was the extradition of the alleged architect of three cyberattacks that resulted in \$55 million in losses to the global financial system. As a result of this investigation, the Secret Service has expanded its knowledge of this criminal organization, and remains at the forefront of investigating emerging malicious cyber trends and tactics.

In a threat environment where the lines between physical and cyber security are increasingly blurred, the Secret Service's expertise and ongoing specialized training in cyber is vital. Special agents who demonstrate a technical proficiency in cyber through either the computer forensics or network intrusion disciplines of the ECSAP program are eligible to support Critical Systems Protection (CSP) advances. CSP-trained agents identify, assess, and mitigate risk posed by information and process control systems to the people and facilities protected by the Secret Service. The program supports a full spectrum of protective operations to include domestic and international trips, as well as NSSEs. In direct support of the Presidential, Vice Presidential, and Dignitary Protective divisions, agents assigned to CSP implement preventative, detective, and corrective controls to reduce the risk of a cyberattack during protective operations. In addition, the CSP Network Operations Center works closely with the Intelligence Community to safeguard the White House Complex, Vice President's Residence, foreign missions, and other high-profile sites.

Leadership and Morale

The operational successes of the past year are a direct result of our brave men and women serving on the front lines. These men and women deserve strong leadership and unwavering support, and to that end, I have rebuilt the Secret Service's command structure and implemented policies to increase transparency and communication between senior leaders, supervisors, and the rank and file across the agency to improve morale.

By aligning operational and mission support functions under two different executives, the Deputy Director and the Chief Operating Officer (COO), we now have a structure in place that allows us to focus on both our operational mission and the business needs of the agency, recognizing the specialized skills needed to effectively manage each. I also implemented the first ever Special Agent Career Progression policy, allowing employees to better plan and predict for themselves and their families when they should expect upcoming moves and transfers. Further, the agency published policies on promotions and implemented a new special agent promotion and reassignment bid process and schedule to increase transparency.

I also launched a completely new employee engagement web-based platform we named Spark!, which has already yielded positive feedback and change. One example of how Spark! is contributing to the mission is the recent announcement that the Secret Service will leverage newly graduated special agents in two week temporary assignments at the White House Complex. Driven in part by suggestions received on Spark!, this initiative will help address the demands on our Uniformed Division Officers while providing valuable experience for new special agents. These assignments will occur following the class graduations from the James J. Rowley Training Center (JJRTC).

FY 2017 Budget Request

The President's FY 2017 Budget for the Secret Service includes a total of \$1.9 billion, which is \$42.4 million below the FY 2016 enacted level largely due to the drawdown of 2016 Presidential Campaign operations. Net program increases proposed in the Budget total \$54.9 million, and include \$27.7 million to complete the White House/National Capital Region Radio System Upgrade project and \$41.2 million for Operational Mission Support (OMS) program enhancements.

The two-year effort to upgrade the radios and associated infrastructure at the White House Complex is in response to the Protective Mission Panel's findings and recommendations, and was subsequently addressed by the DHS Office of Inspector General who noted that, "a single

missed transmission or delay could result in a national incident.”¹ OMS is the Secret Service’s key investment program that supports the protection of the President and Vice President, the White House Complex and Vice President’s Residence, and temporary protective sites from known and emerging threats. Planned enhancements in FY 2017 include ongoing work to replace aging officer booths and security gates at the White House Complex and classified protective countermeasures. In addition to these increases, the FY 2017 Budget also provides funding for the final months of presidential campaign activities, and to sustain the costs associated with the establishment of the former presidential protective division for President Obama.

2016 Presidential Campaign

The 2016 Presidential Campaign is off to a busy start with candidate protection details already established for Secretary Clinton, Donald Trump, and Senator Bernie Sanders. Protection for Dr. Benjamin Carson, which began on November 11, 2015, was discontinued shortly after he suspended his campaign on March 4, 2016. In addition, work has been underway for months to establish the security plans for the Republican National Convention, which will be held in Cleveland, OH from July 18-21, 2016, and the Democratic National Convention, which will be held in Philadelphia, PA from July 25-28, 2016.

Consistent with previous campaigns and NSSEs, the Secret Service has a demonstrated track-record of working in close coordination with other DHS agencies. In support of the 2016 Presidential Campaign, the Secret Service will once again work with ICE and TSA. ICE personnel who have received protective operations training will assist with post-standing assignments, residence security, and other protective functions. In addition, TSA will continue to support our Uniformed Division magnetometer operations throughout the country. Over the years, the exceptional support provided by ICE, TSA and other Department components and agencies has been significant.

The FY 2017 Budget includes \$72.1 million for 2016 Presidential Campaign protection activities. This includes the protection costs for the Presidential and Vice Presidential nominees and their families from October 1, 2016 through the General Election. The campaign budget includes funding to secure two Presidential debates—one in St. Louis, MO on October 9, 2016, and one in Las Vegas, NV on October 19, 2016—as well as one Vice Presidential debate in Farmville, VA on October 4, 2016. Following the general election, the Budget provides funding for protection of the President-elect and Vice President-elect and their immediate families, as well as costs associated with securing the 58th Presidential Inauguration.

¹ Department of Homeland Security, Office of Inspector General, U.S. Secret Service Needs to Upgrade Its Radio Systems, p. 5, January 21, 2016. Available at: <https://www.oig.dhs.gov/assets/Mgmt/2016/OIG-16-20-Jan16.pdf>

Post-Presidency Detail

When the next President is sworn into office on January 20, 2017 and the current President reenters private life, the Secret Service will be prepared with the establishment of a former Presidential protective division. The President's FY 2017 Budget will allow the Secret Service to sustain the salaries and benefits for the 108 special agents and 30 Administrative, Professional, and Technical personnel hired in FY 2015 and FY 2016 to establish the new division. FY 2017 funding also includes Permanent Change of Station moves, protective travel, facilities, and related equipment. In addition to a former Presidential protective division for President Obama, Vice President Biden and Mrs. Biden will be eligible to receive Secret Service protection for six months upon leaving office.

Staffing and Training

In addition to staffing a former Presidential protective division for President Obama, the Secret Service is focused on our human capital needs across the organization and is engaged in a two-pronged strategy focused on both hiring and retention. In FY 2015, the agency re-tooled and kick-started its dormant hiring process by hiring 207 special agents, 151 Uniformed Division Officers, and 142 Administrative, Professional and Technical staff members.

Building on this momentum, the Secret Service plans to hire 300 special agents, 300 Uniformed Division Officers, and 260 Administrative, Professional and Technical personnel this fiscal year. This is an ambitious goal, but we are working tirelessly to achieve it. As of last month, the agency had already placed 88 special agent recruits and 96 Uniformed Division Officer recruits into training classes, and the Federal Law Enforcement Training Center is working to accommodate our expanded needs, utilizing both the Glynco, GA and the Artesia, NM facilities. This initial progress is significant—re-tooling and producing are extremely hard to do at the same time—but employees across the organization will increasingly see the operational benefit as we move through the remainder of this year, as new personnel complete training and enter the mission.

The FY 2017 Budget supports 6,705 full time equivalents (FTEs) and 6,772 positions, which is 224 FTEs and 58 positions higher than budgeted for this fiscal year. Depending on the time it takes to on board these new hires, and its impact on our budgeted FTE, I believe the FY 2017 Budget will allow us to maximize our hiring efforts again next year, as we work to keep pace with our five-year Human Capital Plan and fulfill the recommendation made by the Protective Mission Panel to increase the Uniformed Division workforce by 200 officers.

While the Secret Service has made significant progress on our hiring goals, these achievements have the effect of running in place if attrition is ignored. As such, the retention of our existing

workforce is a priority. The agency's first retention effort to date was directed at our Uniformed Division workforce, where we were able to implement the Uniformed Division Retention Bonus Program. So far, over 1,000 uniformed officers have elected to participate in this two-year program and we are beginning to evaluate the effectiveness of this program using actual retention data. The Secret Service is also considering several options for a more comprehensive retention program aimed at all members of our workforce.

I am also pleased to report that the establishment of a standalone Office of Training (Training) is producing big results for the agency. Beyond the basic training necessary to support our expanded hiring activities, Training has increased its offerings for our existing workforce. In the past year alone, nearly 800 Uniformed Division officers have attended Emergency Action and Building Defense training, while another 650 officers attended mission in-service training. Training also conducted 30 candidate protection training sessions at the JJRTC and in the field for a total of 943 special agents. Another 11 detail training courses for 221 special agents were completed, all while maintaining an extremely demanding operational tempo.

The Secret Service has also expanded the training and activities necessary to deploy new equipment. Thanks to funding provided by the Committee last year, the agency procured a new shoulder weapon for our front line personnel. The Secret Service is currently providing instruction on this weapon system for all Uniformed Division basic and special agent protective detail trainees in preparation for its deployment.

Protective Mission Panel Recommendations

While on the topic of funding, I want to thank the Committee for providing \$84.5 million in our FY 2016 Budget to address the recommendations of the Protective Mission Panel. This funding will be used in part to begin the permanent replacement of the White House perimeter fence, replace our canine training facility and refurbish our ranges and tactical areas at our training facility, and complete the feasibility study and design work for the White House Training Facility. Some of these initiatives, particularly those involving construction, were provided as multi-year funding and do not require additional funding in FY 2017, while others have second year or sustainment needs that are included in the FY 2017 Budget.

With respect to the White House perimeter fence replacement, the Secret Service participated in a study with the National Park Service that was completed in May 2015 and provided several options for the development and structural re-design of the current fence. After the study was completed, the Secret Service identified its preferred fence option, and in September 2015 awarded a contract through the National Park Service to an architecture/engineering firm to begin design of the fence. The Secret Service and National Park Service expect to bring the

initial schematic design concepts to the Commission on Fine Arts and the National Capital Planning Commission (NCPC) in April–June of this year.

The Secret Service is committed to implementing a permanent upgrade to the White House fence on a priority basis. Pending approval of all the stakeholders involved, the Secret Service expects to use the two-year funding appropriated in FY 2016 to complete the design and potentially begin the acquisition and procurement process late next fiscal year. This will allow for award of a phased construction contract to begin building useable segments of the permanent fence in FY 2018. Additional funding will be required in FY 2018 and beyond to complete the phased construction of the fence around the White House Complex, the Eisenhower Executive Office Building, and the Treasury Building.

In terms of training infrastructure enhancements, the Secret Service is working on a revised JJRTC Master Plan and will submit the plan for NCPC approval in October–December of this year, which is required prior to moving forward with the new canine facility and the White House Training Facility. One of the central recommendations of the Protective Mission Panel was for our special agents and uniformed officers to “train in conditions that replicate the physical environment in which they will operate.”² To fulfill this recommendation, the Secret Service is finalizing the feasibility study and design plan for the White House Training Facility, which will also include a revised cost estimate to build the facility. Once constructed, the facility will allow us to more accurately recreate the operational environment at the White House Complex. For those members who have not been to the JJRTC, I encourage you to visit and see firsthand the challenges of the area currently used to facilitate White House training scenarios.

Information Technology and Operational Communications Modernization

In addition to the White House fence replacement and training recommendations, the Protective Mission Panel also reinforced the importance of technology systems that support security functions at the White House Complex. As previously mentioned, the FY 2017 Budget includes \$27.7 million to complete the White House/National Capital Region Radio System Upgrade project. These funds will ensure full integration of the new radio systems with the Joint Operations Center (JOC) and other 24/7 operational locations. The FY 2017 Budget also includes \$4.9 million to continue the JOC upgrades that will begin this year. These funds will provide for the procurement and installation of JOC interoperability systems, which include video feeds from the National Capital Region camera systems, including the Metropolitan Police, the Park Police, and the Capitol Police.

² United States Secret Service Protective Mission Panel, Executive Summary to [the] Report from the United States Secret Service Protective Mission Panel to the Secretary of Homeland Security, p. 7, December 15, 2014. Available at: http://www.dhs.gov/sites/default/files/publications/14_1218_uss_s_pmp.pdf

Much of the Secret Service's operational communications systems— secure voice phones, Secret and Top Secret messaging systems, Radio over Internet Protocol (ROIP) and Voice over Internet Protocol (VOIP) phone systems, Tri-Band and classified radios for special operations teams, secure video teleconferencing infrastructure—rely on the modern Information Technology (IT) infrastructure made possible through investments in the Information Integration and Technology Transformation (IITT) program. Last year, the agency finally retired its 1980s-era mainframe and is now operating in a modern, web-based environment. In FY 2017, funding requested through IITT will provide increased bandwidth, improved security to protect against illicit intrusions and viruses, enhanced data search and retrieval tools, and overall improvements in computing and network speeds as well as increases in reliability and system performance throughout the Secret Service.

Given the importance of IT to overall mission success, I recently reorganized all Secret Service IT under a strengthened Chief Information Officer (CIO) who reports directly to the COO. The new CIO is responsible for planning and directing all business and programmatic activities for the Secret Service to strengthen budgetary and strategic planning efforts.

Conclusion

As we move further into the 2016 Presidential Campaign cycle, I recognize the next year will be challenging for the men and women of the Secret Service. As our special agents, Uniformed Division Officers, and Administrative, Professional, and Technical staff continue to meet the high-tempo demands of the mission, my leadership team will be working to support them by building on last year's staffing and retention initiatives. We will also continue our push to provide our workforce with the training and equipment they need to do their jobs effectively and confidently. We will expand our special agent reintegration training and deploy on-going regionally based refresher training for special agents in the field. We will also create a working group to focus on the in-service training needs of our Administrative, Professional, and Technical workforce.

Thanks to the hard work, dedication, and many sacrifices of our employees around the world, I believe the Secret Service has built up momentum at a time when the demands of the mission are at its highest. I ask for your support of the FY 2017 Budget, which will continue this momentum and provide our front line employees in particular with the training, equipment, and technology to perform at their best.