



**Permanent Select Committee  
on Intelligence  
U.S. House of Representatives**

March 7, 2019

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
United States House of Representatives  
Washington, D.C., 20515

Dear Chairman Yarmuth,

Pursuant to Section 301(d) of the Congressional Budget Act of 1974 and rule X, clause 11(c) of the Rules of the House of Representatives, and in response to your letter dated February 5, 2019, the Permanent Select Committee on Intelligence herewith provides its views and estimates for Fiscal Year 2020.

America today faces a rapidly evolving strategic threat landscape. In addition to countering the continuing terrorist threat posed by violent extremist organizations, our Nation must also posture itself to address increasing challenges posed by near-peer strategic competitors such as Russia and China, the proliferation of weapons of mass destruction, and new paradigms for operating across multiple domains that include space and cyberspace.

The rapid development of emerging technologies, such as in artificial intelligence, high-performance computing, telecommunications, and commercial space have the potential to drastically shift the environment in which the United States' Intelligence Community (IC) and its supported departments and agencies operate. This creates both opportunities and risks for the IC's ability to collect, process, evaluate, and disseminate the intelligence that keeps our Nation safe. At the same time, the growing use of the Internet of Things (IoT) provides an engine for growth and prosperity, but the proliferation of cyber threats to the IoT portends increasing risks to our national security, including to critical infrastructure, public health and safety, and economic stability.

Furthermore, traditional threats against which the IC and its partner organizations have defended our Nation have not dissipated. To wit, recent public developments in North Korea's weapons programs serve only to underscore the relevance and urgency of intelligence collection and analysis that support our Nation's counterproliferation programs and policies. If anything,

traditional threats are further complicated today because of increasing synergies between global social, economic, and security interests. Counterproliferation challenges are now also counterterrorism ones in a world where a non-state actor can easily acquire destructive technologies online while masking its identity using the very same commercial encryption tools that global financial institutions use to protect their customers' privacy.

It is critical to our Nation's security that the IC receives the resources it needs to successfully face these challenges. Our Nation needs to invest in capabilities and technologies to not only counter current threats, but also be prepared to meet the unique challenges posed by emerging ones across a range of domains.

Because the details of funding within the Committee's jurisdiction remain classified, the Committee is unable to provide you with detailed, public recommendations for Fiscal Year 2020. However, the Committee is concerned that the funding levels for Fiscal Year 2020 set forth in current law would seriously degrade the IC's ability to execute its missions at this critical time and thus, would jeopardize our national security. The Committee notes that the Bipartisan Budget Act of 2018 provided much-needed relief from post-sequester levels in Fiscal Years 2018 and 2019, thereby avoiding harmful reductions to critical IC programs. We would urge our colleagues to consider supporting similar budgetary relief for FY 2020. Sequestration levels for national security programs must be avoided.

Sincerely,



Adam B. Schiff  
Chairman



Devin G. Nunes  
Ranking Member