

UNCLASSIFIED

DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC 20511

APR 27 2007

The Honorable John D. Rockefeller IV
Chairman
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

The Honorable Christopher S. Bond
Vice Chairman
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman and Vice Chairman Bond:

I am pleased to provide you with the Administration's proposed fiscal year 2008 Intelligence Authorization Act. Since the creation of the Office of the Director of National Intelligence (ODNI), the Intelligence Community (IC) has embraced and is implementing many reforms, resulting in improvements to important aspects of the IC. The IC has identified additional legislation required to support continuing improvements to intelligence operations. Titles I, II, and III of this proposal are aimed at taking the next steps forward by increasing efficiency and improving the management of the IC. Title IV of our proposed legislation, which I transmitted to you by letter dated April 12, 2007, seeks to address issues with respect to the Foreign Intelligence Surveillance Act (FISA).

The provisions contained in Titles I, II, and III encourage IC integration and promote management best practices. For example, we are requesting the removal of civilian end-strength ceilings. This measure is not aimed at increasing bureaucracy. Instead, the removal of end-strength ceilings is intended to provide the IC with needed flexibility to facilitate implementation of a broad joint duty program. We are seeking to create a new "culture of collaboration" in the IC by integrating the workforce through the use of these joint duty assignments. End strength ceilings place limits on this program. Moreover, the change will permit IC management to ensure that there is an appropriate mix of government employees and contractors. Congressional oversight of the IC workforce is assured by a requirement for an annual projection of employment levels based on mission requirements. The proposal also contains additional human capital provisions to enable implementation of reforms mandated by the Intelligence Reform and Terrorism Prevention Act of 2004.

Similarly, the IC must continue to improve information sharing and move from a "need to know" to a "responsibility to provide" culture. Our proposal, therefore, seeks to adjust the terms of the Program Manager for the Information Sharing Environment (ISE) and the

UNCLASSIFIED

UNCLASSIFIED

Information Sharing Council to reflect the requirement for continued and effective management and implementation of the ISE beyond the initial two-year period. We are also requesting authority to use National Intelligence Program (NIP) funds to quickly address deficiencies and immediate requirements that arise throughout the course of intelligence production and information sharing.

To protect against the threats facing this country, the American people deserve the most effective intelligence apparatus possible. Over the past two years, the IC has achieved positive results through a concerted effort to integrate itself more tightly, manage its resources more strategically, and share information more freely. However, there is more left to do and I urge you to enact these important proposals.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presenting of these legislative proposals for your consideration and the consideration of Congress at this time. As I continue to work to transform the IC, I may transmit additional proposals for your review. My staff and I look forward to working with the Congress to continue the process of reform and ensure the enactment of this important legislation. If you have additional questions, please contact me or my Director of Legislative Affairs, Kathleen Turner, on (202) 201-1698.

Sincerely,

A handwritten signature in black ink that reads "J M McConnell". The signature is written in a cursive, slightly slanted style.

J. M. McConnell

Enclosure