

FEDERAL BUREAU OF INVESTIGATION

HEARING BEFORE THE COMMITTEE ON THE JUDICIARY HOUSE OF REPRESENTATIVES ONE HUNDRED THIRTEENTH CONGRESS SECOND SESSION

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FEDERAL BUREAU OF INVESTIGATION

WEDNESDAY, JUNE 11, 2014

HOUSE OF REPRESENTATIVES
COMMITTEE ON THE JUDICIARY
Washington, DC.

The Committee met, pursuant to call, at 10:09 a.m., in room 2141, Rayburn House Office Building, the Honorable Bob Goodlatte (Chairman of the Committee) presiding.

Present: Representatives Goodlatte, Coble, Chabot, Bachus, Issa, King, Gohmert, Jordan, Poe, Chaffetz, Gowdy, Labrador, Holding, DeSantis, Conyers, Nadler, Scott, Lofgren, Jackson Lee, Cohen, Johnson, Pierluisi, Chu, Richmond, DelBene, Garcia, Jeffries and Cicilline.

Staff Present: (Majority) Shelley Husband, Chief of Staff & General Counsel; Branden Ritchie, Deputy Chief of Staff Director & Chief Counsel; Allison Halataei, Parliamentarian & General Counsel; Kelsey Deterding, Clerk; Caroline Lynch, Counsel; Robert Parmiter, Counsel; Brian Northcutt, Counsel; (Majority) Perry Apfelbaum, Staff Director & Chief Counsel; Danielle Brown, Parliamentarian; and Aaron Hiller, Counsel.

Mr. GOODLATTE. Good morning. The Judiciary Committee will come to order. Without objection, the Chair is authorized to declare recesses of the Committee at any time. We welcome everyone to this morning's oversight hearing of the United States Federal Bureau of Investigation. And I will begin by recognizing myself for an opening statement.

Welcome, Director Comey, to your first appearance before the House Judiciary Committee since your confirmation as the seventh Director of the FBI. We are happy to have you here with us today, and I commend your distinguished service to our Nation and am confident you will continue to serve honorably at the helm of the FBI.

As we all know, last week marked the 1-year anniversary of the first leak of classified material by Edward Snowden, a criminal betrayal of his country and arguably the most significant leak in U.S. activity. Over the past year, the House Judiciary Committee conducted aggressive oversight of the NSA bulk collection program and spearheaded House passage of the USA FREEDOM Act. This bipartisan legislation reforms controversial national security programs and provides expanded oversight and transparency of America's intelligence gathering. Although the leaks by Edward Snowden may have been the impetus for Congressional reforms,

the passage of this bipartisan legislation in no way condones or excuses his actions. The detrimental consequences of what he did may not yet be fully realized.

But I want to thank Director Comey and the men and women of the FBI for working closely with the Members of this Committee, House Intelligence, and leadership to craft the USA FREEDOM Act reforms in such a way as to preserve vital intelligence-gathering capabilities while simultaneously achieving the goal of ending bulk data collection.

Today we also note another dark day in American history. Exactly 1 year and 9 months ago, our diplomatic mission in Benghazi, Libya, was attacked by terrorists. Four Americans, including our ambassador, were killed. The Obama Administration initially attempted to blame the attack on a video critical of Islam. We all now know that that was not the case, and that the attack was premeditated and carried out by Islamist militants.

In August 2013, we learned that the Justice Department had filed criminal charges against several individuals for their alleged involvement in the attacks. However, as of today, no one has been apprehended.

I am interested in hearing more from Director Comey about the status of the FBI's investigation. I know you may be reticent to comment on what is an ongoing investigation, but the American people deserve to know whether we can expect the FBI to bring to justice the terrorist killers who murdered four of our citizens.

I am also interested in hearing more about the FBI's investigation into the Internal Revenue Service's targeting of conservative groups. Last year, your predecessor, Robert Mueller, informed the Committee that the FBI was investigating this matter and, in fact, was hesitant to answer questions because there was an ongoing criminal investigation.

But, earlier this year, unnamed officials leaked to The Wall Street Journal that no criminal charges were expected in the IRS matter. And on Super Bowl Sunday, President Obama stated that there was "not even a smidgeon of corruption" in connection with the IRS targeting. But then on April 8th of this year, before this Committee, Attorney General Holder claimed that the investigation is still ongoing, an investigation led by longtime Obama and Democratic National Committee donors. On May 21, before the Senate Judiciary Committee, you also declined to answer questions about the matter, explaining that the investigation is ongoing.

Frustration is mounting over this scandal, and basic facts are unknown or contradicted by this Administration. Is there an investigation? Has there been any progress? What is its status? Why do the Justice Department and FBI continue to assert that an investigation is ongoing despite the President's assertion that no crime was committed? Do you disagree with him?

The facts and circumstances surrounding this investigation led the House to approve a resolution calling on the attorney general to appoint a special counsel. How can we trust that a dispassionate investigation is being carried out when the President claims that no corruption occurred? I hope you will be able to shed some light on that for us today. The American people certainly deserve no less.

Finally, I wish to discuss General Holder's reestablishment of the Domestic Terrorism Executive Committee, or DTEC. DTEC was first established by Attorney General Janet Reno in the aftermath of the Oklahoma City bombing to disrupt homegrown terrorism threats. In reforming the unit, Attorney General Holder said, "Tragic incidents like the Boston Marathon bombing and active-shooter situations like Fort Hood provide clear examples that we must disrupt lone-wolf-style actors aimed to harm our Nation." And that the unit was necessary to respond to the changing terrorist threat, notably the reduced risk posed by Al Qaeda's core leadership.

While I agree that the disruption of domestic terror threats is a worthy goal, I take serious issue with the notion that America faces a reduced risk from Al Qaeda. Ironically, the incidents cited by General Holder, the Fort Hood shooting and Boston bombing, belie the claim that Al Qaeda and other foreign terrorist extremism is on the decline.

The question, then, is, what and whom does the Attorney General really intend to target via the DTEC? He appears to have answered that question in part by stating that, "We must also concern ourselves with the continued danger we face from individuals within our own borders who may be motivated by a variety of other causes, including antigovernment animus."

Would a group advocating strenuously for smaller government and lower taxes be included in the Attorney General's definition of a group with antigovernment animus?

Given that the Administration appears to have used the IRS to intimidate its political opponents, the reestablishment of the DTEC should cause us all to sit up and take notice.

Director Comey, I look forward to hearing your answers to these and other important topics today as well as on other issues of significance to the FBI and the country.

And at this time it is my pleasure to recognize the Ranking Member of the Committee, the gentleman from Michigan, Mr. Conyers, for his opening statement.

Mr. CONYERS. Thank you, Chairman Goodlatte. We welcome you, Director Comey, for your first appearance before the House Judiciary Committee since taking office on September 4th, 2013.

I have great confidence personally in your commitment to fairness and to the rule of law. And in 1996, as assistant United States Attorney for the Eastern District of Virginia, you were appointed lead prosecutor in the Khobar Towers bombing case in Saudi Arabia.

In 2002, as United States Attorney for Southern District of New York, you handled a wide variety of complex, high-profile cases while helping the district return to some measure of normalcy in the aftermath of the attacks of September 11th.

In 2004, serving as Deputy Attorney General of the United States, you refused to certify the Bush administration's lawless dragnet surveillance program. And then confronted senior White House personnel at the hospital when the Administration sought to gain approval from Mr. Ashcroft directly.

So time and time again, you have demonstrated your basic commitment to the rule of law, even in exigent and dramatic circumstances.

So that is why I am pleased you are here and at the helm of the FBI on this, the first anniversary of our public discussion of the government's domestic surveillance programs.

Last month, the House passed H.R. 3361, the "USA FREEDOM Act," which I had a significant role in bringing forward. This legislation designed to end domestic bulk collection across the board. It applies to Section 215 of the PATRIOT Act, the FISA pen register authorities, and National Security Letter statutes.

I am proud to have voted in favor of the only measure to pass the House that rolls back any aspect of government surveillance since the passages of the Foreign Intelligence Surveillance Act of 1978.

But bulk collection is only one aspect of the problem with government surveillance. Over the past few years, our early difficulties with National Security Letters notwithstanding, the new FBI has proven a responsible custodian of the new legal authorities granted to the Bureau after September 11th.

For the most part, it uses the tools Congress has provided in the manner intended for them to be used. But the FBI is an end user of massive amounts of data acquired under FISA and other authorities without a warrant or individualized suspicion. This raises, of course, serious privacy and civil liberty concerns.

Director Comey, you are a standard bearer in the struggle to rein in unlawful surveillance. And I hope that you will continue to work with this Committee to help us restore a measure of public trust in this area.

Although we have spent much of the last decade focused on counterterrorism, it is critically important that the Bureau balance its national security function with its traditional law enforcement mission. And in this vein, Mr. Director, I would like to discuss with you the scourge of gun violence in this country.

Yesterday's shooting at Reynolds High School in Oregon is at least the 74th school shooting since the tragedy in New Town, Connecticut in late 2012.

The FBI maintains the National Instant Background Check System, and the Bureau is often called upon to participate in the investigation of high profile shootings because I believe that a more complete background check system would help stem the tide of violence, I look forward to your views in this matter.

And similarly, we face many threats from overseas. The FBI plays a fundamental role in confronting extremist violence here at home as well.

The Bureau has called the so-called sovereign citizen movement a growing domestic threat. According to the Anti Defamation League, between 2009 and 2013, there were 43 violent incidents between law enforcement officials and antigovernment extremists. Thirty police officers have been shot, 14 have been killed. To these numbers, we must now add the two officers shot and killed this past Sunday in Las Vegas.

These are not isolated incidents. Director Comey, Congress has empowered the Federal Bureau of Investigation with considerable

authority, including Federal hate crimes legislation, to root out this extremism.

I would like to hear more about how the Bureau puts these laws and resources to use, and would like also to have you discuss the topic of overcriminalization. The United States represents 5 percent of the world's population, but incarcerates more than 25 percent of the world's prisoners. The Bureau of Prisons is strained to the breaking point. I would like to know why then the FBI often recommends Federal prosecutions in cases that are already being prosecuted in the State court so that an offender faces trial on the same facts in two separate jurisdictions.

The FBI plays a critical role in protecting our Nation's computer networks from cyber criminals. We must do more to prevent the infiltration of our cyber systems from economic and financial criminals. And I would like to hear about the challenges presented by the international aspect of these crimes.

And finally, I applaud Deputy Attorney General Cole's recent announcement on the recording of Federal custodial interviews and your support of this new policy. This new presumption—and I conclude here—that all Federal Bureau of Investigation custodial interviews will be recorded. And it helps all sides of the case. Prosecutors will finally be able to share recorded confessions with the jury and suspects who feel they have been treated unfairly will be able to fall back on recorded evidence.

There are few exceptions to the official rule that gives me pause, but I want to see this new policy in action. And I look forward to learning more about the FBI priorities today.

I am going to use my communications with you after this hearing to fill in any questions that may not be able to be covered within the questioning period. I thank you. And I thank the Chairman of the Committee and yield back any balance of time.

Mr. GOODLATTE. Thank you, Mr. Conyers.

And, without objection, all other Members' opening statements will be made a part of the record.

We thank our only witness, the Director, for joining us today. Director Comey, if you would please rise, we will begin by swearing you in.

[Witness sworn.]

Mr. GOODLATTE. Thank you very much.

And let the record reflect that Director Comey responded in the affirmative.

On September 4, 2013, James B. Comey was sworn in as the seventh Director of the Federal Bureau of Investigation. Director Comey began his career in the United States Attorney's Office for the Southern District of New York as an assistant United States attorney. Later he became an assistant United States attorney in the Eastern District of Virginia. Director Comey returned to New York City after the 9/11 terror attacks and became the U.S. attorney for the Southern District of New York. In late 2003, he was appointed to be the Deputy Attorney General under U.S. Attorney General John Ashcroft.

Director Comey is a graduate of the college of William and Mary and the University of Chicago Law School.

Director Comey, we welcome you to your first appearance as FBI director before the House Judiciary Committee and look forward to your testimony. Your written statement will be entered into the record in its entirety, and we ask that you summarize your testimony in 5 minutes. And you may begin. Thank you, and welcome.

**TESTIMONY OF THE HONORABLE JAMES B. COMEY,
DIRECTOR, FEDERAL BUREAU OF INVESTIGATION**

Mr. COMEY. Thank you. Thank you, Mr. Chairman, Mr. Conyers. It is good to be back before you after an 8-year break.

I am here representing and expressing the gratitude of the people of the FBI. You have long supported them in a bipartisan basis. One of the challenges I discovered when I became Director was the impact of the so-called sequestration on my troops. Heard about it everywhere I went. And we now have been adequately funded, thanks to the support of the people in this room, and we are very grateful for it because we have much to do.

We are a national security and law enforcement organization. I am going to say a few words about counterterrorism, but I actually want to start and say a few words about cyber. As Mr. Conyers and yourself, Mr. Chairman, have mentioned, cyber touches everything the FBI is responsible for. For reasons that make sense, cyber is not a thing, it is a vector. We as Americans have connected our entire lives to the Internet. It is where our children play, it is where our healthcare information is, it is where our finances are, it is where our social lives are, our government secrets, our infrastructure. Almost everything that matters is connected to the Internet. And soon our refrigerators will be and our sneakers and the rest of our lives.

Because of that, it is where the people who would do us harm, hurt our kids, steal our identities, steal our information, steal our secrets or damage our infrastructure come to do those bad things. So it touches everything the FBI is responsible for, and in ways that are difficult to imagine.

I thought of a way to explain it to the American people when I was in Indiana recently. And a sheriff was showing me a bullet that had been fired from John Dillinger's Thompson submachine gun. And it occurred to me that Dillinger and his ilk had given birth to the modern FBI in the '20's and '30's because they heralded the arrival of a totally new kind of crime: The combination of asphalt and the automobile allowed criminals to commit crimes with shocking speed all across the country. And we needed a national force to respond to that. And that was the FBI.

This cyber vector is that times a million. John Dillinger could not do 1,000 robberies in the same day in all 50 states from his pajamas in Belarus. That is the challenge we now face with cyber. It blows away normal concepts of time and space and venue. The criminals, the spies, the terrorists have shrunk the world because they can move at the speed of light through the Internet. We have to shrink that world as well.

So I know sitting here only 9 months in that my tenure of 10 years is going to be dominated by making sure we equip, deploy, and train to respond to that threat. That we shrink the world the way the bad guys have and respond across counterterrorism, crimi-

nal, counterintelligence. And we are well on the way, thanks to the work of my predecessor to do that. I hope you saw some of the good work we have done with respect to the Chinese, with respect to botnets and massive criminal enterprises over the last couple weeks.

This stuff is no different than someone kicking in your front door and stealing things that matter to you or stealing a company's most precious property by kicking in the front door. We have got to treat it that way and send a message that we will find you and touch you significantly wherever you are in the world because we are not going to put up with this just because it happened in cyberspace.

So I thank you for your support and your attention to that issue. It is going to dominate what I do over the next 10 years.

Briefly, counterterrorism. You, Mr. Chairman, mentioned the threat from Al Qaeda. I do see the threat from core Al Qaeda diminished, thanks to the good work especially of our men and women in uniform in the AfPak region. But at the same time, I see the progeny of Al Qaeda, these virulent franchises of Al Qaeda thriving in the poorly-governed or ungoverned spaces around the Gulf, in north Africa, around the Mediterranean. This remains a huge diverse and significant threat to us. Through Al Qaeda in the Arabian Peninsula, the Islamic Maghreb, this ISIL group that has been much in the news, and many others. We wake up every morning worrying about it, and go to bed every night worrying about it.

I am particularly worried about the confluence of that virulence among these progeny of Al Qaeda with Syria. Syria has become the breeding ground, the training ground for thousands of jihadis around the world, including dozens and dozens from the United States. All of us who know history can draw a line from Afghanistan in the 1980's to 9/11. We are determined not to allow a line from today's Syria to be drawn to future 9/11s. We are determined to anticipate the Diaspora of terrorist that is going to happen at some point out of Syria and respond to it aggressively in advance.

And as you mentioned, Mr. Chairman, we also face a challenge from these people we call homegrown violent extremists. Some call them lone wolves—I don't like the term; it conveys dignity they don't deserve. But these are people who are not directed by Al Qaeda but are inspired and trained, again through the information available on the Internet to then emerge from their basement or their bedroom and do something terrible, something we spend a great deal of time worrying about.

And domestic terrorism, Mr. Chairman, I think, as the Members of this Committee know, is something the FBI has long worked. My domestic terrorism operations unit has been busy for the last 20 years. Nothing has changed for us in that regard. It is something we spend a lot of time worrying about, and apply resources to make sure we anticipate and address.

As I said, we are a national security organization. Counterterrorism is part of that, counterintelligence is a big part of that. Something we can't talk about in open session because most of that work is done in the shadows. But it is an important part of our work done extremely well all around the world by my folks.

And we are also a law enforcement organization. We are out there every day trying to lock up violent criminals, people who would harm your kids, corrupt public officials, and all manner of bad guys that touch our criminal investigative responsibilities that remain combined with our national security responsibilities in ways that make sense to me.

And I will close just by saying, as you and Mr. Conyers have alluded to, lots of folks are asking good questions these days about government power, and that is a great thing. People should be skeptical of government power. I am. I think the country was founded by people who were very skeptical of government power, so they divided it among three branches to balance it. I think it is great that people ask questions.

I think one of my jobs is, to the extent I can, to answer those questions. And I hope folks will give me the space and time in American public life to listen to the answers. Because there is an angel in the details of my work. There is a reason why it matters that I be able to get lawful process to search and get content of some bad guy who is emailing about a terrorist plot or a criminal enterprise. There is a reason I need to be able to track with lawful process the location through a cell phone of someone who has kidnapped a child or is fleeing from justice.

All those things matter a great deal. Those details matter. And I believe those details reflect our government working as it should. Hard for me to find that space in time in the windstorm I live in right now.

And last, thank you, again, on behalf of the people of the FBI. We don't have a lot of stuff. We don't have aircraft carriers, we don't have satellites. I got amazing people. That is the magic of the FBI. Thank you for the resources for me to be able to hire those folks. It was a thrill for me to see new agents at Quantico last week and new intelligence analysts. That is the lifeblood of this great institution, and it is what makes it a thrill and an honor for me to be the Director.

So I look forward to your questions.

Mr. GOODLATTE. Thank you, Director.

[The prepared statement of Mr. Comey follows:]



Department of Justice

STATEMENT OF
JAMES B. COMEY
DIRECTOR
FEDERAL BUREAU OF INVESTIGATION

BEFORE THE

COMMITTEE ON THE JUDICIARY
U.S. HOUSE OF REPRESENTATIVES

AT A HEARING ENTITLED

"OVERSIGHT OF THE FEDERAL BUREAU OF INVESTIGATION"

PRESENTED
JUNE 11, 2014

Statement of James B. Comey
Director, Federal Bureau of Investigation
Before the United States House of Representatives
Committee on the Judiciary
June 11, 2014

Good morning Chairman Goodlatte, Ranking Member Conyers, and members of the Committee. I look forward to discussing the FBI's programs and priorities for the coming year.

On behalf of the men and women of the FBI, let me begin by thanking you for your ongoing support of the Bureau. We pledge to be the best possible stewards of the authorities and the funding you have provided for us and to use it to maximum effect to carry out our mission.

Today's FBI is a threat-focused, intelligence-driven organization. Each employee of the FBI understands that to mitigate the key threats facing our nation, we must constantly strive to be more efficient and more effective. Just as our adversaries continue to evolve, so, too, must the FBI. We live in a time of acute and persistent terrorist and criminal threats to our national security, our economy, and our communities. These diverse threats facing our nation and our neighborhoods underscore the complexity and breadth of the FBI's mission.

We remain focused on defending the United States against terrorism, foreign intelligence, and cyber threats; upholding and enforcing the criminal laws of the United States; protecting privacy, civil rights and civil liberties; and providing leadership and criminal justice services to federal, state, municipal, and international agencies and partners. Our continued ability to carry out this demanding mission reflects the support and oversight provided by this committee.

National Security

The FBI is the lead domestic intelligence and law enforcement agency in the United States. Our complementary intelligence and law enforcement capabilities make up the key components of the Bureau's national security mission. They also illustrate the unique authorities and mission we have in the U.S. Intelligence Community. We collect intelligence to understand and identify the threats to the nation. And when the time comes for action to prevent an attack, we disrupt threats using our law enforcement powers through our Joint Terrorism Task Forces (JTTFs).

Much of the FBI's success can be credited to the longstanding relationships we enjoy with our intelligence, law enforcement, public, and private sector partners. With thousands of private and public business alliances and more than 4,100 JTTF members, including more than

1,500 interagency personnel from more than 600 Federal, state, territorial, and tribal partner agencies, the FBI's partnerships are essential to achieving our mission and ensuring a coordinated approach toward national security threats.

Counterterrorism

As the lead agency responsible for countering terrorist threats to the United States and its interests overseas, the FBI integrates intelligence and operations to detect and disrupt terrorists and their organizations.

Counterterrorism remains our top priority and that isn't likely to change. Overseas, the terrorist threat is complex and ever changing. We are seeing more groups and individuals engaged in terrorism, a wider array of targets, greater cooperation among terrorist groups, and continued evolution in tactics and communication.

Al Qaeda core isn't the dominant force it once was, but it remains intent on causing death and destruction. Groups with ties to Al Qaeda continue to present a top threat to our friends and partners, and in some cases to the United States and our interests abroad. We also have citizens traveling overseas—especially to Syria—and radicalizing there, and then coming home. And they are traveling from all over the United States to all parts of the world.

As the Boston bombings illustrate, we face a continuing threat from homegrown violent extremists. This threat is of particular concern. These individuals are self-radicalizing. They do not share a typical profile; their experiences and motives are often distinct. They are willing to act alone, which makes them difficult to identify and stop. This is not just a D.C., New York, or Los Angeles phenomenon; it is agnostic as to place.

We also face domestic terrorism from individuals and groups who are motivated by political, racial, religious, or social ideology—ideology fueled by bigotry and prejudice—as we saw in Overland Park, Kansas.

We in the FBI have a strong working knowledge of these groups and their general membership. Here, too, it's the lone offenders that trouble us. They stand on the periphery. We may not know of them because their actions do not predicate an investigation. Most of the time, domestic extremists are careful to keep their actions within the bounds of constitutionally protected activity. And for the FBI, protecting those civil liberties—such as freedom of speech—is of paramount importance, no matter how hateful that speech might be. We only get involved when words cross the line into illegal activity.

Counterintelligence

We still confront traditional espionage – spies posing as diplomats or ordinary citizens. But espionage also has evolved. Spies today are often students, researchers, or businesspeople operating front companies. And they seek not only state secrets, but trade

secrets, research and development, intellectual property, and insider information from the federal government, U.S. corporations, and American universities. Foreign intelligence services continue to grow more creative and more sophisticated in their methods to steal innovative technology, critical research and development data, and intellectual property, which erodes America's leading edge in business and poses a significant threat to national security.

We remain focused on the growing scope of the insider threat – that is, when trusted employees and contractors use their legitimate access to information to steal secrets for the benefit of another company or country. This threat has been exacerbated in recent years as businesses have become more global and increasingly exposed to foreign intelligence organizations.

To combat this threat, the FBI's Counterintelligence Division educates academic and business partners about how to protect themselves against economic espionage. We also work with the defense industry, academic institutions, and the general public to address the increased targeting of unclassified trade secrets across all American industries and sectors. Together with our intelligence and law enforcement partners, we must continue to protect our trade secrets and our state secrets, and prevent the loss of sensitive American technology.

Weapons of Mass Destruction

As weapons of mass destruction (WMD) threats continue to evolve, the FBI uses its statutory authorities to lead all investigations concerning violations of WMD-related statutes, preparation, assessment, and responses to WMD threats and incidents within the United States. The FBI provides timely and relevant intelligence analyses of current and emerging WMD threats to inform decision makers, support investigations, and formulate effective countermeasures and tripwires to prevent attacks.

To ensure an effective national approach to preventing and responding to WMD threats, the FBI created the Weapons of Mass Destruction Directorate integrating the necessary counterterrorism, intelligence, counterintelligence, and scientific and technological components into one organizational structure. Using this integrated approach, the Directorate leads WMD policy development, planning, and response to ensure its efforts result in a comprehensive response capability that fuses investigative and technical information with intelligence to effectively resolve WMD threats.

To enable the prevention or disruption of WMD threats or attacks, FBI headquarters personnel, 56 field WMD coordinators, and two WMD assistant legal attachés oversee implementation of national and international initiatives and countermeasures. The FBI conducts outreach and liaison efforts with critical infrastructure partners, the private sector, academia, industry, and the scientific community to implement tripwires that prevent any actor – terrorist, criminal, insider threat, or lone offender – from successfully acquiring chemical, biological, radiological, or nuclear material or dissemination equipment. Through these efforts, the WMD

Directorate supports the broader work of the U.S. government as a leading partner and active contributor to policy decisions.

The Counterproliferation Center (CPC) combines the operational activities of the Counterintelligence Division, the subject matter expertise of the WMDD, and the analytical capabilities of both components to identify and disrupt proliferation activities. Since its inception in July 2011, the CPC has overseen the arrest of approximately 65 individuals, including several considered by the U.S. Intelligence Community to be major proliferators. Along with these arrests, the CPC has increased its operational tempo to collect valuable intelligence on proliferation networks.

Intelligence

The FBI's efforts to advance its intelligence capabilities have focused on streamlining and optimizing the organization's intelligence components while simultaneously positioning the Bureau to carry out its responsibilities as the lead domestic intelligence agency.

One way the FBI is enhancing our partnerships and our ability to address threats is through the Domestic Director of National Intelligence (DNI) Representative Program. Through this program, FBI senior-level field executives in 12 geographic locations are serving as DNI representatives throughout the United States. The Domestic DNI Representatives are working with Intelligence Community partners within their regions to understand the threat picture and develop a more coordinated and integrated Intelligence Community enterprise. A more unified and effective Intelligence Community will enhance the nation's ability to share information with our law enforcement and private sector partners, and will prevent and minimize threats to our national security.

In addition, we expanded the fusion cell model, which further integrates our intelligence and operational elements through teams of analysts embedded with agents in the operational divisions. These fusion cells examine the national and international picture and provide intelligence on current and emerging threats across programs, making connections that are not always visible at the field level. Providing standard criteria, these cells inform the Threat Review and Prioritization (TRP) process and develop National Threat Priorities for the field. The fusion cells assess the FBI's ability to collect intelligence to identify gaps, inform operational strategies, and mitigate threats to drive FBI operations. As a result, the fusion cells and TRP provide the field with clear guidance and a consistent process to identify priority threats, while ensuring FBI Headquarters has an effective way to manage and evaluate the most significant threats facing the country.

This strategic, national-level perspective ensures the FBI is developing a complete picture of the threat environment and directing our resources at priority targets to stay ahead of our adversaries. This integration provides a cross-programmatic view of current threats and enables a nimble approach to identifying and addressing emerging threats.

Cyber

We face sophisticated cyber threats from state-sponsored hackers, hackers for hire, organized cyber syndicates, and terrorists. They seek our state secrets, our trade secrets, our technology, and our ideas – things of incredible value to all of us. They may seek to strike our critical infrastructure and our economy. The threat is so dire that cyber security has topped the Director of National Intelligence list of global threats for the second consecutive year.

Given the scope of the cyber threat, agencies across the federal government are making cyber security a top priority. Within the FBI, we are targeting high-level intrusions – the biggest and most dangerous botnets, state-sponsored hackers, and global cyber syndicates. We want to predict and prevent attacks, rather than reacting after the fact.

FBI agents, analysts, and computer scientists are using technical capabilities and traditional investigative techniques – such as sources and wires, surveillance, and forensics – to fight cyber crime. We are working side-by-side with our federal, state, and local partners on Cyber Task Forces in each of our 56 field offices and through the National Cyber Investigative Joint Task Force (NCIJTF). Through our 24-hour cyber command center, CyWatch, we combine the resources of the FBI and NCIJTF, allowing us to provide connectivity to federal cyber centers, government agencies, FBI field offices and legal attachés, and the private sector in the event of a cyber intrusion.

We also work with the private sector through partnerships such as the Domestic Security Alliance Council, InfraGard, and the National Cyber Forensics and Training Alliance. And we are training our state and local counterparts to triage local cyber matters, so that we can focus on national security issues.

Our legal attaché offices overseas work to coordinate cyber investigations and address jurisdictional hurdles and differences in the law from country to country. We are supporting partners at Interpol and The Hague as they work to establish international cyber crime centers. We continue to assess other locations to ensure that our cyber personnel are in the most appropriate locations across the globe.

Cyber threats to critical infrastructure require a layered approach to cybersecurity, including partnerships with private sector owners and operators, and with Federal partners including the Department of Homeland Security (DHS). We have been successful in a joint campaign to combat a campaign of cyber intrusions targeting natural gas pipeline sector companies, in which the FBI and DHS's Industrial Control Systems - CERTCyber Emergency Response Team deployed onsite assistance to some of the organizations targeted, and provided 14 briefings in major cities throughout the United States to over 750 personnel involved in the protection of energy assets and critical infrastructure.

We have also successfully worked with DHS in to empower the US banking system to better defend against cyber attacks. As powerful distributed denial of service (DDoS) incidents impacting leading U.S. banking institutions in 2012 have persisted through 2014, the FBI has worked with DHS' US-CERT United States Computer Emergency Readiness Team to identify 600,000 DDoS-related IP addresses and contextual information, to better equip banks to defend themselves.

We know that to be successful in the fight against cyber crime, we must continue to recruit, develop, and retain a highly skilled workforce. To that end, we have developed a number of creative staffing programs and collaborative private industry partnerships to ensure that over the long term we remain focused on our most vital resource – our people.

Criminal

We face many criminal threats, from complex white collar fraud in the financial, health care, and housing sectors to transnational and regional organized criminal enterprises to violent crime and public corruption. Criminal organizations – domestic and international – and individual criminal activity represent a significant threat to our security and safety in communities across the nation.

Public Corruption

Public corruption is the FBI's top criminal priority. The threat – which involves the corruption of local, state, and federally elected, appointed, or contracted officials – strikes at the heart of government, eroding public confidence and undermining the strength of our democracy. It impacts how well U.S. borders are secured and neighborhoods are protected, how verdicts are handed down in court, and how well public infrastructure such as schools and roads are built.

The FBI is uniquely situated to address this threat, with our ability to conduct undercover operations, perform electronic surveillance, and run complex cases. However, partnerships are critical and we work closely with federal, state and local authorities in pursuing these cases. One key focus is border corruption. The federal government protects 7,000 miles of U.S. land border and 95,000 miles of shoreline. Every day, more than a million visitors enter the country through one of 327 official ports of entry along the Mexican and Canadian borders, as well as through seaports and international airports. Any corruption at the border enables a wide range of illegal activities, potentially placing the entire nation at risk by letting drugs, guns, money, and weapons of mass destruction slip into the country, along with criminals, terrorists, and spies. Another focus concerns election crime. Although individual states have primary responsibility for conducting fair and impartial elections, the FBI becomes involved when paramount federal interests are affected or electoral abuse occurs.

Civil Rights

The FBI remains dedicated to protecting the cherished freedoms of all Americans. That includes aggressively investigating and working to prevent hate crime, “color of law” abuses by public officials, human trafficking and involuntary servitude, and freedom of access to clinic entrances violations—the four top priorities of our civil rights program. We also support the work and cases of our local and state partners as needed.

Crimes of hatred and prejudice—from lynchings to cross burnings to vandalism of synagogues—are a sad fact of American history. When members of a family are attacked because of the color of their skin, it’s not just the family that feels violated, but every resident of that neighborhood. When a teenager is murdered because he is gay, the entire community feels a sense of helplessness and despair. And when innocent people are shot at random because of their religious beliefs—real or perceived—our nation is left at a loss. Stories like this are heartbreaking. They leave each one of us with a pain in our chest. Hate crime has decreased in neighborhoods across the country, but the national numbers remain sobering.

We need to do a better job of tracking and reporting hate crime to fully understand what is happening in our communities and how to stop it. There are jurisdictions that fail to report hate crime statistics. Other jurisdictions claim there were no hate crimes in their community—a fact that would be welcome if true. We must continue to impress upon our state and local counterparts in every jurisdiction the need to track and report hate crime and to do so accurately. It is not something we can ignore or sweep under the rug.

Financial Fraud Crimes

We have witnessed an increase in financial fraud in recent years, including mortgage fraud, health care fraud, and securities fraud.

The FBI and its partners continue to pinpoint the most egregious offenders of mortgage fraud. With the economy and housing market still recovering in many areas, we have seen an increase in schemes aimed both at distressed homeowners and at lenders. Our agents and analysts are using intelligence, surveillance, computer analysis, and undercover operations to identify emerging trends and to find the key players behind large-scale mortgage fraud. We also work closely with the Department of Housing and Urban Development, Postal Inspectors, the IRS, the FDIC, and the Secret Service, as well as with state and local law enforcement offices.

Health care spending currently makes up about 18 percent of our nation’s total economy. These large sums present an attractive target for criminals – so much so that we lose tens of billions of dollars each year to health care fraud. Health care fraud is not a victimless crime. Every person who pays for health care benefits, every business that pays higher insurance costs to cover their employees, every taxpayer who funds

Medicare, is a victim. Schemes can cause actual patient harm, including subjecting patients to unnecessary treatment, providing substandard services and supplies, and by passing potentially life-threatening diseases due to the lack of proper precautions. As health care spending continues to rise, the FBI will use every tool we have to ensure our health care dollars are used to care for the sick – not to line the pockets of criminals.

Our investigations of corporate and securities fraud have also increased substantially in recent years. As financial crimes become more sophisticated, so must the FBI. The FBI continues to use techniques such as undercover operations and Title III intercepts to address these criminal threats. These techniques are widely known for their successful use against organized crime, and they remain a vital tool to gain concrete evidence against individuals conducting crimes of this nature on a national level.

Finally, the FBI recognizes the need for increased cooperation with our regulatory counterparts. Currently, we have embedded agents and analysts at the Securities and Exchange Commission and the Commodity Futures Trading Commission, which allows the FBI to work hand-in-hand with U.S. regulators to mitigate the corporate and securities fraud threat. Furthermore, these relationships enable the FBI to identify fraud trends more quickly, and to work with our operational and intelligence counterparts in the field to begin criminal investigations when deemed appropriate.

Violent Crime

Violent crimes and gang activities exact a high toll on individuals and communities. Today's gangs are sophisticated and well organized; many use violence to control neighborhoods and boost their illegal money-making activities, which include robbery, drug and gun trafficking, fraud, extortion, and prostitution rings. Gangs do not limit their illegal activities to single jurisdictions or communities. The FBI is able to work across such lines, which is vital to the fight against violent crime in big cities and small towns across the nation. Every day, FBI Special Agents work in partnership with state and local officers and deputies on joint task forces and individual investigations.

FBI joint task forces – Violent Crime Safe Streets, Violent Gang Safe Streets, and Safe Trails Task Forces – focus on identifying and targeting major groups operating as criminal enterprises. Much of the Bureau's criminal intelligence is derived from our state, local, and tribal law enforcement partners, who know their communities inside and out. Joint task forces benefit from FBI surveillance assets and our sources track these gangs to identify emerging trends. Through these multi-subject and multi-jurisdictional investigations, the FBI concentrates its efforts on high-level groups engaged in patterns of racketeering. This investigative model enables us to target senior gang leadership and to develop enterprise-based prosecutions.

Transnational Organized Crime

More than a decade ago, the image of organized crime was of hierarchical organizations, or families, that exerted influence over criminal activities in neighborhoods, cities, or states. But organized crime has changed dramatically. Today, international criminal enterprises run multinational, multi-billion-dollar schemes from start to finish. These criminal enterprises are flat, fluid networks with global reach. While still engaged in many of the “traditional” organized crime activities of loan-sharking, extortion, and murder, new criminal enterprises are targeting stock market fraud and manipulation, cyber-facilitated bank fraud and embezzlement, identity theft, trafficking of women and children, and other illegal activities. Preventing and combating transnational organized crime demands a concentrated effort by the FBI and federal, state, local, and international partners. The Bureau continues to share intelligence about criminal groups with our partners, and to combine resources and expertise to gain a full understanding of each group.

Crimes Against Children

The FBI remains vigilant in its efforts to eradicate predators from our communities and to keep our children safe. Ready response teams are stationed across the country to quickly respond to abductions. Investigators bring to this issue the full array of forensic tools such as DNA, trace evidence, impression evidence, and digital forensics. Through improved communications, law enforcement also has the ability to quickly share information with partners throughout the world, and our outreach programs play an integral role in prevention.

The FBI also has several programs in place to educate both parents and children about the dangers posed by predators and to recover missing and endangered children should they be taken. Through our Child Abduction Rapid Deployment teams, Innocence Lost National Initiative, Innocent Images National Initiative, Office for Victim Assistance, and numerous community outreach programs, the FBI and its partners are working to keep our children safe from harm.

The FBI established the Child Sex Tourism Initiative to employ proactive strategies to identify U.S. citizens who travel overseas to engage in illicit sexual conduct with children. These strategies also include a multi-disciplinary approach through partnerships with foreign law enforcement and non-governmental organizations to provide child victims with available support services. Similarly, the FBI’s Innocence Lost National Initiative serves as the model for the partnership between federal, state and local law enforcement in addressing child prostitution. Since its inception, more than 3,100 children have been located and recovered. The investigations and subsequent 1,450 convictions have resulted in lengthy sentences, including twelve life terms.

Indian Country

The FBI continues to maintain primary federal law enforcement authority to investigate felony crimes on more than 200 Indian reservations nationwide. More than 100 Special Agents from 20 different field offices investigate these cases. In addition, the FBI has 14 Safe Trails Task Forces that investigate violent crime, drug offenses, and gangs in Indian Country and we continue to address the emerging threat from fraud and other white-collar crimes committed against tribal gaming facilities.

Sexual assault and child sexual assault are two of the FBI's investigative priorities in Indian Country. Statistics indicate that American Indians and Alaska Natives suffer violent crime at greater rates than other Americans. Approximately 75 percent of all FBI Indian Country investigations concern homicide, crimes against children, or felony assaults.

The FBI continues to work with tribes through the Tribal Law and Order Act of 2010 to help tribal governments better address the unique public safety challenges and disproportionately high rates of violence and victimization in many tribal communities. The act encourages the hiring of additional law enforcement officers for Native American lands, enhances tribal authority to prosecute and punish criminals, and provides the Bureau of Indian Affairs and tribal police officers with greater access to law enforcement databases.

Science & Technology

Laboratory Services

The FBI Laboratory ("the Lab") is one of the largest and most comprehensive forensic laboratories in the world. Operating out of a state-of-the-art facility in Quantico, Virginia, laboratory personnel travel the world on assignment, using science and technology to protect the nation and support law enforcement, intelligence, military, and forensic science partners. The Lab's many services include providing expert testimony, mapping crime scenes and conducting forensic exams of physical and hazardous evidence. Lab personnel possess expertise in many areas of forensics supporting law enforcement and intelligence purposes, including explosives, trace evidence, documents, chemistry, cryptography, DNA, facial reconstruction, fingerprints, firearms, and WMD.

One example of the Lab's key services and programs is the Combined DNA Index System (CODIS), which blends forensic science and computer technology into a highly effective tool for linking crimes. It enables federal, state, and local forensic labs to exchange and compare DNA profiles electronically, thereby connecting violent crimes and known offenders. Using the National DNA Index System of CODIS, the National Missing Persons DNA Database helps identify missing and unidentified individuals.

The Terrorist Explosives Device Analytical Center (TEDAC) is another example. TEDAC was formally established in 2004 to serve as the single interagency organization

to receive, fully analyze, and exploit all priority terrorist Improvised Explosive Devices (IEDs). TEDAC coordinates the efforts of the entire government, including law enforcement, intelligence, and military entities, to gather and share intelligence about IEDs. These efforts help disarm and disrupt IEDs, link them to their makers, and prevent future attacks. Although originally focused on devices from Iraq and Afghanistan, TEDAC now receives and analyzes devices from all over the world.

Additionally, FBI Evidence Response Teams (ERTs) are active in all 56 field offices and include more than 1,200 members. The FBI supports and enables evidence collection capabilities of field ERTs and law enforcement partners by providing forensic training, resources, and expertise. The FBI also has forward-deployed evidence response capabilities to respond to terrorist attacks and criminal incidents involving hazardous materials (chemical, biological, nuclear, and radiological) in concert with local officials and FBI WMD experts.

Operational Technology

Terrorists and criminals are increasingly adept at exploiting cutting-edge technologies to carry out or to mask their crimes. To counter current and emerging threats, the FBI actively deploys a wide range of technology-based tools, capabilities, and training that enable and enhance intelligence, national security, and law enforcement operations. In addition to developing state-of-the-art tools and techniques, the FBI also focuses on recruiting and hiring individuals who possess specialized skills and experience. These dedicated employees serve as technically trained agents, engineers, computer scientists, digital forensic examiners, electronics technicians, and other specialists. Collectively, these specialists enable lawful electronic surveillance, provide secure communications, decipher encrypted messages, reverse engineer malware, forensically examine digital evidence such as images and audio recordings, and much more.

By way of example, the National Domestic Communications Assistance Center (NDCAC) is designed to leverage and share the law enforcement community's collective technical knowledge, solutions, and resources to address the challenges posed by advancing communications services and technologies. The NDCAC also works on behalf of federal, state, local, and tribal law enforcement agencies to strengthen law enforcement's relationships with the communications industry.

The FBI has also established 16 Regional Computer Forensic Laboratories (RCFLs) across the nation. RCFLs serve as one-stop, full-service forensics laboratories and training centers. All RCFL personnel in each of the 16 facilities across the country must earn FBI certification as digital forensics examiners and follow standardized evidence handling and operating procedures. RCFLs are staffed by federal, state, and local law enforcement personnel who examine digital evidence in support of all types of investigations – cases involving everything from child pornography and terrorism to violent crime and economic espionage.

Criminal Justice Information Services

The FBI Criminal Justice Information Services (CJIS) Division, located in Clarksburg, West Virginia, provides federal state, and local enforcement and other authorized users with timely access to criminal justice information through a number of programs, including the National Crime Information Center, the National Instant Criminal Background Checks System and the Uniform Crime Reporting program which is intended to generate a reliable set of crime statistics for use in law enforcement administration, operation, and management.

In addition, CJIS manages the Integrated Automated Fingerprint Identification System (IAFIS), which provides timely and accurate identification services by identifying individuals through name, date-of-birth, fingerprint image comparisons, or other descriptors, and provides criminal history records on individuals for law enforcement and civil purposes. IAFIS is designed to process criminal fingerprint submissions in two hours or less and civil submissions in 24 hours or less. In FY 2013, approximately 62.7 million fingerprint background checks were processed. The Next Generation Identification program advances the FBI's biometric identification and investigation services, providing new biometric functionality such as facial recognition, improved latent searches, and immediate responses related to the Repository for Individuals of Special Concern, a fingerprint index of wanted persons, sexual offender registry subjects, known or appropriately suspected terrorists, and other persons of special interest.

CJIS also manages the Law Enforcement National Data Exchange (N-DEx), a criminal justice information sharing network that allows law enforcement agencies to share law enforcement records from more than 4,500 agencies with nearly 140,000 criminal justice users. The N-DEx network contains more than 225 million searchable records (incident reports, arrest reports, booking data, etc.). It is projected that by the end of FY 2014, N-DEx information sharing will be available to law enforcement agencies representing almost 60 percent of the U.S. population.

Critical Incident Response Group

The Critical Incident Response Group (CIRG) is a "one stop shop" for responding rapidly to crisis situations worldwide. Its professionals are on call around the clock, ready to support FBI operations and federal, state, local, and international law enforcement partners in managing critical incidents and major investigations.

The National Center for the Analysis of Violent Crime (NCAVC) provides operational support to FBI agents and law enforcement personnel on complex and time-sensitive cases. The Behavioral Threat Assessment Center (BTAC) assesses the potential threat of violence posed by persons of concern and as reflected in threatening communications. Issues traditionally addressed by the BTAC include school and workplace attacks, threats against Members of Congress and public figures, and threatening communications.

The Violent Criminal Apprehension Program (ViCAP) is the national repository for violent crime cases – specifically those involving homicides, sexual assaults, missing persons, and unidentified human remains – helping to draw links between seemingly unconnected crimes. In 2008, the FBI launched the ViCAP Web National Crime Database, which is available to law enforcement agencies through the secure LEO website. Investigators can search ViCAP Web for nationwide cases similar to theirs and communicate with other U.S. law enforcement agencies to coordinate investigations based on these linkages. More than 5,000 federal, state, and local law enforcement agencies have contributed to the 85,000-case ViCAP national violent crime database.

Active Shooter Training

In the aftermath of the tragedy at Sandy Hook elementary school, the President announced the Now Is the Time initiative focused on protecting children and communities by reducing gun violence. A critical component of this initiative focuses on schools, institutions of higher education, and houses of worship. The FBI was assigned to lead law enforcement training to ensure coordination among agencies. To that end, we have trained more than 9,600 senior state, local, tribal, and campus law enforcement executives at conferences hosted by FBI field offices, and trained more than 6,300 first responders through tabletop exercises designed around facts similar to recent school shootings. To date, the FBI has provided our Advanced Law Enforcement Rapid Response Training course, an active shooter training program, to more than 1,400 officers from 613 agencies.

Tactical Operations & Crisis Response

CIRG has a range of tactical resources and programs that support and provide oversight to the FBI and its partners. For example, each FBI field office has a SWAT team that is equipped with a wide array of specialized weaponry and is trained to engage in hazardous operations such as barricaded subjects, high-risk arrest/search warrants, patrolling through adverse terrain, and – in some field offices – maritime interdictions. These teams include crisis negotiators who routinely respond to prison sieges, hostage takings, and kidnappings nationwide and provide assistance to state and local police negotiators. CIRG also manages the FBI Hostage Rescue Team – the U.S. government’s non-military, full-time counterterrorist tactical team – which provides enhanced manpower, training, and resources to confront the most complex threats.

The Hazardous Devices School at Redstone Arsenal in Huntsville, Alabama, is the nation’s only facility for training and certifying public safety bomb technicians to render safe hazardous devices. Managed by the FBI, the school has trained more than 20,000 state and local first responders since it opened in 1971. A natural extension of this school can be found in the FBI’s own 249 Special Agent bomb technicians, who provide training to local and state bomb squads and serve as the workforce for the FBI’s explosives-related operations worldwide.

Victim Assistance

Through the Office for Victim Assistance (OVA), the FBI ensures that victims of crimes investigated by the FBI are afforded the opportunity to receive the services and notifications required by federal law and the Attorney General Guidelines on Victim and Witness Assistance. Among its many services, OVA provides on-scene help to crime victims, assesses and triages their needs, and helps victims identify and secure counseling, housing, medical attention, and legal and immigration assistance. When other resources are not available, OVA administers special Victims of Crime Act funds to meet victims' emergency needs, including reunification travel, crime scene cleanup, replacement clothing, and shipment of victims' remains.

Special services are provided to child victims. The Child Pornography Victim Assistance Program coordinates support and notification services for child victims of pornography and their guardians. The Forensic Child Interviewing Program ensures that investigative interviews of child victims and witnesses of federal crimes are tailored to the child's stage of development and minimize any additional trauma. Additionally, a detailed protocol was recently developed for providing support to families of abducted children and assisting with post-recovery reunification and follow-up services. OVA is partnering with the Criminal Investigative Division's Violent Crimes Against Children Section and other agencies and organizations to improve the response to and services for minor victims of sex trafficking.

The Terrorism and Special Jurisdiction Program provides emergency assistance to injured victims and families of American victims killed in terrorist attacks and serves as a permanent point of contact for terrorism victims. Victim Assistance Rapid Deployment Teams provide immediate, on-scene assistance to victims of domestic terrorism and mass violence, often at the request of local law enforcement agencies. These highly trained and experienced teams have responded to numerous mass casualty crimes since 2006, most recently to tragedies at Sandy Hook Elementary School, the Washington Navy Yard, and at the Boston Marathon.

Information Technology

The FBI's Information and Technology Branch (ITB) provides enterprise-wide IT products and services to more than 36,000 FBI employees, contractors, and task force members, including managing more than 114,000 workstations and 46 mission-critical systems.

The target of the ITB's current modernization efforts is to create the future FBI Information Environment. Technology provides a distinct advantage, allowing FBI users access to their critical data when, where, and how they need it. The FBI Information Environment will support development of new mission and business functionality within a defined and controlled IT framework. These modernization efforts will move the FBI toward an agile, responsive, and efficient services-based operating model, emphasizing

reuse of enterprise services both to increase cost savings and to enhance the reliability of IT infrastructure and applications.

International Offices

One of the fundamental challenges of the 21st Century is stopping overseas threats from compromising the security of the United States. For this reason, the FBI maintains more than 80 offices overseas that cover more than 200 countries and territories. Though our successes have been many, the increase in crimes with an overseas nexus shows we must do more.

The FBI operates worldwide and continuously looks for opportunities in the Middle East, Africa, Eurasia, the Americas, and Asia to target emerging terrorist, cyber, and criminal threats. Staff have strong cross-programmatic skills and work side-by-side with sister agencies, host governments, and corporate partners to take on threats. By targeting terrorists and criminals on their home turf – before their plots take shape – the FBI can stop those who wish to harm the United States before they have the capability to do so.

Training

With the support of Congress, we have re-opened the FBI Academy for training of new agents and intelligence analysts. In FY 2014, the FBI plans to graduate approximately seven new groups totaling more than 300 new agent trainees by the end of the fiscal year and approximately 140 new intelligence analysts in three sessions of the Intelligence Basics Course.

The National Academy provides law enforcement executives and investigators from state and local law enforcement agencies worldwide with advanced leadership training. The National Academy has continued to train more executives, adding to its total of more than 47,000 graduates to date.

The FBI provides leadership, intelligence, and law enforcement assistance to its international training partners through a variety of programs designed to establish and strengthen cooperation and liaison between the FBI and its overseas counterparts. Courses offered include organized crime cases, anti-gang strategies, terrorist crime scene investigations, and street survival techniques. The FBI also participates in the Department of States' International Law Enforcement Academy (ILEA) program, providing instruction on specialized law enforcement techniques as well as leadership training at academies in Budapest, Hungary; Bangkok, Thailand; Gaborone, Botswana; and San Salvador, El Salvador; as well as the Regional Training Center in Lima, Peru. The FBI has supported the Director position in the Budapest academy since its establishment in 1996.

The curriculums of these academies incorporate tenets and techniques developed at the FBI National Academy. To date, more than 50,000 students from 85 countries have received ILEA training, and the FBI has been a prominent contributor to the program.

Other key training programs include Leadership in Counterterrorism, which has trained more than 400 upper-level counterterrorism executives from state or national police agencies and chiefs or deputy chiefs of local agencies to date; the Domestic Security Executive Academy, which has trained more than 340 federal executives and Fortune 1,000 corporate security executives; the Law Enforcement Executive Development Seminar (LEEDS), a two-week program designed for chief executive officers of the nation's mid-sized law enforcement agencies; and the National Executive Institute (NEI), a two-week executive training program that provides strategic leadership education and partnership opportunities for executives from the highest levels of the FBI and the largest U.S. and international law enforcement agencies.

Leadership Development

We created the Leadership Development Program (LDP) to help prepare FBI employees to lead before taking formal leadership positions, by providing relevant tools, courses, and developmental experiences needed for success. These efforts are fostering a Bureau-wide cultural shift toward promoting long-term individual development to better operate in quickly developing transitions and crises.

Since 2009, LDP has built a variety of integrated programs, including onboarding for both new employees and specific positions such as executives and senior managers, in-depth courses for both current and new supervisors and program managers, and a developmental program to prepare aspiring leaders before they are promoted. LDP's various programs were created by employees, for employees, and are designed to build upon one another over the course of an employee's career. They were originally benchmarked against successful models from our military, law enforcement, and intelligence partners, as well as private companies; as LDP has grown, other government agencies now reach out to benchmark against the FBI.

Conclusion

Responding to this complex and ever-changing threat environment is not new to the FBI. Chairman Goodlatte, Ranking Member Conyers and members of the Committee, I would like to close by thanking you for this opportunity to discuss the FBI's priorities. We are grateful for the leadership that you have provided to the FBI. We would not be in the position we are today without your support. Your commitment in our workforce, our technology, and our infrastructure make a difference every day at FBI offices in the United States and around the world, and we thank you for that support. I look forward to answering any questions you may have.

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Mr. GOODLATTE. We will now proceed under the 5-minute rule with questions. And I will begin by recognizing myself for 5 minutes.

As I indicated in my opening statement, we have questions about the IRS targeting investigation. So my first question is, is there an ongoing investigation into the IRS targeting of conservative groups?

Mr. COMEY. Yes, sir. Very active investigation.

Mr. GOODLATTE. Can you explain why there is an investigation, given that the President said there was not even a smidgeon of corruption?

Mr. COMEY. I mean no disrespect to the President or anybody else who has expressed a view about the matter. But I don't care about anyone's characterization of it. I care and my troops care only about the facts. There is an investigation because there was a reasonable basis to believe that crimes may have been committed. And, so we are conducting that investigation.

Mr. GOODLATTE. So he was simply wrong about that.

Mr. COMEY. I don't know what he meant or in what context he said it. And, as I said, I don't mean any disrespect to the President of the United States. I have tremendous respect for the person and the office. But it doesn't matter to me what someone says about it.

Mr. GOODLATTE. Can you give us any indication of the conduct of that investigation? Who is heading it up and what we might expect in terms of information being made available to these groups and to the Congress and the public to assure them that this type of activity is being addressed and that someone will be held accountable if corruption is, indeed, found to lay at any one person's doorstep?

Mr. COMEY. I can only say a little because, as you know, Mr. Chairman, by law and policy and long tradition, I can't comment on an open investigation. I think for good reason. We don't want the bad guys to know where we are going, we don't want to smear good people that we might have to investigate. So that is true of everything we do, not just this case.

The matter is in my Washington field office. The accountable executive is the head of my Washington field office, a terrific executive named Valerie Parlave. But I can tell you it is active. It is something I get briefed on on a regular basis. But I can't say more about where we are or what we have done for the reasons I said.

Mr. GOODLATTE. The Department of Justice Office of Inspector General has indicated that in the beginning of 2010, the FBI reversed course on a longstanding policy of providing, among other things, Office of Inspector General access to grand jury information in furtherance of their reviews.

I am aware that you were asked about this recently before the Senate Judiciary Committee, and you pledged to avoid stonewalling the OIG and to find out more about this.

This Committee relies heavily on the work of the office of the inspector general in order to fulfill our oversight duties. Can you assure us that you will resolve this dispute in an expeditious manner and allow the OIG to effectively carry out its mission?

Mr. COMEY. I agree with you, Mr. Chairman. I think the inspector general is essential. I have a great deal of respect for the per-

son who holds that office now, who I have known for a long time as a colleague. I have told him, look, the inspector general is a pain in the rear, but it is a vital pain in the rear. It is kind of like the dentist: It makes me better to have the inspector general robust and fully informed.

This is an issue that is a legal issue as to what we are allowed to share with respect to grand jury material and what are called Title 3 wiretaps ordered by a Federal judge. I want to share fully and completely with him, but I also don't want to violate the law.

So I think where we are now is we have asked the Justice Department's Office of Legal Counsel, just tell us what we can do. And if it is okay under the law, we will make sure we give it to them. And if it is not, we will have to talk about whether we should change the law.

Mr. GOODLATTE. In your testimony to the Senate Judiciary Committee, you said you would find out more about this. Have you found out more about this since that testimony?

Mr. COMEY. Yes, sir. I left that hearing and immediately went back and talked to my new general counsel about it. And dove into the legal issue a little bit. And found out that there was a difference of view as to what the law permitted here. And, as you know, at the core of our being at the FBI is we want to follow the law. So we are going to ask for the guidance from the Justice Department. Tell us what the law is and we will follow it. And if it needs to be changed, obviously, the Department will approach you.

Mr. GOODLATTE. And is that something that you can share with us as well when you receive that determination from the Department of Justice?

Mr. COMEY. Yes. Certainly.

Mr. GOODLATTE. We would be very interested in knowing what their position is on this and whether any action is necessary on our part.

A number of companies have recently announced that they intend to start notifying customers when law enforcement requests data through a subpoena unless the request is accompanied by a court-ordered gag order and despite the fact that this disclosure is expressly prohibited on the face of the subpoena.

Is this a change in practice? And how do you expect it to impact your investigations?

Mr. COMEY. This is a trend that I am seeing and worried about across not just the FBI, but Federal law enforcement and State and local law enforcement. That part of the windstorm that we are all in with respect to government authorities is leading more and more providers to say, where in the past they would have just decided not to tell someone, a potential pedophile or a drug dealer, that we had asked with lawful process for their records, now they are inclined more and more to tell the person. That is a real problem for reasons that are obvious and something that we have to grapple with.

Mr. GOODLATTE. And have you seen significant instances of prominent companies actually notifying targets of investigations like for child abuse, sexual assault, or drug trafficking, that this information has been requested by subpoena?

Mr. COMEY. Yes. Examples have been reported to me where to avoid letting the bad guy know, the process was withdrawn. And then the investigators had to figure out some other way to track this guy where we don't alert him. As I said, we also don't want to smear the innocent by having people——

Mr. GOODLATTE. So the lack of cooperation impeded the ability to go after some suspected criminals.

Mr. COMEY. That is what I have been told.

Mr. GOODLATTE. We would be very interested in your apprising us of the continued problems that this causes for the agency, and ways you think we may be helpful in that regard as well.

Thank you, Mr. Director.

It is now my privilege to yield to the gentleman from Michigan, Mr. Conyers, for his questions for 5 minutes.

Mr. CONYERS. Director Comey, yesterday's shooting in a high school in Oregon is the 74th school shooting since the attack on Sandy Hook elementary school in 2012.

Can you tell me what your agency is doing to address gun violence and what ways can the Judiciary Committee here be of help to you?

Mr. COMEY. Thank you, Mr. Conyers. In a bunch of different ways. First, I will mention that my behavioral analysis unit, who are the big brains at Quantico, who think about crime every day, made famous in the "Silence of the Lambs" movie, we have a group of people there who are doing nothing but thinking about what are the markers of this behavior, these mass shootings, mass casualty events? What are the indicators, what are the clues? And then pushing that information out to State and local law enforcement to help educate folks on what they might spot. So they are studying and looking for discriminators that we can help people with.

We are also doing training around the country with State and local law enforcement to help them learn to respond to these kinds of incidents. One of the key things we have been training on is, it is a terrible thing that we have to think about this, but to make sure that you always leave a lane open to the school so that an ambulance can get through all the police cars. Because what normally happens is first responders come up, jump out of their cars, and the way is blocked.

We had a mass stabbing event in Pittsburgh about a month ago, and the chief had gotten that training, kept the lane open, and kids were saved because kids were able to get out right away and go to the hospital. So we are doing a lot of that kind of training.

And then in terms of our work, we do a tremendous amount of violent gang work in an effort to try and reduce violence in cities like Detroit, Chicago, and many other places.

Mr. CONYERS. Well, we have a problem, it seems to me, with the background check requirement. Because there is general feeling that it ought to be expanded. Do you have a view that you can discuss with us on that this morning?

Mr. COMEY. I don't in general or particular. We run the National Instant Background Check System, as you know. One of the key elements of that system has been mental health records that has been much in the news, especially since Sandy Hook. I know it is something that across the country, State governments are trying to

get better at, figuring out what records they can push to us so that when someone is buying a weapon that that is checked in a way that produces a result that is useful.

But beyond that, the policy questions are really for the Department of Justice.

Mr. CONYERS. Well, there are a number of people in the legislature here that feel that the background check requirement should be expanded and be made more exclusive. And we are trying desperately to get that examined here in the legislature. And we may be calling on you or someone in the FBI to give us their considered judgment on which direction to go.

Now, it is true, we have ended bulk collection in the general sense through the USA FREEDOM Act. But I remain concerned about large collections. And there are some privacy advocates that are concerned about it.

Under the law as exists today, can you describe how much information the FBI could collect within a single Section 215 order?

Mr. COMEY. I don't know that sitting here I can quantify. The legislation that the House passed that you have mentioned makes good sense to me and bans the use of 215 or National Security Letters or pen registered trap and traces to collect in bulk. And so I don't think there is a particular number except we couldn't collect an amount of records that was untethered to a particular selection term as defined in the legislation.

Mr. CONYERS. Now, the Section 702 of FISA is focused on non-United States persons outside of the United States. But the government does obtain large amounts of information about United States persons through this authority. Does the Federal Bureau of Investigation use information obtained under Section 702 in criminal investigations?

Mr. GOODLATTE. The time of the gentleman has expired. But Director Comey should answer the question.

Mr. COMEY. Can I use 2 seconds? Because I am new, I want to make sure I don't talk about something that is classified. Let me just check.

The answer is we do have contact with information collected under 702. I think to talk about the details we would need to be in a classified setting.

Mr. CONYERS. All right. Thank you, Mr. Chairman.

Mr. GOODLATTE. Thank you.

The Chair recognizes the gentleman from North Carolina, Mr. Coble, for 5 minutes.

Mr. COBLE. Thank you, Mr. Chairman.

Mr. Comey, good to have you with us. Mr. Comey, last year, I asked your predecessor, Director Mueller, about the Benghazi investigation. Of course, the Chairman touched on it in his opening statement as well.

I said to him then, I say to you now, the entire scenario continues to stick in my craw. I think it has been done very ineptly—I am not suggesting you are guilty of this, but someone has not done a good job, in my opinion.

Let me refer to a Huffington Post article which states that on October 18th, 2012, New York Times reporter David Kirkpatrick spent 2 leisurely hours with a guy named Abu Khattala in a crowd-

ed luxury hotel sipping a strawberry frappe on the patio was scoffing at the threats coming from American and Libyans governments.

Do you share my frustration, Mr. Director, in that the media can gain access to this guy and we can't lay a glove on him?

Mr. COMEY. I am not sure I would express it——

Mr. COBLE. Assuming we haven't laid a glove on him is my thinking.

Mr. COMEY. I wouldn't express it as frustration because I have been in this business a long time and I know that sometimes journalists can get access to people that we in law enforcement can't. And so frankly it doesn't surprise me.

Mr. COBLE. I recall when Mrs. Clinton appeared before a Senate hearing in response to one of the questions by the Senators she said, What difference does it make?

It is my belief, Mr. Comey, that any issue, be it obscure, indirect, or directly involved with Benghazi does indeed make some difference. Do you concur?

Mr. COMEY. I take the Benghazi matter very, very seriously. It is one that I am very close to, briefed on on a regular basis, one we are putting a lot of work into and that we have made progress on. But, again, the details of which I can't talk about for the reasons I mentioned earlier——

Mr. COBLE. I can appreciate that.

Mr. COMEY. But it is something I take very, very seriously.

Mr. COBLE. And I can understand how you cannot go into great detail with us. But I am glad to hear you say—I have the fear, Mr. Comey, that with the passage of each day we are one step further removed from resolving the Benghazi thing. And that would not be pleasing at all to any American, I don't think.

Mr. COMEY. And to me as well, sir.

One thing you have got to know about the FBI, we never give up. So sometimes things take longer than we would like them to, but they never go into an inactive bin.

Mr. COBLE. Well, even though I am expressing some criticism, I am very high on the FBI. So put me down as one of your cheerleaders.

Mr. COMEY. Thank you, sir.

Mr. COBLE. Let me talk about the Attorney General for a minute. He has issued directives in the area of marijuana enforcement, including the division on the diversion of assets for the investigation and prosecution of persons, businesses, and financial institutions in States where marijuana has obtained some legal status. I presume that would include Colorado and the State of Washington.

Does this policy affect FBI investigations involving violent crime and drug trafficking which oftentimes spills over State and international borders?

Mr. COMEY. I don't think so. I am not familiar with the policy sitting here, which I think means it doesn't have much of an impact. My troops have not mentioned it to me. My answer is I don't think so, sir.

Mr. COBLE. I thank you, sir.

I yield back Mr. Chairman.

Mr. GOODLATTE. Chair thanks the gentleman and recognizes the gentleman from New York, Mr. Nadler, for 5 minutes.

Mr. NADLER. Thank you, Mr. Chairman.

Director Comey, National Security Letters permit the FBI to obtain, among other things, basic telephone records, email subscriber information, basically all the stuff you could get under Section 215 order under FISA.

The President's review group on intelligence communication technologies was unable to identify a principled reason why NSLs should be issued by FBI officials when Section 215 orders must be issued by the Foreign Intelligence Surveillance Court and recommended that all statutes authorize the use of NSLs should be amended to require the use of the same oversight minimization, retention, dissemination standards that currently govern the use of Section 215 orders.

Now we have done that in the House version of the USA FREEDOM Act. Given the overlap with Section 215, are NSLs necessary? And why does instances with the FBI choose to use an NSL instead of Section 215.

Mr. COMEY. Thank you, Mr. Nadler. NSLs are essential to the basic building blocks of our national security investigation work. Just as grand jury subpoenas are the basics building blocks in criminal work. They are very different than 215. In fact, they can only give us information in very limited circumstances that you alluded to. Subscriber information, ISP identification, no content.

Mr. NADLER. Metadata.

Mr. COMEY. Credit records. Some financial records.

Mr. NADLER. Metadata.

Mr. COMEY. Metadata.

Mr. COMEY. Sure. Right. But not in any kind of bulk fashion, as you said.

So, yes, there are basic building blocks of our investigations.

I had a great discussion with the President's review group about this. I think they are well intended but dead wrong. And I said that to them respectfully. I don't see there is any reason—they asked for a principled reason. I said, why on Earth would we make it harder to get a National Security Letter, which I need in my most important matters involving spies and terrorists, than to get a grand jury subpoena in a bank fraud investigation? That doesn't make any sense to me. They need to be overseen. They are overseen by tremendous layers within the FBI.

Mr. NADLER. So you think that the—or do you think that the restrictions in National Security Letters in pen and trace that were included in the USA FREEDOM Act version passed by the House to make sure that NSLs could not be used as an end run around our Section 215 restrictions, they are okay?

Mr. COMEY. Yes. Makes total sense to me. We didn't use it that way anyway.

Mr. NADLER. Okay. Now in the H.R. 3361, the USA FREEDOM Act bill that the House passed, the FBI will be required to base its use of—as will the NSA—will be required to base its use of section 215 on a “specific selection term.”

How does the definition of “specific selection term” limit the government's ability to obtain information?

Some critics, for example, have said that under the way it is defined in the bill, you could ask for every call detail record in a given area code, or in a given ZIP Code. Do you regard that as true?

Mr. COMEY. No. I think given the language and the clear legislative intent that you all have demonstrated that that would not be permitted under that. But a lot of people, thoughtful people, have said they would like to have different language defining selector term. I am happy to discuss it. What I want to do is just make sure we don't accidentally, in defining selection term, bar some of the things I think everybody would want me to be able to do with a National Security Letter.

Mr. NADLER. Do you think that if the Senate tightened that definition, so long as it didn't do what you just said, that would be okay?

Mr. COMEY. Yes. So long as it didn't accidentally preclude things that I think make total sense. If a terrorist is in a hotel and I don't know what room he is in, I need to be able to use lawful process to find out who is in every room so we can figure out, okay, he is now in 712. I got to be able to do that. So I just wouldn't want to accidentally forbid that kind of thing. But I have no interest in using to collect in bulk. So if there is other language, I am happy to discuss it.

Mr. NADLER. Can you give us any idea of how many NSLs are issued in a given year? And how can we supervise them?

Mr. COMEY. I think the number—it is in the thousands. I think it is, like, 17,000 a year. Because of the basic building blocks of nearly all of our national security investigations. Probably not nearly as many as grand jury subpoenas are issued, but thousands of them.

Mr. NADLER. Thank you. My last question, since I see the yellow light is on. On May 30th of this year, the House passed an amendment to the Commerce, Justice, State Appropriations Bill that would prohibit the use of funds to compel a journalist to testify about confidential sources.

On June 2nd, the Supreme Court declined to hear the appeal of James Rosen, a New York Times reporter who could face jail time for refusing to name his confidential source.

Forty-nine States and the District of Columbia offer some form of protection to reporters who refuse to testify about their sources.

Can you give us your opinion of a proposed Federal shield law? And how do we protect freedom of the press and allow sources? I mean, much of our reporting, much of our knowledge of what has happened in the last 40 years wouldn't be there without confidential sources. And yet this Administration has really clamped down on those confidential sources.

So what do you think about a Federal shield law? And how can we assure that despite secrecy requirements we still get the information we need?

Mr. GOODLATTE. Time of the gentleman has expired. The Director will be permitted to answer the question.

Mr. COMEY. I am an enormous fan of a robust press. And I think it is appropriate to try and balance my need to investigate the most

serious offenses in the United States and the need to have a robust press.

I am not up to speed enough on the shield law, and it is really not a view the FBI should offer anyway; that is for the Department of Justice. But there has got to be a way to accommodate that. There shouldn't be a situation where we can't ever investigate the most important cases and touch the media. But we have got to protect the news-gathering function. And so other than that principle, I really don't have a view on the law itself.

Mr. NADLER. Thank you. I yield back the time that has been seized back.

Mr. GOODLATTE. Thank the gentleman.

And recognize the gentleman from California, Mr. Issa, for 5 minutes.

Mr. ISSA. Thank you, Mr. Chairman.

Director, as you know, in the news, there has been a lot of coverage of the fact that the FBI had and has had since 2010 a database of 1.1 million records or pages of records on nonprofit organizations, and that those records were sent based on communication that included Lois Lerner and individuals working for you. Before we began today, I understand from you that you said that you had returned those records?

Mr. COMEY. Yes, sir.

Mr. ISSA. So the FBI no longer has records?

Mr. COMEY. That is correct. I understand we returned them sometime within the last few days or a week.

Mr. ISSA. Isn't it true that those records were determined to include 6103 taxpayer ID information?

Mr. COMEY. I don't know whether it was determined, but that was an issue that I read about and have heard quite a bit about.

Mr. ISSA. The Department of Justice sent us information asking for us to return the information that we had received under subpoena. And said the basis was that it contained 6103 information. Do you believe that to be true?

Mr. COMEY. I think that is right. Yes, sir.

Mr. ISSA. For the IRS to release 6103 information to your organization, you are not authorized to receive it as a database to be used. So wouldn't that be a violation of the law under 6103?

Mr. COMEY. My recollection from my days, again, as a prosecutor, is 6103 something we were very careful about to protect private taxpayer information. And there is a number of legal hurdles that have to be jumped over, including a judicial order to share 6103 information.

Mr. ISSA. So the fact is that under the guise of giving information that was publicly available under GuideStar, Lois Lerner did, in fact, send a database that included 6103 information to the FBI in 2010. Isn't that true?

Mr. COMEY. I don't know who sent it.

Mr. ISSA. Department of Justice gave us emails. Have you seen the emails that were back and forth? Those emails included Lois Lerner as an author.

Let me go through some quick questions that are important to the FBI.

Did the FBI request this database from the IRS?

Mr. COMEY. No.

Mr. ISSA. Since you have returned it, does that mean that the FBI never had a valid reason to have it and you do not have a reason to have a database of taxpayer individual information on non-profits?

Mr. COMEY. My understanding is, again, this was 4 years ago, is that there was a valid basis for them to send public information.

Mr. ISSA. If public information is available through the GuideStar Web site, why would you need the database?

Mr. COMEY. I don't know, sitting here.

Mr. ISSA. Okay. Would you answer that one for the record? I would appreciate it.

On what basis are internal memos available that would show there was a reason to have in searchable format this information rather than if it was publicly available? And obviously the 6103 was not publicly available. But if it was publicly available, why you would need a database, a searchable database rather than, in fact, go to the same place the public goes?

Do you know today of any reason that the FBI, on an ongoing basis, would need any nonpublic information from taxpayers including the information from non-profits or not for profits?

Mr. COMEY. In that particular context, I don't. We use it in lots and lots of investigations unrelated to that and get court orders to get it.

Mr. ISSA. Of course when you get court orders, then you have a reason that is specifically stated in the court order.

At this time, do you have ongoing investigations that were begun in 2009, '10, or '11, that concerned referrals from the IRS for non-profits to the FBI?

Mr. COMEY. I don't know of any from '9, '10, that period of time. I am not saying there aren't any, I am just not aware of any.

Mr. ISSA. At this time, have you, to the best of your knowledge, relinquished—or would I have to go to Justice, is the obvious question—but have you relinquished, pursuant to the subpoena, all emails and documents related to Lois Lerner and transfers from the IRS, which was the subject of our subpoena?

Mr. COMEY. I don't know the status of it. Subpoena to the FBI you are asking about?

I don't know the status of it. I am sure if we complied, we did our absolute best to be fully compliant.

Mr. ISSA. Do you agree that—and you mentioned the robust oversight of not Congress, but, in fact, of the press—do you believe that the American people should inherently be suspicious or concerned when taxpayer-identifiable information is transferred from the IRS to the FBI without a warrant?

Mr. COMEY. American people should always want to know that their taxpayer information, that private information is being protected according to the law. That is why as a prosecutor, I remember taking it so very seriously.

Mr. ISSA. To your knowledge, what did the FBI do with this database in the last more than 3 years that it had it in its possession?

Mr. COMEY. I have asked. My understanding is an analyst in our criminal investigation division looked at an index of it to see what it was. And then parked it to see if DOJ was going to ask us to

do anything with it, and they never did. So it sat in her—I don't know whether her desk or her file for the last 4 years.

Mr. ISSA. So in closing, Mr. Chairman, then would it be safe to assume that if the FBI did not ask for it, had no purpose for it, and Lois Lerner and the IRS encouraged the FBI to take it, that it was part of a coordinated effort to try to produce an investigation that never materialized?

Mr. COMEY. I don't know enough to answer that.

Mr. GOODLATTE. Time of the gentleman has expired.

Mr. ISSA. I thank you, Mr. Chairman.

Mr. GOODLATTE. The Chair recognizes the gentleman from Virginia, Mr. Scott, for 5 minutes.

Mr. SCOTT. Thank you, Mr. Chairman.

And welcome from Richmond.

When employers try to get background information for prospective employees, we have heard complaints that the information is incomplete, people lose the opportunity for jobs because the information is not complete.

What is the FBI doing to upgrade the information?

Mr. COMEY. This is information in our database.

Mr. SCOTT. Some of it is in your database, some of it the States. A lot of times the disposition of a case is not included. So it looks like it may have been a conviction, but you don't know.

If you can get back to me—

Mr. COMEY. I don't know enough to answer right here.

Mr. SCOTT. Okay. Sex trafficking. If a 40-year-old has sex with a 14 year old, that is rape. Is the crime diminished because it is paid for?

Mr. COMEY. Is it diminished because it is paid for?

Mr. SCOTT. Right.

Mr. COMEY. The child is still violated.

Mr. SCOTT. Is the FBI now recognizing such encounters as rape and investigating and bringing prosecutions for cases as rape?

Mr. COMEY. I think so.

Mr. SCOTT. Does the FBI have a process for dealing with the child victims?

Mr. COMEY. Yes, sir.

Mr. SCOTT. And what is that process?

Mr. COMEY. Our office of victims of crime spends a great deal of time working with our sex trafficking investigations to make sure that the kids are treated like the victims that they are and they are their gateway into services provided by whatever the locality is in which we rescue the child.

Mr. SCOTT. Thank you. There is a term called "organized retail theft," where gangs go up and down the interstate, drop in at a retail outlet, clean out a couple of shelves, and run.

What is the FBI doing to address organized retail theft?

Mr. COMEY. I don't know enough to answer, Mr. Scott; it is not something I am familiar with.

Mr. SCOTT. Individual ID theft is—we have these breaches of data that are actually valuable because usually, if you only steal about a couple thousand dollars from each account, nobody investigates it.

What is the FBI doing to deal with ID theft where they grab a credit card, your name, milk it for a couple thousand dollars, and keep going?

Mr. COMEY. Probably, it is not a focus of a lot of our work unless it is connected to an organized criminal group. We try to triage our resources and spend most of the resources on the more complicated intrusions. And then offer training. That is another big gap that we as a country have to address, offer training to the State and local law enforcement so they can respond to crimes that involve digital evidence or the Internet.

Mr. SCOTT. A lot of the ID theft crosses State lines, certainly jurisdictional lines, so the local police would be virtually incapable of dealing with it. Are you making sure that there is a national investigation when you have these breaches and people use the credit card information?

Mr. COMEY. Well, we certainly are with respect to the large-scale intrusions and the massive identity thefts that have been in the news a lot. With respect to the smaller, individual cases, if we don't connect it to a more sophisticated ring, we try to hand it to our State and local partners and give them the training and the expertise they need to be able to work it.

Mr. SCOTT. The gentleman from California and a couple of others have asked about the targeting of conservative groups by the Internal Revenue Service. I am aware from lawyers that some liberal groups have also been allegedly targeted. Are you investigating those, too?

Mr. COMEY. I want to be careful what I say about the investigation we are doing with respect to the IRS.

Mr. SCOTT. Well, let me just make that, just use that as a statement and not a question.

Mr. COMEY. Okay.

Mr. SCOTT. Medicaid and Medicare fraud, what is the FBI doing to reduce Medicaid and Medicare fraud?

Mr. COMEY. Unfortunately, it is a big part of our work across the country, especially in pockets where we have a significant amount of Medicaid fraud, Medicare fraud. I was just in Tampa visiting my troops. They do a lot of that work there. So it is a major focus of our criminal investigative work around the country.

Mr. SCOTT. Thank you.

And finally, there are challenges in dealing with—you don't like the term "lone wolf," but how do you prevent crimes from happening before they happen if there is only one person involved?

Mr. COMEY. Very difficult. And there again the very bright people in my behavioral analysis unit are trying to push out to local police departments markers, because as we look back at the history of these cases, you can almost always find something that somebody saw. Either they saw in person, or they saw on the Internet, in social media some marker that this person was radicalizing. So we try to alert our partners so they can focus on that, and we try and maintain a robust presence in the online world where some of these people will go to try and get the training that they are looking for to do these terrible things.

Mr. SCOTT. Thank you, Mr. Chairman.

Mr. GOODLATTE. Thank the gentleman.

The Chair recognizes the gentleman from Iowa Mr. King for 5 minutes.

Mr. KING. Thank you, Mr. Chairman.

Director Comey, I thank you for your testimony. I would recommend that your staff clip that 5 or 6 minutes of your opening statement out and put that up on the Internet and perhaps use it as a training for other members that might come before the Judiciary Committee. That was an excellent opening statement.

Mr. COMEY. Well, thank you, sir.

Mr. KING. And I recall your testimony—

Mr. COMEY. I married a woman from Iowa. That made all the difference.

Mr. KING. It made a difference to me as well then.

I recall your testimony from back in 2005, and it is received in a positive fashion, too, and I would just reiterate some of this that I have lifted out, and it is June 8, 2005. You say you want to catch a terrorist with his hands on the check instead of his hands on the bomb, you want to be as many steps ahead of the devastating event as possible through preventative and disruptive measures, using investigative tools to learn as much as we can as quickly as we can, and then incapacitating the target at the right moment, and then these salient words: Tools such as enhanced information-sharing mechanisms and surveillance, pen registers, requests for the production of business records, and delayed-notification search warrants allow us to do just that.

I take it that you stand on that statement today from what I have heard—

Mr. COMEY. Yes, sir.

Mr. KING [continuing]. And from the actions that you have followed through on in that period of time. I am thinking about the USA FREEDOM Act, and I would ask you, could you describe whether you believe that it makes us safer, and, if so, how?

Mr. COMEY. Well, as a country, in a way—well, let me stay with your question. It doesn't make us safer, but I don't believe it makes us any less safe, and there are corresponding benefits to it, offering some assurance to people who have legitimate questions about their privacy, so I think it leaves us no less safe than we were.

Mr. KING. And do you have more confidence in the private sector holding metadata as opposed to the government?

Mr. COMEY. I don't have more confidence in them if they are holding it in bulk, but the phone companies are pretty good at holding their records because they want to hit us all for bills, so they are pretty good at keeping that record, so I have confidence they will keep those in the way they always have.

Mr. KING. What would be the most dated metadata that you know of that was used to help resolve a crime or prevent one?

Mr. COMEY. That is a good question. I don't know in particular. Under the original 215 program, data was kept for 5 years, and so the experts who know more than I said it was useful to have that. The critical period was within 18 months.

Mr. KING. So we can't quite pinpoint whether that additional 3½ years was valuable or not?

Mr. COMEY. I can't, sitting here.

Mr. KING. The 18-month period of time, let me go back to this, would you see merit to being able to negotiate with the private sector to go into that data beyond 18 months? Can you foresee that?

Mr. COMEY. It could happen. There could be cases where it is useful, where you discovered something that is older and you need to go check it.

Mr. KING. But the FREEDOM Act, USA FREEDOM Act, forecloses that opportunity?

Mr. COMEY. Right. For the purposes of that particular metadata program, yes, it does.

Mr. KING. And so it is possible that there is data beyond the 18 months that could be critical to an investigation, and it would be about things that were considered by the people you referred to as experts who asked for 5 years of data?

Mr. COMEY. It is possible, yeah.

Mr. KING. Which most everything is.

The southern border, persons of interest from nations of interest. What can you tell us about how that situation might have changed over the last 4 or 5 years? Are we getting more or less, and from what countries should we be most concerned about?

Mr. COMEY. I don't know enough 9 months in to give you an assessment of the numbers. It is a big focus of ours, but I would have to get back to you on the particulars of it.

Mr. KING. Would you have a sense that those numbers are increasing or decreasing?

Mr. COMEY. I have a sense that it is increasing. It is a particular worry for me with respect to Syria because I can no-fly a bad guy to try and keep him from going to Syria, but he may look to cross into Mexico to get out and then come back the same way across the land border. That is just one of the ways in which I worry about it.

Mr. KING. And do you have a number on what percentage of illegal drugs that are consumed in America come from or through Mexico?

Mr. COMEY. I don't. It is very high, north of 80 percent I would estimate sitting here.

Mr. KING. And when the DEA says 80 to 90 percent, that would seem consistent with your response?

Mr. COMEY. Sounds about right.

Mr. KING. And do you have any data that you could share with us that might indicate the violence in, let's say, south of the United States, from there on down into Central America, the violence rates within those societies and how that might affect our society as we see the masses of people coming in here?

Mr. COMEY. I don't, other than I have a sense even after 9 months that it is a significant issue, especially in some of the countries in Central America.

Mr. KING. And Americans will become victims.

I thank you for your testimony.

Thank you, Mr. Chairman. I yield back the balance of my time.

Mr. GOODLATTE. The Chair thanks the gentleman.

Recognize the gentlewoman from California Ms. Lofgren for 5 minutes.

Ms. LOFGREN. Thank you, Mr. Chairman, and thank you, Director Comey. I am heartened by your statement, and I appreciate your service to our country and your commitment to the rule of law. It is great to hear you.

I think, you know, we are in an interesting time where obviously we want to pursue people who would do us harm, people who would violate the law. At the same time in a digital age, our expectations of privacy are shifting, and getting it right in terms of legislation is not an easy task. So I have some questions for you about databases.

It is my understanding, but this is a question, not a statement, that the FBI's Next Generation Identification database is going to include pictures for facial recognition; is that correct?

Mr. COMEY. Yes, mug shots. We are trying, piloting the use of mug shots along with our fingerprint database to see if we can find bad guys by matching pictures with mug shots.

Ms. LOFGREN. Now, I further understand, but, again, this is a question not a statement, that in addition to mug shots, there would be civilian pictures as well in this database; is that correct?

Mr. COMEY. That is not my understanding. As I understand it, what we are using is mug shots, arrest photos, another word for mug shots.

Ms. LOFGREN. So there would not be pictures included from State DMVs in the database?

Mr. COMEY. I don't think so. The NextGen identification, as I understand it, is about mug shots. I think there is some circumstances in which when States send us records, they will send us pictures of people who are getting special driving licenses to transport children or explosive materials or something, but as I understand it, those are not part of the searchable Next Generation Identification database, and if I am wrong about that, someone will whisper to me, or I will fix it later.

Ms. LOFGREN. If that is not correct, please do let me know.

Mr. COMEY. Okay.

Ms. LOFGREN. And do we have an idea of what kind of false positive we would have in terms of matches using this photo-recognition technology software?

Mr. COMEY. We don't yet. That is why we are piloting it, to see how good is it and is it useful to law enforcement across the country, but I don't know the answer to that.

Ms. LOFGREN. Now, it has been reported, and again I don't know if this is accurate, that the database when fully—I mean, obviously there is a pilot, but there is a plan if it works to fully expand it—that there would be approximately 52 million faces by the year 2015 in the database. Do you know whether that figure is accurate?

Mr. COMEY. I don't.

Ms. LOFGREN. Could you check and find out?

Mr. COMEY. Sure.

Ms. LOFGREN. Because what has been reported, and again this is contrary to what your reporting was, that there would be several million pictures that would not be mug shots, that would be coming from civilian sources, which is something that I am greatly interested in.

Mr. COMEY. And I saw some of the same media, and that is what led me to ask my folks, so what is the deal with this? And the explanation to me was that the pilot is mug shots because those are repeatable, that we can count on the quality of them, and they are tied to criminal conduct clearly. And so there was not a plan, and there isn't at present, where we are going to add other non-mug shot photos.

Ms. LOFGREN. Okay.

Mr. COMEY. Again, if I have got that wrong, I will fix it with you.

Ms. LOFGREN. I appreciate that.

It is my understanding that the contractor who is building this Next Generation Identification database is a company called MorphoTrust, also built the State Department facial recognition database which contains 244 million faces. Will your Next Generation Identification system be capable of importing the State Department records or searching the State Department records; do you know?

Mr. COMEY. I don't know. I have not heard of that as either a current capability or an intended capability. I will get back to you on that.

Ms. LOFGREN. I would appreciate that very much. The reason why yesterday we had a vote on the appropriations bill that passed to prohibit the collection of and retention of drivers' license plates on cars, and it is not—that is in plain sight, but I think one of the issues that we need to get right, and we would welcome your input on this, is that things that are in plain sight that we know are not private take on a different quality when they become part of a massive database that can be searched. And so if you walk outside your front door, you are in plain sight, you know your neighbor can see you, but you don't really expect that that would be photographed and be part of a massive database so that the government could know where you are at any given time. And so the pictures, the identifiers on vehicles, useful to law enforcement, but where do we draw that line of privacy for the American people?

So I would be very interested in your thoughts on that. Obviously we are out of time now, but if you could provide your best judgment on where that line should be drawn, I would be greatly appreciative.

Mr. COMEY. Thank you.

Mr. GOODLATTE. The Chair recognizes the gentleman from Texas Mr. Gohmert for 5 minutes.

Mr. GOHMERT. Thank you, Mr. Chairman, and thank you, Director, for being here. We appreciate you taking on the job you have taken on, which includes such unpleasant tasks as having to come talk to us. But thank you for being here.

You had mentioned in your opening statement about Syria being a breeding ground for terrorism. I had met with some Libyans who had originally been rebels in the so-called Arab Spring and they were telling me that there are terrorist camps springing up all over eastern Libya, that that is an area that came through to me in Egypt. Are you aware of any terrorist training camps springing up in Libya these days?

Mr. COMEY. It is not something I know a lot about, and it is probably not something I want to talk about in open session, even the little I do know.

Mr. GOHMERT. Well, since you had mentioned Syria, I wanted to see if you knew anything about Libya, because these are people that they said before the radicals took so much in charge of their rebel efforts, that they were quite active.

But, anyway, we know that on the border, particularly Texas, with Mexico, there is this mass influx of particularly children. And I keep hearing from people that have been there, that have been working with them, articles that are being published, the information is pretty basic, even though a spokesman for the Administration says they don't know why there is this huge influx, they keep saying that they are hearing that amnesty is coming, they will not be sent home, and apparently, as I am hearing from border patrolmen, they are not being allowed to do their job and secure our border.

I got a report from some Border Patrol that from October 2008 to April of 2014, Texas identified a total of 177,588 unique criminal alien defendants booked into Texas county jails, and that those 177,000 have been identified through the Secure Communities Initiative with 611,234 individual criminal charges. And so I am wondering, even though apparently, what I am hearing from the Border Patrol, they are not being allowed to do their job and to protect America's borders, is the FBI stepping in and picking up the slack and at least of the tens of thousands that are pouring in being able to check to see their criminal backgrounds?

Mr. COMEY. It is something I have read about in the media. Given our responsibilities and authorities, it is not something that I have focused on or that I believe we are focused on significantly. But lots of other agencies that I think are, but not the FBI.

Mr. GOHMERT. Well, Department of Homeland Security is supposed to be, but they are not letting the border patrolmen do their job. They are being told with the massive numbers, don't turn them away, let them come in. This is what I am hearing from Border Patrol, let them come in, and then, of course, it is in the media, they are being shipped around the country to be cared for.

But I would suggest, Director, since you are in charge of the Federal Bureau of Investigation, and we know that this massive hundreds of thousands of crimes have been committed by people coming in illegally just in Texas, that it is something the FBI has got to pick up the slack on. If the border is not going to be protected by Homeland Security, then it is going to fall directly on DOJ, and I know it may not be wanted, but it is happening.

Let me ask you, shifting gears, your predecessor was not aware that the mosque in Cambridge, Boston area, the Islamic Society of Boston founded, signed the papers, by a guy named Al-Almoudi, that the FBI did a great job proving up a case where he is now doing 23 years for supporting terrorism. Looking back on the Tsarnaev heads-up that Russia gave us, what questions do you think would be appropriate to ask in the mosque that FBI just never did? They went there, according to Director Mueller, in their outreach program, but not to question about whether or not Tsarnaev had been radicalized. What questions do you think would

be appropriate in a mosque, if you think they are appropriate, when you get notice of somebody being radicalized?

Mr. COMEY. Well, the particular is one I don't know well enough to answer, but in general we want to be able to ask whatever questions are logical leads for us to follow no matter where it is. Whether it is a mosque or a church or a grocery store, if we have a reason to ask a question, we want to be able to ask it.

Mr. GOHMERT. Well, that mosque has ties to radicalism, and it hasn't been followed up, I can tell you, by the FBI, and I would urge you to do that. It is a radical hotbed.

And I appreciate your time here today, Director. Yield back.

Mr. GOODLATTE. The time of the gentleman has expired.

The Chair recognizes the gentleman from Georgia Mr. Johnson for 5 minutes.

Mr. JOHNSON. Thank you, Mr. Chairman.

Sir, thank you for your service to the Nation. We are living during a time where we encounter threats to our national security on a daily basis, and we are fortunate to have agencies like the FBI protecting us. Recently, however, the question has come up as to whether the relationship between the government's interest in prosecuting the unauthorized disclosure of classified information and the public's interest in a free press, and that has been knocked off balance. Has the FBI ever used journalists as a cover for their agents, and, if so, can we get a commitment that that won't happen again?

Mr. COMEY. Yeah, not to my knowledge.

Mr. JOHNSON. Thank you. Journalists continue to find themselves in the crosshairs of programs ostensibly designed to catch terrorists. What measures has the FBI taken to ensure that journalists are not targeted and that they remain free to do their work without fear?

Mr. COMEY. Well, we have an extensive set of rules that govern how we interact with the media during any investigation, whether it is national security or criminal, that are contained within our investigation and operations guide, and then we have a set above that of Department of Justice regulations that the Attorney General has promulgated, and so we follow that very, very carefully.

Mr. JOHNSON. Thank you.

Since the Attorney General released revised guidelines regarding the gathering of information from journalists, has the FBI been involved in surveillance of journalists, and does it coordinate with NSA on these issues?

Mr. COMEY. To my knowledge, no, we have not been involved in surveillance of journalists, and the same with respect to the NSA.

Mr. JOHNSON. All righty.

On another note, in many reverse stings, FBI agents, using confidential informants, decide on the amount of drugs, including ones that trigger harsh mandatory minimum penalties. Research demonstrates that these triggering amounts impact minorities disproportionately. Given the possibility of that bias, unconscious or not, whether or not it plays a role in the decisions of what to charge a target with, isn't it prudent to instruct your agents in terms of this issue how to avoid the consequences of any bias in that regard?

Mr. COMEY. Well, bias is something I think we have to worry about in all human affairs, and especially when you have the law enforcement power that we exercise, so it is something we talk a lot about inside the FBI to make sure that our culture is one rooted to every possible extent throughout the organization in being blind to color, to orientation, to origin, and following the facts.

The charging decisions in drug cases that you mentioned aren't made by the FBI, those are made by Federal prosecutors, so that is not something the FBI agent is going to drive.

Mr. JOHNSON. Well, yeah, recognizing the power of prosecutors to decide on the charges to indict upon, if there is still a lot of discretion with agents when it comes down to persons whom they are investigating and decide to arrest, what to charge them with, and those decisions need to be subject to some care and some oversight by superiors in that department.

Mr. COMEY. I agree very much.

Mr. JOHNSON. All right. Thank you, and I yield back.

Mr. GOODLATTE. The Chair thanks the gentleman.

Recognize the gentleman from Ohio—

Mr. JORDAN. Thank you, Mr. Chairman.

Mr. GOODLATTE [continuing]. Mr. Jordan for 5 minutes.

Mr. JORDAN. Director, thank you for being here. Thank you for what you do. Your opening statement is one of the best I have heard. Appreciate what you and your agents do every single day.

Do you believe, Director, that the Attorney General should name a special prosecutor in the investigation of the targeting of conservative groups by the Internal Revenue Service?

Mr. COMEY. I don't think that is something for the FBI Director to comment on.

Mr. JORDAN. Every single Republican in the House said we should; 26 Democrats in the House said we should, including Ms. DelBene and Mr. Garcia. Bipartisan, overwhelming bipartisan majority said that we, in fact, should do that based on what we have heard and learned about this investigation over the last year, but you don't believe we should do that?

Mr. COMEY. No, I said I don't believe it is something the FBI Director should be opining on.

Mr. JORDAN. Okay. Let me go back to where Mr. Issa was just a few minutes ago. We learned from Freedom of Information requests from Judicial Watch that a Department of Justice attorney Richard Pilger met with Lois Lerner back in October of 2010. We interviewed Mr. Pilger, and we discovered in that interview that disks of information were given to the FBI from the Internal Revenue Service. In fact, we got a letter on June 2nd, just a little over a week ago, from the Department of Justice telling us that there were 21 disks that were provided by the Internal Revenue Service to the Federal Bureau of Investigation in the fall of 2010 containing 1.2 million pages of information. Two days later we got another letter where basically the same Mr. Kadzik of the Department of Justice said, Oops, we forgot to tell you something, 21 disks, 1.2 million pages of information, and some of that information included confidential information protected by Internal Revenue Code section 6103.

So we got a database that you have had for 4 years, which—not according to us, but according to Department of Justice lawyer Mr. Kadzik and the IRS—contained information that is confidential, against the law, and you have had this database, an illegal database, for 4 years. Did you use that database during any of that 4-year time span?

Mr. COMEY. No.

Mr. JORDAN. Not at all?

Mr. COMEY. My understanding is the only thing that was done, the analysts looked at the table of contents to see what was on it.

Mr. JORDAN. And you are sure about that?

Mr. COMEY. As sure as I can be. I read the same thing you read, and so I have asked—

Mr. JORDAN. Remember, we got the email from Mr. Pilger to Lois Lerner that says this: The FBI thanks Lois. The FBI says raw format is best because they can put it into their systems like Excel. This is direct communication from Mr. Pilger and Lois Lerner, the lady who is at the center of this entire scandal. So you got it in the format you wanted it in, and you are saying you didn't use it, and you have had this for 4 years and didn't use it?

Mr. COMEY. That is my understanding, yep.

Mr. JORDAN. We know things like Catherine Engelbrecht in Texas, who had six visits from the FBI—two in person, four over the phone—while her application for (c)(4) status was pending, and you are telling us none of this information was used to target people like Catherine Engelbrecht?

Mr. COMEY. That is what I am telling you.

Mr. JORDAN. And when did you turn this information back?

Mr. COMEY. Sometime within the last few days, I think.

Mr. JORDAN. When did you first learn you had this database that was never used, that was an illegal database of 1.2 million pages 21 disks? When did you learn that you had this information?

Mr. COMEY. Me personally?

Mr. JORDAN. Yes.

Mr. COMEY. What is today, Wednesday? I think Monday.

Mr. JORDAN. So the FBI has had this. The new Director didn't know you had this for the last 4 years? You just learned a week ago?

Mr. COMEY. No, I don't think anything was being done with it. It was sitting with this intelligence analyst in the Criminal Division.

Mr. JORDAN. Do you know if there was a court order used to obtain this database which contained illegal, confidential taxpayer information? The only way you can get personal and confidential taxpayer information is a court order. Do you know if a court order was used to get this?

Mr. COMEY. I don't think one was. I think the disks were sent by the IRS.

Mr. JORDAN. The Justice Department would just say, IRS, send us the information, and the IRS just sent over illegal, confidential taxpayer information, no court order involved at all?

Mr. COMEY. My understanding is there was no court order. They sent us the disks, which was represented to us to be publicly available information.

Mr. JORDAN. What kind of conclusion do you think the American people are going to reach when they understand now that the Federal Bureau of Investigation had 1.2 million pages of information which contained confidential taxpayer information, you have had it for 4 years, and they are supposed to believe this was never used in any way to target people when we have examples like Catherine Engelbrecht and True the Vote who got 6 visits from the FBI while her application was pending at the Internal Revenue Service, and they are supposed to believe, you know what, we just had it, we didn't know about it, and we gave it back; sorry, no harm no foul? That is what they are supposed to believe?

Mr. COMEY. Yes, they should believe that because I am saying it, and because of what they know about the FBI.

Mr. JORDAN. So let me go back to the first question, the very first question. Twenty-six Democrats, every single Republican in the House said, we need a special prosecutor. As the Chairman said in his opening statement, your organization on January 13—at least according to the Wall Street Journal—your organization, the FBI, leaked to the Wall Street Journal saying no one was going to be prosecuted. I am just saying what the Wall Street Journal—

Mr. COMEY. I don't know why they said an FBI person leaked that.

Mr. JORDAN. That is what the Wall Street Journal said.

No one is going to be prosecuted; the President says there is no corruption, not even a smidgen; the person heading the investigation Ms. Bosserman, the attorney heading the investigation, is a maxed-out contributor to the President's campaign; and now we know 1.2 million pages of confidential taxpayer information has been in the hands of the FBI, given to them by Lois Lerner in the format the FBI wanted, and you are saying the FBI, the head of the FBI, the Director of the FBI shouldn't comment on whether we need a special prosecutor or not?

Mr. COMEY. Yeah, I think that is right. I don't think the FBI Director should be offering a view on that. What I care about is do my folks think there is any—

Mr. JORDAN. I think the American people would like a special prosecutor, Director.

Mr. COMEY. I am sorry?

Mr. JORDAN. I think the American people would like a special prosecutor as evidenced by the fact that we had 26 Democrats join every single Republican say that very thing.

Mr. COMEY. Well it may be so. I am not arguing one way or the other. I am just telling you I don't think given my role it is something I should be offering a view on.

Mr. GOODLATTE. The time of the gentleman has expired.

Mr. JORDAN. Thank you, Mr. Chairman.

Mr. GOODLATTE. The Chair recognizes the gentleman from Puerto Rico Mr. Pierluisi for 5 minutes.

Mr. PIERLUISI. Thank you, Mr. Chairman.

Director, welcome to the Committee. I commend you on your demeanor and responsiveness at this hearing up to now.

As I did when the DHS Secretary appeared before the Committee last month, I would like to outline a narrative and then ask you to comment.

Mr. COMEY. Okay.

Mr. PIERLUISI. Puerto Rico is home to fewer than 4 million American citizens. In 2009, there were about 900 homicides on the island. In 2010, there were nearly 1,000 homicides, and in 2011, there were over 1,100 homicides, an average of more than 3 a day, the most violent year in the territory's history. In each year our homicide rate was twice as high as any State. Most murders in Puerto Rico are linked to the drug trade. Puerto Rico is within the U.S. customs zone and is used by organizations transporting narcotics from South America to the U.S. mainland.

Given the crisis, I examined the level of resources that DOJ and DHS were dedicating to combat drug-related violence in Puerto Rico and came away discouraged because the Federal law enforcement footprint on the island was inadequate. I have done everything possible to impress upon officials the need for an improved Federal response to drug-related violence in Puerto Rico both for its own sake and for the sake of communities in the U.S. mainland and on the eastern border and so on.

Starting in 2012, my message finally began to register, particularly at DHS. The agency created a task force charged with taking steps to reduce Puerto Rico's murder rate. The Coast Guard has substantially increased the amount of time it ships and patrol aircraft spends conducting counterdrug operations off Puerto Rico. Last year I surged 30 agents to the island where they made hundreds of arrests and seized vast quantities of drugs and firearms, and CBP, once it assumed control of the counterdrug TARS program earlier this year, repaired the radar in southern Puerto Rico that had been rendered inoperable since 2011.

I know DOJ agencies have also enhanced their efforts, as the U.S. attorney for Puerto Rico confirmed this very week when I met with her. I have been particularly impressed with Illegal Firearms and Violent Crime Reduction Initiative, a joint DOJ-DHS effort now in place throughout much of Puerto Rico. I have also been impressed by other initiatives in which the FBI plays an important role, like the anticarjacking initiative and the creation of seven strike forces, consisting mostly of local vetted officers that target drug traffickers and violent criminals in high-crime areas on the island, including public housing.

As a result of these enhanced Federal efforts, the number of homicides this year is on pace to be 40 percent lower than in 2011. Nevertheless, Puerto Rico's murder rate is still the highest in the country, averaging two homicides a day.

Now is the time for the Federal Government to build upon its recent success to redouble its efforts and not to relent. By the way, Congress has been clear on this point. The 2015 DOJ funding bill directs the Attorney General to assess the adequacy of current law enforcement personnel and resources assigned to Puerto Rico, and to identify resources necessary to close enforcement gaps in future subjects at budget submissions. I am told, though, by reputable sources that while the FBI does great work in Puerto Rico, there are not nearly enough agents, given the severity of the public safety crisis we are facing on the island.

Would you comment on my narrative and tell me if the FBI will either increase or at least surge on a temporary basis the number of agents it has in Puerto Rico?

Mr. COMEY. Well, thank you, sir. My first comment is your passion is justified.

Mr. PIERLUISI. Thanks.

Mr. COMEY. There is a significant problem with violent crime, drug-related violent crime, in Puerto Rico. It was something I didn't know much about before taking this job, and I am worried a lot of folks don't understand the nature of the problem.

I think it was my second day as FBI Director I went down to our command center to watch as my hostage rescue team and a bunch of my SWAT teams participated in a huge takedown in one of the housing projects. As you know, the problem is centered in the housing projects, so it is something we spend a lot of time on.

Not knowing that you and I were going to meet today, last week I sent a note to the whole office in San Juan thanking them for all the work they have been doing on public corruption, violent crime of all sorts. So it is something that we are very focused on.

Whether we are going to put more agents there or not, I can't tell you sitting right here, but as you know about us, every 6 months we do a review of our threats and where our resources are against those threats. That process is going on right now. I don't know the answer sitting here.

Mr. PIERLUISI. Thank you.

Mr. COMEY. But it is something we are very focused on. We have got some things going on right now that I can't talk about that you will read about soon, more effort by us to try and lock up some of these bad guys.

Mr. PIERLUISI. I look forward to it.

Mr. GOODLATTE. Time of the gentleman has expired.

The Chair recognizes the gentleman from Texas Mr. Poe for 5 minutes.

Mr. POE. Thank the Chairman.

The tenor of my questions has to do with about Federal Government agencies' intimidation against citizens, whether it is legal or illegal, and whether agencies working together to intimidate citizens. And specifically I want to talk about one of my constituents, Catherine Engelbrecht.

She and her husband run a manufacturing small business. They started King Street Patriots and True the Vote, two different organizations. They filed in July of 2010 with the IRS for nonprofit status. Since they did that, and I know you don't have this information in front of you, but let me read to you what happened to them after that was filed.

The FBI domestic terrorism unit first inquired about the organization. What in the world is the FBI terrorism unit? It sounds terrible. What is that?

Mr. COMEY. Well, it is not terrible. It is men and women—

Mr. POE. I mean, it sounds very serious. It is not a terrible organization.

Mr. COMEY. Well, it is our domestic terrorism operations unit, which we have had for a long time, to try and investigate people

who want to engage in acts of violence here in the United States not connected to an Al Qaeda-type group.

Mr. POE. And I appreciate what you said. I don't mean it is a terrible unit. I just mean it sounds serious. They certainly were concerned about it.

That was in 2010. 2011, they are inquired by the FBI domestic terrorism unit again. 2011 January, personal audit of Engelbrecht Enterprises by the IRS. March, the IRS questions the nonprofit application. May, the FBI general inquiry, King Street Patriots. October, True the Vote, IRS questions nonprofit application. 2011, in June, December, but also in November, FBI inquired three more times with King Street Patriots. February of 2012, the IRS questions them again. 2012, in February, King Street Patriots, the IRS questions their application and asks them questions about where they have been, what meetings does Catherine Engelbrecht speak at, who has she spoken to, who is she speaking to in the future, and copies of the speeches are requested and who attended all of these meetings. Once again they are investigated, like I said, in February, King Street Patriots, same situation. And then the Bureau of Alcohol, Tobacco and Firearms investigates. They audit Catherine Engelbrecht's business.

We filed a letter of inquiry, Freedom of Information Act, with the Justice Department asking if they were under criminal investigation. Quick response: No, they are not under criminal investigation.

July, OSHA audits them. December, Texas Commission on Environmental Quality audits them. IRS in December questions them again. In March of 2013, IRS asked them more questions. And then finally the Bureau of Alcohol, Tobacco and Firearms questioned them, a second unscheduled audit.

Now, based on that information, is it illegal for different government agencies to work together to intimidate some individual or business?

Mr. COMEY. Without legitimate investigative purpose?

Mr. POE. Sure. And as the Justice Department said in their letter to me that they are not under investigation.

Mr. COMEY. My problem is I don't know enough about the situation to comment. I don't know whether those dots are all connected. I hope their encounters with my folks were pleasant and professional. I expect that they were, but I don't know enough to say.

Mr. POE. I understand. But does that raise any suspicion to you? It is interesting all these different government agencies over a certain period of time, they all just suddenly or start investigating an organization that Justice Department said is not under criminal investigation. Doesn't this look a little suspicious?

Mr. COMEY. I can imagine them wondering about it, but based on what you have said, I don't know enough about their business—

Mr. POE. I understand.

Mr. COMEY. I just can't say.

Mr. POE. Okay.

Mr. COMEY. Yeah.

Mr. POE. Just a general hypothetical. It just seems to me that it looks like there might be a coordinated effort here by different departments. If there is a coordinated effort, hypothetical, take this

case away, hypothetical, is that some violation of Federal law for different agencies to work to intimidate, let us say?

Mr. COMEY. It was, as you said, without proper investigative purpose, it is terrible, and I suspect it is unlawful in some respect, but, again——

Mr. POE. You don't know?

Mr. COMEY. I don't know, but I know the FBI, and——

Mr. POE. Yeah, I guess.

Mr. COMEY. I can't comment beyond that. I can't imagine that we would be part of some effort to try and intimidate someone without lawful investigative purpose. I just can't see it.

Mr. POE. I thank the Chairman. I have other questions I would like to submit for the record.

Mr. GOODLATTE. The gentleman will be permitted to do so under the rules of the Committee.

Mr. POE. Thank you.

Mr. GOODLATTE. The Chair recognizes the gentleman from Tennessee Mr. Cohen for 5 minutes.

Mr. COHEN. Thank you, Mr. Chair.

First of all, it is very good to see you here. I was pleased with your appointment. The last time I saw you, I think, was when you were here concerning hearings about the Justice Department and some unusual circumstances in which you were heroic in your duties to the Constitution, and to your job and to justice. So it is really commendable that you were appointed and you are serving.

We have had the last few days in Congress moments of silence. A moment of silence has almost become a regular ritual for killings. We had one yesterday for the school shooting in Oregon, we lost a child. We had one the day before for the killing of law enforcement folks in Nevada. The student who was killed at Seattle Pacific about 3 or 4 or 5 days earlier didn't get a moment of silence because we weren't here, but they are constantly happening, and I think since Newtown there have been, I think, 74 shootings in schools.

What can Congress do to provide the FBI and law enforcement in general tools to reduce gun violence and these type tragic deaths? Do you have any recommendations for us of something that we can get accomplished that law enforcement would find an important element?

Mr. COMEY. Yeah, with respect to the FBI, we are trying to do a lot of different things, and again, as I began, I thanked you for the budget support we have been given. We are applying those resources to train, to try and push out clues and indicators about what might indicate someone about to go and do one of these things. There is a lot of different things we are doing.

I mentioned earlier one of the challenges I am told that we face in our national instant background check system is getting good mental health records from the States, and the States are working to try and get their acts together to give us. But I can't sit here and suggest a particular legislative fix at this point, but I agree with you, I call whenever a law enforcement officer is killed in the line of duty in the United States. I have been on this job 9 months; I make way too many calls. And we lost two great people with fam-

ilies to a brutal execution in Las Vegas, so I share your pain in that.

Mr. COHEN. Are there certain guns you think should not be allowed, or cartridges, chambers, whatever, cartridges that may be unnecessary for people to enjoy sport and shooting that might be used more for mass killings?

Mr. COMEY. You know, that is something I am not expert enough to answer and really isn't something for the FBI to answer.

Mr. COHEN. Thank you, sir.

Public corruption, you have said, is your top criminal priority. In 2010, the Supreme Court found honest services statute unconstitutional, and the efforts to resurrect that have stalled. I am concerned about public trust and public authority in government. Do you have any thoughts about how we can or should pass a new honest services statute and/or other—would that be an important tool to you in fighting public corruption?

Mr. COMEY. It has long been an important tool, so that would be good to see. We are still making these cases, unfortunately and fortunately, I guess. The reason it is such a high priority for us is it is work we are uniquely good at and unfortunately we are uniquely needed to do everywhere in the country.

Mr. COHEN. You haven't studied the statute per se and the Supreme Court decision?

Mr. COMEY. I remember the decision. I used to use the statute when I was a line prosecutor in Virginia and New York, but beyond that I don't know enough to comment on particular legislation.

Mr. COHEN. Thank you.

You are building a new building or having a new building built.

Mr. COMEY. I hope so.

Mr. COHEN. Right. When do you expect that to be finished?

Mr. COMEY. It is a GSA project. They have told me 5 to 7 years. I look at the clock and think I have 9 years and 3 months to go. I hope it will be, because we so badly need it, but it is sometime in my tenure.

Mr. COHEN. So it is some time away, and it is during your tenure. I would hope that you would consider recommending or acting in such a way to name that building for somebody that reflects the modern FBI, and somebody who the American public would have faith and reinstall faith in the FBI because they are a person who would be part of the new FBI and the new way we do things and in your tradition of respecting the Constitution and the rule of law.

Mr. COMEY. Thank you, sir.

Mr. COHEN. You are welcome.

Thank you. And I yield back the balance of my time.

Mr. GOODLATTE. The Chair recognizes the gentleman from South Carolina Mr. Gowdy for 5 minutes.

Mr. GOWDY. Thank you, Mr. Chairman.

Director, you have excellent agents in South Carolina, and I know it would mean the world to them if you ever had a chance to tell them that one of their fellow citizens in South Carolina appreciates their work. There is a gentleman by the name of Jim Lanneman in particular that really is a credit to the Bureau.

Mr. COMEY. Okay. Well, I haven't been there yet. I am visiting all 56. By the end of this year. I will be in Columbia, and I will find that guy and embarrass him.

Mr. GOWDY. Well, I probably just did embarrass him. Let me know when you are visiting. I will make sure Senator Graham is not in the State so you don't have to worry about serving any warrants while you are there.

Jimmy Jordan asked you about the IRS targeting scandal. I am not going to ask you about it because you can't comment, and it is not fair for me to ask you a series of questions where you have to say you can't comment. I just want to make an observation to maybe try to help you understand where Jimmy is coming from.

You used to be in a courtroom where you had challenges for cause, and you had peremptory challenges. And I have never argued that because a prosecutor was politically engaged and active or maxed out to a particular political party, I have never argued that that was a challenge for cause. Of course that person can still be fair. But out of the universe of all potential Federal prosecutors, why anyone would pick someone in a sensitive investigation that involves political targeting with that background just mystifies me.

And, again, I am not going to ask you to comment, I am just going to ask you to think about the fact that we do have a special prosecutor statute where there is a conflict, or where it furthers the interest of justice, and when you have a chief executive who put, in my judgment, the Department of Justice and the Bureau in a very awkward position by saying there is not a smidgen of corruption when the investigation is not over, and when you have a prosecutor that has deep political ties, I would just ask you in the quietness of your own soul to reflect upon whether or not we can ever have a fact pattern that warrants a special prosecutor if it is not this.

What, in your judgment, are the limits of prosecutorial discretion?

Mr. COMEY. Well, certainly the law is a clear limit. You operate that discretion within the law, and then obviously you have a sense of integrity and fair dealing that should be at the core of all Federal prosecutors, of our culture. I am no longer a Federal prosecutor, but you know the Federal prosecutor culture. That is an important limit on discretion. That is probably the short answer.

Mr. GOWDY. Do you think that there is a difference between the exercise of prosecutorial discretion and the wholesale failure to enforce a certain category of law?

Mr. COMEY. Potentially. Yeah, I don't know what you are referring to, but sure.

Mr. GOWDY. Well, when your agents are asked by a member of the grand jury about drug amounts, you and I both know they are going to tell the truth; and when they are asked by a judge about drug amounts, they are going to tell the truth; and when they are asked by a probation officer about drug amounts, they are going to tell the truth. And we do have mandatory minimums. Some people like them, some people don't, but it is still the law. And I am troubled when any Attorney General, regardless of political affiliation, directs a group of prosecutors to no longer include in the charging document the drug amount.

Surely there is a limit on what prosecutorial discretion is. And I will ask it differently. There are certain laws that forbid conduct, a possession of child pornography; there are certain laws that require conduct, like registering for Selective Service; and there are certain laws that require you to make reports to Congress. Surely prosecutorial discretion is not available in all of those categories of law.

Mr. COMEY. Well, as you know, in the Federal system there is tremendous prosecutorial discretion. It is one of the reasons that the sentencing guidelines and some of the mandatory minimums may have been imposed. But I guess I don't know with each of those categories you gave. I would imagine there is a certain amount of discretion, a prosecutor has discretion, as to whether to even commence a prosecution.

Mr. GOWDY. I agree with that, but if Congress said, Director, we want you to file a report by July the 1st of each year about how many 924(e)s you prosecuted, I don't know that you can get away with saying, in the exercise of my discretion, I am not going to comply with that law. And politics is one thing, the law is something else, and when we use the word "prosecutorial discretion" to excuse the failure to enforce a category of law, I think we are doing a real disservice to the concept of prosecutorial discretion, and I think we are doing a disservice to our Republic.

Thank you, Mr. Chairman.

Mr. GOODLATTE. The Chair thanks the gentleman, recognizes the gentlewoman from California Ms. Chu for 5 minutes.

Ms. CHU. Thank you.

Director Comey, I am concerned about the individuals who have been placed on watch lists, such as the no-fly list, and that are placed there based on mistakes and incorrect information. The consequences for wrongful inclusion on the no-fly list can be devastating. People are stigmatized as terrorists, barred from commercial flight altogether, detained, interrogated, and subject to long-term investigation. These people may lose the ability to obtain employment that requires travel or because the government shares information about the individual's inclusion on the watch list with a prospective employer.

There have been numerous government audits which suggest that watch list entries have a high error rate, like the DOJ's inspector general reports. The most recent 2014 IG report suggests that there are still concerns regarding the agency's processes and procedures. The report found redundant and inefficient processes that clogged the system, and says that the FBI averages 44 business days to add suspected terror suspects referred by other agencies, but it takes twice as long, 78 days on the average, to remove cleared suspects, former suspects.

Director Comey, I believe that defending our Nation against terrorism is important, but I also think that we have to carefully balance that with our civil rights and liberties under the law. What specific steps is the FBI doing to ensure that innocent Americans are not incorrectly placed on the no-fly list, and what reforms are being made to ensure that those who are erroneously placed on the list are quickly removed?

Mr. COMEY. Thank you. First of all, I agree with you, the premise, it is important to protect our liberties. I know we have an extensive process that we go through before someone can get on the list to make sure we have got it right, and as you said, I am aware there is a process to remove someone if there is a mistake or the matter has been closed in some fashion. I don't know enough to respond to your concern about the time lag or what improvements are needed.

Ms. CHU. Could you respond to us in writing?

Mr. COMEY. Sure.

Ms. CHU. Well, let me then ask about hate crime tracking. After the 9/11 attacks, hate crime and violence committed against individuals in the Sikh, Hindu, and Arab American communities have increased. In recent years there have been violent anti-Sikh attacks across the country, including the horrific massacre at the Sikh temple in Oak Creek, Wisconsin, that took the lives of six worshippers.

In March 2013, there were 100 Members of Congress, including myself, that sent a letter to the FBI and Attorney General Holder urging the FBI to include the religious groups and Arab Americans in hate crime tracking; for instance, tracking them as Sikh, or anti-Sikh, or anti-Hindu or anti-Arab crimes rather than an all-encompassing category. We welcomed the FBI's announcement last year that it will be expanding the hate crime incident report used by law enforcement to include crimes motivated by bias against Sikhs, Hindus, and Arab Americans as well as other religious groups.

So, Director Comey, could you please provide us with an update on the status of the revisions to the hate crime tracking program and when you expect the updates to be completed?

Mr. COMEY. I will have to give you the particulars in writing, but I am aware of the issue, and I know that we have made progress in updating them to include the categories you talked about, and, most importantly, to train our State and local counterparts about this, because they are the ones who supply the data to us about what these categories mean, why they matter. I know there has been a tremendous amount of training going on, but I will have to follow up to give you the particulars on it.

Ms. CHU. Okay. We would look forward to having that in writing, because we understand the decision has been made, but it has not yet been implemented.

Then could I ask about this Task Force on Domestic Terrorism? Attorney General Eric Holder announced that he would revive it to stop violent attacks inside the U.S. motivated by a variety of causes like antigovernment animus to racial prejudice. I understand the FBI, DOJ, and U.S. Attorney's office, Attorney General's office, will make up the task force's Domestic Violence Terrorism Executive Committee. Can you detail how the task force will expand on the FBI's efforts to detect and prevent hate-based violence?

Mr. COMEY. I don't think it is going to affect me at all because this is something we have been doing all along and care an awful lot about. What I think this is is an effort that came from the U.S. attorney community and is a product of their desire to see coordination within their community and with non-DOJ entities to make sure everyone is meeting on a regular basis to coordinate. Now, the

fact is we do that already. I think they are just looking to be more involved or to improve it. But I asked my domestic terrorism guys the next morning when I heard about this, and I don't think it is going to change our life at all because we have been doing this, and this is work we care a lot about.

Ms. CHU. Could you respond to that in writing as well, though?

Mr. COMEY. Sure.

Ms. CHU. Thank you. I yield back.

Mr. GOODLATTE. The time of the gentlewoman has expired.

The Chair recognizes the gentleman from Idaho Mr. Labrador for 5 minutes.

Mr. LABRADOR. Thank you. Good morning. I actually really enjoyed your presentation and your answers. I like your forthrightness, and I have enjoyed listening to you.

Mr. COMEY. Sure. I will have to get over this.

Mr. LABRADOR. You will eventually. You said you still have 9 years to go, so.

As Deputy Attorney General under the Bush administration, you refused to reauthorize the warrantless wiretapping program, which I actually commend you. I think that was a courageous move on your part. You stated that you were asked to be part of something that is fundamentally wrong. My question is was it fundamentally wrong because it wasn't authorized by Congress, or was it fundamentally wrong because it was not constitutional?

Mr. COMEY. That situation involved programs—and I am still going to be careful about it because I don't know what part of it has been declassified—where I concluded there was not an adequate legal basis under the Constitution or under a statute or some other legal basis for continuing it.

Mr. LABRADOR. So in that occasion, did you have a problem with the Constitution—even if it would have been authorized by Congress. Because I understand the Bush administration later sought authority from Congress, and I think mostly in part because of your statements. If it would have been authorized by Congress, do you still think that it would have been constitutional, or was it just the legal authority that you were looking for?

Mr. COMEY. I am searching back in my memory now. I am not sure I can remember well enough to answer because there were different angles, different varieties to the issue.

Obviously, I am someone, as you all are, who devoted my life to the rule of law, and there had to be an adequate legal basis for something either in the Constitution or in a statute by Congress. If Congress had acted, and the congressional action had not been challenged on a constitutional basis or overturned, I think that would have been an adequate footing.

Mr. LABRADOR. Okay. Now, severe abuses of this program have actually come to light, including NSA analysts listening to overseas calls of U.S. Soldiers to their girlfriends and wives in the States. But when the wiretapping was challenged, the Solicitor General promised the Supreme Court that if any of the info was ever used in a court, the defendant would be notified.

But last year a Reuters report found that DOJ officials are using NSA-gathered intelligence as leads for criminal cases without informing the defendant of the origin of the case and misleading Fed-

eral prosecutors about its origins. Do you believe that such use of NSA intercepts are lawful?

Mr. COMEY. That is a complicated question, one I am trying to parse to make sure I don't talk about anything that is classified in an open setting. I can speak for the FBI. I think the way in which we interact with information collected by the NSA or by the FBI is entirely lawful. And I also understand—I don't know the history you are talking about well enough to comment—but that it is now the practice where someone is notified in the circumstances you talked about.

Mr. LABRADOR. Well, the reports are that they were supposed to be notified, and in some cases they have not been notified.

And would you investigate any of these allegations if it is true that some of these people were not notified?

Mr. COMEY. I don't know whether it would be FBI jurisdiction to investigate it. I suspect there is an inspector general who would have jurisdiction to investigate it. That is probably the most I can say based on what I know from your question.

Mr. LABRADOR. Okay. Maybe we should have a conversation about this. I think that this is an area of concern that some of us have about the NSA. I think there have been some abuses. And obviously, we are all concerned about Fourth Amendment protections, and from your testimony, it sounds like you are as well. So hopefully we can work together on this.

And I actually have no more questions, so I yield back the balance of my time.

Mr. DESANTIS. [Presiding.] Gentleman yields back.

The Chair now recognizes the gentleman from Louisiana Mr. Richmond for 5 minutes.

Mr. RICHMOND. Thank you, Director.

Let me just say thank you for being here, and that I have the utmost confidence in my SAC in New Orleans, Louisiana, which is Michael Anderson, and my new U.S. attorney.

Part of what you brought out in talking about public corruption, and in your statement you are talking about the people's confidence in the system, more or less. Something that erodes all of our confidence in Louisiana in the system is the fact that every couple of months now we are getting someone released from prison who was actually innocent because of prosecutorial misconduct. And because public confidence is so important, at what point does intentional acts of prosecutorial misconduct rise to the level of public corruption?

Mr. COMEY. That is a great question. I am not sure I would call it public corruption, but willful misconduct in prosecuting someone who you knew to be innocent or violation of the rules of law can be criminal conduct. The label, frankly, doesn't matter; it could be criminal conduct.

Mr. RICHMOND. Is it something that you would commit to looking into? And I think it is very important for inner-city communities to have that confidence to step up in terms of being witnesses, to place their confidence in the system to know that the system is on the up and up. And I think that every day we have someone released because of an intentional Brady violation or something of

that nature, I think it is something that I would like you all to look into. So I would hope that you are open to doing that.

The other thing I would like to bring up is that I think there was an article maybe a year ago that talked about whether the FBI tracks criminal conduct by their informants. So do you all do that?

Mr. COMEY. Yes.

Mr. RICHMOND. Do you tolerate certain acts as acceptable as long as it is leading to catching a bigger fish?

And I will let you know where I am going with this. Almost like Fast and Furious that my colleagues still bring up, which I was concerned about also, but if you look at the drug trade in inner-city communities, even though a drug dealer becomes an informant and helps us lead to bigger fish, he is still out there on the street, he is still creating addicts, and he is still creating crack babies, although my colleagues on the other side of the aisle don't take it that far, they stop at guns. I am also worried about that in the drug trade, and I think that I see it in my community. And I just wanted to see if you all have approached it like that or have conversations about continuing to let informants roam streets and do what they do.

Mr. COMEY. Yes. It is something we worry about a great deal in two ways. Obviously, unfortunately, the way the world works is the best view of criminal activity is also going to come from a criminal. So a lot of the people who are necessarily our informants have done bad things before they became informants. So we study that very carefully to figure out who should be an informant.

And then obviously we are very worried about our informants committing criminal acts after they are working with us, and that is subject to a regime called "otherwise criminal activity," where if an informant is going to continue to be involved in criminal activity, there are a whole bunch of complicated layers of review to make sure that we approve that or disapprove it, because we don't want people working for the FBI committing crimes unless it is absolutely necessary, and it is carefully monitored as part of trying to take down a bigger fish.

Mr. RICHMOND. And I would hope you keep in mind the things I said earlier.

The other part of my question about public corruption is when the investigation starts to affect political elections, and I will just give you an example I raised with the Attorney General, which is the D.C. mayoral race, where the investigation came out that the mayoral candidate was under investigation, which the Attorney General defended and said it just happened to be that time, and it came out.

But then I can point to the North Carolina mayor, who was indicted, who Federal agents gave money to years ago, and we allowed him to stay in office, run for mayor, get elected, then indict him. And now it will cost the taxpayers a special election, and who knows what he has done in the meantime.

I am worried about individual SACs or U.S. Attorneys being able to play politics with it when, if we know someone is a bad actor, we act on it immediately, or, if we are not going to affect elections, let us not affect elections. So that is a big concern of mine.

But let me just thank you for the job you do and the fact that your agents lay their lives on the line every day.

But I am very concerned about our inner-city communities and the fact that every day we are dealing with weapons of mass destruction in terms of assault weapons and so forth. And as we get the small drug dealers, let us get the big ones, too. Thank you for what you do.

And I yield back.

Mr. COMEY. Thank you.

Mr. DESANTIS. Gentleman yields back.

The Chair now recognizes the gentleman from North Carolina Mr. Holding for 5 minutes.

Mr. HOLDING. Thank you, Mr. Chairman.

Director Comey, I think your previous experience as a career assistant United States attorney is going to be some of the best experience that you have for making a successful directorship of the FBI. I recall when you were the DAG, I was an assistant United States attorney, and it was your previous experience as a line assistant that made your tenure as DAG so successful. You were certainly widely regarded as a prosecutor's prosecutor, and you brought to bear your experience of how things actually work in the field to make the Department of Justice work better for the U.S. attorney's offices. And I think you will do the same for the FBI.

So in your experience as an assistant, and certainly in your supervisory experience as a U.S. attorney and as the Deputy, and from what you are hearing from your troops in the FBI, how important is cooperation in a Federal investigation of any variety?

Mr. COMEY. Critical. It is the coin of the realm in the Federal system, as you know from your own experience.

Mr. HOLDING. And how important do you think minimum mandatory sentences are in getting that cooperation from defendants?

Mr. COMEY. Significant. Been a very useful tool in eliciting that cooperation in my career.

Mr. HOLDING. So when a defendant is looking at a minimum mandatory of 5 years or 15 years or 30 years, and that defendant's only opportunity to get out from under that minimum mandatory sentence is to provide substantial cooperation to the government, you think that is an inducing factor for that defendant to cooperate?

Mr. COMEY. Yes, I do. I have seen it hundreds of times.

Mr. HOLDING. So if assistant U.S. attorneys are deprived of that tool in their toolbox of getting cooperation, do you think that will have an impact on Federal law enforcement, on your ability as a Federal law enforcement officer to get your cases successfully completed?

Mr. COMEY. Sure. If they lose the tool, yeah, sure.

Mr. HOLDING. Again, talking about your tenure as a line assistant, I seem to recall that you were involved with Project Triggerlock in Richmond, which was going after convicted felons who are caught with a firearm or a single piece of ammunition and using the Federal firearms laws to take these criminals, violent felons, off the street in a wholesale fashion.

Mr. COMEY. Yes.

Mr. HOLDING. Triggerlock was successful.

Mr. COMEY. We called it in Richmond Project Exile. But it was the same concept is trying to send a very powerful message to criminals: You better not carry a gun.

Mr. HOLDING. And when you were the Deputy, you oversaw the implementation of Project Safe Neighborhoods throughout the U.S. attorney community, which was the same thing of going after violent felons; just catch them with a firearm or a single piece of ammunition, you can put them away for a minimum of 5 years, up to life in prison, correct?

Mr. COMEY. Yeah. We did that across the country.

Mr. HOLDING. And is it your recollection that the decline in crime rates across the country where that program was implemented was—the decline was related to the implementation of Project Safe Neighborhoods?

Mr. COMEY. I have always thought so. Academics tell me it is a complicated question, but I have always thought that when you send a message to drug dealers and felons as strong as we sent, it changes behavior, which drives crime down.

Mr. HOLDING. Also in your experience as an assistant, and as a U.S. attorney, and as the Deputy, and certainly in your role now, is it your experience that Federal prosecutors prosecute nonviolent drug offenders on a regular basis?

Mr. COMEY. Not my experience. In fact, I don't know that I have ever in the offices I worked done that.

Mr. HOLDING. If you were told that in Federal prisons, more than 50 percent of the occupants of Federal prisons are nonviolent drug offenders, would that surprise you?

Mr. COMEY. More than 50 percent?

Mr. HOLDING. Yes.

Mr. COMEY. I don't know the stats, but that would surprise me.

Mr. HOLDING. That statistic has been alleged several times by Members of this Committee, and I find it absolutely unbelievable. I don't think it is accurate, because in my experience of being in a U.S. attorney's office for 10 years as an assistant, a first assistant, and a United States attorney, out of the thousands of cases, I never recall us going after a nonviolent drug offender.

Mr. COMEY. Sometimes we would, to flip them into a gang, if I was working a gang case. But, yes.

Mr. HOLDING. Thank you very much, Mr. Chairman. I yield back.

Mr. DESANTIS. Gentleman yields back.

The Chair now recognizes the gentlewoman from Texas for 5 minutes.

Ms. JACKSON LEE. I am over here.

Mr. COMEY. Sorry.

Ms. JACKSON LEE. Let me thank the Chairman and let me thank the Ranking Member as well for the yielding of the time and just to put on the record for my colleagues that we were in a Homeland Security markup, and, therefore, I did not hear the—have the wisdom of the questions asked and maybe answered by my colleagues.

I am going to start out first to congratulate you for your service. We on the Judiciary Committee have interacted with the FBI over the years and many Directors, and we know how important the responsibilities that you have are.

We also know how important it is to have an agency with such high esteem to reflect the diversity of America. Can you give me the outreach and the diversity numbers that you have with respect to women, African Americans, Hispanics, and Asians?

Mr. COMEY. With respect to within our population?

Ms. JACKSON LEE. Yes.

Mr. COMEY. Sitting here, I can't give you the exact figures, but it is not good enough, and the representation is below that in the workforce for similar cohorts. But I can get you the numbers.

Ms. JACKSON LEE. Would you get me the numbers?

What internal effort now is being suggested or implemented under your leadership to answer your own question that it is not good enough?

Mr. COMEY. Well, first and foremost, the Director, me, talking about it a lot. I sent a message to all of 36,000 of my employees explaining why I care about diversity and why it matters. I believe it is a matter of effectiveness and doing the right thing. And so I sent them all that email to try and drive my view into this great organization.

And then on a more tactical level, where the rubber hits the road, is in our recruitment efforts at colleges of different sorts, job fairs of different sorts. I mean, it is a complicated answer, but there is a lot going on. We have progress to make.

Ms. JACKSON LEE. I would like to get those numbers, and I would like to work with the FBI on its outreach approach.

Second small point that I want to make is that you have SACs in our local areas. Let me thank you for the service of the SAC. One of the most important aspects of their work is letting the local community know what they do. So I encourage you to encourage your SACs, when a Member of Congress calls for them to join them at a town hall meeting or a university, which is nonpartisan, let them realize that part of their work as a SAC is to be engaged with the community. That is where they are, and it is very important. I hope that you will view that as an important role, not taking away from investigations, but an important role.

Mr. COMEY. I agree very much with that. I speak to all my SACs once a week, and one of the things I have told them repeatedly is, you are my representative in each of your communities, so get out there, know people, speak to people.

The more you know the FBI, I think the more you like. We just have to get out there and talk to folks.

Ms. JACKSON LEE. I think you are very right.

Now I want to pose a question. I am from Texas, and we have been dealing with a case that seems to have gotten caught in quagmire. Alfred Wright, a 28-year-old African American male from Jasper, Texas—and you may be familiar with Jasper, Texas, which was the site of the James Byrd killing—whose body was found 18 days after it was first reported in a location that had allegedly been searched more than 17 days before by local law enforcement. He was an honors graduate, and well liked and beloved, from a family that was well respected in the area.

I recognize that this may be an ongoing investigation, but what I am going to request is a general briefing on the general parameters, because here is what I am hearing, Mr. Director, that this

has gotten caught up in a scale of injustice that is almost unbelievable, which includes local officials. People are suspicious and suspect of even Federal law enforcement as to whether or not there is a too close and chummy a relationship. And I do not make these allegations; I make this in the form of an inquiry. So it is Alfred Wright, and I do want to get a briefing if you have any assessment of it at this time.

The other is the Robbie Tolan case, which I believe this is a case of a young man shot on his own front lawn, with his parents saying that this is his house and his car, by a police officer in Bellaire, Texas. Unfortunately, this officer, under the State system, was acquitted. We are asking for a re-investigation, which would include the FBI. I will pass on to you this letter, and I am also going to ask unanimous consent to put this letter into the record that I have sent, and also the letter again regarding Mr. Alfred Wright.

Mr. DESANTIS. Without objection.

[The information referred to follows:]



The Honorable Eric H. Holder
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530-0001

Dear Attorney General Holder:

As the Congresswoman for the 18th Congressional District of Texas, I am writing to request the Department of Justice to conduct an investigation and take appropriate action in connection with the investigation into the death of Alfred Wright, a 28-year old African American male from Jasper, Texas, whose body was found 19 days after he was first reported missing in a location that had allegedly been searched more than 17 days before by local law enforcement officials.

Despite credible and overwhelming evidence to the contrary, local law enforcement officials ruled the death of Mr. Young as "accidental" and ceased their investigation. Equally troubling is the fact that one of the last persons to see Alfred Wright alive is a Sabine County law enforcement officer and who, according to the Wright family, has yet to be questioned fully by investigators.

As discussed below, this case appears to bear the indicia of a suspicious crime in which an African American male is yet again the victim of an act of lethal violence. And it is unfortunate, and may even be coincidental, that the death of Alfred Wright occurred in an area of southeast Texas with a documented history of racial violence against African Americans, the most notorious instance of which is the grisly 1998 murder of James Byrd, Jr. in Jasper, Texas.

The facts that have come to my attention regarding this tragic case are compelling and can be briefly recounted.

1. Alfred Wright, who was raised in Jasper, Texas, graduated from Jasper High School in 2003 and attended the University of Mary Hardin-Baylor on a football scholarship before transferring to the University of Tennessee from which he graduated magna cum laude with a baccalaureate degree in physical therapy. Some time after graduation, Alfred Wright and his wife Lauren, along with their two sons, moved back to his home town of Jasper, Texas, to serve his community as a physical therapist.
2. On November 7, 2013, Alfred Wright's truck overheated and broke down at the CL&M liquor store on Highway 87, which is about 4 miles south of the rural southeast Texas town of Hemphill, where Alfred Wright worked as a home healthcare physical therapist. He was last seen alive at this location talking on his cell phone by the store clerk who was outside the store on her break and by Sabine County Deputy Sheriff David West who said he had gotten off of his shift and stopped by the liquor store to pick up a six-pack of beer.
3. After being reported missing by family members of Alfred Wright, Sabine County law enforcement officials organized a search of the surrounding area in which Alfred Wright was last seen. The search, however, was inexplicably discontinued after three days even though it had uncovered several articles of Alfred Wright's clothing found approximately 100 meters from where he was last seen.
4. On November 10, 2013, Sabine County Sheriff Thomas Maddox announced that he was calling off the search for Alfred Wright because he had concluded there were no signs of foul play and had learned there was a legal proceeding against Alfred Wright pending in Memphis, Tennessee, implying that Alfred Wright had gone into hiding to avoid the legal proceeding. This implication is refuted by the Wright family and by the attorney Alfred Wright had retained to represent him in the Tennessee legal proceeding who has stated publicly that Alfred Wright had no reason to go into hiding because he had always proclaimed his innocence of the charges involved in the Tennessee legal proceeding, had rejected plea bargains, and was looking forward to vindicating himself in court.
5. On November 25, 2013, the body of Alfred Wright was discovered by a family-led search party, just 25 yards from where Alfred Wright had last been seen. According to the Wright family, the condition of Alfred Wright's unclothed body when it was found, with the exception of his slit throat, missing ear, and two missing teeth, was pristine and was inconsistent with the condition of a body that had been exposed for 18 days to the elements and scavenging birds and animals.
6. The Sabine County Sheriff's department did not take statements from the members of the search party who found Alfred's body. Nor did any other law enforcement agency according to the Wright family.
7. On December 4, 2013, a preliminary autopsy was conducted by a forensic medical management service firm in Beaumont, Texas, which ruled out homicide as the cause of death. The official autopsy report issued January 7, 2014, states the time of death as November 25, 2013, which is 18 days after Alfred Wright was reported missing.

8. On or about December 13, 2013, an independent autopsy was conducted at the request of the Wright family by a forensic specialist from Houston, Texas, who concluded that her findings "are definitely suspicious for homicidal violence." However, the examiner characterized her findings as "preliminary," and submitted a request for photographs from the first autopsy in order to confirm her initial findings. According to the Wright family, despite their requests, those photographs have not been provided to date.

Based on the facts above, I am requesting the Department of Justice to investigate the circumstances surrounding this tragedy and to take appropriate action in protecting the civil rights of all Americans and ensuring that all persons receive equal justice under law. We are all better off when the facts are discovered, the truth is discerned and the family and the community are at peace.

If you have any questions or need additional information, please contact Glenn Rushing, my Chief of Staff, at (202) 225-3816, or by email at Glenn.Rushing@mail.house.gov.

Thank you for your consideration.

Very Truly Yours,



Sheila Jackson Lee
Member of Congress

Congress of the United States
Washington, DC 20515

October 15, 2013

The Honorable Eric Holder
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530-0001

The Honorable Jocelyn Samuels
Acting Assistant Attorney General
Civil Rights Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530-0001

Dear Attorney General Holder and Assistant Attorney General Samuels:

We are writing to commend the criminal justice reforms announced by the Attorney General in his address to the American Bar Association on August 12, 2013. **We are also writing to request the Department of Justice to conduct an investigation and take appropriate action in connection with the miscarriage of justice that occurred in Bellaire, Texas, involving the acquittal of a white Bellaire Police Department officer who shot and seriously injured a young unarmed African American male, who had committed no crime, in the driveway of his home in front of his mother and father.**

As discussed below, this case appears to be another strong and clear case of racial profiling in which an African American male is yet again the victim of gun violence at the hands of a law enforcement officer who assumed him guilty and dangerous because of his race.

The undisputed facts are compelling and can be briefly recounted.

Early in the morning of December 31, 2008, Robbie Tolan, a 23 year old minor league baseball player and the son of the famed major league center fielder Bobby Tolan, and his cousin, Anthony Cooper, were returning from a fast food restaurant to the home owned by his parents where they both lived. The Tolan home was located in Bellaire, an affluent and predominately white city located about twelve miles southwest of Houston. The City of Bellaire Police Department has a difficult and checkered history of respecting the constitutional and civil rights of racial minorities.

On their way home the vehicle driven by Robbie Tolan, which was owned by and registered to his parents, was spotted by Officer John Edwards, who was patrolling the neighborhood, and ran the license plate of the car they were driving. Officer Edwards

claimed that the license number came back to a car that had been reported stolen. According to Officer Edwards, he then called for back-up.

By this time the vehicle driven by Tolan, having arrived at its destination, was parked in the driveway of the Tolan home; then Tolan and Cooper exited the vehicle and were about to enter their home. At this time, Officer Edwards drew his weapon and confronted Tolan and Cooper in front of their house, ordering them to the ground. The resulting commotion caused Tolan's parents to come outside where they protested the treatment of their son and nephew and tried to explain to the officers that they owned the allegedly stolen car and lived at the house.

About this time, Bellaire Police Department Sgt. Jeffrey Cotton, a ten year veteran of the department, arrived on the scene. According to reports, within 32 seconds of his arrival at the scene, Sgt. Cotton shot Robbie Tolan in the chest. The bullet pierced his lung and lodged in his liver. It also ended Robbie Tolan's once promising prospects of becoming a major league baseball player.



Sgt. Cotton claimed that in the 32 seconds he was on the scene he observed Robbie Tolan reaching for what he thought was a gun in his waistband. In fact, Robbie Tolan was unarmed, as was his cousin, Anthony Cooper, as were his parents.

A Harris County grand jury indicted Sgt. Cotton on a charge of first degree aggravated assault by a public servant but he was found not guilty by a petit jury after trial in May 2010. A subsequently filed civil lawsuit was dismissed by **U.S. District Court Judge Melinda Harmon** on April 2, 2012. **Judge Harmon** granted summary judgment for Sgt. Cooper on the ground that he acted reasonably in shooting Robbie Tolan within less than a minute of arriving on the scene, concluding that he acted out of reasonable fear of his life and thus enjoyed qualified immunity from being sued for shooting Robbie Tolan in the chest while he lay on the ground.

We and our constituents simply refuse to believe that 50 years after the assassination of Medgar Evers, a young man who has committed no crime and is where he has every right to be, at home; and then can be gunned down in the driveway of his home with impunity by a police officer and left wholly without any legal remedy. **Again, we request the Department of Justice to investigate the circumstances surrounding this tragic miscarriage of justice and take appropriate action to vindicate the federal interest in protecting the civil rights of all Americans and ensuring that all persons receive equal justice under law.**

If you have any questions or need additional information, please contact us through Glenn Rushing, Congresswoman Jackson Lee's Chief of Staff, at (202) 225-3816, or by email at Glenn.Rushing@mail.house.gov.

Thank you for your consideration.

Very Truly Yours,

 Sheila Jackson Lee
 MEMBER OF CONGRESS

 Al Green
 MEMBER OF CONGRESS

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Ms. JACKSON LEE. Let me finish my questions on two points.

What kind of work the FBI is doing on police, local police abuse cases, and do you take those seriously?

And, secondarily, with respect to your priorities in investigation, I think Mr. Holder made one point, I want to make another. But

in your investigation in drug cases, do you prioritize with cartels and major actors versus the local guy on the street with a crack-possession situation that may wind up in the Federal system, but is not going to harm anybody but himself?

If you could answer those two questions, I would appreciate it.

Mr. DESANTIS. Time of the gentlelady has expired, but if you want to take those, we will certainly let you do that.

Ms. JACKSON LEE. I thank the gentleman for his courtesy.

Mr. COMEY. With respect to the drug cases, you are exactly right. Our focus is on the international groups or the gangs that are dominating a particular community. As I said to the earlier question, if we are working a lower-level offender, it is in order to make the bigger case against the international group or the street gang.

And with respect to the civil rights cases, police brutality cases, police corruption cases are an important part of our civil rights investigative priority. As you may have seen, we recently indicted a bunch of people from the sheriff's office in Los Angeles. It is work we do around the country. So it remains, unfortunately, but it is a necessary, important part of what we do.

Mr. DESANTIS. Thank you, Director Comey.

Ms. JACKSON LEE. Mr. Chairman—

Mr. DESANTIS. Gentlewoman's time has expired.

Ms. JACKSON LEE. My I ask to put just a correct name. I said the name incorrectly, and I just wanted to make sure that I put the gentleman's name correctly in the record for this letter. So I just ask the gentleman to yield.

The gentleman's name that I was speaking of, so the FBI Director would have it, would be Robbie Tolan, I am so sorry, T-o-l-a-n.

Mr. DESANTIS. Without objection, name should be entered into the record.

Ms. JACKSON LEE. Thank you. I yield back.

Mr. DESANTIS. Chair now recognizes himself for a period of 5 minutes.

Thank you, Director, for your testimony.

News reports suggest that the FBI is, in fact, probing the scandal at the Veterans Affairs Administration. Can you confirm those reports?

Mr. COMEY. Yes. Our Phoenix office has opened a criminal investigation.

Mr. DESANTIS. I would just encourage you to probe that. What I don't want to see happen, if there is some type of fraud committed and these veterans died, I don't want to see these government officials end up with a pension and the bonuses. I want to see them be held accountable. So please do that.

In terms of the Benghazi and the perpetrators, would you say at this point that finding the perpetrators and bringing them to justice is purely a matter for law enforcement vice military at this point?

Mr. COMEY. I would say, as in any case, especially terrorism cases, all instruments of U.S. power are brought to bear.

Mr. DESANTIS. But is it your understanding? Because it is my understanding that the Administration's position is that they do not have the legal authority to lethally engage Ansar al-Sharia or

whoever you want to say committed those attacks. Is that your understanding?

Mr. COMEY. It is not something that I am in a position to comment on just because it is not my remit. But also I don't want to talk about how I am approaching that investigation because I don't want to give anything away to the bad guys.

Mr. DESANTIS. No, I understand, but I think that—we run into a problem when they are making those claims that they don't have the authority to respond, but what happened leading up to that was the President authorized force to overthrow Gaddafi in Libya. There was no congressional authorization for that for sure.

And so they said they had the authority to do that unilaterally, but then somehow you would not have the authority to seek a reprisal attack against somebody that massacred four Americans, including our Ambassador. So that legal view, that may not be something you can comment on, that does not square with me. I mean, it seems to me that the Libya intervention was the weaker case versus responding to the Benghazi terrorists, especially given the 2001 AUMF.

There are reports that the FBI had noticed that we had been starting to see Islamic militants, I guess, who are U.S. Citizens leaving Minnesota to go wage jihad in Syria. And then there was also the report a couple weeks ago about a U.S. citizen suicide bomber who was from Fort Pierce, Florida, that actually committed a suicide attack in Syria.

So you spoke about the problems that Syria could eventually present for us, but if some of these folks are motivated to go over there and wage jihad, how would you characterize the threat of jihad, those types of people attacking Americans here in the homeland?

Mr. COMEY. It is a significant concern of ours, which is why we try to identify. And if people are going to go over to fight jihad with one of these groups, Al Qaeda-affiliated groups, we want to find them and lock them up before they go, because once they go and get the worst kind of training and develop the worst kind of relationships, then they are a particularly difficult challenge because they are Americans, right, and they can flow back and do very bad things here.

So this Syria problem is something not just the FBI is focused on, all parts of the U.S. Government are focused on this.

Mr. DESANTIS. What tools do you use if somebody has not actually committed an act of violence, they are radicalized? How would you look to kind of stop them? Would you look at financial transactions, material support statute? Because obviously we want to get them before they strike. But I just want to know, do we have—

Mr. COMEY. All of the above. All of the above. Typically we charge them with either attempting to provide material support to a designated terrorist organization or conspiring to supply material support, or there are a number of other statutes, but that is the core of it. Frankly, we will use anything we can to stop these people from going over there and becoming further radicalized.

Mr. DESANTIS. My final question is there is an indictment, now a guilty plea, of conservative filmmaker Dinesh D'Souza, has writ-

ten very critical books about President Obama; of course, a movie. And it was for campaign finance that he had reimbursed some donors who had given money, about \$20,000, New York Senate race, to a candidate who lost by 35 points. And I think the conduct, he committed it, so I am not suggesting that. But the decision to eventually charge him criminally, the FBI had put out a statement from, I think, one of the local offices in New York that they came across D'Souza's impropriety through a routine review of the FEC reports.

But I think you know that if you just review an FEC report, all you would see was the name and the amount of donation. There would be no indication that you would have reimbursed anybody. And so if it was just a routine review, it doesn't seem to me that that would be sufficient to trigger that type of an inquiry.

And so can you explain to me how a routine review of an FEC filing would have led to a straw donor reimbursement indictment?

Mr. COMEY. I guess I don't want to talk about the particular case, but I could imagine circumstance in which if you saw a bunch of checks to a candidate all coming from a similar business or seemed connected to a particular person, that might lead to inquiry being made which would expose that kind of straw donation scheme. But I don't know the case well enough, and I couldn't comment on it anyway.

Mr. DESANTIS. I mean, I think that has not been my experience. I mean, there will be families who will donate, Republicans and Democrats, and if that would be enough to trigger it, I think you would see more. You don't see this many cases being brought criminally. And I know that is not your decision, but I would like to maybe explore that with you some more some other time in private.

My time has expired, and the Chair now recognizes the gentlelady from Washington for 5 minutes.

Ms. DELBENE. Thank you, Mr. Chair.

And thank you, Director, for all of your time today and for your service.

I, as well as my colleagues, have been deeply disturbed by the recent revelations of egregious misconduct at VA medical facilities. And I know that the Department of Justice continues to consult with the Veteran Affairs Office of the Inspector General on their review. At this point they are looking at 69 VA facilities.

I wanted to understand do you think you are going to look more broadly, given that there are other facilities engaged beyond the Phoenix issues? And is there a greater role you expect the FBI to play or other resources you think that are important as we continue this investigation?

Mr. COMEY. Well, thank you for the question. It is not something that I can answer at this point, and I don't think I would answer anyway about a criminal investigation.

We will follow it wherever the facts take us. The Phoenix office is where we have opened it because that was the primary locus of the original allegations. We are working it with the VA IG, and we will follow it wherever the facts take us.

Ms. DELBENE. Thank you. This is a very, very important issue, so thank you for your work there.

Last month the White House released the findings of its Big Data and Privacy Working Group review, and one of the recommendations made by the report was that Congress should amend the Electronic Communications Privacy Act, what we call ECPA, to ensure that the level of protection for online digital content is consistent with that provided to physical materials. But ECPA was written in a time before email and cloud computing have changed the way we live and work, and our current law affords more protections for a letter in a filing cabinet than email on a server.

So I was pleased that the Administration has recognized that this law has been very outdated, and I wanted to ask whether you agree that we need to update ECPA and that policy.

Mr. COMEY. My sense is that the Administration has communicated that, as you said.

There is an outdated distinction. For email, over 180 days, I think, under the 1980 statute is treated as something that you could in theory obtain without a search warrant. We don't treat it that way. We go get a search warrant from a Federal judge no matter how old it is. So a change wouldn't have any effect on our practice, but I have heard the concern, which makes sense to me.

Ms. DELBENE. I think it is very important we actually have a bill called the Email Privacy Act, H.R. 1852, and it would make meaningful updates to the Electronic Communications Privacy Act to address this issue, to require law enforcement to obtain a warrant in order to gain access to the contents of email or documents, pictures, and other information that have been stored in the cloud. And this bill already has 216 cosponsors, something I think very important, to keep our laws up to date in this area.

I also wanted to echo concerns raised by my colleagues about the Bureau's work to deal with human trafficking. These are horrendous crimes. In Washington State, we have seen operations cross country through the Innocence Lost Initiative recover juveniles and young adults being victimized by prostitution, and that is commendable work, but we haven't made inroads yet in how to make a dent in Internet-facilitated trafficking of children on Web sites like Backpage and others. The prevalence is very staggering, and human costs here are truly unspeakable when this activity is allowed to continue.

So are there tools that the FBI can use to combat online trafficking of children? And what are the challenges that you face in prosecuting these cases of trafficking, and what can we do to help that?

Mr. COMEY. Well, a huge part of what we do to try and protect and rescue kids is through investigations online. So I have got people all over the country doing that as we speak.

One of our challenges is the increased use of encryption and anonymizers online, especially the people who would harm children. And so sometimes folks of goodwill say, isn't it terrible that the government wants to be able to break encryption or find identities on the Internet? No, it is not. With lawful authority and the involvement of a court, I need to be able to do that. But it is a technical challenge for us that is increasingly difficult, so that is something that we are working on.

The Backpage issue is a challenging one because there are certain First Amendment issues that may be implicated by some of these publications online, but I don't want to say more about it at this point on that.

Ms. DELBENE. Thank you. And thank you for your time.

I yield back, Mr. Chair.

Mr. CHABOT. [Presiding.] The gentlelady yields back.

The Chair would now recognize himself for 5 minutes to ask questions.

As my colleagues have indicated, we all appreciate you being here, Mr. Director. And we have something in common: We both are graduates of the College of William and Mary.

Mr. COMEY. I know.

Mr. CHABOT. You graduated, I believe, in 1982?

Mr. COMEY. Yes.

Mr. CHABOT. I graduated in 1975. So I was thinking that perhaps at the end of this hearing, perhaps we could get a quick shot and sent it to our alma mater.

Mr. COMEY. Be great.

Mr. CHABOT. See what heck they do with it. Probably not much.

Mr. COMEY. Wonder who those old guys are.

Mr. CHABOT. When I was there, we were the Indians.

Mr. COMEY. Me, too.

Mr. CHABOT. Became politically incorrect, and we became the Tribe. And I think we are now the Griffins, Which, whatever the heck—

Mr. COMEY. I think we are still the Tribe, but our mascot is the griffin.

Mr. CHABOT. Which is apparently a mythological figure that is half an eagle and half lion, I believe.

Mr. COMEY. So I am told.

Mr. CHABOT. So there you go.

In any event, that is beside the point. We, again, welcome you here.

I, first of all, would like to just bring up again—I had two hearings going on here at the same time, so I have been going back and forth—but relative to the China hacking, and the charges recently, and the military hackers particularly that were indicted for computer hacking and economic espionage and other offenses aimed at U.S. nuclear power industry and metals and solar products industries, for example. In particular it is my understanding that Alcoa, and U.S. Steel, and Westinghouse, and Allegheny Technologies and others were targeted by the military hackers.

I happen to also be the Chairman of the Foreign Affairs Subcommittee on Asia and the Pacific and was just in China about a month ago. So we have a particular interest in this.

In light of these attacks and the persistence of the threat of cyber espionage, if you could relate briefly what the FBI is doing about that.

And, secondly, we are going to be introducing some legislation in the very near future which does a number of things which are unrelated to the FBI, but one thing which is related to the FBI would call for the Federal Bureau of Investigation and the Department of Homeland Security to expand the warnings that they are now giv-

ing to American companies on how they are susceptible to cyber attacks and other types of attacks, the USB drives, travel, gifts, promises of employment, social media, and the rest.

And we would look forward to working with you and your people on any modifications or anything that you think could be helpful, things we should add or leave out. We would welcome your cooperation in that effort, and just would like to see if you have any comments on that.

Mr. COMEY. Well, thank you. I look forward to working with you on that.

As I try to explain to folks, there are only two kinds of big companies in the United States: those who have been hacked by the Chinese and those who don't know they have been hacked by the Chinese. It is an enormous problem, and they are trying to steal everything that is not nailed down, and maybe things that are nailed down.

So we are devoting great resources to it through our National Cyber Investigative Task Force to try and track the intrusions and respond to them quickly. But therein lies the challenge: We have to get better at sharing information with the private sector at machine speed, because these bad guys are moving at the speed of light, and we in this country have to get better at facilitating private entities sharing information with us, because they will see things before we see them. And that back-and-forth is a huge part of the answer to this threat, but it is an enormous feature of the cyber work that the FBI does.

Mr. CHABOT. Thank you. Appreciate your response.

Now, we know that China is probably the worst actor in this. Are there a handful of other bad actors that you would point out that we also need to be wary of?

Mr. COMEY. Oh, sure. I mean, the Internet is a very dangerous neighborhood. There is a stack of bad actors from state-sponsored enterprises, terrorist groups, organized criminal groups, hacktivists. As I said at the beginning, because it is where our lives are, that is where bad people come. So it is a very complex challenge. There are other state actors that are significant players in this. I am not sure in an open hearing I want to point them out at this point, but you can guess.

Mr. CHABOT. Okay. Thank you very much.

And in the 48 seconds that I have left, I would just like to mention, and I know this has already been brought up, but relative to the IRS targeting certain groups because of their political leanings, Cincinnati, which I happen to represent, the First District of Ohio, that was the location of the IRS facility that was perhaps most directly involved. And there was some initial talk about, well, that is just those people out in Cincinnati; up here we don't know what is going on. Correct me if I am wrong, but I understand that this is still under investigation—

Mr. COMEY. Yes.

Mr. CHABOT [continuing]. By the FBI, but we certainly hope and expect the FBI to give this full consideration and that we get to the bottom of actually what happened here and prevent something like this from ever happening again.

Mr. COMEY. Yes, sir.

Mr. CHABOT. Thank you very much. Appreciate it. My time has expired.

The gentleman from New York Mr. Jeffries is recognized for 5 minutes.

Mr. JEFFRIES. Thank you, Mr. Chair.

And thank you, Director Comey, for your testimony here today as well as for the tremendous service that you have provided to the American people.

We have a gun violence problem in this country that really should shock the conscience of every single American. We have in this country 5 percent of the world's population, but 50 percent of the world's guns. It is estimated that in America there are more than 275 million guns in circulation, some of which are in the hands of either criminals or the mentally ill.

We also know that since the tragedy in Newtown, Connecticut, more than 14,000 additional Americans, some of which live in the district that I represent, have been killed as a result of gun violence since the tragedy in Newtown, Connecticut, and that there have been more than 70 school shootings since December of 2012.

Given the gun violence problem that we confront in America, is it fair to say that we need to do everything possible to thwart this growing issue?

Mr. COMEY. Thank you. As you know, I have devoted nearly my entire Justice Department career to dealing with efforts to try and reduce gun-related violence, so I think it is an incredibly important topic. So I agree, whatever we can do to keep guns out of the hands of criminals or the mentally defective is worth doing.

Mr. JEFFRIES. Now, I respect the opinion that you have articulated earlier, which is that you don't feel it is appropriate for you in your capacity to comment on legislative measures that this Congress can undertake to address what I think we all acknowledge is a significant threat to this country and to our health and our well-being. But what can you provide to this Committee in terms of recommendations as it relates to what Congress can do to help the FBI programmatically deal with the issue of gun violence in a more robust fashion?

Mr. COMEY. As I said earlier, I will have to reflect on that with respect to the FBI. You are right, it is not a policy question, and the legislative questions are not for the FBI Director to opine on.

One thing I can think of is we as a country have to get better at getting the records into our background check that would allow gun dealers to prohibit sales to people who have significant mental health issues, which is a challenge across the country.

Mr. JEFFRIES. Now, is it fair to say that currently we are not doing everything possible in this country to prevent those more than 275 million guns to find themselves in the hands of individuals who would commit acts of violence or in the hands of mentally ill individuals who might do our children or the people of America harm?

Mr. COMEY. I think that is fair.

Mr. JEFFRIES. Okay. Now, you are familiar, I assume, with our Economic Espionage Act of 1996?

And it is my understanding that this statute provides a criminal cause of action for knowing theft of trade secrets either for the eco-

conomic benefit of someone other than the owner or by a foreign entity; is that right?

Mr. COMEY. That is my understanding.

Mr. JEFFRIES. And the Economic Espionage Act was the vehicle used to recently charge agents of the Chinese Government; is that right?

Mr. COMEY. Yes. In actually a bunch of different contexts, but in the particular case I am talking about, the cyber case, that was part of it.

Mr. JEFFRIES. Okay. Now, the FBI's Counterintelligence Division is the entity that has got jurisdiction to prosecute trade secret theft cases; is that correct?

Mr. COMEY. I think we do trade secret work both in our Counterintelligence Division and in our Criminal Division.

Mr. JEFFRIES. Okay. And it is my understanding that the number of trade secret theft cases has increased, I think, by greater than 60 percent between 2009 and 2013. And so I commend the FBI in terms of its increased activity.

But there was also apparently a recent report of the Office of the National Counterintelligence Executive that estimated that annual losses to the U.S. economy from trade secret theft approximate either tens or hundreds of billions per year. Is that a statistic you are familiar with?

Mr. COMEY. I don't know the number, but that number is—a huge number is appropriate.

Mr. JEFFRIES. Now, given the massive nature of the economic security problem posed by trade secret theft, obviously it is important for us to make sure that your agency has all of the resources necessary to combat this issue. But it is also my understanding that there is no companion civil statute that provides U.S. companies with the opportunity on a civil track to deal with trade secret theft.

Do you think that it would be reasonable for us in Congress to consider as an additional weapon in the toolbox to combat trade secret theft empowering United States companies to have a civil cause of action to help police this issue?

Mr. CHABOT. The gentleman's time has expired, but you can respond to the question.

Mr. COMEY. I don't know enough to respond to the particular, but in general the fuller the toolbox in dealing with a threat of that size, the better.

Mr. JEFFRIES. Thank you.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Rhode Island Mr. Cicilline is recognized to 5 minutes, and I believe this will be our final questioner this morning.

Mr. CICILLINE. Thank you, Mr. Chairman.

Thank you, Director Comey, for being here and for your testimony.

I really want to build on my friend from New York's questions about gun violence, because I do think this is one of the most serious issues facing our country, and, regrettably, we seem to be working in a Congress that is committed to doing nothing about it and despite, I think, the efforts of a lot of us to enact sensible gun safety legislation.

But one of the things I know you know a lot about, Director, because of your leadership of Richmond's Project Exile, is the success of programs. I mean, that really became a national model of investing in these efforts to reduce gun violence. And that, of course, developed Project Safe Neighborhoods, which was established under the Bush administration really to build upon your work and has been really proven to be a very effective program. Unfortunately, we didn't provide funding for it in the bill we just passed. I offered an amendment to restore level funding of about \$8.5 million, which just barely failed.

But I would like your thoughts about whether or not our budget should include investments for programs like Project Safe Neighborhoods. Do you see that as an effective tool in helping to reduce gang and gun violence?

Mr. COMEY. I am not in a position to comment on a particular budget matter, but, in general, it is hugely important. I find in my experience that criminals can change behavior with respect to guns.

The problem we encountered in Richmond was the criminal gave no more thought to the gun than what pants or shoes he was going to wear that evening, and our goal was to make that an object of focus and stretch the link between a criminal and a gun, because most homicides are happenstance homicides. It is not a planned assassination, it is a disrespect or a disagreement that would be a fist fight becomes a shooting because the gun is in the waistband. So I think it is very important to send those messages to change behavior.

Mr. CICILLINE. Director, you have a responsibility, obviously, as the Director of the FBI; you have jurisdiction over a wide range of efforts to combat gun violence. In particular, the FBI oversees the National Instant Criminal Background Check System. And while you have said you don't think it is appropriate to opine about policy, of course, you have a responsibility to enact policy or support policy which enhances public safety and the national security of the United States.

And I assume you would agree that a background check system for every purchase of a firearm that captured or prevented criminals from buying guns would enhance public safety and enhance national security of the United States.

Mr. COMEY. I know from my whole life experience any time you are able to keep a gun out of the hands of a criminal, you have done a good thing.

Mr. CICILLINE. And so it would make sense if, in fact, we required criminal background checks for every purchase of a firearm to achieve that objective.

Mr. COMEY. That is where you cross me into. What I love about my job is I am not a policymaker. The Attorney General decides the policies of the Department of Justice. So I don't want to express an opinion.

Mr. CICILLINE. No, I am asking you as a chief law enforcement official. That would enhance public safety, to ensure that criminals don't have the ability to buy a gun.

Mr. COMEY. Right. If criminals don't get guns, however you have done it, you have enhanced public safety.

Mr. CICILLINE. And similarly, you would also, I expect, concede that preventing those who are seriously mentally ill, such that having a firearm would pose a danger to themselves or others ought to be prevented from buying a firearm.

Mr. COMEY. Yes. That would be a good thing.

Mr. CICILLINE. And the best way to do that is to be sure that we have a robust system where accurate information is reported into the system to prevent seriously mentally ill individuals from purchasing a firearm.

Mr. COMEY. I think that is right.

Mr. CICILLINE. Recognizing, of course, the vast majority of people who suffer from mental illness are not violent and never have a firearm.

But talking about that category of individuals I just described, what is the FBI doing in conjunction with State efforts to ensure that States are, in fact, sharing that information, that it is accurately put into the national database, and that we are actually preventing people with serious mental illness from purchasing firearms?

Mr. COMEY. I think the answer is communicating constantly and talking constantly to our State partners to tell them what records we can accept, what form they should be in, what would be useful to us.

But the job really lies with the States in getting their acts together to figure out what records they can supply and then supplying them. But I know there is a vibrant dialogue between my folks at CJIS, which runs the background check system, and the States to try and facilitate the flow of those records.

Mr. CICILLINE. Well, I look forward to continuing to work with you on this issue. I think this is a very critical issue for our country when you see some of the most recent examples of terrible gun violence that has been caused by someone with a very serious mental illness who should not have access to a firearm. And we have got to work together in a bipartisan way to make sure that that happens. And I thank you again for your testimony.

And I yield back.

Mr. CHABOT. The gentleman yields back.

And we have no more questioners, so that concludes today's hearing. We thank the Director for joining us.

And, without objection, all Members will have 5 legislative days to submit additional written questions for the witnesses or additional materials for the record.

And if there is no further business to come before the Committee, we are adjourned. Thank you.

[Whereupon, at 12:49 p.m., the Committee was adjourned.]