



INTELLIGENCE

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JAN 27 2006

The Honorable Patrick J. Leahy
Ranking Member
Committee of the Judiciary
United States Senate
Washington, DC 20510

Dear Senator Leahy:

In response to your letter of December 21, 2005, I am providing you some additional information not otherwise reported in the media concerning the Department of Defense (DoD) Threat and Local Observation Notice (TALON) system.

The TALON reporting system was created to document and share unfiltered information about suspicious incidents related to possible **foreign terrorist threats** to the Department of Defense (DoD) in the United States for subsequent analysis.

The information is provided by concerned citizens, DoD personnel charged with responsibilities for the security of DoD installations (e.g., gate guards) or other DoD personnel. This is similar to documenting information reported by a "Neighborhood Watch" program. **The focus of the effort is on possible terrorist threats to DoD and NOT on US persons in the United States.** DoD is not targeting US persons in this activity, although some of the information reported to the Department relates to US persons.

The receiving law enforcement, security or counterintelligence (CI) organization provides the information to local military commanders, security and law enforcement agencies as necessary for their action as required. The information is also placed in the TALON reporting system.

The TALON database at the CI Field Activity (CIFA) is where DoD brings together these "dots" of information for CI analysis in an attempt to avert terrorist attacks. DoD law enforcement and counterintelligence organizations and DIA's Joint Intelligence Task Force-Combating Terrorism also have access to this database so they can conduct analysis of the information. Our feedback indicates



DoD field commanders highly value the TALON program as a source of timely information about possible threats to their personnel and facilities.

The Under Secretary of Defense for Intelligence (USD(I)) has directed the following actions pursuant to the questions raised about the TALON reporting:

- 1. A thorough review of the TALON reporting system to ensure it complies fully with DoD policies and U.S. laws;**

All elements of the Department of Defense that have a role in the TALON reporting system are reviewing the procedures they follow for the collection and retention of this information. Preliminary results of the review indicate that the DoD elements involved in this effort were following multiple rules regarding the collection and retention of this information, and that overarching guidance is needed. The USD(I) will issue guidance which clarifies the purpose of the database, and the rules governing the collection and retention of the data.

- 2. A thorough review of whether those policies and procedures are being properly applied with respect to any reporting and retention of information about any US persons.**

A group of subject matter experts is examining the multiple standards for collecting and retaining US person identifying information and will make a recommendation to the USD(I) as to the most appropriate standards to govern this activity. Policy documents will be promulgated formally establishing the standard that applies to the TALON database, which will include oversight procedures. The TALON system will then be reviewed again against these standards for compliance.

- 3. Third, a review of the TALON data base to identify any information that is improperly in the data base.**

The process of removing reports that are not relevant to the foreign terrorist threat or that are no longer analytically significant is ongoing.

All Department CI and intelligence personnel will receive immediate refresher training concerning the laws, policies and procedures that govern collection and retention of US person information related to potential threats to DoD personnel, facilities or national security interests. The refresher training is currently in progress and is expected to be complete by January 31, 2006.

This review clearly indicates that TALON is an important and valuable tool, but we have room for improvement. We will continue analyzing the findings from this review to determine precisely what and where we need to improve. As for more detailed responses to some of your specific concerns, we welcome the opportunity to brief the appropriate committees of jurisdiction on these complex and overlapping issues.

Sincerely,



Robert W. Rogalski *ACTING*
Deputy Under Secretary of Defense
(Counterintelligence and Security)