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(Ruppersberger)

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House Intelligence Committee Announces Bipartisan Report To Improve the Purchase Process of Intelligence Satellites

Washington, D.C. -- House Permanent Select Committee on Intelligence (HPSCI) Chairman Mike Rogers and Ranking Member Dutch Ruppersberger announced the Committee's adoption of a bipartisan report on the U.S. government's purchase of intelligence satellites. The report, entitled "Performance Audit of Intelligence Major Systems Acquisition," is the product of a one and a half year bipartisan effort by House Intelligence Committee. The report, which the Committee approved unanimously, was delivered to the National Reconnaissance Office (NRO) today.

HPSCI thoroughly reviewed the Intelligence Community's (IC) satellite acquisition practices. In the process of scrutinizing the IC's ability to think architecturally and strike a reasonable balance between cost and risk, HPSCI found significant cost saving opportunities that would not compromise capabilities.

Most of the report remains classified, however the biggest potential for cost savings arises from proposed changes to the production pace of intelligence satellites. Currently the IC buys satellites faster than necessary to meet mission needs due to concerns about ensuring the stability of the satellite production market. The report concludes that those concerns are not fully justified and result in the excess purchase of satellites at taxpayer expense.

The primary recommendation on the overproduction issue is for the NRO to include a variety of production paces in its requests for proposals on all new bulk purchases of satellites, including one production pace based solely on actual mission need. This will establish a baseline for cost comparisons so that the IC would at least know the cost of its efforts to protect the industrial base.

"It is critical that we find the right balance of capability and cost effectiveness. We must always be good stewards of taxpayer dollars and take a hard look at the way we purchase very expensive satellites systems," said Chairman Rogers and Ranking Member Ruppersberger. "Our overhead capabilities are vital to America's national security. This report pinpoints specific areas where the IC can improve its purchase of these important systems."

The study has already informed Committee action. Several recommendations were included as directive language in the Fiscal Year 2014 Intelligence Authorization Act, including the above-mentioned recommendation on production paces. The study also informed the House-passed Fiscal Year 2015 Intelligence Authorization Act, and the Committee will keep a watchful eye on the implementation of all of the study's recommendations.

**To read the unclassified white paper on satellite production pace, click below.

<http://intelligence.house.gov/sites/intelligence.house.gov/files/documents/industrialbase.pdf>

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