Why GAO Did This Study

In an effort to increase the quality and security of federal identification (ID) practices, the President issued Homeland Security Presidential Directive 12 (HSPD-12) in August 2004. This directive requires the establishment of a governmentwide standard for secure and reliable forms of ID. GAO was asked to testify on its report, being released today, assessing the progress selected agencies have made in implementing HSPD-12. For this report, GAO selected eight agencies with a range of experience in implementing ID systems and analyzed actions these agencies had taken.

GAO was also asked to summarize challenges in the Department of Defense’s (DOD) personnel security clearance process. This overview is based on past work including reviews of clearance-related documents. Military servicemembers, federal workers, and industry personnel must obtain security clearances to gain access to classified information. Long-standing delays in processing applications for these clearances led GAO to designate the DOD program as a high-risk area in 2005.

In its report on HSPD-12, GAO made recommendations to the Office of Management and Budget (OMB), to, among other things, set realistic milestones for implementing the electronic authentication capabilities. GAO has also made recommendations to OMB and DOD to improve the security clearance process.

What GAO Found

Much work had been accomplished to lay the foundations for implementation of HSPD-12—a major governmentwide undertaking. However, none of the eight agencies GAO reviewed—the Departments of Agriculture, Commerce, Homeland Security, Housing and Urban Development, the Interior, and Labor; the Nuclear Regulatory Commission; and the National Aeronautics and Space Administration—met OMB’s goal of issuing ID cards by October 27, 2007, to all employees and contractor personnel who had been with the agency for 15 years or less. In addition, for the limited number of cards that had been issued, most agencies had not been using the electronic authentication capabilities on the cards and had not developed implementation plans for those capabilities. A key contributing factor for this limited progress is that OMB had emphasized issuance of the cards, rather than full use of the cards’ capabilities. Furthermore, agencies anticipated having to make substantial financial investments to implement HSPD-12, since ID cards are considerably more expensive than traditional ID cards. However, OMB had not considered HSPD-12 implementation to be a major new investment and thus had not required agencies to prepare detailed plans regarding how, when, and the extent to which they would implement the electronic authentication mechanisms available through the cards. Until OMB revises its approach to focus on the full use of the capabilities of the new ID cards, HSPD-12’s objectives of increasing the quality and security of ID and credentialing practices across the federal government may not be fully achieved.

Regarding personnel security clearances, GAO’s past reports have documented problems in DOD’s program including delays in processing clearance applications and problems with the quality of clearance related reports. Delays in the clearance process continue to increase costs and risk to national security, such as when new DOD industry employees are not able to begin work promptly and employees with outdated clearances have access to classified documents. Moreover, DOD and the rest of the federal government provide limited information to one another on how they individually ensure the quality of clearance products and procedures. While DOD continues to face challenges in timeliness and quality in the personnel security clearance process, high-level government attention has been focused on improving the clearance process.