

Department of Justice

STATEMENT OF

NICHOLAS DIMOS ASSISTANT DIRECTOR FINANCE AND FACILITIES DIVISION FEDERAL BUREAU OF INVESTIGATION

BEFORE THE SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE UNITED STATES HOUSE OF REPRESENTATIVES

AT A HEARING ENTITLED

"FROM HEADQUARTERS BUILDING TO FIELD OFFICES: EXAMINING THE FBI'S
REAL ESTATE NEEDS AND STRATEGY."

PRESENTED APRIL 10, 2024

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Good morning, Chairman Perry, Ranking Member Titus, and Members of the Subcommittee. Thank you for the opportunity to appear before you today to testify about the Federal Bureau of Investigation's (FBI) real estate strategy, both in the National Capital Region (NCR) and across the country.

The mission of the FBI is to protect the American people and uphold the U.S. Constitution. The FBI's 37,000-person workforce worldwide – special agents, intelligence analysts, scientists, lawyers, engineers, information technology specialists, language specialists, fingerprint examiners, victim specialists, gunsmiths, and many more – work each day to fulfill this commitment and responsibility to the nation. To complete this important work, the FBI relies on its people, partnerships, innovation, and processes – which are supported through the access to secure and efficient facilities.

Today, the FBI is located in 56 field offices centrally located in major metropolitan areas across the United States and Puerto Rico. In addition, the FBI operates approximately 350 smaller offices, known as resident agencies, generally located in smaller cities and towns. The FBI's placement of facilities is evaluated on an ongoing basis; as threats shift and evolve, the FBI has implemented changes to its workforce allocation and real estate portfolio. Over the past ten years, based on an evaluation of the evolving threat environment, the FBI has closed approximately 24 resident agencies and opened four new resident agencies. Of particular note, in FY 2019, the FBI requested and received Congressional Appropriations Committee approval

through the congressional relocation reporting (CRR) process to combine the Memphis and Knoxville field offices into one centrally located Nashville field office. Although some personnel will remain in Memphis and Knoxville (as resident agency facilities), many personnel will relocate to the new Nashville field office. This change was based on population growth patterns across the State of Tennessee and the evolving threat environment. This consolidation allows the FBI to more efficiently address national security and crime problems across the state while reducing duplicative administrative positions and enhancing investigative capacity. The FBI and General Services Administration (GSA) are currently re-evaluating the procurement strategy for the Nashville field office facility to ensure it meets mission needs at a cost that aligns with the current budget environment.

The threat environment also impacts the space and size requirements within FBI facilities. After September 11, 2001, the workload and workforce of the FBI transformed as the FBI saw significant growth in its counterterrorism, counterintelligence, cyber, and intelligence programs. Not only did this transformation increase the operational tempo of the FBI, but it increased the number of positions by almost 13,000 (from over 24,000 positions in 2001 to over 37,000 positions today). In addition to the FBI workforce, over the past two decades the FBI has increasingly relied on the partnership of federal, state, local, and tribal law enforcement partners. Since 2001, over 600 new task forces have been established, bringing over 7,000 task force officers into FBI space for case coordination and intelligence sharing.

FBI facilities consist of much more than office space – they are operational spaces that enable the FBI to conduct joint operations with these federal, state, local, and tribal law enforcement partners through Joint Terrorism, Cyber, Safe Streets, and other task forces; analyze and disseminate essential intelligence to foreign and domestic partners; forensically exploit digital media and other evidence collected during the course of investigations; monitor audio, visual, and electronic surveillance; coordinate undercover operations; serve as a translation hub for foreign language needs throughout the United States Intelligence Community (USIC) and for FBI cases; host meetings with private sector partners to convey sensitive threat information; and coordinate extraterritorial investigations overseas.

FBI facilities support these unique mission sets, to include space for custodial interviews of suspects, interviews of victims, evidence holding and processing, weapons and ammunition vaults, computer forensics laboratories, automotive bays capable of housing specialty vehicles (e.g., SWAT vehicles), and space to house specialty equipment for the FBI's Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) response mission. These requirements drive some of our tenant improvement costs when working with GSA to identify locations for FBI field offices.

The FBI's expanded national security and intelligence mission over the past two decades has resulted in significant investments in secure space that supports intelligence analysis and investigations at the Top Secret classification level. Additionally, security features, such as vehicle barriers, visitor screening areas, and Secure Compartmented Information Facilities (SCIFs) are required. Security features like these are expensive and another key driver of our

tenant improvement costs when working with GSA, but are necessary to protect the FBI workforce and the intelligence information we work with.

In addition to field office locations, the FBI has occupied the J. Edgar Hoover (JEH) Building since 1974. Since that time, the mission of the FBI has evolved – particularly in complex national security investigations and cases requiring sophisticated technology tradecraft and tools – but the building and technical infrastructure of the facility was not designed to support the modern FBI and have not kept pace with this mission evolution. Moreover, the facility infrastructure of JEH has deteriorated to the point where hundreds of millions – if not billions – of dollars would be required to fully renovate and sustain it. Concrete on the exterior of the building is crumbling, and netting is attached around the building's perimeter to catch concrete from falling onto pedestrians passing by on sidewalks below. There have also been instances where interior concrete has fallen into employee workspaces. Pipes routinely leak or burst, which has resulted in damage to FBI technology, records, and space. The deteriorating infrastructure and failing technology of the current headquarters building will continue to make it increasingly difficult to rapidly address developing threats and enhance collaboration across FBI divisions and programs. In addition, JEH cannot accommodate all employees in the NCR, so the FBI maintains other leases to house those employees.

Since the new headquarters process began nearly two decades ago, the FBI has reassessed what functions need to remain in the NCR versus those that can be re-located to other parts of the United States. FBI headquarters consists of many different locations across the country, including in Quantico, Virginia; Huntsville, Alabama; Pocatello, Idaho; and Clarksburg, West Virginia. These facilities enable the FBI to take advantage of existing infrastructure in lower cost of living environments and create centers of excellence to address specific national security or criminal threats.

The journey for every FBI employee begins at Quantico. The FBI Academy at Quantico hosts world-class special agent, intelligence analyst, and professional staff training, as well as premier professional development for state, local, and international law enforcement partners. Over the years, the Quantico complex has grown from supporting a single FBI entity and mission – the FBI Academy – to a multi-mission venue. In addition to serving as a national training asset, Quantico also houses key operational entities, such as the FBI's Laboratory (LAB), the Operational Technology Division (OTD), and the Critical Incident Response Group (CIRG), including the Hostage Rescue Team (HRT).

FBI training and workforce development does not stop after basic training delivered at Quantico. Over time, advanced national security, intelligence, and specialty training for the FBI workforce and its partners will occur at the Richard Shelby Center for Innovation and Advanced Training campus on Redstone Arsenal in Huntsville, Alabama. As national security and traditional law enforcement threats leverage technology and increasingly sophisticated methods to commit crimes, the Redstone campus will provide ongoing training on technology, tools, and tradecraft needed to stay ahead of the threat. The FBI has had a presence on Redstone Arsenal since the 1970s, when the FBI's Hazardous Devices School (HDS) was established. Over the

course of the past decade, and thanks to the partnership with the U.S. Army, the FBI has been able to strategically relocate many functions to Redstone. As part of this effort, in the early 2000s, the FBI relocated the Terrorist Explosive Device Analytical Center (TEDAC) and the Weapons of Mass Destruction Directorate (WMDD) explosives-related forensic and technical exploitation, intelligence, research and development, and training operations to be near the HDS, creating a counter-improvised explosive device (IED) Center of Excellence. Shortly thereafter, the FBI constructed buildings to house personnel working to improve computer network defense/cybersecurity and intelligence functions. Later this year, construction will be complete on the Innovation Center, bringing multiple technology-focused divisions together to train, conduct cyber threat intelligence analysis and data analytics, and target rapidly changing technological threats. The Innovation Center will also house a kinetic cyber range, a virtual reality classroom, multi-purpose classrooms with enhanced audio/visual capabilities, labs, and workspaces. These assets will enable the FBI to coordinate with partners in the USIC and across government, the private sector, and academia to conduct real-life scenarios in a controlled cyber environment.

The FBI has maintained a presence in Pocatello, Idaho since 1984, when what was formerly a Naval ordinance plant was purchased as a western regional computer support center. Currently, nine FBI divisions and a resident agency of the Salt Lake City field office operate from Pocatello, with responsibilities for investigations, intelligence, travel processing, records management, and information technology. Almost a decade ago, the FBI worked with the Department of Justice (DOJ) to consolidate almost 100 disparate DOJ data centers into three, two of which are run by the FBI – one in Pocatello and one at the FBI's Clarksburg, West Virginia complex. The consolidation enabled the FBI to reduce operational costs, create efficiencies (most notably through energy reduction), and modernize the technological architecture. This is especially important as data has become an increasingly integral part of the FBI mission.

In the early 1990s, Congress authorized the FBI to purchase and construct a campus in Clarksburg, West Virginia. Originally designated as the home to the FBI's Criminal Justice Information Services (CJIS) Division to revolutionize how fingerprints were collected, analyzed, and shared, it now houses approximately 12 different FBI divisions and supports partnerships with the Department of Defense, academia, and other government organizations. In 2021, in an effort to be as efficient as possible, the FBI relocated the Pittsburgh field office's resident agency that had been in leased space in Clarksburg, West Virginia onto the campus, thus eliminating rental costs and maximizing the use of our owned property.

The combination of this geographic realignment of the FBI workforce with the new headquarters plan to consolidate approximately nine NCR locations will allow the government to save tens of millions of dollars in annual lease payments. Already, over the past five years, ten leases were consolidated in the NCR, totaling approximately 502,000 square feet and \$23.6 million in annual rent savings.

Fiscal stewardship is a bedrock driver of FBI real estate decisions, and the FBI actively

assesses its real estate portfolio and seeks to maximize value to the taxpayers with each investment decision. To reduce real estate costs, the FBI has made concerted efforts to reduce space requirements in expensive leases. For example, in 2020, the Central Records Complex opened in Winchester, Virginia, which allowed the FBI to store case files and records in this government-owned GSA facility rather than requiring square footage in metropolitan leases across the country. The FBI is implementing a similar initiative for evidence storage, relocating evidence to a Regional Evidence Storage Facility in Norcross, Georgia. As mentioned above, we have also moved and consolidated data centers from costly leased locations in downtown areas to owned facilities in locations that have significantly lower costs related to power and infrastructure. Finally, the FBI also pursues opportunities to co-locate with local police departments and other partners to utilize space in their facilities when it meets operational and security requirements.

In closing, Chairman Perry, Ranking Member Titus, and Subcommittee Members, I thank you for this opportunity to testify on the FBI's nationwide real estate strategy. In all of these endeavors, the FBI is committed to ensuring that taxpayer funding is well spent and facilities meet our mission requirements. The need to reduce space costs when feasible and maximize real estate utilization is particularly important in the current fiscal environment. Based on the final FY 2024 appropriation and the anticipated FY 2025 budget environment, the FBI and GSA are reviewing pending leasing actions to ensure the procurement strategy and program of requirements appropriately balance FBI mission needs with current budget constraints. We look forward to working with this Committee on these shared goals, and we appreciate your support. I am happy to answer any questions you might have.