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Before the Strategic Forces  
Subcommittee, Senate Armed Services  
Committee

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## NUCLEAR SECURITY

# DOE Needs to Fully Address Issues Affecting Protective Forces' Personnel Systems

Statement of Gene Aloise, Director  
Natural Resources and Environment



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# Highlights

Highlights of [GAO-10-485T](#), a testimony before the Strategic Forces Subcommittee, Senate Armed Services Committee

## Why GAO Did This Study

The September 11, 2001, terrorist attacks raised concerns about the security of Department of Energy (DOE) sites with weapons-grade nuclear material, known as Category I special nuclear material (SNM). To better protect these sites against attacks, DOE has sought to transform its protective forces protecting SNM into a Tactical Response Force (TRF) with training and capabilities similar to the U.S. military.

This testimony is based on prior work and has been updated with additional information provided by protective forces' union officials. In a prior GAO report, *Nuclear Security: DOE Needs to Address Protective Forces' Personnel System Issues* (GAO-10-275), GAO (1) analyzed information on the management, organization, staffing, training, and compensation of protective forces at DOE sites with Category I SNM; (2) examined the implementation of TRF; and (3) assessed DOE's two options to more uniformly manage protective forces; and (4) reported on DOE's progress in addressing protective force issues. DOE generally agreed with the recommendations in GAO's prior report that called for the agency to fully assess and implement, where feasible, measures identified by DOE's 2009 protective forces study group to enhance protective forces' career longevity and retirement options.

View [GAO-10-485T](#) or key components. For more information, contact Gene Aloise at (202) 512-3281 or [aloisee@gao.gov](mailto:aloisee@gao.gov).

## NUCLEAR SECURITY

### DOE Needs to Fully Address Issues Affecting Protective Forces' Personnel Systems

#### What GAO Found

Over 2,300 contractor protective forces provide armed security for DOE and the National Nuclear Security Administration (NNSA) at six sites that have long-term missions to store and process Category I SNM. DOE protective forces at each of these sites are covered under separate contracts and collective bargaining agreements between contractors and protective force unions. As a result, the management, organization, staffing, training and compensation—in terms of pay and benefits—of protective forces vary.

Protective force contractors, unions, and DOE security officials are concerned that the implementation of TRF's more rigorous requirements and the current protective forces' personnel systems threaten the ability of protective forces—especially older members—to continue their careers until retirement age. These concerns, heightened by broader DOE efforts to manage postretirement and pension liabilities for its contractors that might have a negative impact on retirement eligibility and benefits for protective forces, contributed to a 44-day protective force strike at an important NNSA site in 2007. According to protective force union officials, the issues surrounding TRF implementation and retirement benefits are still unresolved and could lead to strikes at three sites with large numbers of protective forces when their collective bargaining agreements expire in 2012.

Efforts to more uniformly manage protective forces have focused on either reforming the current contracting approach or creating a federal protective force (federalization). Either approach might provide for managing protective forces more uniformly and could result in effective security if well-managed. However, if protective forces were to be federalized under existing law, the current forces probably would not be eligible for enhanced retirement benefits and might face a loss of pay or even their jobs.

Although DOE rejected federalization as an option in 2009, it recognized that the current contracting approach could be improved by greater standardization and by addressing personnel system issues. As a result, NNSA began a standardization initiative to centralize procurement of equipment, uniforms, and weapons to achieve cost savings. Under a separate initiative, a DOE study group developed a number of recommendations to enhance protective forces' career longevity and retirement options, but DOE has made limited progress to date in implementing these recommendations.

#### DOE Protective Force Members in Tactical Training



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Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the Department of Energy's (DOE) contractor guards, also known as protective forces. My testimony is based on our recently released report *Nuclear Security: DOE Needs to Address Protective Forces' Personnel System Issues*<sup>1</sup> and recent discussions with protective force union officials.

As you know, protective forces are a key component of security at Department of Energy (DOE) sites with special nuclear material (SNM), which the department considers its highest security risk. This material—including plutonium and highly enriched uranium—is considered to be Category I when it is weapons grade and in specified forms (e.g., nuclear weapons, nuclear weapons components, metals, and oxides) and quantities. The risks associated with Category I SNM include theft and the potential for sabotage through the use of a radioactive dispersal device, also known as a “dirty bomb.” Currently, DOE and its National Nuclear Security Administration (NNSA), an agency within DOE responsible for the safety, security, and reliability of the U.S. nuclear weapons stockpile, have six contractor-operated sites that possess—and will possess for the foreseeable future—Category I SNM (sites with “enduring” missions).<sup>2</sup> The six sites include four that NNSA is responsible for—the Los Alamos National Laboratory, in Los Alamos, New Mexico; the Y-12 National Security Complex (Y-12), in Oak Ridge, Tennessee; the Pantex Plant, near Amarillo, Texas; and the Nevada Test Site, outside of Las Vegas, Nevada. In addition, DOE's Office of Environmental Management is responsible for the Savannah River Site, near Aiken, South Carolina, and DOE's Office of

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<sup>1</sup>GAO, *Nuclear Security: DOE Needs to Address Protective Forces' Personnel System Issues*, [GAO-10-275](#) (Washington, D.C.: Jan. 29, 2010).

<sup>2</sup>We excluded three other DOE Category I SNM sites from our review because they are likely to downsize or downgrade their protective forces in the near future. These sites include the Office of Environmental Management's Hanford Site, near Richland, Washington, which recently transferred its highest value Category I SNM off site but will maintain lower value Category I SNM for the foreseeable future; NNSA's Lawrence Livermore's National Laboratory, in Livermore, California, which plans to transfer its Category I SNM off site by the end of fiscal year 2012; and the Office of Science's Oak Ridge National Laboratory, in Oak Ridge, Tennessee, which plans to dispose of its Category I SNM by the end of fiscal year 2015.

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Nuclear Energy is responsible for the Idaho National Laboratory, near Idaho Falls, Idaho.<sup>3</sup>

In the aftermath of the September 11, 2001, terrorist attacks, DOE embarked on a multifaceted effort to better secure its sites with Category I SNM against a larger and more sophisticated terrorist threat by changing policies, such as its Design Basis Threat (DBT)—a classified document that specifies the potential size and capabilities of adversary forces that the sites must defend against.<sup>4</sup> Protective forces, which accounted for slightly more than 50 percent of DOE's \$862 million for field security funding in fiscal year 2008, also have been an important focus of DOE security improvements. DOE has sought to improve the effectiveness of its protective forces by deploying security technologies, such as sensors capable of detecting adversaries at long ranges, and through the use of advanced weaponry, such as belt-fed machine guns and grenade launchers. In addition, DOE has sought to enhance protective forces' tactical skills—the ability to move, shoot, and communicate in a combat environment—through its Tactical Response Force (TRF) initiative.<sup>5</sup> Among other things, TRF revised the application of DOE's existing protective force categories to emphasize tactical skills and instituted more rigorous weapons and physical fitness qualifications for many of DOE's protective forces.

However, protective force unions have been concerned that the planned implementation of TRF—with its potentially more demanding requirements—threatens the ability of protective forces to work until retirement age. These concerns contributed to a 44-day protective force strike at the Pantex Plant in 2007. The strike raised broader issues in DOE and Congress about the continued suitability of DOE's model for managing its protective forces. Unionized protective forces can strike when their collective bargaining agreements end, and strikes may create security

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<sup>3</sup>The Office of Environmental Management is responsible for cleaning up former nuclear weapons sites, and the Office of Nuclear Energy is primarily responsible for nuclear energy research.

<sup>4</sup>In 2008, DOE changed the name of its DBT (DOE Order 470.3A) to the Graded Security Protection policy (DOE 470.3B).

<sup>5</sup>DOE announced this initiative, originally known as "Elite Force" initiative in 2004, and began to formalize it into policy through the issuance of DOE Manual 470.4-3, *Protective Force*, in 2005. DOE revised this policy in 2006 with DOE Manual 470.4-3 Change 1, *Protective Force*. In 2008, DOE further revised this policy, which is now contained in DOE Manual 470.4-3A, *Contractor Protective Force*.

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vulnerabilities at DOE's sites with Category I SNM. In addition, DOE's practice of managing its protective forces through separate contracts at each site could create disparities in protective force performance, pay, and benefits. In 2009, a DOE protective forces study group, composed of DOE and union representatives, made a number of recommendations that, while maintaining contractor protective forces, may better balance protective forces' concerns over their careers with DOE's need to provide effective security and control costs.

In this context, the National Defense Authorization Act for Fiscal Year 2008 directed us to report on the management of DOE's protective forces at its sites with Category I SNM.<sup>6</sup> Among other things, we (1) analyzed information on the management, organization, staffing, training and compensation of protective forces; (2) examined the implementation of TRF; (3) assessed DOE's two options to more uniformly manage DOE protective forces; and (4) reported on DOE's progress in addressing protective force issues. Our recent report *Nuclear Security: DOE Needs to Address Protective Forces' Personnel System Issues* presents the full findings of our work and includes two recommendations to DOE to fully assess and implement, where feasible, recommendations made by DOE's 2009 protective forces study group. DOE generally agreed with these recommendations.

To obtain information on DOE's contractor protective forces, we visited three of the sites with enduring Category I SNM missions—Pantex, the Savannah River Site, and Los Alamos National Laboratory—because each site represented one of the three different types of protective force contracts currently in place. We also met with protective force contractors, federal site office officials, and protective force union representatives at these sites. We also distributed a data collection instrument to protective force contractors and federal site office officials at each of these sites and at the other three sites with enduring Category I SNM missions—Y-12, the Nevada Test Site, and the Idaho National Laboratory. From this instrument, we received site information about the protective forces, the status of TRF and DBT implementations, views on DOE options for managing the protective forces, and the reliability of site data. Prior to this testimony, protective force union officials provided us with updated information.

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<sup>6</sup>Pub. L. No. 110-181 § 3124 (2008).

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We conducted our work from April 2008 to March 2010 in accordance with generally accepted government auditing standards, which require us to plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Protective Forces Are Not Uniformly Managed, Organized, Staffed, Trained, or Compensated

Contractor protective forces—including 2,339 unionized officers and their 376 nonunionized supervisors—are not uniformly managed, organized, staffed, trained, or compensated across the six DOE sites we reviewed. For example, we found the following:

- Three different types of protective force contracts are in use. These contract types influence how protective force operations are overseen by federal officials and how protective force operations are coordinated with other site operations.<sup>7</sup>
- The size of sites' protective forces ranges from 233 to 533 uniformed, unionized officers, and the composition of these forces and their associated duties and responsibilities vary based on their categorization. Protective forces are divided into four categories:<sup>8</sup>
  - Security Officer (SO): Responsible for unarmed security duties such as checking for valid security badges. SOs represent about 5 percent of total unionized protective forces.
  - Security Police Officer-I (SPO-I): Primarily responsible for protecting fixed posts during combat. SPO-Is represent about 34 percent of total unionized protective forces.

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These types of contracts include (1) direct contracts between protective force contractors and DOE or NNSA; (2) a component of management and operating (M&O) contracts between M&O contractors and DOE or NNSA; and (3) subcontracts between an M&O contractor and a protective force contractor.

<sup>8</sup>Other positions, such as trainers and alarm operators, constitute the remaining 3 percent of protective force positions. At some sites, personnel in such positions may be SPO qualified, and their positions are counted in the appropriate SO categories. All protective force numbers were current as of September 30, 2008.

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- SPO-II: Primarily responsible for mobile combat to prevent terrorists from reaching their target but can also be assigned to fixed posts. SPO-IIs represent about 39 percent of total unionized protective forces.
  - SPO-III: Primarily responsible for mobile combat and special response skills, such as those needed to recapture SNM (on site) and recover SNM (off site) if terrorists succeed in acquiring it. SPO-IIIs are usually organized into special response teams, and SPO-IIIs represent about 19 percent of total unionized protective forces.
  - Each protective force has uniformed, nonunionized supervisors, but the duties, responsibilities, and ranks of these supervisors are generally site specific and not detailed in DOE's protective force policies.
  - DOE policy mandates certain protective force training but allows sites some flexibility in implementation. For example, newly hired protective forces must complete DOE's Basic Security Police Officer Training class, but these courses, offered by each of the sites we reviewed, range in length from 9 to 16 weeks. In addition, we found that one site had largely completed the implementation of most aspects of the TRF initiative, but others are not expecting to do so until the end of fiscal year 2011.
  - Pay, based on the site and the category of protective forces, ranges from nearly \$19 per hour to over \$26 per hour.<sup>9</sup> Overtime pay, accrued in different ways at the sites, and other premium pay, such as additional pay for night shifts and holidays, may significantly increase protective force pay.
  - While all employers contributed to active protective force members' medical, dental, and life insurance benefits, they differed in the amount of their contributions and in the retirement benefits they offered. In general, new hires were offered defined contribution plans, such as a 401(k) plan, that provides eventual retirement benefits that depend on the amount of contributions by the employer or employee, as appropriate, as well as the earnings and losses of the invested funds. At the time of our review, two sites offered new hires defined benefit plans that promised retirees a certain monthly payment at retirement. Two other sites had defined benefit plans that covered protective force members hired before a particular date but were not open to new hires.

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<sup>9</sup>Pay rates were current as of September 30, 2008.

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We found two primary reasons for these differences. First, protective forces at all six of the sites we reviewed operate under separate contracts and collective bargaining agreements. Second, DOE has a long-standing contracting approach of defining desired results and outcomes—such as effective security—instead of detailed, prescriptive guidance on how to achieve those outcomes.<sup>10</sup> While creating some of the differences noted, this approach, as we have previously reported, allows security to be closely tailored to site- and mission-specific needs.<sup>11</sup>

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## Tactical Response Force Implementation Has Raised Concerns about the Longevity of Protective Forces Careers

Since its inception in 2005, TRF has raised concerns in DOE security organizations, among protective force contractors, and in protective force unions about the ability of protective forces—especially older individuals serving in protective forces—to continue meeting DOE’s weapons, physical fitness, and medical qualifications. As we reported in 2005,<sup>12</sup> some site security officials recognized they would have to carefully craft career transition plans for protective force officers who may not be able to meet TRF standards. Adding to these concerns are DOE’s broader efforts to manage its long-term postretirement and pension liabilities for its contractors, which could have a negative impact on retirement eligibility and benefits for protective forces. In 2006, DOE issued its Contractor Pension and Medical Benefits Policy (Notice 351.1), which was designed to limit DOE’s long-term pension and postretirement liabilities. A coalition of protective force unions stated that this policy moved them in the opposite direction from their desire for early and enhanced retirement benefits.

Concerns over TRF implementation and DOE’s efforts to limit long-term pension and postretirement liabilities contributed to a 44-day protective

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<sup>10</sup>DOE Order 251.1C, *Departmental Directives Program*, specifies that DOE directives should focus on results by specifying the goals and requirements that must be met and, to the extent possible, refraining from mandating how to fulfill the goals and requirements.

<sup>11</sup>Our recent review showed that DOE’s policy for nuclear weapons security provides local officials with greater flexibility than the Department of Defense’s policy for determining how to best meet security standards and has a greater emphasis on cost-benefit analysis as a part of the decision-making process. See GAO, *Homeland Defense: Greater Focus on Analysis of Alternatives and Threats Needed to Improve DOD’s Strategic Nuclear Weapons Security*, [GAO-09-828](#) (Washington, D.C.: Sept. 18, 2009).

<sup>12</sup>GAO, *Nuclear Security: DOE’s Office of the Under Secretary for Energy, Science, and Environment Needs to Take Prompt, Coordinated Action to Meet the New Design Basis Threat*, [GAO-05-611](#) (Washington, D.C.: July 15, 2005).



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force strike at the Pantex Plant in 2007. Initially, Pantex contractor security officials designated all of the plant's protective force positions as having to meet a more demanding DOE combatant standard,<sup>13</sup> a move that could have disqualified a potentially sizable number of protective forces from duty. Under the collective bargaining agreement that was eventually negotiated in 2007, some protective forces were allowed to meet a less demanding combatant standard. DOE has also rescinded its 2006 Contractor Pension and Medical Benefits Policy. However, according to protective force union officials, failure to resolve issues surrounding TRF implementation and retirement benefits could lead to strikes at three sites with large numbers of protective forces—Pantex, the Savannah River Site, and Y-12—when their collective bargaining agreements expire in 2012.

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## Either Improving the Existing Contractor Forces System or Creating a Federal Force Could Result in More Uniform Management of Protective Forces

To manage its protective forces more effectively and uniformly, over the past decades DOE has considered two principal options—improving elements of the existing contractor system or creating a federal protective force. We identified five major criteria that DOE officials, protective force contractors, and union officials have used to assess the advantages and disadvantages of these options.<sup>14</sup> Overall, in comparing these criteria against the two principal options, we found that neither contractor nor federal forces seems overwhelmingly superior, but each has offsetting advantages and disadvantages. Either option could result in effective and more uniform security if well-managed. However, we identified transitional problems with converting the current protective force to a federalized force.

When assessing whether to improve the existing contractor system or federalize protective forces, DOE, protective force contractors, and union officials have used the following five criteria:

- A personnel system that supports force resizing and ensures high-quality protective force members.

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<sup>13</sup>DOE's combatant standards are defined by specific physical fitness, firearms, and medical qualifications. SPO-Is must meet defensive combatant standards, while SPO-IIs and SPO-IIIs must meet more demanding offensive combatant standards.

<sup>14</sup>We reviewed five DOE studies completed between 1992 and 2009, as well as responses to our data collection instrument, to identify these criteria.

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- Greater standardization of protective forces across sites to more consistently support high performance and ready transfer of personnel between sites.
  - Better DOE management and oversight to ensure effective security.
  - Prevention or better management of protective force strikes.
  - Containment of the forces' costs within expected budgets.

Evaluating the two principal options—maintaining the current security force structure or federalizing the security force—against these criteria, we found that if the forces are well-managed, either contractor or federal forces could result in effective and more uniform security for several reasons:

- First, both options have offsetting advantages and disadvantages, with neither option emerging as clearly superior. When compared with a possible federalized protective force, a perceived advantage of a contractor force is greater flexibility for hiring or terminating an employee to resize the forces; a disadvantage is that a contractor force can strike. In contrast, federalization could better allow protective forces to advance or laterally transfer to other DOE sites to meet protective force members' needs or DOE's need to resize particular forces, something that is difficult to do under the current contractor system.
- Second, a key disadvantage of the current contractor system, such as potential strikes for contractor forces, does not preclude effective operations if the security force is well-managed. For instance, a 2009 memo signed by the NNSA administrator stated that NNSA had demonstrated that it can effectively manage strikes through the use of replacement protective forces.
- Third, distinctions between the two options can be overstated by comparing worst- and best-case scenarios, when similar conditions might be realized under either option. For example, a union coalition advocates federalization to get early and enhanced retirement benefits, which are available for law enforcement officers and some other federal positions, to ensure a young and vigorous workforce. However, such benefits might also be provided to contractor protective forces.

Reliably estimating the costs to compare protective force options proved difficult and precluded our detailed reporting on it. Since contractor and federal forces could each have many possible permutations, choosing any

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particular option to assess would be arbitrary. For example, a 2008 NNSA-sponsored study identified wide-ranging federalization options, such as federalizing all or some SPO positions at some or all facilities or reorganizing them under an existing or a new agency. In addition, DOE would have to decide on the hypothetical options' key cost factors before it could reasonably compare costs. For example, when asked about some key cost factors for federalization, an NNSA Service Center official said that a detailed workforce analysis would be needed to decide whether DOE would either continue to use the same number of SPOs with high amounts of scheduled overtime or hire a larger number of SPOs who would work fewer overtime hours. Also, the official said that until management directs a particular work schedule for federalized protective forces, there is no definitive answer to the applicable overtime rules, such as whether overtime begins after 8 hours in a day. The amount of overtime and the factors affecting it are crucial to a sound cost estimate because overtime pay can now account for up to about 50 percent of pay for worked hours.

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## Federalizing Protective Forces Could Create Difficulties Either under Current Laws or with Special Provisions for Enhanced Retirement Benefits

If protective forces were to be federalized under existing law, the current forces probably would not be eligible for early and enhanced retirement benefits and might face a loss of pay or even their jobs. For example:

- According to officials at the Office of Personnel Management (OPM)<sup>15</sup> and NNSA's Service Center,<sup>16</sup> if contractor SPOs were federalized under existing law, they would likely be placed into the federal security guard (GS-0085) job series. Although a coalition of unions has sought federalization to allow members to have early and enhanced retirement benefits, which allows employees in certain federal jobs to retire at age 50 with 20 years of service, federal security guards are not eligible for these benefits.
- Our analysis indicated transitioning protective force members may receive lower pay rates as federal security guards. Contractor force members receive top pay rates that could not generally be matched under the likely General Schedule pay grades.

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<sup>15</sup>OPM is the central human resources agency for the federal government.

<sup>16</sup>NNSA's Service Center provides business, technical, financial, legal, human resources, and management support to NNSA site organizations.

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- If protective forces were federalized, OPM officials told us that current members would not be guaranteed a federal job and would have to compete for the new federal positions; thus, they risk not being hired. Nonveteran protective force members are particularly at risk because competition for federal security guard positions is restricted to those with veterans' preference, if they are available.

According to OPM officials, legislation would be required to provide federal protective forces with early and enhanced retirement benefits because their positions do not fit the current definition of law enforcement officers that would trigger such benefits. However, if such legislation were enacted, these benefits' usual provisions could create hiring and retirement difficulties for older force members. Older members might not be rehired because agencies are typically authorized to set a maximum age, often age 37, for entry into federal positions with early retirement. In addition, even if there were a waiver from the maximum age of hire, older protective forces members could not retire at age 50 because they would have had to work 20 years to meet the federal service requirement for "early" retirement benefits. These forces could retire earlier if they were granted credit for their prior years of service under DOE and NNSA contracts. However, OPM officials told us OPM would strongly oppose federal retirement benefits being granted for previous years of contractor service (retroactive benefits). According to these officials, these retroactive benefits would be without precedent and would violate the basic concept that service credit for retirement benefits is only available for eligible employment at the time it was performed. Moreover, retroactive benefits would create an unfunded liability for federal retirement funds.

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## DOE Seeks to Address Protective Force Issues by Reforming Contractor Forces, but Progress Has Been Limited to Date

In a joint January 2009 memorandum, senior officials from NNSA and DOE rejected the federalization of protective forces as an option and supported the continued use of contracted protective forces—but with improvements. They concluded that, among other things, the transition to a federal force would be costly and would be likely to provide little, if any, increase in security effectiveness. However, these officials recognized that the current contractor system could be improved by addressing some of the issues that federalization might have resolved. In particular, they announced the pursuit of an initiative to better standardize protective forces' training and equipment. According to these officials, more standardization serves to increase effectiveness, provide cost savings, and facilitate better responses to potential work stoppages. In addition, in March 2009, DOE commissioned a study group to recommend ways to

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overcome the personnel system problems that might prevent protective force members from working to a normal retirement age, such as 60 to 65, and building reasonable retirement benefits.

In addition, NNSA established a Security Commodity Team to establish standardized procurement processes and to identify and test security equipment that can be used across sites. According to NNSA officials, NNSA established a common mechanism in December 2009 for sites to procure ammunition. In addition, to move toward more standardized operations and a more centrally managed protective force program, NNSA started a broad security review to identify possible improvements. As a result, according to NNSA officials in January 2010, NNSA has developed a draft standard for protective force operations, which is intended to clarify both policy expectations and a consistent security approach that is both effective and efficient.

For the personnel system initiative to enhance career longevity and retirement options, in June 2009, the DOE-chartered study group made 29 recommendations that were generally designed to enable members to reach a normal retirement age within the protective force, take another job within DOE, or transition to a non-DOE career. The study group identified 14 of its 29 career and retirement recommendations as involving low- or no-cost actions that could conceivably be implemented quickly. For example, some recommendations call for reviews to find ways to maximize the number of armed and unarmed positions that SPOs can fill when they can no longer meet their current combatant requirements. Other recommendations focus on providing training and planning assistance for retirement and job transitions. The study group also recognized that a majority (15 out of 29) of its personnel system recommendations, such as enhancing retirement plans to make them more equivalent and portable across sites, may be difficult to implement largely because of budget constraints.

Progress on the 29 recommendations had been limited at the time of our review. When senior department officials were briefed on the personnel system recommendations in late June 2009, they took them under consideration for further action but immediately approved one recommendation—to extend the life of the study group by forming a standing committee. They directed the standing committee to develop implementation strategies for actions that can be done in the near term and, for recommendations requiring further analysis, additional funding, or other significant actions, to serve as an advisory panel for senior department officials. According to a DOE official in early December 2009,

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NNSA and DOE were in varying stages of reviews to advance the other 28 recommendations. Later that month, NNSA addressed an aspect of one recommendation about standardization, in part by formally standardizing protective force uniforms. In the Conference Report for the fiscal year 2010 National Defense Authorization Act, the conferees directed the Secretary of Energy and the Administrator of the National Nuclear Security Administration to develop a comprehensive DOE-wide plan to identify and implement the recommendations of the study group.

In closing, while making changes to reflect the post-9/11 security environment, DOE and its protective force contractors through their collective bargaining agreements have not successfully aligned protective force personnel systems—which affect career longevity, job transitions, and retirement—with the increased physical and other demands of a more paramilitary operation. Without better alignment, in our opinion, there is greater potential for a strike at a site, as well as potential risk to site security, when protective forces' collective bargaining agreements expire. In the event of a strike at one site, the differences in protective forces' training and equipment make it difficult to readily provide reinforcements from other sites. Even if strikes are avoided, the effectiveness of protective forces may be reduced if tensions exist between labor and management. These concerns have elevated the importance of finding the most effective approach to maintaining protective force readiness, including an approach that better aligns personnel systems and protective force requirements. At the same time, DOE must consider its options for managing protective forces in a period of budgetary constraints. With these considerations in mind, DOE and NNSA have recognized that the decentralized management of protective forces creates some inefficiencies and that some systemic career and longevity issues are not being resolved through actions at individual sites. NNSA's standardization initiatives and recommendations made by a DOE study group offer a step forward. However, the possibility in 2012 of strikes at three of its highest risk sites makes it imperative, as recommended by our report and directed by the fiscal year 2010 National Defense Authorization Act, that DOE soon resolve the issues surrounding protective forces' personnel system.

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Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions that you or other Members of the Subcommittee have.

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