

COMBATING SEXUAL EXPLOITATION OF CHILDREN: STRENGTHENING INTERNATIONAL LAW ENFORCEMENT COOPERATION

HEARING

BEFORE THE

**COMMISSION ON SECURITY AND
COOPERATION IN EUROPE**

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

JUNE 17, 2008

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COMMISSIONERS

	Page
Hon. Alcee Hastings, Chairman, Commission on Security and Cooperation in Europe	1
Hon. Chris Smith, Commissioner, Commission on Security and Cooperation in Europe	2

MEMBER

Hon. Debbie Wasserman Schultz, a Member of Congress from the State of Florida	6
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WITNESSES

Timothy Williams, Deputy Director, Interpol U.S National Central Bureau	4
Shawn Bray, Unit Chief, Ice Cyber Crimes Center Department of Homeland Security	6
James Finch, Assistant Director Cyber Division, Federal Bureau of Investigation	8
Ernie Allen, President and CEO, National Center For Missing and Exploited Children	18
Tim Cranton, Associate General Counsel Worldwide Internet Safety Programs, Microsoft Corporation	21

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JUNE 17, 2009

COMMISSION ON SECURITY AND COOPERATION IN EUROPE,
Washington, DC.

The hearing was held at 3:35 p.m. EST in B-138 Rayburn House Office Building, Washington, DC, Hon. Alcee Hastings, Chairman, Commission on Security and Cooperation in Europe, presiding.

Commissioners present: Hon. Chris Smith, Commissioner, Commission on Security and Cooperation in Europe.

Witnesses present: Timothy Williams, Deputy Director, Interpol U.S. National Central Bureau; Shawn Bray, Unit Chief, Ice Cyber Crimes Center Department of Homeland Security; James Finch, Assistant Director Cyber Division, Federal Bureau of Investigation; Tim Cranton, Associate General Counsel Worldwide Internet Safety Programs, Microsoft Corporation; and Ernie Allen, President and CEO, National Center For Missing and Exploited Children.

HON. ALCEE HASTINGS, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. HASTINGS. If I could ask our hearing to come to order and ask our witnesses to take their seats, I'd appreciate it very much. I'm very grateful for all of you being here today.

Child pornography has exploded into a multinational, multibillion dollar enterprise, with potential outlets in every home and office connected to the Internet.

Sex tourism is on the rise as international travel has become easier and cheaper. That may change a little bit with the way gas prices are going out there and the number of flights being changed, but I get the point here. There are strong indicators that those who view and possess child pornography are more likely to become predators and abuse children themselves, further feeding the cycle.

As with other addictive behaviors, these individuals are often driven into more extreme acts, preying on younger victims or employing violence. Organized crime, including gangs, also appears to be venturing further into the lucrative trade in children. As a result, global criminal networks are springing up, further complicating efforts to prosecute those responsible for these horrendous crimes against children.

In my state of Florida, there have been several cases involving sexual exploitation of children and in one recent case, a man was convicted of traveling to Cambodia for the express purpose of en-

gaging in sexual activity with children. In another, two men were convicted of producing pornographic videos of children and posting them on the Internet.

Law enforcement, both in the United States and abroad, has more cases to pursue than resources available. As many cases involve leads in more than one country, effective and expeditious international cooperation is vital to rescuing children and prosecuting perpetrators. Regular exchange of information and real-time access to leads is crucial to police actions. Slow bureaucracies and differing laws among countries are sometimes obstacles to investigations and prosecutions. Our commission supported two OSCE ministerial decisions that commit participating states to criminalize child pornography and stepping up cooperation with other countries to fight it. This political will is a good start, but it needs resources and practical tools for implementation.

I look forward to hearing from our witnesses and what they recommend the United States should do to help strengthen the international toolbox. I do welcome the agreement announced last week that Verizon, Sprint and Time Warner Cable have agreed to block access to Internet bulletin boards and Web sites nationwide that disseminate child pornography. Federal law requires Internet providers to report child pornography to the National Center for Missing and Exploited Children. But because it took customer complaints to trigger a report, this was not always effective. Before calling on my colleague, Representative Smith, the ranking member and a leader in this field, as the special rapporteur of the Parliamentary Assembly of OSCE for trafficking in humans, I'd like to know the order in which we will receive our testimony this afternoon.

Our first witness is going to be Timothy Williams, the Deputy Director of the U.S. National Central Bureau of Interpol, followed by Mr. Shawn Bray, the Unit Chief of the Immigration and Customs Enforcement Cyber Crimes Center and in the Department of Homeland Security, and then Mr. James Finch, the Assistant Director of the Cyber Division in the Federal Bureau of Investigation.

We will then hear from an additional panel of witnesses, Mr. Tim Cranton, Associate General Counsel, Worldwide Internet Safety Programs, the Microsoft Corporation, and Ernie Allen, President and CEO of the National Center for Missing and Exploited Children.

I'd like now to turn to Representative Smith.

For the biographies of our witnesses, you will find them available at the table outside, without me getting into all of the credentials. Gentlemen, when you do testify, your full statement will be entered into the record and you may summarize as you see fit.

Representative Smith.

**HON. CHRISTOPHER SMITH, COMMISSIONER,
COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

Mr. SMITH. Thank you very much, Mr. Chairman, for calling this very important hearing on the critical question of how we can strengthen international law enforcement cooperation to combat child sexual exploitation. According to the recently released State Department trafficking in persons report for 2008, an estimated

two million children worldwide are subjected to exploitation in the transnational sex trade.

A child who is forced into prostitution may be victimized by anywhere from 100 to 1,500 perpetrators in one year. It is estimated that more than four million Internet sites around the globe contain exploitive material about children and as many as 500 new sites are created daily. The U.S. Bureau of Federal Investigation estimates that \$20 billion worth of business revenue is generated annually from fee-based child porn sites.

Based on these numbers, it is apparent that sexual exploitation of children is becoming an increasing transnational crime, as travel becomes quicker and easier and the Internet provides a platform for pedophiles to access vast amounts of child pornography and to stalk children online.

Sexual predators travel to other countries with the express purpose of abusing children. Such crimes committed by an American, as we all know, can be prosecuted in the United States, even if the crime took place in another country. Many other countries are putting together and enacting similar laws, and I would note, as the chairman said, they must be matched with the resources. But that is only a start. We need to do more to fight these horrific crimes against children and because the crimes often involve more than one country, we need to ensure that our law enforcement authorities work as effectively as possible with their counterparts internationally both to prevent and investigate possible crimes involving child exploitation.

Mr. Chairman, in 1994, a seven-year-old girl in my district was brutally raped and murdered by a repeat sex offender living literally across the street, unbeknownst to the victim, her family or her neighbors.

This tragic event resulted in what is now known as Megan's Law—her name was Megan Kanka—which established a notification system to provide the public with the knowledge needed to prevent a similar crime from happening. But Americans are not the only ones concerned with protecting their vulnerable populations from predators. In the course of my work in combating human trafficking, especially as special rapporteur, I have met with numerous foreign government and law enforcement officials who have asked me what the United States is doing to prevent its citizens from traveling to their countries and abusing their children. It has become apparent to me that a global system must be established that gives notice of sex offender international travel to the appropriate authorities.

We know that law enforcement officials in numerous countries are working to provide such notice. For example, just last month, a South Korean newspaper reported that the attache from U.S. Immigration and Customs Enforcement Agency had informed South Korean officials of 21 individuals listed on the California sex offender registry.

These individuals have been identified as traveling frequently to Asian countries and all of them have been convicted in California of assaulting children under 14 years of age. South Korea announced that, based on the notice, it was banning any future entry by those sex offenders.

Foreign sexual predators also pose a significant threat to children and others within our borders. Since 2003, U.S. Immigration and Customs Enforcement agents have arrested over 9,100 non-U.S. citizens suspected of being child predators and sex offenders. Violations have included child pornography, child sex tourism, trafficking of minors and those who facilitate such exploitation.

Recently, U.S. officials learned that a lifetime registered sex offender from the U.K. was intending to move to California to live with a woman he met on the Internet and other young girls in her household. It was thanks to the Interpol communication of the U.K. sex offender travel notification system that the man was refused entry and the woman and girls in that house were spared possible victimization. While the officials who are taking these measures to prevent the exploitation of children are to be highly commended, the magnitude of the problem requires a more sophisticated systematic and comprehensive approach.

We have the data and the technology to seriously curtail this burgeoning criminal activity. What is required is the political will to implement and use it. That is why I've introduced a bill, Mr. Chairman, H.R. 57822, to galvanize that political will. The international Megan's Law aims to prevent child exploitation across borders by sexual offenders, specifically by establishing a system that provides notice to foreign government officials when a known sex offender in the United States intends to travel to their country, ensuring that foreign nationals have a committed sex offense are denied entry into the U.S., providing strict penalties for noncompliance by sex offenders with their reporting requirements, and requiring the State Department to report annually to Congress regarding the establishment of systems globally to identify and provide notice of international travel by sex offenders to authorities in destination countries.

It is evident that cooperation between law enforcement in each country is essential to accomplishing the goal of this legislation and to ending the exploitation of any child regardless of where he or she may live.

I look forward to hearing from our distinguished witnesses about efforts that are currently underway to promote this important goal and how we in Congress can support and further strengthen those efforts. I want to thank you for this very timely and important hearing.

Mr. HASTINGS. Thank you very much, Congressman Smith and Commissioner Smith. Mr. Williams, you may proceed as you see fit, sir.

**TIMOTHY WILLIAMS, DEPUTY DIRECTOR, INTERPOL U.S.
NATIONAL CENTRAL BUREAU**

Mr. WILLIAMS. Mr. Chairman, Mr. Smith, I want to thank you for the opportunity to address the commission concerning the fight against sexual exploitation of children.

Preventing crime, especially preventing crimes against children, is the goal of all law enforcement agencies. It is also a priority for Interpol to provide quick and effective responses to all incidences of crimes against children.

By way of background, my name is Tim Williams. I'm a U.S. marshal, with 23 years of law enforcement experience and detailed as the deputy director to the USNCB, as you said earlier. To fight crime against children, police need to cooperate on a global basis. Indeed, the Internet disregards the borders and complicates the work of police in identifying and locating offenders. Images of children can easily be taken and uploaded in one country and then made available to anyone in the world with a computer and an Internet connection. Consequently, the existence of a central entity to collect, store, analyze and disseminate images and information on the exploitation of children through the use of the Internet is crucial to effectively combating these offenses.

Interpol, the International Criminal Police Organization, with 186 member countries and an established communications network for police cooperation, is ideally suited to serve this role. In fact, the G-8, the European Commission and Europol have all recently reached this same conclusion. Interpol's main work involves serving as a secure communications network for its member countries and coordinating international investigations. Interpol also manages databases containing law enforcement information. Each of Interpol's 186 member countries has a national central bureau, like the USNCB, which serves as its representative to Interpol and the point of contact for all Interpol matters for the countries' national authorities.

Interpol is currently developing a program to combat child pornography, working in conjunction with member countries and certainly our law enforcement partners here in the United States. The program includes a child abuse image database, called the International Child Sexual Exploitation Database, or ICSE. That helps police in their efforts to identify both victims of sexual abuse and the offenders. The program and the database will allow specialized investigators in member countries to access the database securely and examine and analyze the images it contains. The Interpol system will also allow member countries to provide the images to the database for use by police in other countries.

Another key role that I believe Interpol will play is in the tracking of dangerous convicted sex offenders. Interpol will utilize its notice program to assist the U.S. Marshal's Service, Immigration and Customs Enforcement, the FBI and other law enforcement agencies track the most serious offenders who travel internationally.

One recent example of Interpol's role in the international cooperation was a case that you certainly made reference to involving a few countries. But last month, our Interpol headquarters sent out a worldwide message requesting assistance determining the identity of an individual that was photographed abusing young children. Within 48 hours after receiving numerous tips from the public in response to the Interpol notice, ICE agents arrested this individual in the state of New Jersey. This successful arrest demonstrated the outstanding cooperation between law enforcement officials in many countries around the world and the effectiveness of Interpol as a mechanism for this collaboration.

I want to thank you and I'm going to welcome any questions you have after everyone is done.

Mr. HASTINGS. All right. Thank you, Mr. Williams.

We've been joined by our colleague, Debbie Wasserman Schultz, my good friend and neighbor in the south Florida area, who has championed this particular measure, having filed a companion bill with Senator Biden that adds \$1 billion over eight years to improve the federal government's coordination in child abuse, sexual exploitation cases.

Debbie also wears another label and there have been some tragic situations in the last few days. She works very actively to try to help families and others cause children not to drown in swimming pools. In our neighborhood this past week, we had yet another example of why that legislation is important.

But, Debbie, if there are any comments you would like to make, you may.

**HON. DEBBIE WASSERMAN SCHULTZ, A MEMBER OF
CONGRESS FROM THE STATE OF FLORIDA**

Ms. WASSERMAN SCHULTZ. Mr. Chairman, I appreciate the opportunity to join the commission. Since I don't have much of a voice, I want to express my appreciation to you for extending the invitation. Thank you.

Mr. HASTINGS. Thank you. Mr. Bray, you may proceed, sir.

**SHAWN BRAY, UNIT CHIEF, ICE CYBER CRIMES CENTER,
DEPARTMENT OF HOMELAND SECURITY**

Mr. BRAY. Thank you, Chairman Hastings, Commissioner Smith, Ms. Wasserman Schultz. Good afternoon. Start with that. My name is Shawn Bray and I am the unit chief of the ICE Cyber Crimes Center, ICE being Immigration and Customs Enforcement. I appreciate the opportunity to discuss our authorities and responsibilities to you in the U.S. with respect to investigating trans-border and transnational child exploitation crime.

In my written statement, I set forth many of our missions and responsibilities, which I will not read or go through in detail, partly because I'm sure you're familiar with them and largely because I would rather focus on real examples of law enforcement cooperation on an international level and real cases, which is what I believe you would like to hear. I'd like to put these examples and cases in context by highlighting the responsibilities of the unit.

The Immigration and Customs Enforcement Cyber Crimes Center has three core missions. We investigate violations of immigration and customs law that occur in cyber space, including sexual exploitation of children over the Internet. This is a global explosion, partly due to the expansion of our communications systems and information technologies, which has been embraced by criminals and predators seeking to extend their reach into new frontiers.

The trafficking of child pornography is a prime example of this reach and is now facilitated and made easier through the growth of the Internet. We work diligently to identify and dismantle the international criminal organizations that operate commercial child exploitation Web sites, as well as identify those individuals that frequent and subscribe to these Web sites. We use and develop sophisticated investigative techniques to target those individuals, organizations and others involved in the exploitation of children via the Internet.

Now, I'd like to discuss the ways in which the Cyber Crimes Center coordinates closely with our domestic and international law enforcement partners and NGOs. First, communications are an absolute imperative across all channels, government, law enforcement, private and NGO. In order to be effective, it must occur. We understand the need for cooperation and teamwork not only within the United States, but with the international community, as well.

Many of these groups that we work with nationally and internationally include the Internet crimes against children task forces and the various elements under the Department of Justice, including Project Safe Childhood, our partners with the FBI, the Child Exploitation and Obscenity Section. Nongovernmental organizations, such as the National Center for Missing and Exploited Children, are necessary to maximize the effectiveness of the international investigations and our efforts to protect children.

With regard to the national center, ICE is a partner there and we do review, develop, de-conflict and assign leads from their Cyber tip line to the field nationally and internationally. We are also a member with the Financial Coalition Against Child Pornography, which I'm sure you will hear from President Allen later. We also conduct and have developed a national child victim identification program. This program is a technology-based solution, storing known victim images which we can use to support prosecutions. The ICE Cyber Crimes Center has populated this system with approximately 707 known victims series. These series consist of over 170,000 individuals images. These images are provided to law enforcement at all levels nationally and internationally.

Since strengthening law enforcement cooperation is of interest, I'd like to tell you some of the success stories that we've had in significant international partnerships.

The Virtual Global Task Force has a very simple mission—to make the Internet a safer place for children, to identify and locate and help those children at risk, and to successfully prosecute perpetrators of child exploitation. The members of that include the Australian federal police, the Royal Canadian Mounted Police, the United Kingdom's child exploitation online protection center, the Italian federal police, our partners at Interpol, and, of course, ICE.

Recent successes under the Virtual Global Task Force. Two weeks ago, on an afternoon, when I was spending time with my family, I received notification that we had rescued, within 24 hours, an 18-month-old that was being abused overseas. Images were posted to the Internet. They were found by ICE agents in the Midwest. They were communicated to headquarters. We took those to the Virtual Global Task Force, passed those over into the U.K., where they were able to affect an arrest, within 24 hours, rescuing an 18-month-old child. Based on information from the Virtual Global Task Force that we received, we were able to rescue an 11-year-old boy in Maryland one week after the case was opened and the subject pled guilty, receiving a sentence of 30 years in that investigation. This is immediate. This is very direct and these kind of communications are exactly what I'm trying to highlight and focus on.

As horrific as those are, we've had the International Youth Advisory Congress, from July 17 to 21 of this year, over in London,

there will be the first ever Youth Advisory Congress set up of 200 young people to meet with business, law enforcement, government and representatives from the service community. Their goal will be to discuss child protection in their communities and child safety online. These young people will be approximately ages 14 to 17. Their mission, their charter for this first meeting is to establish a road map and strategy, a partnership with industry, government, law enforcement and education to sign up and eventually have a product to present to the U.N. It's an ambitious goal, but it's one that I'm sure that they're well suited for.

ICE will be representing the U.S. at this conference. We'll be sending 20 young people over there, along with four chaperones, school resource officers from the metro D.C. area. In addition to the global task force, ICE also has 54 attach offices worldwide. These attaché offices are the foundation of our law enforcement actions and partnerships, with particular emphasis on child pornography and child sex tourism investigations. Through these offices, ICE also serves to notify foreign governments of any aliens that are being deported with a history of child—or a sexual offense or a child sexual offense that will be returning to their countries. ICE also actively seeks information from these foreign governments as to anyone who may be traveling here to the U.S.

Through these offices, we've had particular success, as you may have heard, this past weekend about Leonard Auerbach, who was recently returned from Cuba to face child sex tourism and child exploitation charges. Within the past six months, we've had the return of an international fugitive, Kenneth Freeman, again, child sex tourism, child pornography, known for having molested his own family members. That particular investigation, ICE Special Agent Lisa Vlad received a special award from the National Center for Missing and Exploited Children. These are some of the few successes that we've had and I feel that they are germane to the subject and the topic at hand today.

I thank you for this opportunity. I'd be delighted to answer any questions you may have.

Mr. HASTINGS. Mr. Finch.

**JAMES FINCH, ASSISTANT DIRECTOR CYBER DIVISION,
FEDERAL BUREAU OF INVESTIGATION**

Mr. FINCH. Good afternoon, Chairman Hastings and distinguished members of the commission. On behalf of the FBI, I would like to thank you for this opportunity to address the FBI's role in combating the sexual exploitation of children through the use of the Internet and technology.

The FBI has taken an aggressive proactive posture in addressing the problem of child sexual abuse facilitated by the Internet and technology. Our program, Innocent Images, a national initiative, is comprised of over 40 task forces across the country. In addition to our national operations, we enjoy robust international relations that enhance our ability to address the crime in a global manner. Since 2004, we have operated an international task force from our office in Calverton, Maryland. Over 21 countries have participated by committing their officers to six months at our Calverton location. And through this mechanism, we've enjoyed a number of suc-

cesses. And we continue to strengthen the capabilities of our international partners through training. Currently, we have personnel providing training in Australia and, next month, I'm sending a team to Poland.

Providing training not only assists our partners in the investigative methodologies, but provides a liaison bridge that can be exploited during future investigations. My written testimony contains specific details and statistical accomplishments attributed to the FBI in this area.

I would like to express my appreciation to the commission for addressing this very serious crime and thank Chairman Hastings and distinguished members for the privilege of appearing before you today. I look forward to answering any questions you may have.

Mr. HASTINGS. I certainly thank all of you. And I sense that there are a significant number of activities in progress and perhaps it is that we don't have enough information about them that causes us to continue along the path of trying to find solutions.

One of the disturbing things that I find, in spite of the extraordinary law enforcement that each of you has identified, is that the media, and I guess because they don't have the same limitations that you do, seem to go out and find these matters, and then you have such a poignant display of child abuse as BBC put forward in dealing with children in a number of countries. The persons who exploited them, it appears, at least from that crowd, nothing has been done and the United Nations says "Thanks for your study and we'll look at it."

The reason I raise this is because if there is a country in the world that has had a continuing degradation of its fabric in every aspect it were behaving and then to find peacekeepers allegedly sexually exploiting children, I would like to know, does that come under the portfolio of either or all of you—and I want to deal specifically with Haiti—or is it when that kind of thing gets uncovered, is it because the allegations are against the U.N. peacekeepers that it hampers you in any way from the activities that you all seem to do so well?

What happens in that kind of case when peacekeepers are involved in exploiting children? It's gets studied, I gather. That's not within your gambit?

Mr. FINCH. I would say more with the State Department, sir.

Mr. HASTINGS. But the State Department or any other division of the respective governments need enforcement mechanisms and tools to be able to combat this kind of thing. I guess it raises an issue for those of us as policy-makers interfacing with the United Nations. I used Haiti, but that BBC story uncovered issues in the Ivory Coast and southern Sudan, as well. And it's particularly disturbing that you would have people whose responsibility it is to protect somebody and then go in and they wind up being abusers.

What would each of you say is the single most important thing that is needed to further the global cooperation that all three of you pointed to? Let me start with you, Mr. Williams.

Mr. WILLIAMS. Thank you, Mr. Chairman. I would suggest that right now we need to get more countries' cooperation outside of the U.S. and several countries. We still need to have them realize that this is a significant problem.

It's a worldwide problem, not just a U.S. problem, not just a Western problem. It's a worldwide problem and that's where I think we need to get that message across. It certainly can't come from one country and I think utilizing Interpol as a mechanism for training with our law enforcement partners here and awareness, having them be aware of the things that are going, because it's not just happening in any one country. You mentioned several and it certainly is going on in other places. Unfortunately, most of it, you're not going to hear about because it's not someone like a U.N. peacekeeper or something like that. It's the ones that you don't hear about and that's the scary part, the ones that we don't know about going on.

Mr. HASTINGS. Mr. Bray.

Mr. BRAY. I would say making sure that the countries with which we're cooperating and partnering have a compatible system of laws addressing these. In many areas, this is still not criminal activity. To go along with that, I would say almost equally important would be the establishment of training in many of these areas. Some of these countries are expanding in terms of technology and their laws simply are not either in place or are, sadly, woefully lacking.

In each case where we are able to establish these and we have outreaches, we're currently going into—we're sending a team into Bulgaria and Macedonia to do training. They're now coming online. We've spoken with countries and representatives of law enforcement at the federal levels in Central and South America, the Pacific Rim, who are now just coming to the table and asking for assistance. Again, I would say helping them build some sort of an infrastructure to work from would be critical.

Mr. HASTINGS. Mr. Finch.

Mr. FINCH. I would have to agree with my colleagues here that laws pertaining to child pornography vary from country to country. Right now, in over 80 countries, child sexual exploitation is not illegal. Child pornography is not illegal. Bureaucracy often thwarts the ability to pass information efficiently and numerous other operational realities when it comes to addressing this crime internationally exists, but I think the laws, more consistent laws is absolutely necessary.

Mr. HASTINGS. Mr. Smith.

Mr. SMITH. Thank you very much, Mr. Chairman. Let me just ask Mr. Bray, first of all. How does ICE learn that a pedophile or a convicted sex offender is traveling or intends to travel? Is it passive or is it better than that at this point as to how we get our knowledge?

Mr. BRAY. We actually get leads from many areas. We get leads from our partners internationally. A lot of times, they may be engaged in a chat or online or find information being posted online that indicates that we have certain proactive operations in which we reach out to our foreign counterparts through the State Department and foreign countries and we request this information.

A lot of times, we find out, sadly, after the fact. But if subjects are arrested in a foreign country for these crimes or have been picked up for these crimes and we can get that referral through the

State Department, we can then start assembling that case back here stateside.

Mr. SMITH. Would it be helpful if there were to be an international Megan's Law so that countries would be noticed prior to departure of a convicted sex offender?

Our legislation would require at least 21 days prior to leaving and the hope is that if a country like Cambodia or Thailand or Romania, where this kind of exploitation is rampant, they simply would not allow them to come? In my contacts with people who run the tip offices in these countries, they seem very enthused at the prospect of having actionable information in a timely fashion to deny such entry.

I'm wondering if you've looked, any of you, at our pending legislation, which is ready to go, but we are always willing to make any changes. It's got to move soon. I was recently in Brazil and went to Brasilia and Rio, and I'd say, Mr. Chairman, in answer to your question about, in part, you raised a very important point about the peacekeepers in general, Haiti in particular. I actually met with the people who train the soldiers who are then deployed, and, in this case, they are on their way to Haiti, and while the NGOs and the others seem to be very well meaning, the lack of data, there was like a 45-minute CD with a little bit of amplification by an instructor and that seemed to be it. We find that that often is what masquerades as in-depth training for peacekeepers and it falls far short, obviously. It needs to be reinforced up and down the command. I would say, to his credit, the president, our president, when he initiated his zero tolerance policy in 2002, there has been a robust implementation of it throughout the chain of command and it's still not exactly where we'd all like to be, but it is good.

The U.N., have a zero tolerance policy, as well, but it's zero compliance when it comes to implementation. That's a bit of an exaggeration. There are some units and some people who are doing a magnificent job, but, by and large, it's still falling short. I know it doesn't fall under your purview, but it is an issue that the trafficking office and others take very seriously.

One of the things we did do, Mr. Chairman, in the 2005 Trafficking Victims Protection Act reauthorization, we wrote in specific language that said that governments that deploy peacekeepers will be judged under the minimum standards as to how well or poorly they're doing in trying to make sure that people are vetted properly before deployment and if they commit atrocities, like they did in D.R. Congo and elsewhere, they will be held to account and prosecuted, and, if not, they will fall perhaps even into tier three.

I think that gives an added tool. But I found, in some of my travels, Mr. Chairman, including Brazil, that our tip officers weren't even aware yet that that was a requirement and their data calls needed to include that. We need to implement that a little bit better.

But on this Megan's Law, do you think that international legislation would be helpful? We know that there are a lot of countries that don't have databases, but our hope is that this will encourage the creation of databases so that they, too, know who it is that's committing these heinous crimes against their children, so we could bar them from entry into the U.S.

Mr. Bray.

Mr. BRAY. We would do anything we could to protect children and certainly knowing that a violator is on his way inbound is extremely important. Our partners with CBP would certainly benefit from that. The State Department for outgoing on the Megan's list, as well. We have had a particular success, and I'd point back to law enforcement international cooperation. It probably wasn't a week ago, we turned back a traveler from Australia. We had notification that he was on their registered list. He had notified them prior to departure and we spoke to him at the LAX and gave him the opportunity to wait about 17 hours before returning home. He was denied entry. That wouldn't have been possible without the notification of the Australian federal police.

Mr. SMITH. I would hope that you would take a good look at it. We did work with some people at ICE and at the tip office in crafting it and others. I think the sooner we get something like this enacted, the better. Otherwise, we've got to rely on tips and all. But if we systematize it, it won't be perfect, it'll have glitches galore, but at least we'll save more children from this horrific abuse.

How does Interpol get its information about traveling predators?

Mr. WILLIAMS. From our member countries, we receive information if a sex offender is traveling, convicted sex offender is traveling to the United States. They'll notify us through messaging and we will obviously contact ICE, CBP to have that individuals stopped. Usually when they know that it's a convicted sex offender, they'll deny the entry. If they can legally, they will deny and then send them back on the next plane.

We work with like the Department of Justice SMART office, sex offender management and registration tracking office, on this whole new Adam Walsh Act and the new registrations and we hope that, in the future, that we have more interaction with the states as far as when they have sex offenders that are traveling overseas, that they can notify us.

The state of Florida is certainly the example for the rest of the country right now, as far as they notify us, a simple message. We have a template. This sex offender is traveling to this address in the U.K., being there three weeks, and we put a message together and send it to the U.K. to let them know that that individuals, convicted sex offender is going to be traveling to there. It doesn't mean they can't travel there, but that country should know that we certainly want to know when sex offenders are traveling here and vacationing, teaching.

I think the last couple weeks, we've had a few arrests by ICE and the Marshal's Service of teachers, coaches, camp counselors in various parts of the country. It's very disturbing when people in those kind of positions have the opportunity to hurt our children.

Mr. SMITH. I have a lot of questions, but I'll just narrow to just a final few. I wonder if you could tell us how many repeat offenders do you find, particularly, and the nexus between child pornography and the physical exploitation of children? Do you find a connection? Like this man that brutally raped and then killed Megan Kanka, he had spent more than a dozen years in a prison, got out and then went right back to his terrible deeds. Do you find that there are

a lot of repeat offenders and they're using the Internet and these sites to feed on their evil?

Secondly, the Youth Advocacy Congress and the 20 young people, how do they get picked? How do those young people emerge as interested in this? I think it's great, but I was just wondering who they are and how they are selected.

On the issue of the sites, and the sites are proliferating, in a perverse way, the Chinese government has mastered the blocking of sites using Google, Microsoft, Cisco and other technologies that are out there, and they're trying to suppress religious freedom and political freedoms. We know that obscenity is not legal. It's not protected speech. I'm wondering if more could be done with the Internet companies to block these terrible sites, particularly as you identify them and know that these are where these predators are feeding.

I'm wondering if there's a way of admonishing or maybe even through legislation ensuring that this kind of demoralization of a crime that perpetuates itself over and over again could be blocked, so that you do a Google search and those things don't show up. If you do a Google search in China, religious freedom, Dalai Lama, Taiwan, none of that shows up. If you do a Google search here for child porn and I'm sure, based on the numbers, the number of hits are in the millions. I'm wondering if you think that's an advisable course, doable technologically, because I think that's going after it at its source.

Mr. FINCH. Yes, sir. Technologically, it's doable. However, in the effort or in an attempt to block certain sites, I think there would be a degree of collateral damage or collateral sites blocked, as well.

But it's certainly doable. Is it something I would advise? I think I would leave that to companies like Microsoft and Google who deal with that on a daily basis.

Mr. SMITH. But as you answer that, you know better than anyone and the teams that you work with what it is that's going on. There might be plausible deniability here, for the sake of argument, that a Google or a Microsoft their CEOs aren't Googling that garbage.

Your guys see it and they know what it's doing to children. If the collateral damage is done, and I'm not in any fear of free speech ever going away in the United States, but if, for the sake of hundreds of thousands or millions of children globally, this market in the U.S., which is one of the prime markets for all of this evil, that would be an acceptable collateral damage, in my opinion, if one or two sites find themselves out of business while you go after these terrible child abusers.

Mr. Bray.

Mr. BRAY. I would agree with Mr. FINCH. I would say technologically possible and feasible, absolutely. You have tremendous minds at Google and Microsoft that could come up with a mechanism for handling that, working with the ISPs, as well. When we're looking at issues as far as collateral, I would want to see that technology and I'd certainly want to see its effect before we committed to such a thing. I've heard great things about it in some countries and in other countries it hasn't appeared to have been as effective, and a lot of it just depends on the mechanism in which the child

porn is accessed there. I would say, with caution, it would certainly be something to be looked at.

You asked about the International Youth Advisory Congress. As far as the selection of those personnel, I'd like to thank the National Center for Missing and Exploited Children. They were great partners in those selections through their school outreach programs. We identified, again, from around the country, just 20 phenomenal, outstanding students, not only in terms of scholastics, but in terms of their knowledge of the Internet and the use of computers. So we should acknowledge that.

Mr. HASTINGS. Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman. Again, I appreciate the opportunity to participate in this hearing and thank you for calling it. The sense that I get from the testimony is that one of the major goals that we have in the future is to begin with a lot more international cooperation. Is that correct?

Are you aware, Mr. Finch, of the provision in the Senate bill, the one sponsored by Senator Biden, that Chairman Hastings referred to earlier, that allows for greater international cooperation between ISPs and foreign governments as long as proper treaty requirements have been satisfied?

Mr. FINCH. I am familiar with it, ma'am. I am not conversant in all aspects of that legislation.

Ms. WASSERMAN SCHULTZ. Does the FBI support that provision in that legislation?

Mr. FINCH. The FBI is looking at the legislation. I can't say that a decision has been made as to whether it is supported or not in the FBI.

Ms. WASSERMAN SCHULTZ. Is it fair to say that the FBI is leaning against that provision in that they have not been supportive thus far?

Mr. FINCH. I can't say that they are not supportive of the legislation, but I can't say with any certainty that they hold a firm position on this legislation right now.

Ms. WASSERMAN SCHULTZ. I'm not talking about the legislation. I'm talking about that provision related to international cooperation.

Mr. FINCH. With the ISPs.

Ms. WASSERMAN SCHULTZ. If the goal is to move forward with more international cooperation, it's hard to understand why the FBI would be opposed to a section of the bill that would do just that.

Mr. FINCH. I know there are some concerns about the legislation as far as creating possible intelligence gaps by the information going abroad and intelligence gaps being created here because we are not privy to what information or intelligence has gone abroad.

Ms. WASSERMAN SCHULTZ. I want to direct you to a letter that you wrote to Senator Biden on July 11 last year that indicated that the current number of personnel assigned to the Innocent Images National Initiative located in Calverton, Maryland was 32 members. Is that still the case that there's still only 32 people that are employed at that project?

Mr. FINCH. No, ma'am. That number is larger. The exact number is 40-plus, but we have also created a forensics laboratory dedi-

cated to addressing only Innocent Images or child sexual exploitation matters. That number has increased at least by 10.

Ms. WASSERMAN SCHULTZ. So maybe there's 42.

Mr. FINCH. Yes, ma'am.

Ms. WASSERMAN SCHULTZ. Forty-two individuals who are dedicated to a problem the size and scope that we're talking about here.

Mr. FINCH. That's in the Washington, D.C. area at Calverton. That's not including the 41 undercover operations across the country in our field offices.

Ms. WASSERMAN SCHULTZ. In your letter, which was signed by you, you indicated to Senator Biden that in fiscal year '05, the Innocent Images project actually had to transfer \$2.3 million to the Internet crimes complaint center. There was an actual reduction in the funding and the number of staff that were at that project, according to your letter. Is that the case?

Mr. FINCH. Money was transferred to the Internet crimes complaint center, but the Internet crime complaint center addresses the Innocent Images National Initiative. The Internet crime complaint center receives complaints on child sexual exploitation. They package that information and they forward it to state, local, federal law enforcement agencies, depending on the nature of the report.

Ms. WASSERMAN SCHULTZ. I sit on the Judiciary Committee and we had Marcus Mason testify in front of our committee in October that the number of agents dedicated actually shrunk from the level the previous year. He actually said there were fewer agents dedicated to child exploitation investigations. I asked him that question myself in October in a hearing in the Judiciary Committee on this issue.

Mr. FINCH. That number right now, and I am going to approximate the number, but I think the number is in excess of 250 agents.

Ms. WASSERMAN SCHULTZ. But is it fewer than the year before that?

Mr. FINCH. That I can't be certain of.

Ms. WASSERMAN SCHULTZ. According to Marcus Mason, who is someone that would know, I would think it was. And lastly, Mr. Chairman, before I wear out my welcome here. Are you aware of the studies that have been done by Special Agent Flint Waters of the Wyoming Internet Crimes Against Children Task Force that demonstrate that U.S. law enforcement is investigating fewer than two percent of the activity that exists in the United States?

Mr. FINCH. I am familiar with that study.

Ms. WASSERMAN SCHULTZ. And no one had disputed the accuracy of that study and as a result, I'm wondering if you've asked for more money so that you can investigate more of the crimes that are out there.

Mr. FINCH. I believe that tool being used in that—and I can't speak to the accuracy or the procedures associated with that particular tool being used. We use the different tools and different procedures.

Ms. WASSERMAN SCHULTZ. I just asked you whether you would ask for more money.

Mr. FINCH. As far as asking for more money—based on that report?

Ms. WASSERMAN SCHULTZ. Based on the fact that no one has disputed, in the over a year that I've been involved in this issue, that we are only investigating less than two percent of the crimes against children related to child pornography that are out there right now. As a result, because that doesn't seem like very much, I would think that the department would be interested in expanding their funding that they could investigate more of these crimes.

Mr. FINCH. And we have received additional funding for our Innocent Images National Initiative.

Ms. WASSERMAN SCHULTZ. Have you asked for more funding?

Mr. FINCH. Yes, we have.

Ms. WASSERMAN SCHULTZ. In this fiscal year? And I serve on the Appropriations Committee, so I can certainly check.

Mr. FINCH. I'd have to check with my budget person.

Mr. HASTINGS. Will the gentlelady yield just a moment?

Ms. WASSERMAN SCHULTZ. I'd be happy to yield.

Mr. HASTINGS. I guess put another way, do you have enough resources?

Mr. FINCH. The nature of this crime, you can put—as many resources as you can dedicate to this particular crime, we can use.

Mr. HASTINGS. Do you have enough now? I understand that you could use money ad infinitum, but you also know that there would have to be a low threshold.

Mr. FINCH. What I normally do is look at the challenges facing my people addressing this and discuss with them where they need the resources, if they need them in the undercover cases, if they need them in the overseas training, and then I make that decision. But I can always use more resources, yes, sir. And as far as have I asked, we usually ask for more resources, sir.

Mr. HASTINGS. I thank the gentlelady for yielding.

Ms. WASSERMAN SCHULTZ. Thank you very much. To conclude, Mr. Chairman. I realize, Mr. Finch, that you are professing to not know whether you are opposed to the Section 306 of Senator Biden's bill, but my understanding is the department and the FBI are opposed to that section and that your concerns are related to the issues that you outlined a few minutes ago.

But it's perplexing to me, in a hearing where we're talking about the need to move forward cooperatively on an international basis, why DOJ and the FBI would stand in the way of the very goal that we're talking about trying to accomplish here, especially when you are investigating less than two percent of the cases here in the United States. You don't really ask for more resources in any kind of an aggressive way. You shift money around and actually reduce the amount of employees that are dedicated to investigating these crimes. There are actually 2,342 investigators in the Department of Justice for white collar crime and only 232 dedicated to child exploitation investigations, and that I know to be true.

It's a continuing source of frustration for me to know that the Department of Justice says that this type of investigation is a priority, when it doesn't appear to be willing to back that up with resources and manpower. Mr. Chairman, I realize that I have taken an aggressive tact here, but I appreciate the opportunity to be here.

Mr. HASTINGS. I appreciate it. Senator Smith.

Mr. SMITH. Thank you, Mr. Chairman. I'm wondering if any of you have an opinion on the agreement that Andrew Cuomo in New York, the attorney general, struck with Verizon, Sprint and Time Warner Cable to block sites that carry child porn and whether or not that might not be a model for a nationwide strategy by the U.S. attorney general. They came to that agreement last Tuesday.

Mr. BRAY. Like everyone else, I believe I saw the release on that. It was certainly interesting. It was a tact that obviously we haven't seen taken before and to be honest with you, sir, I'm going to be very interested to sit down and take a look at how that works out overall. Again, we discussed the fact that as far as technologies, is this available to us, what are the ultimate results going to be and we'll have to wait and see what that is. Very proactive and certainly congratulations to them for taking that strong stance.

Mr. SMITH. Mr. Finch.

Mr. FINCH. Blocking sites can be effective. Many sites are prepared for that and there are mirrored sites and they pop up elsewhere. Vigilance is certainly necessary when one starts out to block certain types of sites. Numerous techniques are used to avoid being blocked, certain key words, but it can be effective.

Mr. SMITH. But even with a shadow or mirror site it seems to me that if the effort were expended, and, as my good friend and colleague from Florida mentioned, two percent of these actions are being looked at and only two percent, it seems to me it's another weapon or another tool in the toolbox. I hate to say this, because I've introduced the Global Online Freedom Act, which Microsoft and others loathe right now because of what's happening in China, but reverse it and bring it here, I'm not as concerned about collateral damage when children are the victims and victims en masse.

It seems to me that if we think even inside the box, because Cuomo's already doing it, and say let's take what works, perhaps borrow from it, improve upon it, if that's possible, and roll out a national strategy, and I would certainly hope you'd get back to us as quickly as possible on your reflections on it and, obviously, we'll pursue it as we've been with the attorney general's office here in Washington. But it seems to me it's like a war. If we are in a war to save children, you use every weapon, every bit of intelligence, human intelligence, every possible technological means to go after the perpetrators of these crimes.

And I say this knowing that you're on the front line, you're doing a magnificent job every day to stop these terrible crimes, but I think as a policy, from a policy point of view, we could do more and it means going after the ISPs, going after these large companies. And it wasn't until Cuomo actually found some things that made him want to negotiate that those three that I mentioned were amenable to a negotiation. All of a sudden, they found they can do it.

Mr. HASTINGS. I would appreciate an opportunity to follow-up with you, as Representative Smith has just done, and if you would be kind enough to answer his questions. One of the things, Mr. Williams, I wish you would stress for me is, looked at another way, when a person is a suspect and goes into Interpol and it turns out that the individual hadn't done anything, what's the procedure for getting out of the mess? It's like credit reporting. Once you've been tagged—and I won't bother you now, so you can get to other wit-

nesses, but if you would just drop me a line on that, it would be deeply appreciated.

Mr. WILLIAMS. Yes, Chairman, I definitely will do that.

Mr. HASTINGS. All right. I thank you all. Now we would like to ask our second panel, Mr. Tim Cranton, who is Associate General Counsel of Worldwide Internet Safety Programs of Microsoft, and Ernie Allen, President and CEO of the National Center for Missing and Exploited Children. And I thank all of you for being here and our new witnesses. Mr. Allen, since you sat down first, we will start with you.

ERNIE ALLEN, PRESIDENT AND CEO, NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

Mr. ALLEN. Well, Mr. Chairman, you have my written testimony. With your permission, I'd like to briefly summarize.

Mr. HASTINGS. Without objection.

Mr. ALLEN. First, let me thank you and Mr. Smith for your great leadership on our issue. We had the honor to work with you on at the last Parliamentary Assembly at the OSCE. You led the charge that passed a resolution that we believe is changing law across the region and there's going to be another resolution at the upcoming meeting in Kazakhstan. I wanted to report to you that it is having impact and to thank you for your efforts that made it possible.

Let me briefly report to you on behalf of our two organizations, the national center and our sister organization, the international center. The national center's longest running program to address child sexual exploitation is its congressionally-mandated cyber tip line. The 911 for the Internet serves as the national clearinghouse for investigative leads and tips regarding crimes against children on the Internet. The cyber tip line is operated in partnership with the FBI, ICE, the Postal Inspection Service, the Secret Service, Child Exploitation and Obscenity Section at the Justice Department, and the Internet Crimes Against Children Task Force program. Reports are made by the public and by electronic service providers who are required by law to report to the cyber tip line. Our analysts review them, evaluate the content, do additional public search, use search tools to enhance, to determine the geographic location of the apparent criminal act, and provide that information to the appropriate law enforcement agency for investigative follow-up.

Next week, we will receive our 600,000th report since the creation of the cyber tip line in 1998, more than 100,000 reports last year alone, and we're on track for 120,000 this year. In addition, the electronic service providers have reported to us more than five million images of sexually exploited children. The categories in which we're receiving those reports are all going up. In 2007, we saw an increase of 23 percent in child pornography reports, 66 percent in online enticement of children reports, 58 percent in child prostitution, 10 percent in child sex tourism reports, nine percent in child molestation reports, and a 31 percent increase in misleading domain names.

ICE forwards those cyber tip line reports about child pornography to law enforcement agencies in other countries and ICE attaches stationed abroad access our cyber tip line via a virtual pri-

vate network and, under this system, law enforcement in 21 countries receive those reports, and we're currently in discussions with law enforcement in three additional countries. The cyber tip line also receives reports from members of the International Association of Internet Hotline Providers, INHOPE. To date, members have sent almost 50,000 reports of apparent child pornography to our cyber tip line and there are currently 33 INHOPE hotlines in 29 countries.

Another national center program is our child victim identification program. Our analysts work with our federal law enforcement partners to help prosecutors get convictions by proving that a real child is depicted in child pornography images and, secondly, we work with law enforcement to locate and rescue those child victims. To date, our analysts at the national center have reviewed 14 million child pornography images and videos, seven million last year alone. We share these images with international law enforcement officers who provide vital information that helps us identify and rescue the children.

We're also attacking child sexual exploitation in partnership with industry leaders, much as Mr. Smith raised in the last round of questioning, through our technology coalition, which includes AOL, EarthLink, Google, Microsoft, United Online and Yahoo. We are working with those companies, including Mr. Cranton, to try to develop and deploy technology to identify those specific illegal images in order to disrupt their transmission. And let me interject here, 95 percent of the content out there is out there forever and what we are doing is trying to develop a database of those digital fingerprints, hash values, so that we can identify the transmission of identified unlawful images.

We're also working on an initiative with electronic service providers and international law enforcement to limit access to Web sites containing child pornography. Our cyber tip line analysts identify active sites with illegal content and compile a list of those sites' uniform resource locators, the URLs. As you mentioned, last week, we entered into an agreement, through Attorney General Andrew Cuomo in New York, to provide that list of URLs to the three participating companies in that agreement. We're currently providing it to 14 companies and similar techniques have been used for some time in the United Kingdom, in Sweden, in Norway, in Denmark, in Canada. Last week, French authorities announced that they were going to take steps to block those images. We think this is an important step for us to explore here in the United States.

Our national center and our international center also coordinate the Financial Coalition Against Child Pornography, whose goals is to eradicate commercial child pornography. Currently, that coalition is made up of 30 companies, including MasterCard, Visa, American Express, Bank of America, Citigroup, Internet industry leaders, like Microsoft, and others that represent 95 percent of the U.S. payments industry. Based on tips to the cyber tip line, the national center identifies Web sites containing illegal images with method of payment information attached. We forward this information to law enforcement, which makes purchases on a particular

site, enabling law enforcement to identify who and where the merchant bank is, where the account resides.

If law enforcement does not proceed with an investigation, we are notifying the financial company and they are taking action based on their terms of service agreement. Already we're seeing progress. In less than two years, credit cards have now virtually disappeared as a method of payment for this kind of content and the purchase price of the content has increased dramatically. We are now working to expand the financial coalition on the international level. We have discussions underway in the Asian Pacific region and the European Union is currently considering the creation of a similar coalition. On the international level, in partnership with Microsoft and in conjunction with Interpol, we are also trying to build law enforcement capacity around the world. Thanks to Microsoft's support, we have trained law enforcement officers from 111 countries in how to investigate computer-facilitated crimes against children. The goal is to build a worldwide cadre of experts that we can mobilize to attack this problem.

I know this is a daunting challenge, but let me just briefly mention a few recommendations. First, you worked with us as a result of our 2006 report reviewing the law on child pornography in the 186 member countries of Interpol. As you may recall, in 95 of those countries, there was no law at all. In 135 of those countries, they did not criminalize the possession of child pornography. We were honored to have the opportunity to work with you, but the challenge remaining is daunting. Two countries criminalized the possession of child pornography last year, Costa Rica and the Czech Republic. There's a lot more to do.

Second, we need to make crimes against children a priority on the national agendas of so many more of these countries. Even when countries have adequate child protection law in place, and most do not, if these countries don't make this a national priority, law enforcement will struggle to investigate the crimes without sufficient funding or proper infrastructure. Lots of governments are focusing on financial crimes and terrorism, not realizing that child sexual exploitation contains elements of both. We think we need to educate governments and work with the regional organizations.

Third, despite the progress that we've made, we believe that we need additional training for law enforcement around the world and this needs to be a topic for discussion at more international conferences. There needs to be a forum for law enforcement and government officials to share best practices and discuss ways to cooperate and share information more effectively.

Fourth, those countries that have built the capacity need to be encouraged to coordinate with ICE so that they're able to receive our cyber tip line reports via the VPN. These cyber tip line reports contain lead information about crimes against children that are being committed abroad, that are being committed all over the world, and law enforcement agencies can and must use them to help prosecute offenders in their own countries.

Fifth child sex tourism is a devastating problem and continues to grow in many new countries. We need to ensure that the necessary resources are provided to these countries where children are most at risk, and those resources can be used for public education,

for counseling, for medical services for the victims, for law enforcement, and, to the extent possible, international law enforcement needs to share information that would enable them to better track these offenders who move from country to country in order to get access to these children.

Finally, we were very pleased that the United States Senate ratified the Council of Europe's convention on cybercrime. We think it's an important step forward. More countries need to do it.

Mr. Chairman, I don't have a lot of easy solutions, but we're thrilled by your leadership and eager to be of assistance.

Mr. HASTINGS. Thank you very much, Mr. Allen. You were very clear. I appreciate the fact that you gave us recommendations that we can certainly build on, and that's very much appreciated by you. In addition to the fact in a number of places, Chris Smith doesn't have any peers here in Congress in dealing in human trafficking. Many of us support his efforts. But it is good to know and I'm sure he was pleased, as he is here, to know that when we do these resolutions, like we did in Brussels, that somewhere along the line, it may have an impact.

Sometimes we don't get to feel that impact, because the problem is so huge. Thank you again for that testimony. We'll have questions in a few minutes. Mr. Cranton.

TIM CRANTON, ASSOCIATE GENERAL COUNSEL, WORLDWIDE INTERNET SAFETY PROGRAMS, MICROSOFT CORPORATION

Mr. CRANTON. Thank you, Chairman Hastings, Ranking Member Smith. I'd like to thank you for allowing Microsoft to speak here today, specifically to address what industry can do to help advance law enforcement information sharing internationally.

I'd like to recognize, first, and express gratitude for both of your leadership in this area and for helping advance this very important issue, particularly on a global and an international level, because we feel that's the right way to be looking at this, as a problem, and recognizing that these crimes are global and that we need to develop global solutions to address them that enable the type of information sharing that can capture the criminals that are involved in child exploitation issues.

It's also much a privilege for me and for Microsoft to share the panel with Ernie Allen, who is truly a visionary in advancing global cooperation both through the national and international centers, which are model child advocacy centers around the world, and we're delighted to be here to share in this conversation.

I've submitted detailed testimony that goes through a broader explanation of Microsoft's approach as industry in advancing this information sharing and advancing this issue.

What I'd like to focus on today is one specific topic and that is how industry can do what it does best, which is develop technology or at least the IT industry, to try to make a difference here and to develop technology solutions that can really help facilitate across all the different stages, and Mr. Allen has outlined it really well, from the service provider through to the clearinghouses and then on to law enforcement and having a very effective information sharing mechanism and technology tools across all three of those

stages is critical for success here, and that's where we feel industry can make a real difference.

If you'll indulge me for a minute, I have PowerPoint slides and would just like to very briefly walk through a scenario relating to a tool that we have developed, called the Child Exploitation Tracking System, also known as CETS.

When CETS was first developed, the vision or the aspiration of the tool is to create this global information sharing community among law enforcement.

The demonstration that I'll provide is hypothetical and aspirational and this is where we're trying to go. This is what we hope eventually technology can enable.

Very quickly, CETS is a tool for law enforcement. It was developed directly in conjunction with law enforcement not only to help them manage their investigations, law enforcement is very familiar with case management systems, but we tried to add some additional functionality on top of that that would really enable law enforcement to share information across agencies and across national boundaries and to search that information.

Once you build this global database of information, any time that an investigation occurs, you can be searching across all the various pieces of information in those investigations. To bring those law enforcement agencies together. That's what the tool is designed to do. What's very critical, and it's been mentioned several times during the hearing, is the legal framework. This is a technology tool that enables this. But the only way that it works is if the legal framework is in place that enables the law enforcement sharing, especially when you start talking about global law enforcement sharing.

We've designed the tool so that it actually has different levels of sharing to try to facilitate the complexities that occur across countries. There are three levels of sharing that you have. You can have no contact sharing. If there are two countries that are contributing into the CETS system that don't have legal agreements in place or don't have the level of trust, they can say, "We're not going to be sharing information between those two countries."

Secondly, you have contact level sharing. There might be a certain level of understanding or trust between those countries or those agencies and they would say, "We would prefer not to actually give access to our investigative database, but what we'd like to have is, if there is a link between investigations, to just identify and flag it on a contact basis." And then there's extended information sharing, which essentially reflects a full trust and sharing of investigative details between agencies. I'll very quickly walk through an example of how this might play itself out.

In this particular scenario, there's a police officer in Vancouver, in Canada, which is one of the countries that has deployed CETS, and they get a tip from an ISP, a service provider, of an image, a known child pornography image. This officer would go into CETS, and this is the homepage that they would see, and they'd click on the "import image" screen. When they do that, they're able to upload the image. A new functionality that we've built in here is actually that image can then be searched across the entire database. You can see if there's any other investigation that involves that same image and that would be triggered.

In this particular case, the image doesn't trigger, but there is the computer address that has been added into the report from the law enforcement officer. In this case they say there's been a child pornography image across our services and it looks like it's coming from this computer that's located in Europe. Then the officer can actually update the report to reflect that fact and to reflect the ISP and actually make a referral to the law enforcement agent in Europe. Then they enter all these information in. They enter that IP address and flag it for that other law enforcement agent in Europe. That when the Europe police department opens up CETS that next day, they see in their notification, "Oh, there's a case that you might want to look at." In this scenario, they would actually be able to subpoena the service provider in their jurisdiction and find out who the individual is that belongs to that IP address. Quickly wrapping that up, then in this scenario, once the record has been update with that name, again, it does a complete search and, in this particular case, for example, if that individual was suspected of sex tourism in Asia and there was an open investigation relating to that, it would trigger the link.

This is an example of contact only information, so they might not have an agreement to share their data, but at least they now know, "Oh, there is actually an active investigation in Asia that relates to this."

Ideally, what you then have is what started as a report from a service provider in Canada linking back through to the actual abuse that is that image that's happening, that's being displayed in Canada, and you find the person who's committing that abuse and hopefully save that child and arrest the perpetrator. That's the ideal and that's where we'd like to go.

Today, how far we are along in getting to that vision, CETS has been deployed in eight countries, Canada, Brazil, Chile, Indonesia, Italy, Spain, United Kingdom and Romania. There are several other countries that we are in kind of launch deployment phase, as well. We have now over 850 investigators worldwide who have been trained and are active users of CETS in the 173 different locations. Microsoft has made a significant investment in this over \$10 million to develop the CETS technology and then to support the deployments, as well as to donate all the software associated with the deployments.

We also have an ongoing commitment to continue to donate the software and to support global deployments and what I call kind of the software development life cycle, where we will continue to come with upgrades to CETS and to fix bugs as they arise and to support the technology worldwide.

That's the end of the demonstration. I think Mr. Allen did an excellent summary of kind of in addition to technology tools, what we should be looking to as solutions, because technology is only as good as the system that uses it. We do need to have those minimum laws in place, defining child pornography in a consistent way and providing for information sharing across law enforcement agencies.

I would add one additional point from an industry perspective is the need for laws that help support the industry sharing of information, including safe harbors or immunities for industry when

they do want to be proactive on these issues, because a lot of reluctance around child exploitation cases is the radioactive nature of child pornography and child exploitation images. It's very helpful to have clear laws that empower service providers to be proactive in addressing these issues.

With that, I thank the commission for the opportunity to speak here today and I'm happy to answer any questions you might have.

Mr. HASTINGS. Thank you very much, Mr. Cranton. In your opinion, does U.S. law enforcement take full advantage of your Microsoft Groove system that you mentioned?

Mr. CRANTON. We work closely with law enforcement across the U.S. and we have some law enforcement that use the Groove system to share information. We also have been working with them around the CETS technology to see if we could develop a solution for the United States that would deploy the CETS technology in the U.S., which is a priority for Microsoft to at least support some type of technology solution.

It's important. CETS itself is every interoperable with other systems. If we can piece together or put together the right solution, we'd be delighted to support that.

Mr. HASTINGS. What about your new computer online forensic evidence extractor, COFEE?

Mr. CRANTON. Yes. That's still in beta form, but it's been a huge hit with law enforcement. We've been distributing it widely to U.S. law enforcement, as well as law enforcement around the world. There's now over 2,000 officers who are using the COFEE tool, which is a simple tool that just enables them to extract information from a computer while it's still running. If they come to the scene of a crime, they don't want to shut the computer down. They want to be able to capture the information right there.

Mr. HASTINGS. Mr. Allen, you have followed developments in the OSCE countries quite closely and Chris and I have had an opportunity to work with you and those that you work with, particularly in terms of the legal framework and law enforcement.

The two are interrelated, as you mentioned in your testimony. Which of the countries would you point out, when you speak of some countries having national priorities that encapsulate this, others do not, which countries do you think are in particular need of encouragement?

Mr. ALLEN. There is a particular need in the Eastern Bloc. We have spent a good deal of time, including at our meeting in Brussels, meeting with the delegation from the Russian Parliament and we met with others from Eastern Europe. Historically, the role of organized crime in that part of the world has been significant in this area. I would think certainly that is a key area. Of the 56 OSCE countries, the countries that are not members of the European Union, by and large, lack the kind of law that we think is necessary.

On the positive side, the United Kingdom has played an extraordinary leadership role in this area. We work very closely with the French and the Belgians, who are also, doing important things in this regard. The point I would make is when there are 186 countries in Interpol and 135 of them have yet to criminalize the possession of child pornography, it's far easier to point out the ones

where there's need than the ones that are doing all the things we think they should.

It's a long list.

Mr. HASTINGS. Does the fact of a lack of computer and technical equipment come into play in your training process and what do you do?

Mr. ALLEN. Absolutely. One of the big challenges that we faced, and with the support of Microsoft, in training law enforcement, building a cadre of experts, is that in many of these countries, law enforcement doesn't even have computers.

How do you investigate computer crime? We're trying to work with them simultaneously and help them get the tools they need, at least in a targeted way, that those specialists can work these investigations. I came from a meeting in which law enforcement indicated that 80 percent of these sites are still hosted in the United States and one of the reasons why we believe that the United States remains a priority area of need. A member of the Russian Parliament said to me at that meeting in Brussels, "We'll help, but you've got to do something about the demand," because the reason organized criminals are involved in this activity is not because of any sexual predilection for children, it's because it's profitable.

It's easy and it's profitable. So because of the penetration of technology in this country and because of high speed and broadband and the ability, we're now finding images on computers with terabytes of data.

The forensic challenge for law enforcement is huge. This is truly—and I think it's why your hearing is so timely. This is not a problem that any single country, including the United States, can attack alone. It really requires global approaches and global solutions.

Mr. HASTINGS. How much of a barrier is language to cooperation or access to international databases?

Mr. ALLEN. I think it's a barrier, but I think it's becoming less so. We've worked very closely with Interpol that communicates in six languages and we've found—and one of the things we've tried to do in our training with Microsoft is not do it in the usual places, not conduct it in London and Paris. We've done the training in Beijing. We've done it in Bangkok. We did it in Bucharest. We've done it in Vilnius. We've gone places that traditionally have not done this kind of training and we have found enormous receptivity and enormous commitment to try to do something about it.

Mr. HASTINGS. That's certainly illuminating and both your testimonies have been, as well. In advance of my having to leave, I have to go to the Rules Committee in just a few minutes and I just want to personally thank both of you for some of the most poignant testimony on this subject and you've given us sort of a guide as policy-makers that we can now go forward and try to assist better and some things that perhaps we can do that will assist in implementing many of the things that you are doing and to find some resources to fill some of the gaps that might exist out there.

It is an area of prominent concern, but regrettably, it competes with a significant number of areas of prominent concern here in this institution and, for us, sometimes things aren't moving fast enough.

It's good to know that what we are doing can and does have some impact and I look forward to Kazakhstan in July, where Chris will take the lead and our delegation will be very insistent that these matters continue to remain the highest priorities of the participating states. But we're operating in that 56 participating limited sphere and it's a big old world out there, where this ongoing crime against children is taking place.

My personal thanks to both of you, and we will be able to follow-up. And I'm going to leave the remaining portion of the hearing in the hands of my colleague, chairman, Ranking Member Smith.

Mr. SMITH. Mr. Chairman, thank you very much. I want to thank you for your leadership and for especially calling this very timely and important hearing so we can move the ball further down the court. I deeply appreciate your leadership on this.

Let me ask you, Mr. Allen, first. You talked about the tips and how many tips are conveyed to law enforcement. I'm wondering, do you have confidence that those tips are being properly investigated? Are jail sentences being meted out that would be commensurate with the crime? Are people going to jail that should?

You mentioned 14 million images and someone at some point looks at some, but hopefully not all of those sad and tragic images, but I know that when we talk to people who go to mass graves, the pathologists and coroners have to deal—I mean, they steel themselves against what they're looking at, knowing that it's for the greater good, whether it be in Srebrenica or some other place where genocide has occurred.

When you're talking about these crimes, which are ongoing, it has to take a toll on your staff and the staffs of people who are looking at this in law enforcement. I'm wondering, how is that dealt with?

Mr. ALLEN. It's very demanding work and, in my judgment, it's heroic work that these young people are doing. We do have a program at the national center called Safeguard, in which we have a psychologist who comes in weekly, who does group work with these folks, as well as available for individual work.

What we have found is that the motivation and the success that flows from that work overwhelms the horror and they tell me that what these analysts do is learn to look past the child. They look past to the child to the background. They look for unique identifiable characteristics. In many ways, it is needle in a haystack type work. We are working with law enforcement all over the world, because these children could be anywhere.

Our goal in the work is to place the child somewhere on planet Earth and then to provide cropped images and the additional information to the appropriate law enforcement agency so that they can locate the child. We are being sensitive to that. I don't minimize the difficulty of it, but I think that the answer to the first part of your question flows from the second part. That is, in our judgment, the sentences that are happening today are the most significant at any time in our history. The law certainly in the United States and other countries has caught up and serious sentences recognizing the seriousness of these crimes are being provided.

Congresswoman Wasserman Schultz talked about the reality that there are so many offenders. Can we possibly investigate and

prosecute all of these people? In our judgment, the answer to that is, no, we can't, just like the war against drugs and other recent problems. What we try to do, even with our cyber tip leads, is triage them. We try to determine is the child currently being harmed, is a child at immediate risk, and those get the priority.

The other reason why some of these other techniques, none of them panaceas, but if there are simply too many offenders for law enforcement to deal with then what we've tried to do is to develop some parallel tactics, like following the money and trying to eliminate the profit motive, shut down the commercial side, like following up to what that Russian senator said, you've got to do something about the demand, using appropriate legal constitutional tools to keep images that are not protected speech, according to the Supreme Court of the United States, from reaching the computers of would be consumers, using technology innovation Microsoft and others are providing. I think it's a complex attack, but I think you can't do it on one front alone.

The other point I would want to make, to what Congresswoman Wasserman Schultz said earlier, is we agree with her point. Mr. Finch and Mr. Bray sitting here representing those federal law enforcement agencies can't say to you that they need more resources, but they do. We need more people to do the work. We need more forensics capability simply because of the enormity of the challenge, and my hope is that Congress can get them some additional help.

Mr. SMITH. Let me ask you. How do they pay, the exploiters, if they can't use their credit cards?

Mr. ALLEN. They're gravitating in other means. There are customized payment mechanisms, third-party payment, alternate payment systems. In a meeting this morning, we learned that—that this is a multibillion dollar industry. Some leaders in law enforcement think, because of the efforts attacking commercial child pornography, that it's now a multimillion dollar industry, that it's gotten a lot smaller. Some of them are paying cash. They're wiring money. Our goal is to make it so difficult and so burdensome for these folks to make money, that they will gravitate into some other illicit enterprise where it's easier.

Mr. SMITH. Is Western Union brought in and others where money is wired?

Mr. ALLEN. Western Union is a party to our financial coalition. They are working with us to try to deal with—and our goal from the beginning was—we were skeptical that this was an enterprise that could survive if it was solely dependent on cash payments, and I think we're seeing that.

Mr. SMITH. Let me ask you. As you can see, the effort here couldn't be more bipartisan. But there was a time when that wasn't the case, and I'd just back up for a second.

I don't know if you know this, but the original Meese commission was my idea and Frank Wolf's idea. It was even before Meese became attorney general. William French Smith was the attorney general at the time. It took us six months to persuade the White House that this was something that the old ACLU, which was Nixon and, before that, Johnson, but Nixon finally got the final product, saying there's no connection between abhorrent behavior

and pornography, including child pornography, was a farce, it was based on incredibly faulty data and science.

What the Meese commission found, after 18 months of probing, that it was a multibillion dollar industry that was feeding demand and leading to rape, a desensitization to rape, and the exploitation of children. We went through eight years where our child porn statutes were not enforced and front line, of all things, "PBS" did a very, very incisive commentary, a two-hour piece on the fact that it was an engraved invitation for these pornographers, particularly child pornographers, to just proliferate and, with the rise of the Internet, it became a multibillion dollar industry. We're almost like doing backpedaling to try to catch up to lost years and, as you said, once it's on there, it's there forever. There were the eight years of the Clinton administration.

This is not something that's partisan. It's a matter of fact. I offered a resolution challenging the Knox decision, where the prosecutorial strategy by the U.S. government was to side with the pornographer and say that lascivious behavior has to emanate from the child rather than the intent of the photographer. It was nuts, in my opinion, and it passed unanimously in the House and the Senate. We lost precious ground there and I'm wondering, with 9/11, with all the other problems we had, whether or not we also lost some years in the early Bush administration when it comes to these crimes, where more money and resources and hurry-up offense could make a difference.

I wonder if you could answer that, because I think Frank Wolf has tried desperately to get more money into this effort, particularly when he was chairman of State Justice and Commerce Appropriations Committee, but we need to know from the experts like you how much more.

I know many of those who can testify are always bound by OMB as to what it is that they can ask for and I appreciate that, but we need to know what the upper limits are to really wage war against these predators.

Mr. ALLEN. My response to you is that I think the nation has awakened to the problem. I think as it relates to child pornography, we've had to overcome the perception expressed by many about isn't this just adult pornography, aren't these 20-year-olds in pigtails made to look like they're 15. What we found, as a result of those 600,000 reports and those 14 million images that our staff has reviewed, is that overwhelming these victims are prepubescent children and they're getting younger and younger. This is not the problem that America thinks it is. We know what the demands are on federal law enforcement as it relates to homeland security and the fight against terrorism and all of that.

In our judgment, this is domestic terrorism and, in our judgment, and my friends at the FBI and ICE and other agencies may shudder when I say this, but I think they badly need more resources. I don't know whether law enforcement is only able to work two percent of the cases or five percent of the cases or 20 percent of the cases, but whatever it is, what they've tried to do, as law enforcement always tries to do, is to focus on those most responsible in the key positions where they can have the greatest impact with their investigations.

I think Innocent Images and the work done by the Cyber Crime Center at ICE, I think the work they've done is heroic. I would argue that America has awakened to this problem and that now is the time to generate more resources and more help for those agencies so that we can have more impact on it.

Mr. SMITH. Let me ask you, Mr. Cranton. First of all, thank you for the initiative, the CETS initiative. That is certainly an extraordinary initiative on behalf of Microsoft. I have a couple of questions about it.

I'm wondering, you mentioned the eight countries, and I think that's a great start. Russia was not on it. I'm wondering if there's a contemplation of putting them on it, because so many images do emanate from that country. I'm wondering whether or not the Gates Foundation, which probably has more money than virtually any other foundation in the world, and they do wonderful work in the area of HIV/AIDS and other things, whether or not some of their charitable work is being targeted at developing countries to help the information.

I would note, parenthetically, Sheri Rickert and I were in Nigeria a year and a half ago on a human trafficking trip and they have a tip office. They do wonderful work. They are certainly dedicated. They absolutely lack the infrastructure. Their police can't talk to each other. They got a donation from the Italians that wasn't compatible with their existing hardware. They want to do better. They don't have the resources and they have a serious problem of child exploitation in Nigeria and a serious problem with trafficking, and the two usually go hand-in-glove.

I'm wondering if this is something the Gates Foundation might be contemplating making some significant contributions towards.

Mr. CRANTON. Thank you. With respect to Russia or other countries, our approach has been to make the technology available to law enforcement and there is an advisory committee of the law enforcement agencies who have adopted CETS that we treat as more of the decision-making community that supports the CETS deployment.

Certainly we would support technology deployments in Russia if they were appropriate and if the law enforcement kind of community making those decisions was comfortable with how the deployment would go.

As I mentioned, we have the different information sharing and what's critical is that you can bring it together in an effective sharing across different countries. We try to stay somewhat out of the business of deciding who gets CETS or who doesn't get CETS.

In terms of the Gates Foundation Microsoft is in the position of any other entity who wants money from the Gates Foundation and we could submit a request along with everyone else. However, the point is very well taken and on the infrastructure side, we have a program called Unlimited Potential which reaches out, in particular, to developing countries to help build the technical infrastructure that, in particular, has been used for trafficking situations in South Asia-Pacific region and is an excellent resource to look for the kind of infrastructure growth, bringing the countries to the point in which you can actually deploy CETS.

I mentioned Indonesia as one of the countries that we worked with and certainly one of the biggest challenges that we faced there was trying to get the infrastructure in place that enables the information sharing. When you start looking at some of those countries, you're absolutely right, we need to look to other sources and Unlimited Potential or some of the other things within Microsoft itself are programs that we look to help support that type of infrastructure building. And then, of course, we'll always submit a request.

Mr. SMITH. I hope you do, because I think you would get as much as you ask for.

In terms of Brazil, that's one of the countries you mentioned, I met with a number of their people in law enforcement, their parliamentarians and other people, their ministries, about the whole child pornography and child prostitution issue. Our tip reports suggest there may be as many as 500,000 child prostitutes. Many people there told me, including their NGOs, they thought it was closer to 250, but may be more. Nobody has a census on it. But it's mostly Canadians, Americans and Europeans that are flying in and exploiting the kids. I'm wondering this goes to the importance of notice, like our international Megan's Law idea.

I wondered how your initiative helps with that problem, because they seem overwhelmed. The NGOs I met with were very street savvy and very computer literate, but they lack resources. I'm wondering—and that was the NGOs and certainly the government could do better in terms of money.

Mr. CRANTON. It has the capabilities of doing that. When you look at the CETS tool, it can be treated as an investigative database across different issues and has the ability to track individuals, search. If you have, for example, registered sex offenders, you can enter that information into the CETS tool and we've built in the Microsoft Virtual Earth technology into CETS so you can actually have the "show map" function. If you had an incident, for example, you can pinpoint the address of that incident and even do a "show me all known sex offenders within two miles of that point." It's only as good as the information that's entered into it, but it certainly has the functionality that advances those types of reviews.

Now, I think there are other databases that are managed through Interpol that are probably better positioned for some of the other type of information sharing. So we always kind of look at what our tools can do to complement existing databases and solutions.

Mr. SMITH. I have a lot of questions, but I'll narrow it to just three final ones, since the time is late, and you've been very generous with your time. The issue of Verizon, Sprint and Time Warner and their agreement with Cuomo, is that something Microsoft has done, will do, is contemplating?

I asked earlier about the capability to simply block site and to—even if we err on the side of something, collateral damage, as was mentioned earlier, being swept into that, it seems to me the good outweighs the potential loss of one site or even several ties being swept in as opposed to this horrific crime that's being committed.

Is that something Microsoft would consider doing? Is the capability there in the first place?

Mr. CRANTON. I think that there are two areas. There's blocking sites that have known child pornography images or URLs that have been identified by law enforcement or by government, which is critical, and then there's other filtering technologies that could be addressing the actual images themselves.

Taking them separately—and I think the New York settlement might have addressed both of those. We currently do have a system where we are blocking URLs that are provided to us from the Internet Watch Foundation in the United Kingdom and we are very open and in discussions to extend that also to track along with voluntarily working with the national center to do that.

We've built it into our search technology. It's different. When you look at the entities who entered into that agreement, they're offering different types of services than our core services. You need to think how you would be able to extend a similar type of blocking to our services. We're definitely open to coming up with something.

Then when you get to the actual image detection, there's two technologies that we are looking at. First, kind of the hashing technology that takes known images and kind of applies this algorithm to it so that you can actually filter out known images without having to have possession of the images, which is one of the challenges industry faces.

We're currently exploring and working on developing a system to do that with the known images, in partnership with the national center and through the technology coalition that Mr. Allen mentioned, which is other companies also working together to implement these types of solutions. The problem is that exact matches are difficult, because images get resized. The Microsoft research team has developed what's called fuzzy hash technology, or at least that's what I call it. They are more technical in describing it, but essentially it tries to capture the essence of images and capture matches through a similar type of technology, but without requiring exact matches. We made that technology available royalty-free to the technology coalition. There are many patents that are built into that, but we are sharing it across the industry. Now we're just looking at how we can effectively implement it into our systems so that it could be useful or helpful.

We are doing a lot of different things around both sides. The challenge is coming up with something that's effective that removes those images, because certainly, from our perspective, our goal is to get this stuff off our systems.

Mr. SMITH. Sure. Let me ask you. Censorship is something most Americans bristle at. I don't like censorship, none of us do. But I don't think this is censorship. This is protection.

In China the Internet companies are censoring especially Google, and you might not want to take a shot at Google. But I asked them, in a hearing on the Global Online Freedom Act, three years ago, and we've been working ever since, what is it that you censor, how do you do it. If you go to China, you're blocked from getting information. I mean, there are some that think they can pierce the firewalls, but it's questionable whether or not that technology is working. But all these taboo things, like the Falun Gong, like Catholics, the Uighurs, are all not only off limits, you type that in, somebody will visit your home from the secret police.

They have 35,000 cyber police working the problem against religious freedom and peaceful democracy promotion. They've got this incredible network interlinked with the police to find the best and the bravest and the brightest of China. It seems to me, if the technology works there, without violating our civil liberties, we could do more to block this kind of thing here. Is that Pollyannaish on my part or is it—how do they do it? They won't tell me. They say they can't reveal both the means and what it is that they're censoring in China.

But the human rights activists, and one of them was just here, Harry Wu, on a totally unrelated issue that he brought some stuff over on, spent 20 years in lao gai in China, they'll tell you that the list of things that are off limits pursuant to government policy there is legion and, as a direct result, all of this information never gets to the students. They don't know what's going on in the world. They block "Radio Free Asia," "Voice of America." And if it can be done there, why can't, for a noble cause like this, we can't do more of it here?

Mr. CRANTON. The parallels and the complexities are evident in that description.

Here we have a situation where we know that Microsoft and industry wants to partner with law enforcement in order to stop child exploitation and we need to, and then, on the flipside, we need to be very careful to protect freedom of expression and civil rights. Industry is in the position of trying to find that right balance in the things that we do and because there's security, there's privacy, there's human rights, there's child safety, there's many different issues and we are not government, we are not law enforcement, and so we need to take the appropriate balance.

Critical issues for us, and Microsoft is trying to lead across all these different areas to find the right balance. The simple answer is that, yes, we can do different things to address the images, to address known URLs, and to look across our systems, but we definitely want to do it in a way that preserves the constitutional rights of Americans and respects First Amendment rights.

We have to balance all those things. I think we have a very robust conversation with the national center and the international center and other NGOs and with law enforcement to try to figure out the best balance.

Mr. SMITH. As we all know, obscenity is not protected speech, as you reiterated. Mr. Allen, let me ask the two final questions. One would be on—and maybe Microsoft could help us on this.

We're facing challenges in our legislation in identifying sex offenders who intend to travel abroad and the issues comes down to the ability to communicate between agencies like the data that we get from state sex offenders lists and integrating passport identification data. We've got these huge data systems and very often the left hand can't talk to the right hand, and I'm wondering if those kind of logical obstacles you might be helpful with at Microsoft.

Mr. CRANTON. I think we can help with technology solutions. The barriers are probably more along the legal agreements and making sure that there's a comfort in sharing the information. As I was mentioning with CETS, the tool is only as good as the legal agreement that supports the information sharing around it, and that's

probably more in the area that would need to be explored that's outside of industry.

Mr. ALLEN. I agree with that. I think the clear challenge is, as we had discussed, particularly internationally. There are only six countries in the world that currently have sex offender registries. Here in the United States, the challenge is to make systems talk to each other and I think it's a noble goal. There needs to be a global system. The reality is these guys do travel. They take advantage of transportation to evade detection and gain access to children. It's an important goal, but the implementation hurdles are significant. You said to us we need to start somewhere and we need to build a system, and we certainly espouse that.

Mr. SMITH. I would note, parenthetically, as you know, Mr. Allen, I was the prime sponsor of the Trafficking and Business Protection Act. When we started that legislation, it took two years to get it enacted and brought it up at the Russian St. Petersburg Parliamentary Assembly, people were either not for it or very much. Since enactment of that law, over 100 countries have either initiative brand new laws or substantially updated and reformed their laws. I do think our law becomes a great teacher for everyone else if we're serious about.

The final question to you, Mr. Allen, would be on those who would fudge the line between adoption, which is a wonderful way of building a loving family, and those who call adoption trafficking. We ran into a problem in an OSCE country and I'm fearful it may spread to others, and that was Romania, where a woman by the name of Lady Nicholson, a U.K. MEP, was the special rapporteur for ascension of Romania into the EU.

One of her preconditions to the Romanian parliamentarians was to ban inter-country adoption and, as a result, 200 Americans, something on the order of 700 to 800 Europeans, a lot of them Italians, majority of them, who already knew their child, were in the process of adopting, had that process stopped in its tracks. Maura Harty did a great job, tried to do much to get that changed. We had the ambassador here at a Helsinki Commission hearing from Romania and he, was unable to get a change.

We've talked to the president, everybody under the sun. There's no inter-country adoptions in Romania and kids are languishing in orphanages, which are infamous in Romania, and that also becomes an area or a venue where kids can be exploited, trafficked or used in other exploitive ways, and they're certainly not getting the loving attention of an adopted family. Lady Nicholson, acquaints trafficking and adoption as one and the same. We have invited her to testify, submit testimony. I've read all of her writings.

You're an expert Mr. Allen, you are a walking point on these issues. While we've got to guard against any child being adopted under less than stellar circumstances, you need Hague type of protections, which couldn't come at a better time, the Hague inter-country adoption convention. But it seems to me that Romania has made a serious mistake in bowing to that view. Your view, if you would, on adoption and trafficking.

Mr. ALLEN. Well, that's not our special expertise at the National Center for Missing and Exploited Children. I'm conveying my per-

sonal view. In a previous life, I used to be a lawyer who handled international adoptions for Catholic Charities.

I believe in it. I think it has changed countless lives. Clearly, there need to be stronger protections in place. The horror stories, like we saw a couple of years ago with the child adopted from Russia by a pedophile who used and abused that child for many years, there need to be the strongest protections in place.

In my view, the Hague convention on adoption is an excellent framework that countries around the world have become signatories to and we need to embrace. Clearly, I do not espouse the views of Lady Nicholson nor the Romanian government. I think this is something that can and is being done properly, with the right kinds of precautions around the world, and I think it needs to be encouraged, not eliminated.

Mr. SMITH. Thank you, to both of you. Thanks to our previous witnesses and their expertise and their leadership. The hearing is adjourned.



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