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FEDERAL LAW ENFORCEMENT: LONG-TERM IMPLICATIONS OF HOMELAND SECURITY NEEDS

HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

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FEDERAL LAW ENFORCEMENT: LONG-TERM IMPLICATIONS OF HOMELAND SECURITY NEEDS

WEDNESDAY, DECEMBER 5, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:40 a.m., in room 2154, Rayburn House Office Building, Hon. Mark E. Souder (chairman of the subcommittee) presiding.

Present: Representatives Souder, Cummings, Gilman, and Schakowsky.

Staff present: Christopher Donesa, chief counsel and staff director; Nicholas P. Coleman, professional staff member and counsel; Conn Carroll, clerk; and Jim Rendon, congressional fellow.

Mr. SOUDER. I would officially like to call this hearing to order. Good morning. Thank you all for coming. We are fortunate to have what is truly an all-star panel of witnesses with us today. I would first like to express my appreciation to each of you for taking the time from your schedules during an extraordinary difficult period to be with us this morning.

We are joined by the heads of four of our major Federal law agencies, Admiral James Loy, the Commandant of the Coast Guard; Commissioner Robert Bonner of the U.S. Customs Services; Commissioner James Ziglar of the Immigration and Naturalization Services; and Administrator Asa Hutchinson of the Drug Enforcement Agency. We will also hear from Mr. Frank Gallagher of the Federal Bureau of Investigation.

The September 11th terrorist attacks prompted the initiation of the largest criminal investigation in American history, as well as extraordinary efforts by the Federal Government to prevent future incidents and secure American borders, citizens and infrastructure.

I want to recognize the truly exhaustive work that each of your agencies has done under the most difficult circumstances to protect our Nation. We thank you and your personnel and support you fully in these endeavors and in the many challenges which the current situation continues to pose on a daily basis.

The focus of our hearing today is the equally extraordinary demands which have now been placed on Federal law enforcement to simultaneously deal with your day-to-day missions such as drug

interdiction, criminal investigations and enforcement of many laws which each of you have been charged to oversee.

Several agencies have greatly increased work hours for their employees and redeployed a significant proportion of their assets to homeland security. But the issue for us is not homeland security.

As the subcommittee responsible for oversight of our justice system, the question for us quickly becomes what is left and what now needs to be done. It has been widely acknowledged that additional funding and planning are necessary to reinforce the execution of traditional law enforcement missions in addition to homeland security.

But this is not a simple question of simply providing more resources. We must consider how best and most realistically to cope with the changing and rapidly increasing demands on Federal law enforcement agencies.

As an example, our ongoing series of oversight hearings on border security have suggested that it is not enough simply to provide funding for more border patrol agents. We must resolve tough questions as to where we will recruit such agents, how quickly we will train them and what the resulting impact will be on the places from which these new agents will be taken.

As another example, we are robbing Peter to pay Paul when we reinforce our airline security by taking agents from the FBI, DEA and Customs. Short-term necessary evils ultimately will not stand in the stead of adequate medium and long-term planning.

We also need to ensure that the end result of the long-term planning which all of our government is being forced to do at lightning speed does not over-compensate for any one problem. Members of Congress and others have proposed or discussed merging functions from several current law enforcement agencies into a single new agency with responsibility for protection of the homeland.

If such a process were to take place, it must recognize the equal important of other missions carried out by these agencies. The Coast Guard, for example, must continue to be strongly supported in its efforts to save lives through search and rescue operations, to protect and to interdict drugs.

Our hearing will examine three primary issues: First, what has been the immediate impact of the redeployment on law enforcement assets on critical areas such as drug addiction and other criminal enforcement.

Second, what is the current status of long-term planning within Federal agencies to ensure the continuation of vigorous law enforcement while simultaneously addressing the additional demands of homeland security?

Third, what impact would proposals to consolidate certain functions into a new agency have on the ability of existing agencies to carry out their conventional missions?

Fortunately, as we discussed at a Drugs and Terrorism Conference at DEA yesterday, some of these efforts have a synergistic effect. Cracking down on terrorism will also facilitate the accomplishment of other missions.

For example, in Newfoundland, when passengers grounded on September 11th had all bags searched, large quantities of the drug, Ecstasy, were found. Other overlapping examples will include

tracking illegal immigrants, intelligence operations, money laundering and other new laws which will help catch other criminals as well as potential terrorists.

Again, my thanks to all the witnesses. We look forward very much to the opportunity to discuss each of these issues with such a distinguished panel.

Now, I would like to yield to Ms. Schakowsky.

[The prepared statement of Hon. Mark E. Souder follows:]

Opening Statement
Chairman Mark Souder

"Federal Law Enforcement:
Long Term Implications of Homeland Security Needs"

Subcommittee on Criminal Justice, Drug Policy,
and Human Resources
Committee on Government Reform

December 5, 2001

Good morning and thank you all for coming. We are very fortunate to have what is truly an all-star panel of witnesses with us today, and I would like to first express my appreciation to each of you for taking time from your schedules during an extraordinary period to be with us. We are joined by the heads of four of our major federal law enforcement agencies: Admiral James Loy, the Commandant of the Coast Guard; Commissioner Robert Bonner of the U.S. Customs Service; Commissioner James Ziglar of the Immigration and Naturalization Service; and Administrator Asa Hutchinson of the Drug Enforcement Administration. We will also hear from Mr. Frank Gallagher of the Federal Bureau of Investigation.

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The focus of our hearing today is the equally extraordinary demands which have now been placed on federal law enforcement to simultaneously deal with your day-to-day missions, such as drug interdiction, criminal investigations, and enforcement of the many laws which each of you have been charged to oversee. Several agencies have greatly increased work

hours for their employees and redeployed a significant proportion of their assets to homeland security. But the issue for us is not homeland security. As the Subcommittee responsible for oversight of our justice system, the question for us quickly becomes "What is left, and what now needs to be done?"

It has been widely acknowledged that additional funding and planning are necessary to reinforce the execution of traditional law enforcement missions. But this is not a simple question of simply providing more resources -- we must consider how best and most realistically to cope with the changing and rapidly increasing demands on federal law enforcement agencies. As an example, our ongoing series of oversight hearings on border security have suggested that it is not enough simply to provide funding for more border patrol agents – we must resolve tough questions as to where we will recruit such agents, how quickly we will train them, and what the resulting impact will be on the places from which these new agents will be taken. As another example, we are robbing Peter to pay Paul when we reinforce our airline security by taking agents from the FBI, DEA and Customs Service. Short-term necessary evils ultimately will not stand in the stead of adequate medium and long term planning.

We also need to ensure that the end result of the long-term planning which all of our government is being forced to do at lightning speed does not overcompensate for any one problem. Members of Congress and others have proposed or discussed merging functions from several current law enforcement agencies into a single new agency with responsibility for protection of the homeland. If such a process were to take place, it must recognize the equal importance of other missions carried out by these agencies. The Coast Guard, for example, must continue to be strongly supported in its efforts to save lives through search and rescue operations, protect the environment, and interdict drugs.

Our hearing will examine three primary issues. First, what has been the immediate impact of the redeployment of law enforcement assets on critical areas such as drug interdiction and other criminal enforcement? Second, what is the current status of long-term planning within federal agencies to ensure the continuation of vigorous law enforcement while simultaneously addressing the additional demands of homeland security.

Third, what impact would proposals to consolidate certain functions into a new agency have on the ability of existing agencies to carry out theit conventional missions?

Again, my thanks to all of the witnesses. We very much look forward to the opportunity to discuss these matters with such a distinguished panel.

Ms. SCHAKOWSKY. Thank you, Mr. Chairman. Thanks to this incredible panel of people who have come to answer some of the questions and concerns that the chairman has outlined.

The hearing today is to discuss two matters, the impact the new focus on homeland security is having on our law enforcement agencies and the possible consolidation of existing law enforcement agencies to create a single homeland security agency.

Given the new demands, our law enforcement agencies and officers have risen to the increased work load since the terrorist attacks of September 11th. I commend our law enforcement and security personnel for the time and effort they have made and continue to make for our protection.

Since the attacks on September 11th, the Nation has been struggling to understand and to adapt to a new reality. We are creating new tools and organizational structure to appropriately fit our security needs. In this process, we must be careful. We must ensure that these agencies are adequately funded to accomplish their original missions in addition to the new and critical mission of national security. We must have collaboration among the law enforcement agencies and we must evaluate proposals for new agency structures.

Yet, in all of this it is essential, too, that we not lose sight of the principles and freedoms that we hold most dear as Americans. The safety of our Nation and our residences is a critical priority and we must do whatever is necessary to ensure homeland security.

At the same time, it is important that agencies with multiple missions like the Immigration and Naturalization Services pay careful attention to appropriately balancing enforcement with the other services they provide. This will be a particular challenge for the INS and I am interested to hear more about the plan to restructure the agency.

I also encourage my colleagues on this committee to continue to monitor both aspects of this agency's mission. I am also, as their chairman is, concerned about the diversion from conventional Federal law enforcement functions as a result of the sudden and unanticipated reallocation of resources.

I am concerned with many of the recent law enforcement efforts surrounding this investigation and the general efforts to strengthen the fight against terrorism. I want to emphasize while I firmly believe we need to stop terrorists here and abroad and as we make structural and policy adjustments to do this, that we have to uphold the constitution and the civil rights and civil liberties inscribed in it.

I have a few questions and look forward to engaging in a worthwhile discussion with the witnesses on this subject today.

Thank you, Mr. Chairman.

Mr. SOUDER. Thank you very much. Before proceeding, I would like to take care of some procedural matters. First, I ask unanimous consent that all Members have five legislative days to submit written statements and questions for the hearing record; that any answers to written questions provided by the witnesses also be included in the record. Without objection, it is so ordered.

Second, I ask unanimous consent that all exhibits, documents and other materials referred to by the Members and the witnesses

may be included in the hearing record, that all Members be permitted to revise and extend their remarks. Without objection it is so ordered.

I would again like to welcome and thank all the witnesses. As an oversight committee, it is our standard practice to testify under oath, so if each of you would rise and raise your right hands, I will administer the oath.

[Witnesses sworn.]

Mr. SOUDER. Let the record show that each of the witnesses has answered in the affirmative.

I will now recognize the witnesses for their opening statements. Admiral Loy, you are recognized for 5 minutes.

STATEMENT OF ADMIRAL JAMES M. LOY, COMMANDANT, U.S. COAST GUARD

Admiral LOY. Thank you, Mr. Chairman, Distinguished Members. Good morning. Thanks very much, Mr. Chairman and Ms. Schakowsky, for the comments about the work being done by not only the people you see at this table, but by literally hundreds of thousands of members of our organizations as they have made every effort to do the Nation's business over the last 3 months.

I appreciate the chance to discuss the Coast Guard's role in Federal law enforcement and the service-wide implications of the new homeland security challenge. The Coast Guard is, among many of other things, some of which the chairman mentioned, the Nation's law enforcement presence afloat. We are the enforcement arm at sea for Commerce, for Justice, for State, for DOD, for Treasury and for the Drug Czar.

We array our ships and planes and people against multiple asymmetric national security threats, including drugs, illegal migrants and fish stock predators as well as terrorism which has captured all of our attention in the last several weeks.

Drug interdiction, for example, is now and must remain a national security priority. Drugs have a pervasive and corrosive impact on our society, contribute to violent crime, disease and nearly 17,000 deaths in 1998.

Just yesterday an Atlanta Journal article suggested that there were Middle East operatives attempting to set up shop in South America to take advantage of the drug profits associated with the cocaine trade that would in fact become yet another example of a significant funding engine for international terrorism.

That is the nature of the challenge that we have in front of us.

In addition, illicit profits are clearly financing terrorist organizations. This linkage we find the need to interrupt. The Coast Guard is the designated lead agency for the maritime end of drug interdiction and shares the lead agency responsibility for air interdiction with the Customs Service.

Prior to September 11th and since September 11th we continue to take this responsibility very seriously and remain committed to this mission with its now wider implications.

The Coast Guard supports, first and foremost, the balanced approach that is represented in the National Drug Control Strategy. We work very closely with all of our interagency partners. We meet often together in various formats to make certain that the com-

plimentary efforts that we have are additive with respect to the accomplishment of the goals stressed in the National Drug Control Strategy.

Our operations rely on our interagency partners as well as foreign, military and law enforcement counterparts that we use all the time. Mostly they also rely on a very solid intelligence service underpinning, a foundation that each of us, I think, would cite as being absolutely an imperative to the ability of our respective organizations to get our jobs done.

Much of that orderly plan, as you know, was interrupted on September 11th.

Our role in migrant interdiction is as important as ever. In fiscal 2001, the Coast Guard interdicted about 4,000 people trying to illegally enter the United States. Again, just in the last 2 days, a very significant case off the coast of Florida points out once more the importance of our ability to continue that mission.

On my desk this morning was a cable from Ambassador Kern in Haiti registering concerns on his part for even rumors that would continue to have the potential to set off mass-migration challenges that are always right at the borderline of being a reality from Haiti and, as we know, from Cuba.

That 2001 was a relatively typical year. The 4,000 people that I just mentioned being interdicted. We attempt to make certain that the notion of illegality and unsafe passage at sea is the premise that we attempt to breed back into cells of migration generators.

1994, however was not a typical year. We all remember the crush of that particular mass migration in the summer and fall when over 65,000 lives were saved at sea by the Coast Guard, but all associated with mass migrations from both Haiti and from Cuba.

These days the countries involved primarily are Cuba, Haiti, the Dominican Republic, China, and Ecuador. But on any given day there are 40 different nationalities represented somewhere in passage in the Caribbean theater trying to find their way to the United States. That difference between the haves and the have-nots around our world will make that a challenge for us well into the foreseeable future. If anything, I see that gap actually widening.

The third thing I would speak about just quickly is our fisheries enforcement mission. The Coast Guard is the only at sea enforcement authority for fisheries regulations for our Nation. Our efforts in this area continue to be critical to the effective management of a $25 billion U.S. industry, the commercial fishing industry, to ensure that our fish stocks are not depleted.

Furthermore, while inspecting a vessel's catch and gear to ensure compliance with fisheries management regulations, we also have the opportunity as the chairman was suggesting earlier, to gain value in our other missions, verify crew members status and identify, enforce safety regulations, and for this particularly extremely dangerous occupation, rated literally the most dangerous occupation in the United States.

Following the terrorist attacks on September 11th, the Coast Guard immediately responded to every coast in our Nation, increasing Coast Guard presence to protect our ports and maritime transportation infrastructure. Clearly the port safety and security

mission now stands at least equally with search and rescue as our No. 1 priority.

Over the last month, our primary focus has remained on maritime homeland security.

However, the Coast Guard's role in port security responsibilities has not been without cost, as you have been suggesting, because we have been required to re-evaluate the distribution of cutters and aircraft resources among all of our law enforcement missions to meet these surge operations resulting from September 11th.

Our multi-mission culture actually was one of the greatest advantages we had on September 11th. Because our people are multi-mission in character, our assets, ships, boats, planes, helicopters are also all multi-mission in capability. So, I was able to basically say, "Take a left and go to Port Security" because that was the most prevalent need of the Nation on September 11th and has been since.

The challenge, obviously, is as we try to define the new normalcy of what constitutes our required dedication to port security into the future and what is that net gain associated with our capability to do all those other things the chairman was challenging us to be responsive to in his opening statement.

We will do all of that and more. A simple bar chart here offers at least a visible note as to relative mission resource dedication on September 10th when we were sort of normally deployed around the world doing lots of different things and the attention that all of a sudden the bar all the way to the left, port security and safety acquired in terms of our operational investment of energy and resources in the immediate aftermath of the tragic events of September 11th.

Mr. Chairman, at the other end of the day the future efforts represent a challenge to us meeting all of our law enforcement goals. We will take that on. We have made a great effort already to find a sustainable and effective balance among our missions, but at current resource levels as you point out, combined with our significantly heightened homeland security presence that I do not see an end to in the foreseeable future, we will need a boost in order to continue to do those things we mentioned before as being normal Coast Guard activities and pay attention to this heightened profile on homeland security.

Over the last 3 months, I have been basically building for Governor Ridge a maritime security game plan. We have briefed that through Secretary Mineta and on to Governor Ridge with, I think, good acceptance at the other end of the day.

The bottom line is, in order for us to rebalance from what we surged to on September 11th and 12th, when we went from about a 1 or 2 percent dedication of assets to port security, it is now somewhere over 50.

Our instincts as an organization are to send things to a sour case and then back away until we find that sustaining level. That's that new normalcy I spoke about just a moment ago. We look forward to working with the committee to find the proper balances, both as

it relates to mission dedication and the resources to do those things for America.

I look forward to your questions, sir.

Mr. SOUDER. Thank you, Admiral.

[The prepared statement of Admiral Loy follows:]

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DEPARTMENT OF TRANSPORTATION

U. S. COAST GUARD

STATEMENT OF

ADMIRAL JAMES M. LOY

ON

FEDERAL LAW ENFORCEMENT

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES

COMMITTEE ON GOVERNMENT REFORM

U.S. HOUSE OF REPRESENTATIVES

DECEMBER 5, 2001

DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD
STATEMENT OF ADMIRAL JAMES M. LOY
ON
FEDERAL LAW ENFORCEMENT
BEFORE THE
SUBCOMMITTEE
CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES
U.S. HOUSE OF REPRESENTATIVES
DECEMBER 05, 2001

Good afternoon Mr. Chairman and distinguished members of the Committee. It is a pleasure to appear before you today to discuss the Coast Guard's role in federal law enforcement and service wide implications of the Homeland Security mission.

The Coast Guard's Role

As a multi-mission maritime and uniformed service, the Coast Guard is an integral part of America's maritime security. We array our ships, planes, and people against multiple asymmetric National Security threats including drug smuggling, alien migration, economic predation of our fish stocks, and terrorism.

Drug interdiction is a National Security priority. Drugs have a pervasive and corrosive impact on society. They contributed to violent crime, disease, and nearly 17,000 deaths in 1998. In addition, the illicit profits finance terrorist organizations and this linkage must be interrupted. The Coast Guard is the designated lead agency for intransit zone maritime drug interdiction and shares lead agency responsibility for arrival zone maritime and air interdiction with the Customs Service. Prior to September 11th we took this responsibility very seriously and we remain committed to this mission with its now wider implications. The Coast Guard supports the balanced approach of the National Drug Control Strategy (NDCS) and we work closely with our interagency partners such as the Drug Enforcement Administration (DEA), Customs and the FBI to meet NDCS objectives. Goal Four of the NDCS requires us to shield America's frontiers from illegal drugs and sets out clear performance measures. We have achieved significant results in supporting the objectives of goal 4, including three consecutive years of record cocaine seizures. However, given our current homeland security priorities, we will continue to be challenged in meeting our drug interdiction goals. The Transit Zone is a 6 million square mile area, roughly equivalent to the size of the continental United States and includes the Caribbean Sea, the Gulf of Mexico, and the Eastern Pacific. Our operations rely on our interagency partners as well as foreign military and law enforcement counterparts.

Likewise, our role in migrant interdiction is as important as ever. In FY 2001 the Coast Guard interdicted almost 4,000 people trying to illegally enter the United States. That was a typical year for us. To meet America's expectation for a secure border we must continue to maintain our vigilance and be capable of detecting and interdicting illegal migrants. Our presence is needed to deter migrants from attempting an illegal and risky voyage.

The Coast Guard is also the only agency capable of "at sea" enforcement of fisheries regulations. Our efforts in this area are critical to effective management of the $25 billion U.S. commercial fishing industry to ensure our fish stocks are not depleted. Furthermore, while inspecting a vessel's catch and gear to ensure compliance with fisheries management regulations, we also have the opportunity to verify crewmember status and identity, as well as enforce safety regulations for this extremely dangerous occupation.

Following the terrorist attacks on September 11th, the Coast Guard immediately responded along every coast in the nation; increasing Coast Guard presence to protect our ports and maritime transportation infrastructure. Clearly, the port safety and security mission now stands as Mission 1, right alongside Search and Rescue, and over the last month, our primary focus has remained maritime homeland security. The Coast Guard's increased role in Port Security responsibilities required redeployment of cutter and aircraft resources among all our law enforcement missions to meet surge operations resulting from September 11th.

Our multi-mission culture and resilient resources enabled us to make the rapid transition from normal operations to a heightened homeland security posture. This flexibility is our greatest strength, but it comes at the expense of other missions. We are now adjusting to a sustainable presence in all mission areas. This "new normalcy" will be closely monitored while we work with the Administration to define the appropriate alignment with national priorities and the resources required to fulfill all Coast Guard missions effectively.

Current Threat and Effort

Protecting our maritime transportation system and critical infrastructure from terrorist activities remains our highest priority threat. But our other threats have not disappeared.

According to the Interagency Assessment of Cocaine Movement, in calendar year 2000 an estimated 645 metric tons of cocaine left source countries en route to the United States, of which 606 metric tons were transported via non-commercial conveyances. Of that total, 568 metric tons traveled via non-commercial maritime means for at least part of their journey. As indicated by these statistics, the vast majority of illicit cocaine travels by sea, presenting constant challenges and demands for Coast Guard interdiction efforts. With the advent of the recent terrorist attacks, it is still too early to predict with any confidence or specificity the actual number of events and amount of drugs that will transit to the United States.

Currently, the primary threat vectors for cocaine are nearly evenly distributed between the Eastern Pacific Ocean and the Caribbean Basin. The go-fast boat continues to be the smuggler's vehicle of choice, although fishing vessels have reappeared as smuggling conveyances, especially in the Eastern Pacific. These go-fast vessels are not only quick and maneuverable, but they are small and difficult to detect. Our 15-25 knot cutters are no match for 35-45 knot go-fasts. That is why we must continue to develop and employ endgame initiatives such as Operation NEW FRONTIER, which utilizes armed helicopters and Over-the-Horizon cutter boats to stop drug smugglers. These assets have clearly demonstrated they will improve our interdiction successes and will be fully deployed this year.

Our long-standing relationships with many Caribbean countries are extremely important to the sustained success of supply reduction efforts. We are actively engaged in improving and increasing these relationships and currently benefit from 22 bilateral agreements with Caribbean and Latin American nations that improve our effectiveness in the counter-drug mission. Recently, Costa Rica has been especially cooperative, entering into a landmark International Maritime Interdiction Support agreement with the U.S., which greatly enhances logistics support for U.S. Coast Guard and U.S. Navy vessels engaged in counter-drug operations.

In addition to deploying aboard U.S. Navy ships, Coast Guard Law Enforcement Detachments (LEDETs) deploy aboard British and Dutch naval ships involved in counter-drug operations. This provides increased law enforcement endgame capability in the Transit Zone. In March, we signed a similar agreement for LEDETs to embark on Belgian naval ships operating in the Caribbean. This is indicative of our strong counter-drug partnerships with European maritime powers. Our Caribbean Support Tender has realized great success in conducting its mission. This U.S. Coast Guard cutter operates out of Miami, with an international crew, and visits Caribbean nations to conduct law enforcement training, security assistance, and international engagement in support of the NDCS and the U.S. Southern Command.

The threat posed by illegal immigration is subject to many economic and political pressures and as such is difficult to forecast. While these external forces are beyond our ability to completely control, we do hope to influence migrant behavior through deterrence. By maintaining our presence and ability to effectively interdict illegal migrants we hope to discourage people from taking that risky voyage in the first place. Presently we expect illegal migrant activity to remain steady.

Our oceans represent a source of significant renewable wealth and a rich supply of seafood for the American public. This wealth, however, is finite. A recent United Nations Food and Agriculture Organization report on the status of world fisheries estimated there is a sustainable 80 million metric ton catch available worldwide, yet in 1997 over 90 million tons were harvested. Furthermore, demand for fish protein in 2010 is predicted to reach 115 million tons. The Coast Guard's fisheries law enforcement mission is integral to maintaining a balance between conservation and commerce to ensure these resources may be enjoyed indefinitely. The Coast Guard's fisheries enforcement strategy is built upon three strategic foundations; a strong national constituency base, effective use of resources to include leveraging technology, and support for national and regional goals.

Results

The results of all of these strategies before September 11th are mixed.

In FY 2001, the Coast Guard set a non-commercial maritime seizure record of over 138,000 pounds (nearly 63 metric tons) of cocaine, including the largest single maritime cocaine seizure on record. This marks the third successive year of record cocaine seizures. We also seized over 34,000 pounds of marijuana. These results are attributed

to the continued maturation of the interagency cooperation process, improved sharing of information and intelligence, enhanced cooperation of the international community, and effective deployment of Coast Guard LEDETs. However, more needs to be done.

Despite record-setting seizure amounts, the Coast Guard's drug seizure rate, defined as the Coast Guard's overall seizure total measured as a percentage of total flow, fell in FY 2000 due to the increase in the estimated flow of cocaine through the Transit Zone. Final seizure and cocaine shipment data for FY 2000 show a seizure rate of approximately 10.6 percent. Despite a strong effort and extensive interagency and international cooperation, we were unable to meet our 13 percent seizure rate target in 2000. While the shortfall may be attributed to data methodology and collection limitations and challenges, the Coast Guard remains concerned with this downward turn.

Our efforts in fisheries enforcement have witnessed a tremendous increase in national and international concern for our living marine resources and, at the same time, a tremendous demand for these resources. An excellent example is the demise of the New England groundfish fishery. Through our enforcement efforts, we have turned the corner on New England groundfish. Biologists report that what was once a dwindling and endangered fish stock is now rebounding and will soon be a viable resource again.

Future Efforts

The challenge of meeting our law enforcement goals prior to September 11th was already considerable. Our response to the horrible events of that day and the effort we expended in increasing our maritime security temporarily put our law enforcement goals on hold. We have already returned many of our assets to law enforcement missions such as drug interdiction and fisheries enforcement. We have also made a great effort to find a sustainable and effective balance among all of our missions.

We will continue to increase our effectiveness with interagency and international cooperation; and will work with the Administration and Congress to identify the correct level and the required resources.

One of the greatest challenges facing the Coast Guard today is that our Deepwater assets (cutters and aircraft) are maintenance intensive and technologically obsolete. To correct this problem, the Coast Guard has begun re-capitalizing and modernizing its assets, including sensors and communications equipment for our aging Deepwater cutters, aircraft and command centers. This effort is being addressed in the President's FY 2002 budget through our Integrated Deepwater System (IDS) acquisition project. The IDS project is vital to our counter-drug efforts and our war against terrorism. We are ready to award a contract in FY 2002 to begin this major re-capitalization effort, which will ensure a robust Coast Guard well into the 21st century.

Mr. Chairman, we are proud of our record as contributors to National Security. The Coast Guard remains fully committed to protecting the Nation against all of the threats facing us today and in the future.. Thank you for the opportunity to testify before you today. I will be happy to answer any questions you may have.

Mr. SOUDER. Mr. Bonner.

STATEMENT OF ROBERT BONNER, COMMISSIONER, U.S. CUSTOMS SERVICE

Mr. BONNER. Thank you, Mr. Chairman and members of the committee. I appreciate the opportunity to speak to the committee. It has actually been a while since I have seen Congressman Gilman. It is good to see you again, Ben.

Let me start off by saying that addressing the terrorist threat has been the highest priority of the U.S. Customs Service. It is the highest priority and it has been since September 11th.

I think I can assure this committee that although the resources of the U.S. Customs Service are severely strained, and they clearly are, that we are certainly going to continue our role in drug interdiction and drug trafficking investigations. That remains a priority of the U.S. Customs Service.

In fact, in some ways I believe that our heightened state of security that we have gone to at the U.S. Customs Service along the border, with the INS, is in some ways strengthening, rather than weakening our counter-drug mission. Moreover, I think there is a nexus between drug trafficking to some degree and the funding of terrorist organizations.

Since September 11th, the U.S. Customs Service has been focusing on ensuring homeland defense. It is a role that we are in many ways, the U.S. Customs Service, is well prepared to play. Our presence at the 301 ports of entry into the United States across the country puts the U.S. Customs Service in a prominent position to protect America and to prevent terrorists and the implements and weapons of terrorism from entering the United States.

Eight thousand U.S. Customs inspectors and canine enforcement officers are stationed across America and are responsible collectively for processing millions of passengers and vehicles and cargo shipments entering the United States each day.

Their expertise in screening and inspecting both goods and people crossing our borders is a crucial asset in our counter terrorism response. In addition, approximately 2,700 Special Agents of the U.S. Customs Service are trained and experienced in conducting investigations, including financial investigations and investigations into the unlawful export of weapons and technology and equipment that is potentially useful to international terrorist organizations against our country.

These investigators are supported, these Special Agents are supported by Intelligence Analysts who also, as you know, Mr. Chairman, work very closely with the U.S. intelligence community in developing and tracking information.

This subcommittee is very aware and familiar with the Customs Air and Marine Interdiction Division which has assumed an important role in response to September 11th. I believe you know the skill of the Customs pilots and marine enforcement officers in patrolling America's seas and skies. Right now, by the way, part of those assets are supporting the NORAD mission protecting the United States.

In many respects, Mr. Chairman, our response to terrorism is an outgrowth of our traditional enforcement mission from interdicting

illegal narcotics to tracing money used to fund illegal activity to investigating the illegal export of weapons and technology to the inspecting of goods and cargo for contraband.

All of those things contribute to and I think compliment and strengthen our efforts at the U.S. Customs Service to combat the terrorist threat.

I have established at Customs Headquarters a new Office for Anti-Terrorism within the agency. I have appointed an experienced security expert and senior military leader to head that office who reports directly to me. That is to better focus our efforts and our training and our detection capabilities against terrorist weapons, including weapons of mass destruction.

I should also mention the cooperation within the administration and the important role that Governor Ridge and the Office of Homeland Security play.

This cooperation, I believe, is essential both to ensure that we are effectively responding to the terrorist threat and in addition, effective coordination by all the Federal partners that are involved in the counter terrorism effort, and you have many of them right here at this table in front of you, can help relieve the strain within each of our respective agencies that we individually face.

Immediately after the terrorist attacks on September 11th, Customs implemented a Level One security alert. That is the highest level of alert of the U.S. Customs Service. We did this in conjunction with the INS. But that is the highest level of alert short of actually shutting down our borders. That alert calls for sustained and intensive examinations, including heightened inspection of both people and goods crossing our borders. We still remain at Level One alert today.

Along with the INS, Customs has bolstered security at all our borders, especially along our northern border with Canada. We now staff every border crossing, even those in remote locations, with a minimum of two armed inspectors 24 hours a day, 7 days a week.

Maintaining that minimum, while ensuring a smooth and timely flow of trade across our border has required a significant expenditure of resources by the U.S. Custom Service. Our front line personnel, our inspectors and canine enforcement officers, are working 12-to 16-hour days, 6 and 7 days a week. A vast amount of overtime, far more than normal, is being expended by the inspectors of the Customs Service.

We have temporarily detailed over 100 inspectors to the northern border and we are adding another 50 within the next few days.

Turning to our investigative activities since September 11th, we have of course assigned agents to assist the FBI and others on the Joint Terrorism Task Forces. That has occurred after September 11th and has been reduced somewhat over the last 2 months.

We have also contributed, as I believe you know, Mr. Chairman, 110 agents to the Federal Sky Marshal Program. I note that while the strain on our personnel has and continues to be great under a Level One alert, that we look forward to offsetting some of that pressure through the funding of new inspectors and special agent positions in our fiscal year 2002 budget. I will tell you that we will bring those new hires on as quickly and as efficiently as possible.

We have been requested and we continue to provide assistance, as I mentioned, to NORAD with respect to our P 3AEW aircraft. We have implemented, by the way, several initiatives that this committee should be aware of. Let me just briefly mention them.

The first is Operation Green Quest. That is a major effort to starve international terrorist groups of their financial wherewithal. Green Quest, by the way, draws upon the formidable expertise and the long-standing money laundering expertise within the U.S. Customs Service. Green Quest is an operation led by Customs and it includes the participation of other Treasury law enforcement agencies, as well as the Department of Justice and the FBI.

We are also using Customs expertise in what are called Strategic Investigations through Operation "Shield America." This operation is aimed at the unlawful export of unlicensed weapons, equipment and technology that could be used by international terrorist organizations.

We have also created a Customs-Trade Partnership against terrorism, working with Trade we have undertaken an initiative with the trade community to tighten security of commercial cargo, to better secure that, the supply chain, and to deny access to the supply chain by terrorist organizations.

So, we have also moved to enhance the quantity and quality of advanced information that Customs and other Federal agencies get. In that regard, Mr. Mica of this committee and others in the Congress were helpful in making mandatory advanced passenger information that is going to be very, very useful to both Customs and to the INS.

In addition, we are working at an inter-agency level with my counterparts who are seated here at the table with me, to find ways to better secure the borders into the United States against the terrorist threat. That is developing a broad, integrated, coordinated response.

In fact, last Friday afternoon, I met with both Commissioner Ziglar and Admiral Loy to further develop a coordinated border strategy. We have also been actively engaged in discussions with both the governments of Canada and Mexico to increase information sharing and develop common security measures for processing of people and goods from those countries into the United States.

So, we have been focusing a lot on, certainly, the terrorist threat, understandably in light of the attacks on America on September 11th and the continuing threat that Al Qaeda and associated terrorist organizations pose to our country.

I will say I think a lot of what we have done actually has made it more difficult for drug trafficking as we have intensified our overall presence, particularly at the border. I think the evidence is there. Actually after we implemented the Level One alert, Mr. Chairman, looking at the data for about the first 3 weeks or so, and I am talking about the southwest border, essentially, we believe the traffickers were withholding shipments because of the tightened security and examinations and inspections that were taking place on the southwest border.

The traffickers on the Mexican side were holding back their shipments, in my judgment, for several weeks, until it became necessary to move their shipments. So, in October we actually have

seen a substantial increase in drug seizures along our borders. In fact, if you compare October of this year with October 2000, there has been an approximately 30 percent increase in drug seizures that has taken place.

Just one other thing I will mention along the area and then I'm going to wrap this up. But in the area of our drug investigation capability, that is there has not been a substantial reduction in the time that our Special Agents are spending investigating drug trafficking cases.

These are controlled deliveries and other drug investigations that we work cooperatively with the DEA. Before September 11th, Customs had approximately 1,500 of its Customs Special Agents cross-designated by the DEA to conduct narcotics investigations under Title 21 authority. I have no intention of reducing that number.

We will continue to work effective with the DEA to investigate drug traffickers and we will continue our strong drug interdiction efforts.

Beyond that, I might just mention specifically that in conjunction with using our air and marine assets, Customs has effected, for example, just very recently working with Admiral Loy's people, the U.S. Coast Guard, two seizures from go-fast boats that were operating in the Caribbean off the coast of Puerto Rico.

If we have just a moment, I have about a 2-minute take I would like to play for this committee that shows one of those seizures. The two seizures, by the way, total were 2,500 kilograms of cocaine coming off the coast of Puerto Rico, and the arrest of seven individuals.

Over the past 5 weeks, we have seized approximately 3.900 kilograms of cocaine. So, what we are seeing, I think, is that we are blocking the Mexican border more effectively than we ever have, and it is because of the terrorist security threat at that border, what we are seeing is the major drug trafficking organizations, the Colombians, are going to alternative routes. We need to anticipate and prepare and respond to that because I think what we are seeing is I could pressure both in the Caribbean and in the Eastern Pacific.

That concludes my statement, Mr. Chairman. If we could take a couple of moments, I would like to play this short video of the recent interception of a major amount of cocaine off the coast of Puerto Rico, with the chairman's permission.

Mr. SOUDER. Certainly.

Mr. BONNER. This is on November 21st and it is one of the two seizures, so, it is very recently, within the last 2 weeks. This Blackhawk helicopter operated by Customs is now tracking a go-fast boat that is loaded with cocaine.

You will see now that the bad guys, the traffickers, are literally dumping out the bales now that the Blackhawk has latched on to them. They dumped out bales. That was over 1,000 kilos of cocaine that came out of that boat.

You can see on the left this is the Marine Enforcement Officers of the Customs Service that are closing in on the go-fast boat. The bad guys are on the boat on the right. It is trying to get them to stop. It is pulling up alongside them. They don't seem to want to stop. We actually go across the bow.

Now, you can see here the traffickers, the smugglers and the boat on the bottom of the screen. We were drawing down on them. I think they have decided now to stop. We actually arrested the six individuals in that boat. Of course, we seized the boat. It is being forfeited. And we seized a little over 1,000 kilograms of cocaine.

This is another, just closing in on another of the go-fast boats, with two of the Customs marine boats that have the awnings on them. It is a little more effective when you have two boats, actually, Mr. Chairman. It is faster, too. So, the traffickers on that boat are being apprehended.

I think this just graphically demonstrates one thing for this committee and that is, that the interdiction efforts and the drug enforcement efforts of the Customs Service and the Coast Guard and other agencies have not abated. If anything, to some degree the heightened level of security at the Customs Service has actually resulted in an increase, actually a substantial increase in the interdiction of drugs.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Bonner follows:]

STATEMENT OF COMMISSIONER ROBERT BONNER
HEARING OF THE HOUSE COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES

Chairman Souder, Congressman Cummings, thank you for this opportunity to testify.

Background

Since September 11th, the U.S. Customs Service has made defense against terrorism our number one priority. We firmly believe that the traditional aspects of our core enforcement mission – such as interdicting illegal narcotics, tracing of illegal money laundering, investigating strategic weaponry movements, and inspecting goods and cargo for contraband – will contribute to, complement and strengthen our new focus on terrorism. In addition, we have seen mounting evidence that heightened action against terrorism strengthens our ability to perform our overall mission.

As guardian of our nation's borders, U.S. Customs is a vital link in the chain of Homeland Security. We are present at 301 ports of entry – the major international airports, seaports, and land border crossings of our country. The ~~seven~~ 8 thousand Customs inspectors and canine enforcement officers stationed at these ports are responsible, collectively, for the processing of millions of passengers, vehicles, and cargo shipments entering the country each day.

In addition, our special agents are highly trained and experienced in conducting investigations and surveillance of suspect people and goods transiting our borders. Likewise, the expertise of Customs pilots and marine enforcement officers in patrolling America's skies and seas has become a mainstay in the nation's homeland defense.

To ensure that the various components of Customs work together effectively in the fight against terrorism, we established a new Office of Anti-Terrorism within the agency. I appointed an experienced leader to head that office, who reports directly to me. He is Colonel William Parrish (Ret., USMC).

As Director of Anti-Terrorism, Colonel Parrish works to ensure that each office of Customs is maximizing and coordinating its anti-terrorism efforts. In addition, he coordinates Customs efforts with other agencies within the nation's homeland security architecture, including the Office of Homeland Security, the federal law enforcement community, the Department of Defense, the Department of State and national intelligence organizations.

Equally important is the cooperation within the Administration and the important role of Governor Ridge and the Office of Homeland Security. This cooperation is essential both to ensure we are effectively responding to the threat of terrorism and meeting our other mission priorities. In addition, effective coordination by all the federal partners involved in counter-terrorism will help to relieve the strain that each of our agencies, individually, may face.

Specific Anti-Terrorism Initiatives

Immediately following the terrorist attacks of September 11th, Customs implemented a Level 1 alert, our highest state of alert short of closing the borders. We are still at Level 1 today, and we will remain there for the foreseeable future. Our Level 1 alert calls for sustained, intensive anti-terrorist operations, including heightened inspection of people and goods crossing our borders. We have bolstered security all along our borders, especially along our northern border with Canada. We now staff every border crossing, even those in our most remote locations, with a minimum of two armed officers, twenty-four hours a day, seven days a week. To ensure that this minimum is in place at every port of entry, we detailed over 100 inspectors from other ports to fill

understaffed northern border posts. We expect to detail another 50 inspectors beginning on December 10th.

We are working closely on an interagency level -- and I have been working extensively with my counterparts seated here -- to devise a comprehensive Northern Border Security Strategy for the U.S. We are focused on a broad coordinated response to terrorism among our agencies. Indeed, I met just last Friday with Admiral Loy and Commissioner Ziglar to further our efforts to develop a coordinated border strategy. And I hope to meet with Administrator Hutchinson in the near future.

We are pursuing international cooperation. We have engaged in discussions with the governments of Canada and Mexico to increase information sharing and develop common security measures for processing people and goods. In fact, I was in the Detroit-Windsor area just last week to meet with my counterpart from Canada Customs and Revenue, Rob Wright. We finalized our discussions on a new cooperative framework along the northern border. Looking to other fronts, we have launched an important counter-terrorist money laundering initiative known as Operation Green Quest. Customs is leading that Operation, which includes representatives from Treasury law enforcement offices and bureaus as well as representatives from the Department of Justice and the FBI.

We have also announced a new partnership with America's trade community aimed at tightening the security of commercial cargo so that it will not be used for smuggling terrorists or terrorist implements. U.S. Customs has extensive experience in organizing such partnerships with business against illegal narcotics, and we will apply those lessons to our new focus against terrorism.

Similarly, trade and travel between the U.S. and Canada has jumped dramatically since the implementation of the North American Free Trade Agreement in 1994. Protecting our expanding economic ties with Canada, while

preventing terrorists from exploiting increased traffic flows, is our goal on the Northern Border. Despite initial concerns about our Level One Alert placing an undue burden upon normal border flows, we have in fact succeeded in reducing waiting times at the border to the levels they were at prior to the September 11th attacks. Cooperation with our partners from Customs Canada and in the business community has been instrumental to our success.

In addition, we recently announced the launch of Operation "Shield America," which is aimed at the unlawful exportation of unlicensed weapons, equipment and technology that could be used by terrorist organizations. Again, Customs has longstanding expertise in this area. Operation Shield America will involve increased outreach to industry, and a new investigative focus for Customs strategic investigations.

Resources

As I mentioned above, we will continue with our Level 1 alert for the foreseeable future. We are firmly committed to protecting America, but we must also address the resource challenges this poses.

U.S. Customs is firmly committed to protecting America from a terrorist threat and is in fact expending a great deal of energy and overtime to maintain heightened security along our borders. Devising ways to lessen the strain on our people and our resources is a serious challenge, and one that we must face realistically.

We will also continue to work within the Administration and with the Congress to ensure that America's law enforcement agencies are well equipped to meet the terrorist threat, while balancing this critical need with our traditional priorities. The counter terrorism effort is a collaborative law enforcement effort, exploiting the expertise and resources of all participants.

Customs' Mission

Finally, I must emphasize that we do not expect our changing priorities to have a negative impact on our traditional law enforcement mission. To the contrary, we expect, and we have seen mounting evidence to the effect that heightened counter-terrorist measures by the Customs Service are strengthening our overall interdiction efforts. The additional resources now at the borders in response to the terrorism threat have resulted in significant increases in drug seizures.

Mr. Chairman, I firmly believe that U.S. Customs has the knowledge, the experience, the tools, and the personnel necessary to serve as a critical deterrent to terrorists who would target America. But I would stress, again, that it would be a grave mistake for the drug smugglers, money launderers and other criminals to misinterpret our focus on terrorism as a weakening of our resolve on other fronts. If anything, we will make life even more miserable for these foes as we intensify our overall presence along America's borders.

Thank you again, Mr. Chairman and members of the Subcommittee, for this opportunity to testify. I look forward to answering any questions you might have.

Mr. SOUDER. Mr. Ziglar.

STATEMENT OF JAMES W. ZIGLAR, COMMISSIONER, IMMIGRATION AND NATURALIZATION SERVICE

Mr. ZIGLAR. Thank you, Mr. Chairman and members of the committee. I wish that Commissioner Bonner had not shown that because if my Border Patrol agents who are down on the dusty, hot southwest border see these guys out on boats they are going to want to come join you.

Mr. Chairman, I appreciate the opportunity to be here today to talk about the impact on the INS of the homeland security initiatives that we have had since September 11th. Needless to say, September 11th has had a profound effect on everything and everybody both in this country and certainly in the government. It is no question about it.

The INS feels a particular burden in light of those events because of the missions that we have at the INS. They are multi-faceted, as you know. We are the only agency that has the legal authority to grant admission or determine admissibility of people coming into the United States.

Of course, given how the terrorists came in, that is a huge burden. We have the responsibility for patrolling and controlling the border between the ports of entry and we share joint responsibility at the ports of entry with Commissioner Bonner and his organization.

We have responsibility for enforcing the immigration laws in the interior of the United States. As we know, we have some considerable issues in that respect. Then when you add all that together and you also add on top of it the responsibility for adjustments in status for conferring benefits and for otherwise facilitating legal immigration into this country, we feel a great burden as a result of September 11th and we felt a great burden, of course, even before that.

No doubt that our attention since September 11th has been focused on those events and the outcomes of those events. As Commissioner Bonner pointed out, we went to Threat Level One almost immediately after the planes hit the World Trade Center and the Pentagon. We have been at Threat Level One since that time.

The commissioner explained what that does in terms of the level of inspection that we do and I won't go into that. But it clearly increases the impact on our resources to be at a Threat Level One.

At the INS, we have taken 1,000 of our 2,000 investigators and have devoted them to this investigation. And they continue to be devoted to it. In fact, as of yesterday, there were about 4,000 interviews and investigations that our investigators have participated in. So, we have had a huge play, if you will, in the investigation itself.

The Border Patrol hearing as been impacted by this. Immediately after September 11th, is the deployed 318 Border Patrol Agents to eight different airports around the country and got them there actually within 40 hours of the attacks on the World Trade Center and the Pentagon, in order to help beef up security at the airports.

We have deployed some additional inspectors to the northern border. We have deployed 150 roughly Border Patrol agents to the ports of entry. Now Border Patrol agents are not normally at the ports of entry, as you know, but we sent them there to help facilitate the inspection process because, as Commissioner Bonner knows, when you start doing it at the level we are doing it, it creates wait times. We have sent Border Patrol Agents to try to help with that process.

We will be deploying, in addition to the 100 or so that we have already deployed up to the northern border, we will be sending another 100 out there in the very near future. To top all of that off, we have the Olympics coming up at which we will have a minimum of 200 Border Patrol Agents that we are going to be sending out there for security purposes.

So, the impact on the Border Patrol itself has been rather significant. We have been attempting to carry out our normal duties and we think we have been doing that reasonably successfully given the impacts.

As Commissioner Bonner pointed out, it is not easy to try to do all these things and keep your normal flow of business going. But we have been working at it, as well as trying to fulfill some Presidential mandates that were given to me as a result of my being confirmed by the Senate.

One of them was to structure a reorganization of the INS. Second, it was to reduce the backlogs in our service side of our business. We have been working at that.

The strain on the agency is huge. We have been, like the Commissioner, we have been using overtime, reduced leave time, canceled leave time, all sorts of things to multiply our forces in the field. In fact, as of yesterday, I believe we used about 125,000 additional overtime hours throughout our system as a result of the September 11th attack.

We also have been deploying, as I mentioned, agents and others to different parts of the country to meet certain needs and those deployments in and of themselves, of course, create strains on the employees when they go away from home for 30 to 60 days. They stay in a place away from their families. That obviously creates a problem in terms of the impact on our personnel.

Recruiting and retention is always a problem. It has become even more of a problem for us because of some issues I talked about the last time I testified before your subcommittee. The Sky Marshal Program has been a particular impact on us. In fact, just entering the first Sky Marshal class, roughly 75 percent of the new entrants were former Border Patrol agents that had been recruited.

So, it is a little tough on us both to recruit and to retain folks.

Then, of course, given the events of September 11th we have this constant flow of new initiatives that are being thrown in our direction and the need to respond to every new idea for a new initiative. We have to respond to them, so that takes up an awful lot of time.

Our approach has been fairly consistent. We recognize that we can't do everything like we tried to do before, but we can do things in priority orders. Our focus has also been on strengthening our core mission. Take those things that we need to do, strengthen them and get our mission up to the place that it needs to be, while

at the same time, trying to stay out of what I call the bureaucratic guerilla warfare that goes on any time you are in any kind of a government job.

We are making progress. A couple of weeks ago I introduced or announced a restructuring proposal for the INS that would take and create two bureaus, a service bureau and an enforcement bureau within the INS to more focus our mission and to have clear lines and chains of command and hopefully strengthen our enforcement side of the business as well as the service side of the business. We think that is going to have a long-term positive impact.

The implementation of that restructuring has got to be done very carefully with the backdrop of our new responsibilities as a result of September 11th. But we think that we can go forward without that, without disrupting the efficiency of the organization.

We are continuing our major smuggling cases. Those are very important to our interior enforcement operations and I am hoping within the next week or two to announce some major developments in that area.

We also have been working with our counterparts in immigration in Canada and signed an agreement with them last week on some immigration initiatives that we think will help us do a better job, not just at the border, but do a better job of extending our borders out so that we can stop people before they ever get to North America and coming into this country and trying to do harm.

We also are working to enhance our interior enforcement operations. Mr. Chairman, as I mentioned to you right before this hearing, I would like to use this hearing to make an announcement about an initiative that we are starting, literally, today.

As most of the people have seen in the newspapers, there has been a lot of discussion about the fact that there are a large number of people in this country that we call abscondees. They are people who have been in illegal status. They have been put into deportation proceedings. They have gone through the judicial process. At the end of the judicial process there was a deportation order for them to be removed from the country and then, as you described it, they jumped bail, they absconded and disappeared into the woodwork of the country.

The number that has been thrown around in the press is 250,000 of those people. Mr. Chairman, the number is actually about 314,000, based upon our analysis yesterday. One of the things that I discovered in doing my due diligence is that with the exception of some very serious, serious criminal aliens, by and large, those people who have absconded and against whom warrants have been issued for their arrest, administrative arrest for deportation, those names of those people have never been entered into the NCIC index of wants and warrants.

So, if someone is picked up somewhere and a check is done of the records, there is no record out there that there is a warrant for this person's arrest. So, we have people who may be picked up and we never know that a final order of deportation is there.

I have started an initiative to have entered into the NCIC wants and warrants index the names of all those individuals. It is a big project. It is going to take a while. It is going to take some resources. But I think it is important that we do this.

I want to make it really clear that we are not talking here about some kind of sweep on illegal aliens. These are people who have gone through the judicial process, gone through immigration judges and through appeals and have final orders of deportation that have been entered against them and they have jumped bail or absconded.

We think that this will send a message that when you come to the United States you are expected to stay here on the terms that you are admitted on and that coming here and staying in an illegal status is not appropriate.

Mr. Chairman, I'm sorry, I've taken more time than I was supposed to. But I just want to let you know that our ability to do our job is really limited only by our resources and the time it takes to put resources on line.

Also, we want to make the statement that I'm very pleased and I am very thankful to the Congress and to the administration for recognizing the resource needs that the INS needs and they have been very forthcoming in working with us on the budget, on the appropriations, in order for us to be able to move this big, old ship down the channel a little bit.

Again, I just want to say how much we appreciate the cooperation of the Congress and the administration.

Mr. SOUDER. Thank you, Mr. Ziglar.

[The prepared statement of Mr. Ziglar follows:]

STATEMENT

OF

JAMES W. ZIGLAR
COMMISSIONER
IMMIGRATION AND NATURALIZATION SERVICE

BEFORE THE

HOUSE COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES

REGARDING

FEDERAL LAW ENFORCEMENT:
LONG TERM IMPLICATONS OF HOMELAND SECURITY NEEDS

DECEMBER 5, 2001

2154 RAYBURN HOUSE OFFICE BUILDING

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE,

I want to thank you for the opportunity to testify today on "Federal Law Enforcement: Long Term Implications of Homeland Security Needs." Since September 11th, I have testified on a number of occasions with respect to the actions that the Immigration and Naturalization Service (INS) has taken to strengthen national security. This is our first opportunity to discuss with Congress how we are balancing these necessary efforts with the business of tending to our other immigration mission responsibilities. In many ways, the focus on national security and counter-terrorism has enhanced enforcement efforts and strengthened some enforcement policies.

My remarks today will describe some of the impacts counter-terrorism operations have had relative to our overall capacity, and what mechanisms are in place for setting priorities and making resource decisions for the near-term without sacrificing our long-range goals and objectives.

Let me say this at the outset: while responding to the need for heightened security nation-wide, INS is accountable and will remain attentive to the public safety responsibilities that are inherent in our immigration enforcement mandate. Agents, officers, and attorneys throughout the country are tending to our "other" mandates. That means:

- Apprehending persons who are attempting or have entered illegally;
- Removing criminal aliens from the border and interior;
- Identifying and investigating alien smuggling and immigration-related crimes; and
- Apprehending those who have violated the terms of their status in the United States.

The American public justifiably expects that we will continue to make progress on removing criminal aliens from the interior and apprehending criminal and non-criminal illegal aliens at our borders. But they also expect INS to devote every possible resource to preventing and thwarting terrorist attacks. This makes it all the more important that we continue to set priorities and plan for the future. Today I will focus on how we will continue to improve the management of our national security efforts and INS mission in the months and years ahead.

The Impact of the Recent Emphasis on Homeland Security

The INS has responded at many levels and in conjunction with other agencies to perform direct law enforcement activities, provide identification and intercept capabilities, supply intelligence information and complete investigative and detention functions.

Add Coverage and Inspections Processes at the Ports of Entry

The Inspections Program has focused all its resources on meeting the Threat Level One commitments since September 11, 2001, including: staffing all small and remote locations 24 hours a day/7 days a week[1]; ensuring all flights will be inspected at their first port of entry (POE); completing record checks of those seeking admission; and completing checks of vehicles as they cross the land borders. This increased vigilance to make thorough and accurate determinations affects the more than five hundred million inspections that are conducted at our POEs every year. Currently, the INS has 4,775 Inspectors to process these

[1]All land POEs are staffed with the exception of one POE in Maine that is closed because it is a seasonal port. There are sensors and cameras there. The airports are only staffed 24/7 if there are international arrivals.

persons who arrive at our borders, and hundreds of millions enter the United States without visas, through visa waiver programs or other exemptions from the normal visa process. With the FY 2002 appropriations and the Administration's emergency supplemental request, the number of Inspectors will grow to over 5,700.

The post-September 11th procedures put into place at POEs have strengthened the enforcement posture of the nation and contribute directly to improved border security. The consequence to the public who travel through our POEs is increased wait times at the airports and land ports that have risen above statutory limits and Service goals in recent months. The additional security activities have necessitated a temporary curtailment of certain other activities, such as enrollment of new applicants for various alternative inspection processes that facilitate border crossings for low-risk travelers.

Leverage the Strength of the Border Patrol

In 1994, the Border Patrol implemented a four-phased multi-year national strategy to deter, detect and apprehend illegal entrants, smugglers and, in certain instances, contraband along our 8,000 miles of border. The strategy involves forward deployment of personnel, equipment and technology along the Southwest Border and then along the Northern Border, Pacific, Atlantic, and Gulf Coasts. Due to the events of September 11, the Border Patrol accelerated plans for deployment of manpower and resources to the Northern Border sectors.

Within 36 hours of September 11, 2001, the Border Patrol deployed 318 Border Patrol Agents to eight major airports around the country. These Border Patrol Agents augmented existing security operations and helped to restore a sense of security to the

traveling public. We have deployed 150 Border Patrol Agents to POEs along the Northern and Southwest Borders in order to assist with security, traffic management and to maintain Threat Level One commitments.

The Border Patrol Agents deployed in support of these two enforcement initiatives were from Southwest Border Sectors. Careful consideration was given as to where they would be drawn from in order to minimize the impact on Southwest Border enforcement operations. In addition, overtime was used to compensate for their absence as well as leave restrictions in some locations. No significant reduction in enforcement capabilities resulted from this temporary shift of resources. Frankly, these are positive but short-term solutions. We will continue to systematically deploy agent staffing, technology and support resources to meet our long-term shared border management objectives to maintain and extend control along the Southwest and increase control along the Northern Border.

Because these and other special operations will continue at least through FY 2002, there are resource and mission implications to be addressed. The resource implications are being addressed in a counter-terrorism supplemental budget request pending before Congress. The mission has not changed but has become more complex. The profile of the 21st century terrorist, as defined by the September 11 attack, has increased the complexity of intelligence gathering and intelligence interpretation for the Border Patrol as well as for every other U.S. Federal, state and local law enforcement component. These complexities are being addressed to determine how our law enforcement focus may be strengthened as the need to absorb, interpret and act on terrorist intelligence information vies daily with our law

enforcement attention on illegal immigration and intelligence information on smuggling operations.

Sustain a Focus on Public Safety in the Interior of the United States

Although the INS continues to be engaged in many investigations into anti-smuggling efforts, the identification and arrest of criminal aliens, and other violations of immigration law, INS' support of the investigation into the terrorist attacks of September 11 is the highest priority. Of the 1,977 Special Agents employed by INS, 1,000 have worked on the investigation into the terrorist attacks on the Pentagon and World Trade Center. To date, our Special Agents have developed over 2,500 leads in the case.

INS has shifted its overall investigative resources and priorities in support of counter-terrorism efforts. As a result of this reprioritization, the core duties related to investigating immigration criminal conspiracies and responding to state and local law enforcement agencies have been sustained while other unrelated interior enforcement actions have temporarily received less attention. INS Special Agents throughout the entire country have worked hand in hand with the FBI and the intelligence community to conduct field interviews, make criminal and administrative arrests, run checks against crime indices of criminal histories and lookouts, and share their unique area of expertise with other law enforcement agencies. INS Special Agents have participated in more than 3,900 field interviews since September 11th.

The Investigations Program has responded to this crisis in a number of other ways. For example, Headquarters Investigations directed that each Region initiate worksite

investigations into the hiring practices of companies employing people who work at airports and have direct access to commercial aircraft and other "secure areas." Particular attention is devoted to companies providing security at major airports within the United States.

Provided Secure and Suitable Detention in Support of Terrorism Investigations

The INS Detention and Removals Operations Division has re-directed human and fiscal resources toward the operation of various command centers on a 24 hour/7 days a week basis. In order to accomplish this mission, staff has been placed on overtime and staff have been detailed to various locations. A general slowdown in airlines operations and enhanced travel restrictions for Federal employees have slowed our ability to carry out removals, and hence increased the need for detention space. Furthermore, investigations into the World Trade Center and Pentagon attacks have increased the need for higher-security detention bed-space which has been provided by the Bureau of Prisons.

At the same time, we have been systematically devoting the bulk of our resources to detain and remove over 60,000 criminal aliens each year. The FY 2002 Counter-terrorism Supplemental request pending before Congress includes resources that will allow us to strengthen plans to develop and implement fugitive operations program with the sole mission of identifying, locating, apprehending, and removing criminal aliens who have received final orders of removal and who have not presented themselves for removal.

Continued Counter-Terrorism and Other Long-Range Planning at INS

There has been a necessary, though managed, impact on our other law enforcement missions. Additional staffing needs to address counter-terrorism operations are being addressed through details, transfers, overtime and redistributing intelligence, investigative and detention resources. The longer-term solution will require a reassessment of our strategies—a fresh look at our plans—to absorb new priorities without weakening our primary mission.

Even before September 11th, INS was developing mid to long range plans in response to growth in both its mission responsibilities and its staff. We need to see that they properly integrate with each other in light of our changing external and internal environments. Counter-terrorism is now the Department of Justice's number one goal and INS has a role to play in fighting terrorism. Simultaneously, all of INS' other goals remain intact, and we fully expect to meet those goals as well. INS has been moving toward using key mission area plans to guide specific operations and address particular law enforcement threats. We are currently developing five to ten year plans in selected areas. For example, we are developing a five-year ***Interior Enforcement Strategy*** that concentrates on public safety and immigration-related crimes. Its focus will be on identifying and removing all criminal aliens from the interior and on domestic investigation of criminal networks involved in alien smuggling, fraud, illegal employment or other criminal activity such as

drugs and gangs. It also defines a level of coordination with other Federal, state and local law enforcement.

In addition, INS has long-term plans to guide and align ***Infrastructure and Technology*** with accomplishment of the mission. INS has undertaken several major initiatives to improve the planning and integration of its Information Technology environment, including developing five-year IT plans, the INS Enterprise Architecture Plan, and a five-year Records Management Plan. INS also manages its construction and vehicle fleet acquisitions and replacements to reduce the gap between staff and infrastructure with long-range plans that prioritize the projects that indicate the greatest need and offer the greatest return.

While the purpose of the discussion today is the impact on the law enforcement mission, it must be said that the INS is also committed to providing accurate, timely, and professional immigration services. The INS is finalizing a ten-year business plan that provides the framework not only for reducing backlogs and improving process times, but for completely transforming the way INS delivers its services to customers and manages the millions of requests for immigration benefits each year.

We are also currently reevaluating existing strategic plans, for example, the ***Border Patrol Strategic Plan*** outlines a multi-phased, multi-year approach for controlling illegal immigration along the U.S. borders, by achieving levels of deterrence in geographic areas experiencing the greatest illegal activity. As INS approaches deployment of over 10,000 Border Patrol agents this fiscal year, having this type of strategy in place allows us to make decisions about alignment of our resources with control of particular geographic corridors.

It also made recent choices about temporary redeployments for security purposes clearer and less likely to weaken the Government's overall border management strategy. Though our commitment to additional counter-terrorism duties is firm, the importance of our primary goal of achieving comprehensive border control has not diminished.

In addition, the ***National Anti-Smuggling Strategy*** focuses on the deterrence, disruption and dismantling of major smuggling organizations operating not only in the United States, but in source and transit countries as well. In FY 2002, the strategy will place a significant emphasis on targeting organizations that smuggle aliens who present a threat to national security. Terrorists and their associates are likely to align with specific alien smuggling networks to obtain entry into the United States. It is also a well-known fact that some smuggling organizations utilize their illicit profits to provide financial support to terrorist organizations. The INS' activity in this area will target specific smuggling corridors, and will emphasize long-term, complex investigations targeting smuggling organizations that present a threat to national security. Specific investigative targets have been identified, based on recommendations of the Interagency Working Group[2] on alien smuggling.

Restructuring Planning at INS

During his campaign for the Presidency, President Bush pledged that he would fundamentally reform the INS. He expressed concern that service and enforcement at the INS conflicted in ways that prevented the sound execution of these two important missions.

The President proposed to divide the service and enforcement missions of the INS into separate functions as a way to improve the agency and help the nation. The President has made it quite clear that he wants effective restructuring and he wants it soon. Today, I will focus on the aspects of the plan that relate to the enforcement mission.

After being confirmed by the Senate, I formed a task force to develop an administrative restructuring of the INS as the quickest, most efficient way to reform the agency. I had the full support of the President and Attorney General in this endeavor. The task force and I reviewed all the prior studies, plans, and legislation to reform the INS, borrowed what made sense, discarded what did not, and developed a draft plan.

While the plan was largely completed prior to September 11, we made some changes after the attacks to ensure the plan effectively responded to potential terrorist threats. The Attorney General and the White House, including the Office of Homeland Security and the Office of Management and Budget, were consulted in the development of this plan.

There is no debate about whether or not to reform the INS. The issue is simply what is the best way to do that and how can it be done quickly, efficiently, and with the appropriate administrative flexibility.

The Administration's Plan

The plan for implementation is designed to minimize disruption within the Agency during this time of national crisis when the INS is a front line combatant in the war against terrorism.

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[2] The IWG is composed of representatives from INS, FBI, DOJ, CIA, NSA, USGG, and DOS.

Let me now highlight the major elements of the Administration's restructuring plan.

The plan:

- Splits immigration services and immigration enforcement functions into two separate bureaus.
- Provides clarity of function by improving accountability and professionalism through a chain of command with specific expertise at all levels. This is accomplished by elimination of the Regional Director and District Director positions, which have dual responsibilities for services and enforcement.
- Maintains a strong leader at the top and a unified Office of General Counsel to allow swift and decisive action in times of crisis.
- Forms an integrated law enforcement organization that can respond quickly to combat terrorism, human smuggling operations and illegal immigration activities at the border and in the interior.
- Ensures, through the new position of Chief Information Officer (CIO), that the Services Bureau maintains access to relevant enforcement data in adjudicating benefit applications. The CIO, through the Information Coordinator, will also ensure that Enforcement Bureau personnel maintain necessary and appropriate access to data collected by the Services Bureau.
- Positions INS to better share and utilize intelligence information.
- Creates an Ombudsman in the Bureau of Immigration Enforcement to provide the public with a means to communicate concerns and complaints.

The new enforcement structure will place emphasis on further developing INS' extensive relationships with foreign, federal, state and local law enforcement agencies. The Interagency Liaison Officer, reporting to the Executive Commissioner for Immigration Enforcement, will facilitate an improved flow of information and cooperation with Federal, state, and local law enforcement organizations.

Resource Decision Making in the Short and Long Run

The events of the past several months have challenged us to quickly assess and estimate short-term costs and project the level of sustained response that would be required for an effective counter-terrorism program. In the short term, we have developed cost estimates for the wide array of one-time special initiatives, new systems and information technology, additional staff resources, intelligence components, and physical security measures. Rather than a change to our mission areas, this represented the additional duties and refinements needed to tailor our strategies and missions to combat this specific type of threat.

Recognizing that these types of changes cannot be implemented immediately, shortly after September 11th, INS put forth estimates for emergency needs and a $400 million request for INS was included in the Administration's FY 2002 Counter-terrorism Supplemental resource request pending before Congress. This request set forth what we feel can be an effective series of measures that would strengthen our enforcement capabilities.

Apart from these proposed increases, based on the enacted FY 2002 Appropriation Act, we will have an overall budget of $5.6 billion and grow to over 36,000 positions by the end of this fiscal year. We will continue to plan for resources that balance our various enforcement and benefits responsibilities.

- INS intends to increase the number of Border Patrol Agents and support staff along the Northern Border, while not neglecting the continued needs along the Southwest Border. Such increases also include necessary facilities infrastructure, technology and vehicles.
- In FY 2002, we received an increase in the number of Inspectors at POEs. The increase should allow us to handle the volume and conduct inspections to increase intelligence, enforcement presence and deterrence, and to prevent entry of terrorists, criminals and smuggled aliens at ports of entry.

Partnerships with Other Agencies and Governments Have Been Critical

Much of INS' strategy and operations has relied on developing extensive relationships with foreign, Federal, state and local law enforcement agencies. We have been able to leverage our particular expertise and particular strategies to mount a comprehensive attack on national security threats. In the short and long term we will continue these partnerships that enhance all the missions under our respective jurisdictions.

- In order to respond to the immediate needs of the Northern Border areas, the Border Patrol is currently working with the Department of Defense and United States Coast Guard to augment enforcement resources by the utilization of additional aircraft and boat patrols, and intelligence analysis.

- The Border Patrol is also developing plans to expand the Integrated Border Enforcement Teams and the Integrated Maritime Enforcement Team (IMET). This concept was tested with great success in the Blaine, Washington and Buffalo, New York sectors of operation. This concept is a multi-agency cross-border operation that involves all participating law enforcement agencies, including: Border Patrol, Royal Canadian Mounted Police, U.S. Customs, U.S. Coast Guard, Bureau of Indian Affairs and a host of state and local law enforcement agencies. These agencies work in cooperation to cover large areas of responsibility by coordinating work schedules and patrol routes so that enforcement coverage is not duplicated and agency resources are maximized.

- INS also works with cross-designated authorities including the Drug Enforcement Administration, the U.S. Customs Service, and the Department of Agriculture, to stop the flow of illegal aliens, contraband and narcotics. In addition to a 25 percent drop in apprehensions from 1.6 million in FY 2000 to 1.2 million aliens in FY 2001, INS contributed to the arrest of 11,000 criminal aliens, and the seizure of 1.1 million pounds of marijuana and over 16,000 pounds of cocaine.

- The Border Coordination Initiative (BCI) is another example of interagency cooperation at its best. Developed in 1998, by the INS and the U.S. Customs Service for implementation on the Southwest Border its main objective was to create a seamless process at and between the land border POEs by building a comprehensive, integrated border management system that effectively achieves the mission of each agency. Since

its inception, the scope of BCI has grown to include the Department of Agriculture and the U.S. Coast Guard at both the Headquarters and field levels. Additionally, it has an outreach provision that encourages participation by all interested Federal, state and local law enforcement agencies at each of the 24 BCI Field Areas. Expenditures have been minimal, while joint success stories are reported in the hundreds. The ability of BCI to pull together and work as force multipliers was never more evident than after the events of September 11th.

- INS coordinates enforcement operations with the U.S. Coast Guard, U.S. Customs Service, Central Intelligence Agency, Federal Bureau of Investigation, Department of State and international law enforcement agencies, on missions such as counter-terrorism, drug interdiction, disruption of alien smuggling, detection of fraud and other illegal activities. The INS has permanent representation at INTERPOL, the Border Coordination Initiative, the CIA, the Foreign Terrorist Tracking Task Force and the El Paso Intelligence Center with detailed personnel. The emphasis at each of these detail locations has also changed with much greater effort aimed at counter-terrorism. The U.S. Coast Guard has a liaison officer located at INS headquarters. In addition, the INS has exchanged liaison officers with the U.S. Customs Service.

- Our Joint Terrorism Task Force (JTTF) continues to be the backbone of the INS' efforts to combat international terrorism. The INS has 66 JTTF agents stationed in 36 locations around the United States. The JTTF agents serve as a critical component to root out

terrorists and their supporters. Working closely with the FBI and other agencies within the multi-agency task forces, INS Special Agents have played a significant role in recent terrorist investigations nationwide by proactively investigating and targeting known terrorists, terrorist organization leaders, members, and associates.

- On the international front, INS coordinates its border enforcement efforts and documentary requirements with land neighbors to the south and to the north. From high-level policy development to the day-to-day interagency and interdepartmental cooperation, we are building strong relationships and taking steps to fight global threats.

Looking Ahead

The Administration and Congress have been working together to address each of the elements that affect national security. We will use every means possible to plan for and mobilize staff and resources in the least redundant and most effective way. We will continue to put our efforts to the task of ensuring national security. We are conscious of the gravity of the threats to the public as well as their expectation that INS can and will continue to advance the enforcement of its immigration mission.

Thank you for this opportunity to appear Mr. Chairman. I look forward to your questions.

Mr. SOUDER. Mr. Hutchinson.

STATEMENT OF ASA HUTCHINSON, ADMINISTRATOR, DRUG ENFORCEMENT AGENCY

Mr. HUTCHINSON. Thank you, Mr. Chairman. I am delighted to be here with my colleagues today before you and Ranking Member Cummings and Ms. Davis, it is good to appear before your committee again.

I particularly appreciate this committee's leadership on the fight against drugs in our country and drawing attention to the impact that the events of September 11th may have on this effort. Since the inception of the recent national crisis on September 11th, the DEA has responded in a number of ways by mobilizing resources against the threat of terrorism.

First of all, the DEA has participated in the Federal Sky Marshal Program and has contributed a total of 126 Special Agents, representing 3 percent of the agency's investigative personnel, to the program. These are all volunteers who are deployed on 60-day temporary duty assignments and are drawn from a cross-section of the country to minimize any adverse impact on our day-to-day operations.

Second, the El Paso Intelligence Center has supported the FBI investigation of the September 11th attacks on the Pentagon and the World Trade Center. EPIC has been providing intelligence and analytical support to the FBI's Operation PENTBOMB, the Department of Defense operation and the Coast Guard's Operation Coast Watch.

To date in support of these operations and other member agencies, EPIC personnel have extended over 9,000 man-hours, processed over 64,000 queries and generated over 1,200 cables. As a result of this effort, EPIC has been to provide in excess of 10,000 leads or pieces of supplemental information to investigators.

In addition, the DEA has been engaged in the intelligence arena. We have routinely queried our human drug intelligence sources, especially those overseas for any potential leads or intelligence that may impact upon national security or terrorism investigations and certainly have provided any information immediately to the FBI who has the lead in it as its responsibility.

In addition, the DEA has participated in the anti-terrorism task forces and in each Federal judicial district the DEA has designated one agent as a point of contact to the Attorney General's Anti-Terrorism Task Force.

So, while the prevention of additional acts of terror must continue to receive the highest level of attention from all of the agencies, there remains a focus and a commitment on the DEA's central mission of drugs. If we look specifically at the impact of September 11th, I think there is some good news in the terrible tragedy that occurred in the sense that there has become a greater public awareness of the nexus between drugs and terrorism and the money that flows to violent groups.

I appreciate the chairman yesterday being at the DEA, participating in a symposium on narco-terrorism and the impact that it has on our society today and the serious connection that is there.

Hopefully, that will increase the public awareness of this connection.

Also as a result of September 11th, I think there is an opportunity for our society to enter an era of greater responsibility. All of a sudden drugs not only are illegal and harmful, but also there is an understanding that there is a benefit that goes to extraordinarily violent groups that do harm to our society.

Just as in World War II, I hope that we are able to capitalize on this and make serious strikes in reducing drug use in our country.

The second thing that we have seen since September 11th, as Commissioner Bonner rightfully pointed out, law enforcement presence makes a difference. Immediately after the September 11th act the traffickers appeared to stop moving the drugs through their trafficking routes because of intense pressure along the border.

So, they held off. Then at some point they had to continue. As they continued their trafficking, because of the intense pressure along the border, the seizures increased dramatically. We would also see this from the DEA's perspective inland, whereas there was more drugs transported in the air transportation routes, that has moved to ground transportation routes because of the intense scrutiny of passengers as they go through the airports.

So, there has been a change of patterns. In addition, you see whereas the intense pressure in New York City has scared away traffickers, to a certain extent of doing their exchanges and their first deliveries in the United States in New York City. I was in Connecticut. We saw the impact there. Some of the trafficking routes have bypassed New York City and moved into New Jersey and into Connecticut and some of the outlying areas.

So, the law enforcement presence has made a difference and it has been our responsibility to adjust to the new patterns. So, law enforcement has to be flexible and to adjust and the DEA has taken those steps.

The third impact of September 11th is what is the focus of this hearing, which is the impact on resources and long-term planning on organizational structure. Clearly a comprehensive review is appropriate and is underway to eliminate any duplication of effort so that maximum resources can be devoted to public security.

To the extent possible, the DEA has attempted to integrate the homeland security responsibilities and our duties in counter terrorism into our existing law enforcement functions, so that the enhanced public safety is a dividend of more diligent and well-informed counter drug efforts.

Accordingly, the DEA, in the airports and railway interdiction units are on high alert and cognizant of the likelihood of encountering members of terrorist cells as they transit the country. Clearly law enforcement presence in that area as well makes a difference and has resulted in leads and hopefully will in the future.

Regardless of the manner in which drug traffickers chose to regroup in response to our new counter terrorism initiatives, our single mission drug agents must and will continue to provide adequate anti-drug coverage.

In the long term, I believe that our responsibilities overseas will have a greater emphasis and has increased because of the instabil-

ity in Afghanistan. We are laying plans to have additional resources in Uzbekistan and in Pakistan to help in the interdiction efforts of drugs coming out of Afghanistan. It is an unusual opportunity. We have a country that produces 70 percent of the world's supply of heroin, to be able to go in and impact that dramatic source of supply.

The impact on the United States would be if we can reduce that supply in Afghanistan is that it will impact our purity of heroin in the United States and the price of heroin in the United States, hopefully in a positive fashion.

Because the DEA is an agency that relies extensively upon interagency cooperation, the new responsibilities in counter terrorism are nothing new to us. We will continue to maximize our cooperation with our State and local counterparts and with our Federal partners that are at this table. We operate to a large extent with our Federal partners under Memorandums of Understanding. If there are any adjustments that are needed in those to maximize our organizational structures and efficiencies, we are happy to cooperate.

In conclusion, Mr. Chairman, the DEA fully supports Attorney General Ashcroft's initiative and Governor Ridge's efforts to restructure our Federal law enforcement assets in a manner that best serves public security. As we move decisively to coordinate our counter terrorism efforts, we must take appropriate actions to make certain that the momentum of our counter-drug initiatives is not adversely affected. I appreciate the leadership of this committee in that regard. Thank you.

Mr. SOUDER. Thank you very much.

[The prepared statement of Mr. Hutchinson follows:]

Remarks by

Asa Hutchinson
Administrator
Drug Enforcement Administration
United States Department of Justice

before the

House Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy and Human Resources

Regarding

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Statement of

Asa Hutchinson

Administrator

Drug Enforcement Administration

before

The House Government Reform Committee

Subcommittee on Criminal Justice, Drug Policy,

and Human Resources

December 5, 2001

Chairman Souder, Ranking Member Cummings, and distinguished members: It is my pleasure to appear before the Subcommittee to discuss the long term implications of newly imposed homeland security requirements on the operational capacity of the Drug Enforcement Administration (DEA). I would like to thank you, Mr. Chairman, for the leadership and foresight that you demonstrate today by providing a forum for this important matter.

As a single mission law enforcement component of the Department of Justice, the DEA has emerged as the world's premier drug law enforcement agency. In addition to our domestic presence, the DEA maintains over 400 personnel in 56 countries worldwide to support global investigations and drug intelligence activities. Over the years, the DEA's extensive state, local and international training initiatives have created an extensive network of goodwill with our domestic and foreign police counterparts. This policy of interagency teamwork, which is the bedrock of our longstanding tradition of cooperation, is implemented each day by DEA employees investigating terrorist-related drug trafficking organizations across the globe.

We have often seen that, in the absence of intervention, the drug trade and the terror network will feed off of each other, creating a larger menace than either threat would present by itself. The current situation in Afghanistan clearly demonstrates the connection between drugs and terrorism. The Taliban, which controlled opium production and directly taxed the drug trade, opened its doors to Osama Bin Laden and the al-Q'aida organization. Under the guise of religion, a repressive drug regime formed a marriage of convenience with a vicious terrorist network, and together they exploited the security of their remote sanctuary, elaborate money movement system, and brutal code of conduct to plan and execute the horrific acts of violence of September 11, 2001. Our courageous military has already done much to bring justice to those who would otherwise bring us more harm. Still, there is more that we in the DEA can do to prevent drug syndicates from fueling global terrorism.

In addressing the nation's heightened public security concerns, Attorney General Ashcroft has made clear that "the central thrust of our campaign against terror must be proactive prevention and disruption, and not primarily reactive investigation and prosecution." Through the issuance of this statement, he has directed that prompt action be taken to enhance the sharing and analysis of information, as well as interagency coordination of our collective operational efforts. The DEA, in response, is poised to carry out this mandate to the fullest extent possible.

DEA's Response to The War on Terrorism

Since the inception of the recent national crisis, the DEA has answered the nation's call to duty by mobilizing the following resources against the threat of terrorism:

- Federal Sky Marshal Program: The DEA has contributed a total of 126 Special Agents representing three percent of the agency's investigative personnel to the Federal Sky Marshal Program. These volunteers, who are deployed on 60 day temporary duty assignments, are drawn from a cross-section of the DEA's domestic divisions to minimize any adverse impact on our daily drug enforcement operations.
- El Paso Intelligence Center (EPIC): In support of the FBI investigation of the September 11th attacks on the Pentagon and World Trade Center, EPIC has been providing intelligence and analytical support to the FBI's Operation PENTBOMB, the Department of Defense's Operation NOBLE EAGLE, and the USCG's Operation COASTWATCH. To date, in support of these operations and in direct support to the FBI and other member agency investigations, EPIC personnel have expended over 9,000 man-hours, processed over 64,000 queries and generated over 1,200 cables. As a result of this surge effort, EPIC has been able to provide in excess of 10,000 leads or pieces of supplemental information to investigators.
- Debriefing of DEA Human Intelligence Sources: In addition to providing the FBI with intelligence analytical support, the DEA routinely queries human drug intelligence sources, especially those overseas, for any potential leads or intelligence that may impact upon national security or terrorism investigations.
- Anti-Terrorism Task Forces: In each federal judicial district, the DEA has designated one agent as a point of contact to the Attorney General's Anti-Terrorism Task Force, which is coordinated by the district's respective Office of the United States Attorney.

Assessing Counterdrug Resources

While the prevention of additional acts of terror must continue to receive our highest levels of attention, professional accountability requires that we take stock of the resources that are available to us, and candidly assess our ability to perform the federal law enforcement functions handled by our respective agencies before September 11th. In the case of the DEA, it is not our new contributions to homeland security that will test our mettle. Indeed, much of the intelligence sharing and interagency cooperation called for by the Department of Justice has long been established practice within the DEA.

As you are aware, the DEA is not an interdiction agency. Our strategic objective is to dismantle or disrupt the command and control elements of sophisticated international drug trafficking organizations. Consequently, we rely on designated agencies to execute the interdiction portion of our investigations, and to effect seizures

of other seemingly unrelated drug shipments. The documentary evidence acquired and cooperating defendants interviewed as a result of these seizures frequently result in valuable intelligence and investigative leads that result in additional seizures, and enhance existing cases and future prosecutions.

Since September 11th, the U.S. Coast Guard has diverted a portion of its maritime assets to perform essential port security duties. The U.S. Customs Service, with an equally crucial role in border control, recently announced that terrorism has replaced drug smuggling as the agency's top priority. Historically, the DEA has reaped substantial intelligence by conducting post-seizure conspiracy investigations as follow-up to drug seizures effected by the U.S. Customs Service, the U.S. Coast Guard, and the U.S. Border Patrol.

The Federal Bureau of Investigation (FBI), while not an interdiction agency, is currently engaged in the most comprehensive terrorism investigations ever conducted in the country's history. As they will undoubtedly face a plethora of national security challenges in the arena of counter-terrorism, the extent of the FBI's participation in future large scale drug investigations is unclear. What is clear, however, is that a comprehensive review is needed and is underway to eliminate any duplication of effort so that maximum resources can be devoted to public security.

To the best extent possible, DEA has attempted to integrate homeland security duties into our existing law enforcement functions, so that enhanced public safety is a dividend of more diligent and well-informed counterdrug efforts. Accordingly, DEA airport and railway interdiction units are on high alert and cognizant of the likelihood of encountering members of terrorist cells as they transit the country. Clearly, law enforcement's presence makes a difference in the safety and quality of our citizens' lives. Regardless of the manner in which drug traffickers choose to re-group in response to our new counter-terrorism initiatives, our single mission drug agents must and will continue to provide adequate anti-drug coverage.

Planning for the Future

Because the DEA, by necessity, operates in an environment of interagency cooperation, any long term planning to ensure adequate resources must entail parallel planning in other affected agencies. Operating under a series of Memorandums of Understanding (MOU's) with numerous law enforcement agencies, the DEA will carefully consider ways to adjust our existing organizational structures and arrangements to address issues that may arise as other agencies shift their organizational duties and responsibilities.

Conclusion

In conclusion, Mr. Chairman, the DEA fully supports Attorney General Ashcroft and Governor Ridge in their efforts to restructure our federal law enforcement assets in a manner that best serves public security. As we move decisively to coordinate our counter-terrorism efforts, we must take appropriate actions to make certain that the momentum of our counterdrug initiatives is not adversely affected.

Thank you for the opportunity to testify before the Subcommittee today. I will be happy to respond to any questions you may have.

Mr. SOUDER. Mr. Gallagher.

STATEMENT OF FRANK GALLAGHER, DEPUTY ASSISTANT DIRECTOR, CRIMINAL INVESTIGATIVE DIVISION, FEDERAL BUREAU OF INVESTIGATION

Mr. GALLAGHER. Mr. Chairman and members of the subcommittee, thank you very much for the privilege of allowing me to testify here today. As you know, on September 11th the way we do business changed. It changed for the FBI. It changed for all of law enforcement and it changed for all of America.

Now, we must make some of the changes we experienced permanent and develop other changes or other ways of doing business and serving the American public if we are to be an effective and efficient national law enforcement agency.

The FBI has jurisdictional responsibility for over 300 classifications of Federal crimes. Some of them are exclusively the jurisdiction of the FBI and some of them are violations where we share jurisdiction with other agencies, either Federal, State or local agencies.

Some of these violations which we investigate with shared jurisdiction are ones where the other agency doesn't have the capacity to shoulder the investigations alone. An example of this would be crimes occurring in Indian Country where the Bureau of Indian Affairs shares jurisdiction, but they don't have the capacity to handle the volume of cases or the required expertise for some of the cases.

Drug violations are also ones which we share with many other agencies. However, the way drugs have permeated our society and lead to so many other violations and the way they are a part and parcel of so many criminal enterprises, our jurisdiction is necessary to try to fully investigate and dismantle these criminal organizations.

In 1998, the FBI established a 5-year strategic plan to set investigative priorities in line with a tiered structure. Tier One comprises those crimes or intelligence problems which threaten our national or our economic security.

Tier Two involves offenses which involve criminal enterprises or those which adversely affect our public integrity.

Tier Three includes violations which affect individuals or property. In line with this plan, we have increasingly enhanced our resources dedicated to the areas of counter-intelligence and counter terrorism.

Now, let me discuss briefly how the recent terrorism incidents have affected the resources assigned to the FBI. Our budget authorizes the FBI to have 8,883 Special Agents to conduct investigations in the field. Now, this does not include those assigned as managers or supervisors in field offices, those assigned to FBI Headquarters or those assigned to international or special assignments.

Prior to September 11th, 73 percent of them, or approximately 6,500 agents were assigned to investigate criminal investigative program matters, that is organized crime, white collar crime, drugs, violent crimes or civil rights violations. A little over 2 percent of these resources were assigned to applicant and/or training

matters and the remaining 25 percent were assigned to counter-intelligence or counter terrorism matters.

Following the terrorism incidents, about 67 percent, or more than 4,000 of those agents in the field who previously worked criminal investigative matters were diverted to conduct investigations related to the PENTBOMB investigation or the subsequent anthrax letters or hoax letters.

Also, agents were diverted to working hate crimes directed at individuals of Middle Eastern descent. During the first 2 weeks after September 11th, all agents, both those working the terrorist-related matters as well as those who continued working the traditional criminal violations worked on an average well over 13 hours a day.

We are continuing to utilize almost 3,000 agents more than we are budgeted for to investigate counter terrorism. Presently, our utilization of agent resources is showing a gradual return to more normal levels. We are now using about 55 percent of what previously had been our criminal investigative resources on those violations.

However, with the increased emphasis on the prevention of any terrorist act, it is doubtful that we will ever return to the same staffing levels for each program which existed prior to September 11th. Prior to September 11th the FBI was usually involved in about 250 assessments and responses related to suspected weapons of mass destruction events each year. During the first 3 weeks of October alone, we have had more than 3,300 of these occurrences which included 2,500 suspected anthrax incidents.

Additionally, 278 hate crime allegations associated with the events of September 11th have been investigated. To date, 35 of our 56 field offices have established joint terrorism task forces, most of which existed prior to September 11th.

The Director has instructed that all of our field offices establish a JTTF as soon as possible. The FBI has also established a financial review group which is a multi-agency task force investigating all funding avenues utilized by the terrorist networks.

In order to effectively address terrorism threats and the traditional crime problems which the FBI faces on a long-term basis, the Director has developed an internal reorganization plan. The first part of this reorganization plan has received congressional approval and the FBI is moving forward. The initial stages of this reorganization is at the headquarters level.

But in the overall reorganization, there are many factors to consider, including the long-term shifting of resources from traditional criminal investigative priorities to counter terrorism. However, decisions concerning resource allocations to the various criminal programs have not been finalized. There is an ongoing, comprehensive examination of all of the criminal violations which the FBI addresses to assist in this reorganization.

Our continued involvement in multi-agency task forces addressing multiple crime problems will be of the utmost importance. All of our field offices have established various task forces in addition to the joint terrorism task forces which designed to address a myriad of traditional crime problems.

These task forces not only enhance the FBI's resources by establishing law enforcement links with local, State and other Federal

agencies, but they enhance the sharing of intelligence which crosses those program lines.

We intend to focus our efforts on significant criminal enterprises and the most serious personal and economic crimes to address community safety and violations within our prosecutive guidelines.

Mr. Chairman, thank you very much for allowing me to testify today. I am happy to answer any questions which you or other members of the subcommittee may have.

Mr. SOUDER. Thank you.

[The prepared statement of Mr. Gallagher follows:]

Statement for the Record of Francis A. Gallagher,
Deputy Assistant Director, Criminal Division,
Organized Crime, Drugs, Violent Crimes and Major Offenders Branch,
Federal Bureau of Investigation
Before the
House Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy and Human Resources

December 5, 2001

Mr. Chairman and members of the subcommittee, thank you very much for the privilege of allowing me to testify here today. As you all know, on 9/11 the way we do business changed. It changed for the FBI, it changed for all law enforcement, it changed for all of America. Now we must make some of the changes we experienced permanent and develop other changes or other ways of doing business and serving the American public, if we are to be an effective and an efficient national law enforcement agency.

The FBI has jurisdictional responsibility for over 300 classifications of Federal crimes. Some of them are exclusively the jurisdiction of the FBI and some of them are violations where we share jurisdiction with other agencies, either Federal, State or local agencies. Some of these violations, which we investigate with shared jurisdiction, are ones where the other agency doesn't have the capacity to shoulder these investigations alone. An example of this would be crimes occurring in Indian country, where the Bureau of Indian

Affairs (BIA) shares jurisdiction, but BIA doesn't have the capacity to handle the volume of cases or the required expertise for some cases. Drug violations are also ones we share with many other agencies. However, the way drugs have permeated our society and lead to so many other violations, and the way they are part and parcel of so many criminal enterprises, our jurisdiction is necessary to try to fully investigate criminal organizations.

In 1998, the FBI established a five year strategic plan to set investigative priorities in line with a three tiered structure. Tier 1 comprises those crimes or intelligence problems, which threaten our national or economic security. Tier 2 involves offenses which involve criminal enterprises or those which adversely affect our public integrity. Tier 3 includes violations which affect individuals or property. In line with this plan, we have increasingly enhanced the resources dedicated to the areas of Counterintelligence (CI) and Counterterrorism (CT).

Let me discuss how the recent terrorism incidents have affected the resources assigned to the FBI. Our budget authorizes the FBI to have 8883 Special Agents to conduct investigations in the field (this does not include those assigned as managers in the field offices, those assigned to FBIHQ or

those assigned to international or special assignments). Prior to 9/11, 73% or about 6,500 of these agents were assigned to criminal investigative program matters - that is, Organized Crime, White Collar Crime, Drugs, Violent Crime or Civil Rights. A little over two percent were assigned to Applicant matters. The remaining 25% were assigned to CI or CT matters.

Following the terrorist incidents, about 67% or more than 4,000 of those Agents in the field, who previously worked criminal investigative matters, were diverted to conduct investigation related to Penttbom or the subsequent Anthrax letters and hoax letters. Also, agents were diverted to cultivating relationships within the Arab American community or working Hate Crimes directed against individuals of Middle Eastern descent. During the first two weeks after 9/11, all Agents, both those working the terrorist related matters as well as those who continued working the traditional criminal violations, worked on average over 13 hours a day.

We are continuing to utilize almost 3,000 Agents more than we are budgeted for to investigate counterterrorism. Presently, our utilization of agent resources is showing a gradual return to more normal levels. We are now using more than 55% of what had previously been our criminal

investigative resources on those violations. However, with the increased emphasis on the prevention of any terrorist act, it is doubtful that we will ever return to the same staffing levels for each program which existed prior to 9/11.

Prior to 9/11, the FBI was usually involved in about 250 assessments and responses related to suspected weapons of mass destruction events per year, some of which were anthrax hoaxes. During the first three weeks of October alone, we have had more than 3,300 of these occurances, which included 2,500 suspected anthrax incidents. Additionally, 278 hate crime allegations associated with the events of 9/11 have been investigated.

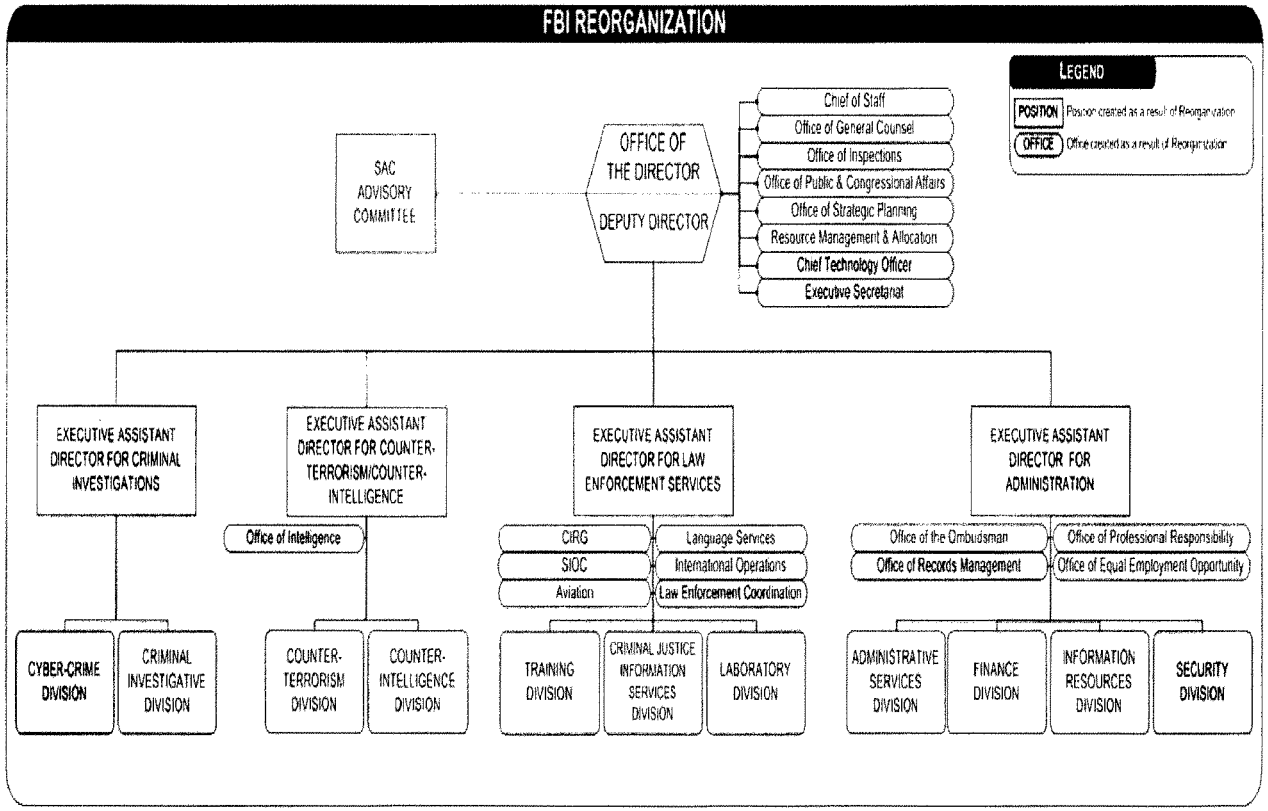
To date, 36 of our 56 field offices have established Joint Terrorism Task Forces (JTTFs), most of which existed prior to 9/11, and the Director has instructed that all field offices establish a JTTF as soon as it is possible. The FBI has established a Financial Review Group (FRG) which is a multi-agency international task force investigating all funding avenues utilized by the terrorist networks.

In order to effectively address the terrorism threats and traditional crime problems which the FBI faces on a long term basis, the Director has developed an internal reorganization plan. This reorganization plan has received Congressional approval and the FBI is moving forward. The initial stages of our reorganization will be at the headquarters level and should not create any discernable effect to the public eye.

In this overall reorganization, there are many factors to consider, including the long term shifting of resources from traditional criminal investigative priorities to counterterrorism. However, decisions concerning resource allocation to the various criminal programs has not been finalized. There is an ongoing comprehensive examination of all the criminal violations, which the FBI addresses to assist in this reorganization. Our continued involvement in multi-agency task forces addressing multiple crime problems will be of the utmost importance. All of our field offices have established various task forces, in addition to the JTTFs, designed to address a myriad of traditional crime problems. These task forces not only help to enhance the FBI's resources by establishing law enforcement links with local, State and other Federal agencies, but enhance the sharing of intelligence which crosses criminal program lines. We intend to focus our efforts on significant criminal

enterprises and the most serious personal and economic crimes to address community safety and violations within prosecutive guidelines.

Thank you very much Mr. Chairman for allowing me to testify today and I am happy to answer any questions you or the members of the Subcommittee may have.


FBI REORGANIZATION
LEGEND
POSITION Position created as a result of Reorganization
OFFICE Office created as a result of Reorganization
SAC ADVISORY COMMITTEE
OFFICE OF THE DIRECTOR
DEPUTY DIRECTOR
Chief of Staff
Office of General Counsel
Office of Inspections
Office of Public & Congressional Affairs
Office of Strategic Planning
Resource Management & Allocation
Chief Technology Officer
Executive Secretariat
EXECUTIVE ASSISTANT DIRECTOR FOR CRIMINAL INVESTIGATIONS
EXECUTIVE ASSISTANT DIRECTOR FOR COUNTER-TERRORISM/COUNTER-INTELLIGENCE
EXECUTIVE ASSISTANT DIRECTOR FOR LAW ENFORCEMENT SERVICES
EXECUTIVE ASSISTANT DIRECTOR FOR ADMINISTRATION
Office of Intelligence
CIRG
SIOC
Aviation
Language Services
International Operations
Law Enforcement Coordination
Office of the Ombudsman
Office of Records Management
Office of Professional Responsibility
Office of Equal Employment Opportunity
CYBER-CRIME DIVISION
CRIMINAL INVESTIGATIVE DIVISION
COUNTER-TERRORISM DIVISION
COUNTER-INTELLIGENCE DIVISION
TRAINING DIVISION
CRIMINAL JUSTICE INFORMATION SERVICES DIVISION
LABORATORY DIVISION
ADMINISTRATIVE SERVICES DIVISION
FINANCE DIVISION
INFORMATION RESOURCES DIVISION
SECURITY DIVISION

Mr. SOUDER. Before we move to questions, Mr. Gilman, our distinguished vice chairman has a brief opening statement.

Mr. GILMAN. Well, thank you, Mr. Chairman. Chairman Souder, thank you for arranging this very timely hearing amongst our law enforcement agencies. The testimony was excellent.

Today we will review what the heads of these law enforcement agencies have to say about the consuming impact that the recent emphasis on homeland security has had on each of their departments.

I will welcome from them what more we can be doing as we get into questions with regard to their ability to carry out their important responsibilities under the present crisis.

In addition, we will also be considering the status of any long-term planning that is currently being done to assure that appropriate agency resources and proper attention is and will be continuing to be dedicated to their missions up the road.

While we are all unified in our resolve to make certain that our Nation's homeland security is adequately addressed, to stem off any future terrorist attacks it is important that we recognize the potential for law enforcement resources to be stretched beyond their means. In fact, we are hearing reports of resources for other law enforcement missions such as our drug interdiction may be diverted to fill the new demand for homeland security.

Accordingly, any discussion on homeland security and the impact upon our Nation's law enforcement agencies must include a discussion of whether or not the need exists to consolidate certain law enforcement functions within the various Federal agencies and we hear talk once again about some consolidation.

It is also important to note that our increased effort of homeland security as in some instances helped in our battle against illicit drugs, for example, on our southwest border where Mexican-American authorities report the drugs are piling up on the Mexican side due to our Nation's increased vigilance in the securing of our borders after the September 11th attacks.

This example points to what can be accomplished when our Nation places its resolve behind the illicit drug battle. We commend our DEA for the work they are doing as well as our other agencies that expressed their review of what they are accomplishing.

Certainly the demonstration we saw today of the fast boat initiative by Customs is another example of what could be done with good cooperation between our agencies.

It is vital that we not ignore the importance of providing adequate resources in our current battle against drugs from whatever source. It is important, too, that we refrain from the temptation to reallocate our anti-drug resources while gaining victory after victory against the terrorists, the Taliban and Al Qaeda forces.

Of course, they are major producers and sellers of drug substances to finance their terrorist activities.

Instead, we should use this opportunity to further our resolve and to purge our Nation from the drug trafficking that comes from the Afghanistan region and to be able to strike while the iron is hot.

Mr. Chairman, these are extremely important issues. We look forward to being able to get into a discussion with our panelists when we return to questions. Thank you, Mr. Chairman.

Mr. SOUDER. Thank you. I am going to yield to Mr. Cummings for the first 5 minutes.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. I want to thank you for calling this hearing.

Mr. Ziglar, I want to just ask you a few things. You were saying that 75 percent of the Sky Marshal, I guess it is applicants, are from the Border Patrol. Is that what you said?

Mr. ZIGLAR. No, Congressman. The first class of Sky Marshals that was going through training, in that first class approximately 75 percent of them are former Border Patrol agents.

Mr. CUMMINGS. So, I guess that has had a tremendous impact on your operation, it would seem logical.

Mr. ZIGLAR. Well, it certainly will if we continue to bleed that way. We don't know how many Border Patrol agents have actually applied for these Sky Marshal positions. My recollection is that the total number that has been selected at the moment is about 70 or 80 that actually have been selected for it. But we have no idea how many of them are in the process and just haven't gotten word.

Mr. CUMMINGS. Your announcement this morning about the NCIC, I am just curious as to when you had your budget you complimented the Congress and the President on being supportive of you with regard to your budget. I am just wondering, was that part of the discussion? You sounded as if it was going to call for a lot of resources to do that and a lot of effort. Is that a part of it, in other words, your budget situation?

Mr. ZIGLAR. Well, it is not a line item in the budget, but it is part of the interior enforcement operation. Of course, we have to prioritize how we want to go about doing our interior enforcement. So, it would be out of that part of the budget.

Mr. CUMMINGS. So, have you made any predictions as to how many of these 314,000 folks—and I agree with you, by the way, I mean if people have gone through the judicial process and they have been ordered to leave the country and they are avoiding that, I think we should take all appropriate action to address that issue.

But I was just wondering, you know, what kind of dent do you expect or have your people projected with regard to getting these folks into the NCIC? You must see some benefit or you wouldn't be doing it.

Mr. ZIGLAR. Congressman, of course it is a little bit difficult to estimate something that you have not used before, but making that assumption that all 314,000 are still in the country, which may not be a good assumption, some of them may have just left on their own and we didn't know that, we guess at that time it will be somewhere between 7 and 10 percent a year that we will be able to identify, on the high side.

This is a ramp-up situation. Tomorrow morning they won't all be in NCIC. It will take a while. A lot of this is going to have to be hand-entered because of the nature of the reports that we have. So, it will ramp up over time. But we think when it is fully in there that at least at the outset we will probably see a 7 to 10 percent identification of those people who are in there.

Mr. CUMMINGS. Do we know whether any of those people who were directly involved in the September 11th tragedy would have fit into this category, in other words that people who were ordered to be deported? I am just curious?

Mr. ZIGLAR. Not of the 19, No, sir.

Mr. CUMMINGS. Mr. Hutchinson, with regard to Afghanistan and drugs, we have heard testimony before this body, and I think you were here at one of the hearings where they were telling us that as far as the war effort is concerned, they did not believe at that time, this was a few weeks ago, a lot of drug money was used to support the Taliban, Al Qaeda and Bin Laden.

I was just wondering. You know, you were talking about the effects of measures that have been taken by the U.S. Government since September 11th and I was wondering, with all this bombing in Afghanistan, have you seen any impact with regard to crop production and drugs coming out of Afghanistan or are you able to determine that?

Mr. HUTCHINSON. Yes, Congressman, there has been certainly an impact. The focus of the efforts of the United States, of course, is to get the terrorists and those responsible. But it has clearly disrupted and impacted the production, the use of the conversion laboratories. It is more difficult initially. They were releasing the stockpiles in Afghanistan. They had stockpiled up to 60 percent of the opium production each year. That was being released and so it was continuing to flood the borders.

It appears that the Afghan farmers are in varying degrees replanting. I hope that as we have a post-Taliban circumstances in Afghanistan that we will be able to go and impact what is happening there now and in the future of that country. Clearly, we have a vested interest in the United States there, because as I mentioned, in Baltimore it very well will affect the heroin supply here, the cost and the purity of it as to what actions we are able to take in Afghanistan to reduce the supply.

You mentioned the Taliban, clearly they are funded by drug trafficking proceeds to varying degrees. The evidence is very clear and there appears to be a growing body of evidence that we are still looking at as to the other connections with drug trafficking and the other result organizations.

Mr. CUMMINGS. Just one last question, Mr. Chairman, and I want to thank you for your courtesy.

Mr. Hutchinson, as these forces that have come together to form a new government are coming together it seems like slowly they are moving toward some kind of government, I mean, do you expect our government to have any impact or have any say with regard to that new government and the piece of the government that addresses drugs?

I mean there may be some things that we can bring to the table about our efforts to address drugs. Since they are forming a new government, it seems logical that we might want to have some say in that because we don't want to go right back to a situation where drugs are used to supply money to attack our own country. I was just curious.

Mr. HUTCHINSON. Absolutely. We have a great interest in working with our international partners to have an influence on any

post-Taliban government in Afghanistan and hopefully they will be amenable to international concerns, not just European and here in America, but in addition, the neighboring nations of Pakistan, Russia, Uzbekistan are greatly impacted by the heroin coming out of Afghanistan.

So, I think there will be a broad coalition of international influence as they develop policy post-Taliban.

Mr. CUMMINGS. Thank you all very much.

Mr. SOUDER. Thank you. As you have heard, we have a series of votes. But what I am going to do, because the first one always drifts the longest, because we have so many questions, I'm going to skip the first one and try to make the two 5-minutes, so we can make sure we get some of the questions in the record.

I wanted to clarify, too, that the jurisdictional range of this subcommittee is extremely broad. Not only do we have primary jurisdiction on narcotics, authorizing on the drug czar as well as oversight of any area of the Federal Government that touches on narcotics, but as the war on drugs broadened, all the human services agencies were put under this committee, HHS, in addition to Education and have you had.

Then at the last Congress to give flexibility, because we saw when we worked with the borders Commerce was also moved under this committee. So, the range of how we approach this is pretty broad.

One of the things we have zeroed in on in the subcommittee this year, particularly after September 11th, but we had actually agreed to do this with both the U.S.-Canada and U.S.-Mexico parliamentarian groups was to look at the border in particular, which was very related to commerce in the United States as well as narcotics as well as immigration.

What we have learned is that you can't deal with one without the others. We were going to proceed with a number of hearings before September 11th which clearly now are heightened. So, one, some of my first questions I want to direct regarding the border issues, knowing that we have had the biggest change as the focus on the north border increased after September 11th as opposed to the southern border. Some of that was already occurring because of Quebec gold and B.C. Bud in the drug area.

Some additional human smuggling was starting to have a little bit more focus on the north border. What we are looking at in this subcommittee, we have had hearings, field hearings in the Boston-Montreal corridor. In Vermont we have had one hearing in the Champlain and the New York City—Montreal corridor.

On Monday, we will be in Blaine, WA and Seattle-Vancouver corridor. Both those areas have water, Lake Champlain and Puget Sound, which are other places you can move. So we have worked with the Coast Guard. We also have Border Patrol facilities back from the border. We are going to some of the smaller sites as well as the larger sites.

A week ago Monday we were in Ottawa and met with some of the legislators. One of the things that each of you are talking about and I hope you will accelerate are those efforts to coordinate with Canada because some of the diversion of resources from the south

border to the north border may be able to be addressed by some cooperative arrangements with Canada.

I wanted to ask a couple of questions to start with that. Mr. Bonner, I applaud you for your statements that if other nations do not give us their airline manifests that they will be thoroughly searched, all carry-on and stowed baggage immediately rather than waiting because most Americans assumed this was already happening.

Has Canada moved forward on this as well?

Mr. BONNER. Well, first of all, we have implemented a program. The Congress was good enough to pass a law to make it mandatory that advanced passenger information be provided to Customs by all airlines. We had actually gotten this information over the past several years on a voluntary basis for about 85 percent of the arriving passenger.

But now, it is mandatory. As you know, Mr. Chairman, I have moved forward promptly to implement that law. We are getting virtually all the airlines with the exception of a few now, who now are complying with the law which will go into effect, actually in a couple of months.

We have had discussions with the Canadians about advance passenger information. I understand from my discussions with my counterpart at Canadian Customs and some of the political minister level people in Canada that they have enacted legislation so that the appropriate agencies of the Canadian Government will be getting advance passenger information on flights into Canada from outside of Canada.

We are working right now, as we speak, Mr. Chairman, with our Canadian counterparts at both Customs and at the political level and with INS and the CIC in Canada to get a situation in which we have access of ability to exchange advance passenger information so that we can use that information both with respect to known terrorists or individuals who are associated with terrorist organizations, but also use that information more effectively to identify those individuals that need to be questioned further, to do some serious targeting of potential terrorists that are entering our respective countries.

So, that is what we are working on with the Canadians which is both exchanging, getting a mechanism to exchange the information and then working with them on both sides to develop a more sophisticated way through targeting and using that information effectively to identify suspected terrorists.

Ultimately, the end objective, if we can do it, would be to actually prevent boarding of aircraft by individuals who we do not want, who the INS and Customs and the U.S. Government does not want to enter the United States or to enter Canada.

So, these issues, we are making some progress on them. They are difficult issues. They certainly have some implications for the Canadians that we are working with. We are working through them.

My sense is that we have a very, very high level of cooperation and support from our Canadian counterparts, including at the very highest political levels of the Canadian Government to do this, which is not just with advance passenger information, but also advanced manifest information and setting up systems so we are in

a better position, both of our countries are in a better position to prevent terrorists or terrorists weapons from entering our respective part of North America.

Mr. SOUDER. I agree with your assessment that they seem very willing. I also think it is important for Americans to understand that terrorists go into our country through Canada as well. A number of these people are moving back and forth and so sharing.

But I think it is also important in our hemisphere that—I understand the need that they have to go through the processes—but you have taken direct action with a number of other countries in the Middle East in particular immediately and yet in Montreal and in Toronto, as you well know through your agency at the Port Angeles location, the Customs, a valiant lawyer intercepted a person headed for LAX Airport, that we are most vulnerable on our immediate borders. Canada needs to respond rapidly because there is our biggest trade question.

The second is: How is Mexico working in the manifest with our country.

Mr. BONNER. These are very important things we are working on. We need to distinguish two things here. First of all it is making sure that we are getting advanced information on passengers coming in from Canada into the United States. That is one issue that we are concerned about.

First of all, as you know, Mr. Chairman, the INS and the Customs Service actually prescreen passengers in Canada. It is one of only three countries in which the U.S. Government, U.S. Customs and INS, actually pre-screen passengers who are getting on board flights from the seven major international airports in Canada to come into the United States. So, we have an opportunity to actually prescreen and identify people there.

I am very confident that the Canadian Government will be providing us with advanced passenger information on flights into the United States.

There is a second issue though, and this goes to something that Commissioner Ziglar was talking about. That is, how do we push out our border and also provide better protection and security against the terrorist threat? There what we want to do is, now that we are getting on a mandatory basis from all of the airlines that are flying into the United States from outside, from Europe, from the Middle East and from Asia, we are getting that information. The Canadians are getting that information and we are working with them to provide for a better, broader security for both of our countries to exchange that information. That is a work in progress, not done yet.

We have also been meeting, I have met with the Mexican Finance Minister and the head of Mexican Customs similarly to develop the mechanisms where we are developing a mechanism to share information from them. Because we certainly want to know who is flying into Mexico because of the ease of smuggling individuals across the border, much less weapons of terror across the southwest border.

We want to have that information and be able to share our information with the Mexican Government and get from them information as to who is arriving in the major international airports in

Mexico because we want to be able to run them against law enforcement data bases in the United States.

We also want to be able to do some reasonably sophisticated targeting analysis to know who is in that zone as well. The preliminary discussions are certainly encouraging, but we have a ways to go with the Government of Mexico to develop the actual exchange mechanism that will be needed.

Mr. SOUDER. The subcommittee will recess for 10 minutes.

[Recess.]

Mr. SOUDER. The subcommittee is reconvened. Mr. Ziglar has to leave at 11:30. If others have particular engagements, if you can let me know, too. I know at least a few of the Members are coming back and will submit some questions in writing. I have quite a few, partly for the record today and some for our border report that we plan to be doing and for other ongoing hearings.

I want to suggest some other things that we have learned in our process of our hearings and our meetings with the Canadian parliamentarians and in talking to other members. I encourage you each to look at this. We are going to be pursuing this as we move through, at least the start of next year.

One thing is, and it was suggested actually in a couple of your testimonies of where, at least in our hemisphere where we might be able to do joint operations, to try to figure out how to balance the different missions. In other words, we clearly heard the FBI has had an extraordinary diversion of resources over to anti-terrorism demanded by the American people, at least in the short term.

All of you have outlined some of those ways. So, we have to look for some of the new efficiencies. Among those that have been alluded to here and I would encourage to expand, I talked to Chairman Wolfe about this as well, in some of the less prominent border crossings where we have had in previous times maybe one person, it could be an INS person, it could be a Customs person, and then only for part of the day.

Now, clearly, we are doubling up. We are trying to keep these posts open 24 hours. It is putting a strain on resources for very low traffic compared to, say, Buffalo and Detroit. To the degree we could explore, as we bring the laws similar to each other on immigration and on a number of the other things, which is why we are pushing Canada so hard, and if we can do this with Mexico and be certain of some of the security at their borders, we could pursue it there, too, where there would only be one point for both countries and the staffing could even be alternated because we would have to figure out a way to do this cheaper vis-a-vis the return.

Another point, to the degree you can pre-clear on the Canadian side they may have more land. For example, the Ambassador Bridge which carries more trade than all of the U.S.-Japan trade in the rest of the Nation, we have a potential that as we look at new truck monitoring places, can some of that be put on the Canadian side if we don't have the room on the American side.

Because we are jamming up the bridges for miles going back and the border crossings for miles if we can't figure out how to do the clearances, not only for terrorism, but for increasing pressures on narcotics, immigration and other types of things.

To the degree we can get some commonality in laws at the border, we need to look at creative ways to do that. All of the agencies are working excellently. We visited a couple of places already and talked about some with the Royal Canadian Mounted Police. The joint sharing on the northern border and the New York-Vermont area there is actually an outpost where they are shared. I hope we have more of those.

If I could ask another specific question of Mr. Bonner here, the NEXUS system at Sarnia and also Port Huron and also some up at Blaine was moving ahead. It is a fast pass system. We have also experimented with that in San Jacinto under a different name, which is the other big border crossing.

It was being tested at Port Huron and since Customs went on Level One alert, it means that both the southern border counterpart sentry and NEXUS was suspended. It has been nearly 3 months. Clearly, the terrorist alerts, we never get one off but then we get another one. We have another one on right now.

It is not clear when this is going to change. At what point do you think the fast pass system will allow the frequent border crosses to work again and what is the status of this if we don't get off these terrorist alerts? Clearly that would take care of a high percentage of the backups.

In Detroit, one story is reporting 1,400 nurses and my understanding was that there were 1,100 nurses who go back and forth and the Detroit hospitals are having a problem. We have been talking with Congresswoman Kilpatrick from Detroit and Susan Whalen on the Windsor side, the parliamentarian. This is a huge problem, the nursing, the trade, the trucks, some of the trucks go back and forth 17 times a day.

In Indiana some of our plants are having to shut down or slow down because the parts go over to be assembled here. They come back. They get assembled another way and they go back again. Clearly, the NEXUS and Sentry things are the best way to clear out the regular traffic so we can zero in on the high-risk traffic.

Mr. BONNER. First of all, if I could just start off by talking about wait times at the border just for a moment, because I think there is some misconception with respect to what the wait times are.

Right after September 11th when we went to Level One alert, very shortly thereafter on September 11th, 12th, 13th and 14th we saw 10 to 12 hour wait times at Detroit, at the Ambassador Bridge, at Port Huron, at the bridges over to Buffalo.

It clearly was having an impact, particularly on the auto manufacturers and U.S. industry that relies on a just-in-time inventory system in terms of being able to get parts in a timely way.

We did take some immediate measures that first week working with the automobile manufacturers, working with INS, developing some initiatives that were opening more commercial lanes and keeping them staffed longer. We did get National Guard assistance from Governor Engler, which I requested and he provided promptly, and taking other initiatives.

We did reduce the wait times. By September 17th, by the next Monday or Tuesday, those wait times were down to around pre-September 11th levels and they have maintained a very high level of security and at the same time have been able to get the trucks

across the border and by and large the passenger traffic across the northern border.

Mr. SOUDER. Mr. Bonner, that is because there has been a 30 percent drop in commerce.

Mr. BONNER. Mr. Chairman, the commerce actually is back to the levels it was, but the passenger traffic, the commuter traffic and the tourist traffic, the POV, the privately owned vehicles, that is at about 60 to 70 percent of where it was before September 11th.

So, part of the reason, you are absolutely right, at that time we are able to get the wait times down is that there still is a lot of passenger traffic that is not coming across that border. If tomorrow we went back to full passenger traffic across the Ambassador Bridge and the Windsor tunnel and Port Huron, we would probably be right back where we are. So, there is a definite crunch there. I don't want to say there isn't.

But the first thing we have to understand is that the wait times have been substantially reduced. I am not saying they are acceptable, but they have been substantially reduced. There is still a significant decline in passenger vehicle traffic across the major ports on the northern border and you have significant wait times at San Jacinto and in Texas and Arizona, particularly for passenger traffic, so there is impact for being at Level One alert. I am just saying that there have been some steps taken.

Part of that, it seems to me, should include, where we can, maintaining both security and maintaining the flow of trade across our respective border with Canada and frankly Mexico. That is the twin objective here. We have to maintain the security level, but at the same time make sure that there is a smooth flow of commerce and passenger vehicles.

Part of that, actually, I think, is reinstituting, if we can get appropriate security protection, reinstituting programs like NEXUS at Port Huron and Sarnia and the Sentry Program, which is a similar program down at San Jacinto.

As you know, those fast commuter lane programs were, for security reasons, they were terminated on September 11th and that remains the case today. With INS, actually, we are having discussions as to the precise security levels we would need for purposes of reopening NEXUS and other commuter lane programs. I do expect that we are going to be taking that back up with our partners in Canada—we have some discussions—probably reasonably soon.

We have to make sure if we are resurrecting these programs that they have the level of security that is truly required to protect against the terrorist threat.

Mr. SOUDER. Mr. Ziglar, before you go, could you address that also on the NEXUS and Sentry and also any reaction you might have to where we might look on these smaller walk-across types of crossings where we might be able to do something jointly with Customs and Immigration?

Mr. ZIGLAR. Mr. Chairman, with respect to NEXUS, I think Robb hearings pretty much said it all. We certainly are in agreement that we want to reopen NEXUS. We are discussing it with our Canadian counterparts. There are two or three issues that we need to resolve with them.

But I feel very comfortable that even in a Threat Level One environment that we can still redeploy the NEXUS system with certain safeguards associated with it. I think we are in agreement on that, aren't we, Robb?

Mr. BONNER. I think so.

Mr. ZIGLAR. With respect to some of these small ports where we now have people there 24 hours a day, one of the things that people don't understand is that it doesn't mean that we are keeping those ports open 24 hours a day. It simply means that we have people there 24 hours a day to guard the place so there is not passage.

An alternative to having this situation where you have people there is to harden those ports, to make it literally physically impossible to pass them as opposed to having a human presence there. I think you can harden those during those periods of time when the port is not going to be open anyway, as an alternative.

Now, certainly working with the Canadians, and like we talked about earlier, they are extremely cooperative on a lot of issues now, I think we probably could work out an arrangement like that. But there are some issues that are very sensitive with respect to having one or the other presence on the side of the border.

For example, their gun laws are very different than ours. Having our agents on their side of the border creates some problems for them. These are things that we have to work out. But the idea that we were not working with the Canadians before September 11th is one I sure want to dispel because there are a number of things that we have been doing with the Canadians over a number of years between the Canadian Immigration and INS, Customs and their Customs and all four of us together.

The IBETS teams for example, the joint passenger analysis units which we are going to start expanding. For example, we have Immigration Control officers overseas where we work together with them. This is kind of an immigration thing, but it helps Customs. We are going to expand the number of Immigration Control officers at airports and seaports overseas so that we can interdict people over there. We are going to do this jointly and we are going to have joint training of airlines.

So, the Canadians and the Americans or the United States folks, they are Americans, too, North America, they have really been very cooperative and we are finding a very good relationship. I think there is a much broader strategy that Governor Ridge is putting together, the things that Robb has done with Customers and what we have done with our Immigration folks just in the last few weeks fit together into a bigger matrix that Governor Ridge is putting together.

So, I think you are going to see some very promising cooperative efforts on both sides of the border.

Mr. SOUDER. With the costs of the new equipment to do the screening, if we start trying to look for anthrax, we look for bombs, we look for an addition to whether we try to get a fingerprint or eye technology for illegals, the truck port equipment is going to be so high, to be able to also get that equipment for drug-screening and those types of things, it is not clear that we can duplicate facilities on both sides.

The degree that we can cross-train not only among our agents but among them, if you are going in one direction you are looking for this and going in the other direction you are looking for that, and even different regions. In Vermont they were looking for smuggling of cheese because those products are a huge issue in Vermont.

Cuban cigars are obviously something that comes across the other direction to us. Those types of things, I think we could try to deal with those. Mr. Ziglar.

Mr. ZIGLAR. Mr. Chairman, I would just make one comment on that. Certainly on small customer items where we have joint jurisdiction at the border, the cost of that equipment is something that we all have to share. But when you get to that cargo and that heavy stuff, that is out of Robb's budget.

Thank you, Mr. Chairman. I am very pleased to be here. I apologize for having to leave.

Mr. BONNER. I would just add, Mr. Chairman, if I could that we are working with Governor Ridge in terms of some of the very proposals that you are talking about. I think the Governor actually plans to go up to Ottawa perhaps next week. We hope to make some real progress on some of these issues with our Canadian partners.

Mr. SOUDER. Mr. Owens, did you want to ask any questions?

Mr. OWENS. I'm sorry I was delayed. I wanted to mention to Mr. Ziglar, I just wanted to comment in terms of the large number of immigrants I represent in my Congressional district in New York. I particularly wanted Mr. Ziglar to hear it, so it can go on the record. I have a large Caribbean community in my district in New York and I have a large Pakistani community, much smaller than the Caribbean community. But I am concerned about both groups and about the general profiling of immigrants.

I am always against profiling and generalizations about any category of people. But being in the real world I know that some profiling, since you have limited resources, is going to take place. But in the process of doing that, I think the record should clearly show that throughout the history of the United States, two world wars, Vietnam, Korea, we have never had a situation where any people of Caribbean descent have been caught up in any espionage in any way been terrorists. There is just no history whatsoever there. In fact, the largest percentage of people now being recruited for the U.S. Armed Services in New York comes out of the immigrant Caribbean community. People are going into the armed services.

To have a blanket suspicion of immigrants and blanket policies being applied so that a young Jamaican student who has been admitted to college already and they are giving her a scholarship, we had a difficult time trying to get her into the country because of the tightened restrictions and the general atmosphere, which is anti-immigrant.

The case of the Pakistanis is most serious because they are Muslims and profiling against Muslims results in ridiculous kinds of situations where there was FBI sweeps of certain parts of the Pakistani community. As many as 200 people were rounded up in the

New York area who were Pakistanis. Not a single one has been identified by the FBI as having any connection with terrorists.

However, quite a number had problems with their visas. They had stayed too long or had various problems. They were being held by INS for some reason, some held as long as 3 or 4 weeks. One man died in custody.

I just think that kind of treatment and assumption that all Muslims must be treated the same way, and then the failure to at least exercise discretion, as the Immigration Services Director has discretion if people are found to overstay their visas, they don't have to hold them in detention.

There are ways. They have been caught and they are ready to go home. There are many ways we would go with that in the past in terms of letting them go home or post bond or whatever. The atmosphere was such that nobody wanted to be reasonable about it. So they were put in jails, contracting with the county in New Jersey and treated very badly.

Following that they even arrested some women and as of last week they even detained some women without giving us a good explanation for it.

So, I hope we will keep our perspective. There are some kinds of ridiculous things that are happening as we label all immigrants as being possible enemies.

I don't like the fact that in the Airport Security Bill that we passed we made it a condition that any person who becomes an employee of the Federal Government under that bill has to be a citizen. Before, in the earlier draft, it said you have to be a citizen or permanent resident for 5 years. When the final bill was passed they have to be a citizen.

To say that anybody who works in the airport security operation has to be a citizen while at the same time we are accepting large numbers of people into the armed services of the United States who are not citizens, you only have to become a permanent resident to become a part of the U.S. Armed Services. We are going to send people off to fight for us and be part of our armed services who are not citizens and yet we cannot allow people who are here and permanent residents to take the airport security jobs.

I think that is part of a manifestation of a spirit, an anti-immigrant spirit that we should try to counteract. Also, at all times remember, certainly in this hemisphere, we are partners in this hemisphere that have always been there for us, all the Caribbean countries, most South American countries.

Those immigrants and their countries certainly deserve some kind of special consideration in terms of hemisphere partnership and I hope we will bear that in mind. Thank you.

Mr. SOUDER. Thank you. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. I regret I had to be in another meeting as well.

Director Hutchinson, we heard quite a bit about how much heroin had been warehoused by the Afghanis and we have talked in the Defense Department about trying to eliminate the warehouse. Did we do any good, do you know, in trying to get rid of all the inventory they had piled up?

Mr. HUTCHINSON. Of course, I think some of the inventory, a significant part of the inventory was released of their own will to sell it. In regard to our operations, I would not want to comment in this forum about what the military may or may not be targeting. But I want to assure you that at their request, we do have DEA personnel there in Tampa working with them on a day-to-day basis as to sharing with them the intelligence that we gather on locations and other information that might be helpful to their operation.

So, as the military carries out additional responsibilities in Afghanistan and as we take care of the terrorism issue, I certainly hope that the issues you raised will be addressed.

Mr. GILMAN. Well, I appreciate that. I know they neatly stack their inventory close to a mosque for protection purposes. I hope you can get that taken care of as well.

Speaking about Afghanistan, since we are going to have an opportunity now to be in there, I hope that we can encourage some substitute crops throughout the growing area as an alternative to the production they had in the North and also in the South.

Mr. HUTCHINSON. You are absolutely correct, Congressman Gilman, that has to be a part of any long-term strategy, very similar to crop-substitution programs that you have been an advocate for in South America. Certainly the international community needs to support that in Afghanistan.

We are in discussions with the State Department and I know that these plans are being laid out for what we need to do in Afghanistan later on.

Mr. GILMAN. That is encouraging to hear that. Since we will have an opportunity to do some important things in Afghanistan, this is a great opportunity for us to try to get rid of that heroin crop that has been plaguing all of our nations.

Commissioner Bonner, your organization has been doing outstanding work. How are we doing controlling the border with Canada and the New York State border there where we have the Mohawk Reservations along the border and which become almost safe harbor for anyone getting on the reservation. Have we worked out anything with regard to that?

Mr. BONNER. I know, Mr. Gilman, that the whole issue of security at our northern border has been one that has obviously consumed a lot of my time since being sworn in as Commissioner a little over 2 months ago. I think we need to do a number of things to better secure our northern border. One of them, of course, we have been talking about which is working with our Canadian partners in terms of ratcheting up the kind of information exchange and sharing and benchmarking our own security measures.

One of the things we need to do, I think, at least one of the things I am thinking of, is making sure that we have, with respect to the low volume ports of entry, that we have some ability to harden those ports of entry and secure them so they don't have to be staffed 24 hours a day.

Then we need to be concerned with what I would call the "between ports of entry" issue, which, by the way, is primarily a responsibility, as you know, Mr. Gilman, of the Border Patrol. But we need to have some capability of doing that.

One thing that we might look at in trying to leverage limited resources of the Customs Service and the INS and perhaps have the Canadians join in this, but it is to develop joint response teams. In other words you would have some monitoring of both between ports of entry, places like the Mohawk Reservation, essentially unofficial road crossings from the Canadian border, particularly upstate New York, Vermont and in through Maine and that we would have some joint response capability by a response team that would be made up of perhaps—I am just speaking now, this is not certainly any official position of the administration, but could be joint teams made up of perhaps Border Patrol, Customs agents, State and local law enforcement, so that we would have some response capability.

I think there actually is some chance that we would get the Canadians actually to participate in this. It is kind of the IBET model that we used in British Colombia that we set up with the Royal Canadian Mounted Police, Customs and INS using that model, so that we are also leveraging the resources of our Canadian counterparts and we have some sort of response capability that would be sensoring, monitoring and response capability to the intrusion of terrorists or individuals who are bringing in terrorist weapons or attempting to bring terrorist weapons into the United States. So that would include the Mohawk Reservation, although that is a very special issue because it is a reservation.

Mr. GILMAN. Can we do anything by some agreement with the Mohawks for anyone coming on to their reservation?

Mr. BONNER. I think one of the things that we have done, as you know on the southern border we also have a reservation issue. We actually have special enforcement officers of the Customs Service that are Indians. They do one hell of a job on the southern border.

Mr. GILMAN. That could be very helpful.

Mr. BONNER. Taking that model and seeing if we can't do that on the northern border would be a possibility.

Mr. GILMAN. I hope you will explore that.

Mr. BONNER. I will, sir.

Mr. GILMAN. Let me ask our good Admiral Loy, with regard to our Coast Guard, I have been hearing some talk that the budget has been cut back quite a bit. Can you tell us about where you stand on your request in the budget process? Are you being taken care of or not being taken care of?

Admiral LOY. Sir, I can say that in the Transportation Bill just passed, the President's request was granted by the Congress with respect to the normal appropriation for the year. But, of course, that was all pre-September 11th thinking, as you know, in terms of the numbers.

Mr. GILMAN. So you are still short of funds?

Admiral LOY. The supplemental is the key to success for us for the rest of 2002. Unfortunately, on the House action side of the President's requested supplemental, we were cut about $60 million.

We hope to be able to recover that by the time the Senate is done acting and we find our way through conference. But that is a significant challenge for us at this particular point. We would like to think that the Congress would be able to support the President's requested level for us in the supplemental.

Mr. GILMAN. It is $60 million extra?

Admiral LOY. That was the cut on the House side as the bill went forward attached to the DOD Appropriations bill.

Mr. GILMAN. Mr. Gallagher, with regard to the FBI, there is the article today in the Washington Post describing massive redeployment of FBI agents away from drug enforcement, investigation of street crimes, bank problems. Are we neglecting those areas?

Mr. GALLAGHER. We are responding to the events of September 11th the same way that we have to other incidents, although this is a lot larger than the ones we have had in the past. When we had the Oklahoma City bombing, in that area we did the same thing where we diverted resources from all of our other programs to address that.

As I mentioned in my statement, our resources are slowly coming back to where we are working on the traditional criminal violations. We are back at about 55 percent of where we were pre-September 11th and working the traditional criminal violations.

One of the things that we are doing is that agents have been working a lot longer and a lot more hours of each day and more days during the week to try to make sure that certainly the most significant cases that we have are continuing to move forward.

Those that are ready for prosecution will continue being prosecuted. Those cases that we are working in conjunction with other partners, where we can we have tried to continue and in some areas we have had to pull people away from certain task forces or cut back some of our commitments to those task forces.

One of the things that the Director has been very clear on is that he wants to ensure that we continue our commitment to our partners, whether they be other Federal, State or local partners in ensuring our cooperation with them.

Mr. GILMAN. So that when you reassign your agents there is a local agency that moves in and takes over so that there is not a vacuum?

Mr. GALLAGHER. It depends on what you are talking about, sir. If you are talking about bank robberies, for example, if we don't respond to a bank robbery in most areas, there is still the local police who respond to that bank robbery. It is a question of who has what capability. Certainly in the smaller or more rural locales, our assistance is a lot more important to them in responding to something like bank robberies than it would be in New York City where they have thousands of police officers who can respond to bank robberies.

It will vary across the country as to what we are doing and where we have pulled resources from. Generally speaking, we are still trying to respond to the most violent of crimes and the biggest organized crime and drug cases and white collar crime cases that we have going right now.

Mr. GILMAN. That is reassuring. I want to thank our agency heads who are here, the Admiral, the Directors and Commissioners for the good work that you are doing. I hope you will keep our committee informed if there is any shortage of vital funds so that we can explore that.

Thank you, Mr. Chairman.

Mr. SOUDER. Thank you. Mr. Cummings.

Mr. CUMMINGS. Thank you very much.

Mr. Gallagher, I just want to followup on some of Mr. Gilman's questions, the last few questions that he was asking. We all were provided with a copy of a Washington Post article dated today. I'm sure you have seen it, "FBI's Focus on Terrorism Sidelines Other Categories of Crime." Are you familiar with that article?

[The information referred to follows:]

FBI's Focus on Terrorism Sidelines Other Categories of Crime

By BILL MILLER
Washington Post Staff Writer

With thousands of FBI agents concentrating on terrorism, the bureau's field offices across the country have put aside a wide array of other matters, including some undercover drug investigations, the pursuit of many nonviolent fugitives and a mix of cases involving white-collar crimes, according to law enforcement officials.

Instead, the FBI has been relying on state and local police departments and other federal law enforcement agencies to fill the gaps created by the massive redeployment of FBI agents after the Sept. 11 terrorist attacks in New York and Washington, police, FBI agents and federal prosecutors said.

As the FBI continues to transform itself into more of a counterterrorism organization, these agencies will be asked to take on added responsibility for drug enforcement and investigations of street crimes.

FBI Director Robert S. Mueller III, acknowledging that some nonterror cases have been set aside, said Monday that he will decide by early next year which investigations the bureau may cede to local authorities, possibly including bank robberies and drug probes.

"Are there areas where we will be doing less and, if so, who will take up the slack?" Mueller said. "When you don't do something, you have to fill that gap."

More than 4,000 of the FBI's 11,000 agents have worked on various facets of the terrorism and anthrax probes since Sept. 11—though not necessarily full time—forcing the FBI to become choosier about accepting new cases.

"Everything is prioritized," said Gail Marcinkiewicz, spokeswoman for the FBI's Boston field office. "Just as any company would handle a crisis, you organize your resources the right way. You prioritize the things you need to get done."

Peter A. Gulotta Jr., spokesman for the FBI's Baltimore field office, said priorities are determined by each case's impact, timeliness and other factors. He declined to give details, saying that would provide a road map for would-be criminals.

Officials said the FBI continues to act aggressively in non-terrorist matters involving violence or the threat of violence, as well as cases in which evidence could disappear if not immediately gathered and processed.

But some cases have stalled. Several federal sources said agents in the FBI's Washington field office have much less time to work the streets in drug investigations, gather and analyze paperwork in fraud cases and help track fugitives. The number of drug squads in the field office—which supervises the anthrax investigation and has devoted many agents to the Sept. 11 probe—was scaled back from three to two, and the bank robbery and fugitive squads recently were merged in a shift of personnel.

"They definitely have laid way down on the fugitive scenario. They almost have been nonexistent," said one federal marshal who works with the FBI in Washington.

A federal prosecutor said the FBI dispatched some of its Washington area specialists in white-collar criminal investigations to duties at airports and other places, where they have tracked leads, guarded evidence, protected facilities or worked on stand-by. Agents in other field offices across the nation have been redeployed in similar ways.

"For the first three or four weeks, we couldn't get anybody to do anything else," the Washington prosecutor said, adding that he didn't question the personnel moves.

"It's an intangible—witnesses not being served, documents not being reviewed, cases going a little staler," said the prosecutor, who, like numerous law enforcement sources interviewed for this article, declined to be identified. But white-collar paper trails can be re-created later without causing harm to investigations, he said.

"I can't think of any case that's been dismissed or had any consequence. In most of these cases, the evidence isn't going anywhere," he said.

A recent analysis done for the Associated Press found a 76 percent drop-off in the number of cases referred by the FBI for federal prosecutions in the weeks after Sept. 11. The analysis, done for the AP by Syracuse University's Transactional Records Access Clearinghouse program, showed that fewer cases were filed between Sept. 12 and Sept. 30 than in the same period last year in matters involving drugs, bank robberies, illegal immigration and white-collar crime.

Anthony E. Daniels, a consultant and former FBI assistant director, noted that the FBI has shifted resources on an emergency basis in other times of crisis, such as the 1995 bombing of the Oklahoma City federal building.

"They're trying to strike that balance," Daniels added. "There's no way they would ignore the violent crime cases or back-burner a case coming for trial, or a case with a deadline or a statute-of-limitations issue. The objective is to protect the public with the resources they have. No one would say crime is going to run rampant."

Bill Berger, chief of the North Miami Beach police department, said that the FBI in Florida pulled back on some drug and money laundering investigations after Sept. 11 but that other agencies have filled the void.

Aided by the Drug Enforcement Administration and the Bureau of Alcohol, Tobacco and Firearms, state and local police forces are stepping in across the country, Berger said.

"I don't think [the FBI's pullback] has had a devastating effect," said Berger, who heads the International Association of Chiefs of Police.

An FBI supervisor on the West Coast said that "cases that have no link to terrorism are not going to get a lot of juice. What's going by the wayside? Everything else. We have been told in as blunt terms as possible that we are to work nothing but this case."

When the stack of leads to be investigated is completed, the agents are supposed to be cultivating informants or doing other terrorism-related tasks, the supervisor said.

"We've had a real restriction on new cases unless they've been so egregious we can't say no to them," the supervisor said.

An agent assigned to a field office in New York said the FBI there isn't devoting the same level of attention that used to go to cases concerning bank robberies, deadbeat dads and marijuana distribution rings. But he said agents were still working on organized crime, civil rights, public corruption, high-caliber white-collar crime and fraud cases, saying the agency is uniquely qualified to conduct those investigations.

Although the FBI's shifting focus is in response to the terrorist acts, it could continue evolving as the agency moves heavily into a long-term focus on terrorism and counterterrorism. Mueller and Justice Department officials have spoken in recent weeks about the need for the FBI to retool by shedding its role in areas where the FBI's jurisdiction overlaps with another agency, such as carjacking cases, auto thefts, bank robberies, weapons violations, child support matters and drug investigations.

Some of these crimes were added to the FBI's responsibilities in the past decade, or assigned to joint task forces in which the FBI participates with other law enforcement agencies.

"They're going to have to slack off in some areas," said Robert K. Ressler, a former agent who runs a consulting business. "But it's not a bad thing. If you don't get 'em today, you'll get 'em tomorrow. Right now I think Mueller's doing the right thing."

Nancy L. Savage, head of the FBI Agents Association, a group of active and retired FBI agents, said some agents have worked six or seven days a week or put in longer hours to prevent their other cases from suffering lasting damage.

"Most of it is just being picked up by everyone working a lot longer hours or more days," she said, adding that morale remains high. "I've been in the bureau for 25 years. I've never seen where there's been a more critical need for FBI investigative resources, and I think the agents feel it."

Staff writer Dan Eggen contributed to this report.

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Mr. GALLAGHER. I have seen it since I have been here this morning, sir.

Mr. CUMMINGS. It seems to be a relatively well-balanced article where they try to give both sides of the situation. One of the things that happened in Baltimore, we have a very high murder rate. We have been bringing it down steadily.

Since September 11th the mayor had to pull resources, being so close to Washington, pull resources to address this is whole September 11th tragedy and the threats coming in. What we have noticed is that our murder rate has gone up steadily.

It is the theory of some people that even if it is only in the minds of the criminal folk, they believe that resources are being shifted to deal with this, because everything they see on the news is, you know, policemen assigned to the port and policemen assigned to this and that, they believe that they can now commit their crimes and might be able to avoid punishment and being caught.

I guess the thing that concerns me and I am sure it concerns you, we don't even want to put that idea out there, that folks can get away with something because we are going through this process.

That leads me to the question of, you know, with regard to resources, the President has said, and I think the country agrees with him, that this is a long-term effort. This is not like the situation that happened in Oklahoma, although extremely tragic, you kind of put a box around it and say, "This is it."

Here, you know we are getting these threats. We just got one the other day. I am just wondering, do you feel that you all have the necessary resources for this ongoing effort? Because some people in your shop, although you are back to the 55 percent point, I think you said, there are some people who have to be able to respond and we are going to continue to have these incidents or threats or whatever, but they have to be on high alert almost 24/7.

So, I am just wondering, do you feel that you have the resources that you need to address the problems as the President has laid them out?

Mr. GALLAGHER. Well, the 2002 budget was just approved for us and we also, I think, received a few additional resources as a result of the counter terrorism supplemental legislation. But insofar as our overall picture as to whether or not we are going to need additional resources, I am not trying to duck your question, Congressman, but we are in the process of doing this complete and comprehensive analysis of what we are going to be doing in the future.

I think it might be premature for me to try to say right now specifically what we think we might need in the future until the Director has had an opportunity to fully evaluate these facts.

Mr. CUMMINGS. Well, I appreciate that. One of the reasons why we are holding this hearing, I think, is that we had some local folks who came in. Administrator Hutchinson was there. They talked about, and these are local folks, who were talking about how they were being stretched and they didn't have the resources that they needed and all that kind of thing. At the same time, you said it and this article also says that what you are doing is relying on local people.

At some point, something has to give. Sadly, in Baltimore, for example, we have a situation where we have already broken our budget and we don't know where the money is going to come from. There is an article in the Sun Paper today saying we were going to get some $56 million for the State. Well, in Baltimore City we are probably about $15 or $20 million over where we are supposed to be.

So, I guess the question becomes, you know, where does it give? If these guys are saying they are stretched and you are stretched, and I don't know about Mr. Hutchinson, they refer to his agency in this article, they used an example that when there are problems maybe in your area that the DEA kind of chips in and you all kind of work together.

But at some point, it is like a balloon and you keep putting air in it and you keep putting air in it and something is going to burst. My local people are crying and begging for resources. That is why I ask these questions. I am just concerned.

This subcommittee has the mission of addressing the drug problem, but I don't want the folks in Baltimore, the drug dealers, to get the impression that the FBI, the DEA, Baltimore City Police, Maryland State Police are so busy dealing with, and rightfully so, dealing with the terrorism thing that they can then get away with their thing.

Then the question is: have we accomplished much with regard to our domestic statistic? That really concerns me. If it were not for this situation like I said where I saw, I mean I actually see this every day, our murder rate is going steadily up. The more we talked about terrorism, the more the murder rate went up. Now, it looks like we are going—we got it below 300 a year or so ago. It looks like we may hit 300 or go above.

Maybe I'm just frustrated, but I just wanted you to hear that because I think there are jurisdictions all over the country that are saying the same thing. We want to cooperate. We want to be patriotic. We want to be supportive of our President. But, at the same time, we also need resources. So, when you say you are leaning on them, I am trying to figure out what do they have to prop themselves up so that when you are leaning on them in your time of stress, how do they even survive?

You may want to address that Mr. Hutchinson.

Mr. HUTCHINSON. Thank you, Mr. Cummings. You are correct, we want to send exactly the right signal to the traffickers that there is not any let down in our investigations and commitment to the broad arena of law enforcement. The FBI is doing an extraordinary job in terms of committing the resources where they need to be. I know that in many instances they are able to come back to the task force and the counter-narcotics mission, but they are clearly stretched thin.

In reference to DEA, we are focused, we are a single-mission agency and we are focused on our counter-narcotics mission. In every instance that we can we want to work closely with the FBI and our local law enforcement to make sure that there is not any slack.

I think that Director Mueller has indicated under the Attorney General's guidance a willingness to look at it. My colleague here in-

dicates that they are in the process of it. So, I would agree that it is really premature for either the DEA or the FBI to jump in the middle of that subject while we are waiting for that review to be completed.

Mr. SOUDER. Thank you. I just have a few more questions, but I think part of what we are trying to do with this hearing, and it is a delicate balance, is to acknowledge that there is a confusion, too, among the American people when we say we are diverting resources over to fight terrorism, where did those resources come from.

Clearly your agents weren't just sitting home doing nothing. We don't want to give that impression either, that we have a whole bunch of excess agents that we can all of a sudden put over to terrorism.

Our difficult political problem is how to work out these priorities with your guidance without having what we are seeing happen. That is, people are dying in the streets of drugs and we are chasing anthrax, which could be a problem. We have six deaths there where the murder rate in 1 month in Philadelphia went up 50 percent after September 11th because people were diverted over to chasing anthrax scares and among other things, and their Police Chief and others are complaining about it.

It is happening in city after city where our fears get heightened and then we are going to come back. This subcommittee now has jurisdiction over HHS. When I was on a different subcommittee here as vice chairman we did seven hearings on health care fraud.

Obviously, if most of the FBI is being diverted over or many of the FBI agents are being diverted over the counter terrorism, what happens to health care fraud?

Next year we are likely to be in a panic about the economy, bluntly put, in this Congress if we don't have some sort of economic recovery. Then we are going to be saying what are we doing about Social Security? What are we doing about commerce on the borders? What are we doing about this or that? We will be calling you in here saying, "How come you diverted all your people over there and the fisheries are falling apart?"

We have illegal goods in transit coming across and different immigrants. I want to finish with just a few specific questions. That is what we are trying to get it. It shouldn't give anybody who is doing illegal activities the idea, and we are going to find some synergism, but we are going to have to figure out whether or not it works to have it consolidated among borders, whether to eliminate some of the duplication we see among agencies.

We can't have everybody just spend more time in joint agency task force meetings because then everybody is in meetings instead of out on the street.

Admiral Loy, I wanted to get into a couple of specifics on the Coast Guard. Without additional supplemental, is it true that you will have to work on a 15 percent reduction in the 2002 budget?

Admiral LOY. No, sir. There is a specific line item in the 2002 normal appropriations that called for a 15 percent capability reduction for the organization for fiscal year 2002. The $60 million I spoke of just a minute ago in answer to Mr. Gilman's question is a recovery of that 15 percent capability across the whole scope of

the organization's wherewithal to do not only counter terrorism, but all the other things we are responsible for as well.

Mr. SOUDER. Let me ask you specific example. Is it true that Navy has loaned the Coast Guard six coastal patrol boats and that the Florida National Guard is protecting two Florida seaports because you don't have the resources there? How long can that continue?

Admiral LOY. Sir, I wouldn't make quite the immediate cause and effect there. Let me answer the question this way: We have been working very hard with Governor Ridge's office to develop a maritime security game plan as a piece of the total border security game plan.

I believe that to be an all-hands evolution, sir. This is not where the Coast Guard, on the stewardship of the American taxpayer is going to be all things to all people in all of the seaports of the United States.

So, part of our challenge, as we have developed this maritime security game plan, is to broadcast that all-hands evolution notion. One of the first calls I got on September 11th or 12th was from Admiral Clark, the Chief of Naval Operations, making certain that I understood that he understood the national fleet policy that we have built over the last several years is a two-way street.

When it is appropriate for me to send things and competencies and expertise to him for his work over there, it is equally important where he has the wherewithal, like patrol craft, like naval coastal warfare kinds of assets, that if I need them in the harbor defense seaport security world of work here in the United States on this new front, he is more than willing to send them in our direction.

The other people that we have outreached to are other Federal agencies. As Robb has already mentioned here this morning, we have worked diligently with both the Customs Service and INS to think how best we can serve each other in this collective effort, not only about homeland security, but about getting all the other work done as well.

We think it is a good thing for us to forge an MOU between us to outline those areas, if there are areas of overlap, to encourage the committee to see where those are and challenge us to be more efficient and more effective on those gaps.

But we are also reaching to State and locals, Mr. Cummings, as your commentary is absolutely right on point. We are also reaching to the private sector. We have had engagements with 50 or 60 trade associations getting them to understand that in the ports and harbors of the United States, largely privately owned, if there is to be a greater security profile there it will be made up of Coast Guard contributions, other Federal agency contributions, State and local contributions and private sector contributions. It will be the net higher security profile that will give us what we need in this all-hands evolution that I speak of.

Mr. SOUDER. Is the Integrated Deep Water System still a priority of the categories and if so, why?

Admiral LOY. It is absolutely, sir. Events of September 11th simply have provided yet another set of reasons why that particular

project, funded well, as a matter of fact, by the transportation bill this year by the Congress, is enormously important.

What is at the hub of that project, as we call it C4ISR, the Command, Control, Communication, Intelligence, Surveillance, Reconnaissance are the kinds of thing that will enable us to be infinitely better as a hub of the operations that go on in seaports.

We bridge to the DOD side because we are a military service. We bridge to the law enforcement community because we are a law enforcement agency. The deep water project, in addition to those assets that it will do for us, what we want in the Exclusive Economic Zone and around the world, the hub of it is better interoperability capability which will be enormously helpful to us in prosecuting our work in the ports and harbors of America.

Dr. STIFF. Thank you. Mr. Bonner, how much do the counter terrorism and the other missions overlap? For example, when you inspect vehicles and travelers for bombs or other weapons, is that compatible with tracking for narcotics?

Mr. BONNER. Yes, it is, certainly from the Customs inspection side. There is very much overlap and it is very complementary. I mean when you are searching for implements of terror, you are searching for any kind of contraband and that includes drugs that may be smuggled across the border. That is why I think you had the initial effects that I described in my earlier testimony. That was initially when we went to Level One Alert at the southwest border and the northern border with Canada.

We actually saw at the southwest border, still, a large amount of drugs coming into the United States, coming in across the Mexican border. We saw that evaporate. I mean our seizures went way down. It was because, in my judgment, traffickers were holding their product and were concerned that they would take unacceptable risks of having their product seized.

We have seen that, by the way, in the last month reversed. They have had to get their product to market. Drug seizures have gone up as a result of our Level One Alert, particularly at the southwest border. They are up 30 percent from October of this year compared to October of last year.

So, those are complementary. What is not exactly complementary is on the agents side of the house because our Special Agents are also involved through Operation Green Quest and Operation Shield America that I described in what are essentially anti-terrorism or counter terrorism efforts using our investigative jurisdiction to help prevent terrorist organizations, international terrorist organizations, from being able to perpetrate terrorist acts in the United States or, frankly, elsewhere.

Now, that has had an effect. It has not had an effect so far on our ability to work drug investigations through our Special Agents. Many times we do this, as you know, with our DEA colleagues.

But it has had some impact on our investigative cases with respect to intellectual property rights, knock-offs of products. It has had some impact on that area. It has also had some impact on our ability to pursue Customs fraud cases which sometimes involve falsification of the country of origin and so forth.

So, there is some robbing Peter to pay Paul that is going on here to maintain our posture against the terrorist threat at the Customs

Service and at the same time perform the many other very important enforcement missions that the Customs Service has.

Mr. SOUDER. I think the American people would rather be alive than dead, which is part of the hierarchy. On the other hand, if they are alive but don't have a job because we have had the patents stolen, it does present a problem. We are going to have to face those.

Have you lost many agents to Sky Marshals?

Mr. BONNER. Like DEA and other agencies, we have 125 Special Agents who are in the temporary Sky Marshal Program. But as you know, that is about 18 months, I'm told, before we can expect to have those agents back. I don't think we have had the kind of attrition of our Customs inspectors, at least so far, to the Sky Marshal Program that Commissioner Ziglar was talking about in terms of the Border Patrol.

But I am certainly concerned that to maintain the level of security and that what we are doing right now could well result in burnout. I am very concerned about this in terms of particularly our Customs inspectors who are busting their fannies to protect America against the terrorist threat.

Just so you know, part of the temporary solution to that, if we can get the funding for it, would be to bring in National Guard to assist Customs inspectors at the northern border and the southern border as well, to assist in secondary examinations and assist us in pre-screening so we can keep that traffic flowing.

But that is a temporary solution. Ultimately, you have to back that up with both people and technology to do the inspections and examinations that we need to do for the counter terrorism effort and also to maintain the drug interdiction posture that I think is a very important part of what the U.S. Customs Service does.

Mr. SOUDER. Admiral Loy.

Admiral LOY. If I might just add a comment, sir, about 20 percent of our Special Agents have been involved in the Sky Marshal Program as well. Any of us in this room who thinks that we will not have to deal with a head count, an equipment count and an asset count upgrade in order for these agencies to do what is necessary, especially if the notion is that we have to go back to the same level of dedication that we were to those missions prior to September 11th and deal with the heightened profile of, in our case, port security and all the other agencies' cases, their contribution to homeland security.

It is just the wrong script to be reading. It will be a head count, equipment count and asset count kind of solution in part, as well as finding the efficiencies that we can find where those overlaps occur.

Mr. SOUDER. Mr. Cummings.

Mr. CUMMINGS. I have just two or three questions. First of all, let me say this, Admiral Loy, I hope you will pass this on to the folks who address the Port of Baltimore, they have done an outstanding job. From single report that I have gotten, we do a lot of briefings in the Baltimore area about the port. But they say that they have received maximum cooperation from the Coast Guard. I just wanted to make sure that you knew that.

Admiral LOY. I will pass that on.

Mr. CUMMINGS. The chairman's question just leads me to this. I wonder what we are doing to retain the good people who are in the agencies and looking to the future, since we have this long-term thing. I think our country has changed since September 11th.

Mr. Bonner, you were just talking about burnout and whatever. Are we looking, say, 5 years, 2 years, you may think it is early, but we have to make sure we have troops to deal with this new realization, this is security realization that has happened since September 11th.

I was just wondering, is that part of your planning process? Are you looking at how to retain, how to recruit more people, those kinds of things? Is that a part of your planning process?

Mr. BONNER. Well, it definitely is. I think in terms of planning we have to make the assumption right now that the terrorist threat against our country is going to go on long past the fall of the Taliban, the death of Bin Laden. We are talking about the foreseeable future. We are talking about years, not months, as the President has said.

So, on the one level we have a fairly large number of people who have been pre-cleared. The backgrounds checks have been done to come into the Customs Service as inspectors and as Special Agents. So, we have a pool that we are ready to bring in, send down to training. As you know, there is some rollout time here. The training takes 12 to 16 months at the Federal Law Enforcement Training Center, and to deploy those effectively where we need to deploy them, which, by the way, is the northern border and it is the major seaports in terms of containers coming into the United States.

It is very important that we have, obviously, highly trained and experienced both inspectors and Special Agents. It is very important that we be able to retain the good people that we have in the Customs Service. We are obviously thinking about ways of doing that.

I can tell you this, Mr. Cummings, if you are consistently over a long period of time putting extraordinary demands on people, no matter how dedicated they are, and the men and women of the Customs Service are phenomenally dedicated, still that is not the way you keep people retained in their jobs.

We have to provide them with the relief. That is both through staffing, so that these extraordinary amounts of overtime can be reduced and that is in terms of improving our technology so that we are actually doing and are capable of doing the inspections and examinations that we need to do to maintain security, but at the same time being able to do that faster, move trade and move commerce, and move people across our borders.

Obviously, there is more work being done on that. We are studying various issues that affect the Customs Service in terms of retention issues that include everything from potentially 6E status for inspectors to what the journeyman grade should be and so forth.

By the way, that is under study. I'm not in a position today to tell you exactly how that will come out and obviously whatever I think is best, I am going to have to pursue that through the Department of the Treasury and within the administration and OMB and the like.

Mr. CUMMINGS. I understand. I just want to make sure it is on the drawing board. I mean it is something that we are looking in that direction.

Anybody else?

Mr. HUTCHINSON. Let me just comment, Mr. Cummings, that you are absolutely correct. The DEA morale is high. But we always want to look to the future to make sure that we are able to retain.

Within the agency we are looking at some quantity of life issues, the strain that Commissioner Bonner has referred to exists in the DEA as well in terms of the requirements of the job and the hours. So, we want to do what we can within the agency to make sure that we can give them the relief that is needed to make sure they don't have the burnout over the long term.

Second, it clearly is a resource issue as well that we have to be able to have the capability of relief so that they can have a long tenure and not simply move to the private sector at an opportune moment. So thank you for asking the question.

Mr. Chairman, if I could be excused, I have to head to another engagement. I apologize.

Mr. SOUDER. Go ahead and go. I just want to make a concluding comment that I hope each of you communicate—Admiral Loy, did you want to comment on the previous question?

Admiral LOY. I just need to make one point, sir, with respect to a military work force as opposed to the other work forces. We are working diligently with the Congress. The Congress has been very generous after some administrative proposals in the course of the last several Congresses, to deal with quantity of life issues for the military work force. It is not just the Coast Guard, but all five.

That reality is a wonderful thing. But there remains a gap between military pay scales and civilian scales in general. To the degree there is a monetary reward notion associated with retention and recruiting and continued service in uniform, that should not be lost on the oversight committee as well as on those committees that have to deal with those things in an appropriations manner as they go through.

These young kids that are out there that Mr. Cummings was very kind to compliment in Baltimore, their gratification, I guarantee you, is that they are doing something patriotic and of value to their country.

But at the other end of the day, if we have not dealt with their quality of life along the way, they will put their time in and they will find another place to go. We are very concerned about both retention and recruiting.

Since September 11th we have watched numbers very carefully in terms of whether or not there has been an up-tick, for example, in a patriotic zeal, so to speak, to join the military services. It is not there yet. We would like to think perhaps it might yet be. But the statistical inferences are not there yet.

I am always of the mind that given an adequate message and given an adequate recruiting force we will be OK on the recruiting side, but the military services bring people in at the bottom and grow their own, if you will, through the course of their military career.

So, it is the retention issue that is of great, great consequence to us. If I loose a 12 or 13-year E6, I don't bring one in from the private sector overnight. I bring him in as a boot camp member and 10 years later I have a 10-year E6. So, the retention piece on the military work force is an enormously important ingredient in our continued capability to have the wherewithal to do what we are asking these people to do.

Mr. SOUDER. I hope you communicate on behalf of those of us in Congress our pride in the work force. I remember talking to one, I think it was the union head of the Customs group at Champlain and how he struggled with the question of when you have to work a double shift and you are there for 36 hours or the incredible amounts of time they are working right now at INS or Coast Guard or FBI, all kinds of people, do you find that people slip through the border when you are at the end of your 36 hours that are different at the beginning?

The pride said no. The exhaustion says, well, maybe, but I try not to let it happen. Every human being knows that the exhaustion and the frustration that comes from that, that the pride and enthusiasm are only going to carry us so far. We are committed to try and address this.

This committee is also going to stay focused on the fact that in 1998 18,000 people died of drug causes and that everyday children are beaten, spouses are being beaten, people are declaring bankruptcy, anywhere from 70 to 85 percent of all crime in America is related to drugs.

We cannot back off a clear-cut, heavy pressure, constant pressure, chemical attack that is coming from narcotics because we fear about what else. In planning for the fears of what else, we have to have a perspective on what is actually there and not do the normal political pressure which is to respond to the urgency and then go, whoops. We have to focus as much as possible on both and we need to work at the resources and the management levels to do that.

I thank you all for coming and all your different agencies. We will look forward to continuing to work with you. With that, the hearing stands adjourned.

[Whereupon, at 12:10 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Additional information submitted for the hearing record follows:]

NEW NORMALCY'S EFFECT ON LAW ENFORCEMENT MISSIONS

Question: I've heard you talk about establishing a "new normalcy" for the Coast Guard, by reallocating and balancing your resources to meet today's threats in various mission areas. What should we expect in the near term, over the next 6-12 months, regarding your participation in counter-drug operations? How about other law enforcement missions?

Answer: The Coast Guard is issuing updated planning guidance to operational commanders regarding resource allocation among missions for the remainder of fiscal year 2002. The emphasis on Homeland Security missions will require some reductions in other missions, including counter-drug operations. The Coast Guard anticipates a sustainable port security posture will require 20-25 percent of its overall level of effort. Resources have been, and will be, shifted from Drug Interdiction, Fisheries Enforcement and Alien Migration Interdiction Operations. The Coast Guard anticipates greater gaps in achieving the National Drug Interdiction Goals and fisheries and migrant performance goals due to the re-balancing of missions.

CURRENT AND FUTURE NEEDS

Question: A lot of extra work has been given to all law enforcement agencies over the past 3 months. As we go through the FY2002 budget process, do you feel that your current and foreseeable future needs are being met? Are you being given proper funding to do your job and take care of your people?

Answer: I continue to work to ensure a fully ready and capable Coast Guard that can perform and sustain its port safety and security mission alongside other core missions being performed prior to 11 September.

The President has taken positive actions to ensure Coast Guard needs are being met. The President's Emergency Supplemental request provides $203 million of funding for Coast Guard operational increases during the first 6 months of fiscal year 2002. The funding will allow the Coast Guard to:

- Increase its operational tempo
- Conduct port security and coastal patrols.
- Conduct port vulnerability assessments.
- Perform inspections on cargo vessels.
- Respond to known threats in ports (domestic port security units that are deployable within the U.S.).
- Increase Maritime Domain Awareness through an enhanced intelligence program.
- Provide force protection for our Coast Guard personnel.

Included in this emergency supplemental is $110 million to activate over 2,300 Coast Guard Reservists. The activation of these Reservists will assist in alleviating some of the workload demand placed on Active-Duty personnel.

In addition to the above requirements, the President has continued to respond to Coast Guard needs for critical modernization projects necessary to provide a robust Homeland Security capability. These projects include the Integrated Deepwater Solution (IDS), the National Distress and Response System Modernization Project (NDRSMP), and the Port and Waterways Safety System (PAWSS).

UNFUNDED PRIORITY LIST

Question: Over four months ago Congressman John Hostettler (IN-08) asked you to provide him a copy of the Coast Guard's FY-02 Unfunded Priority List (UPL) in the same manner as the other service chiefs provide to the Congress. Why has he not received your reply? With all these difficult issues confronting the Coast Guard's ability to maintain its mission readiness – per your newspaper comments about the inability of the Coast Guard to sustain port security levels over the long haul and per VADM Riutta's newspaper comments about unsafe operating conditions with so many inexperienced people – why are you not submitting your UPL? Please provide the Coast Guard's FY-02 UPL.

Answer: The Coast Guard apologizes for not being immediately responsive to Congressman Hostettler's request. The primary reason for not being responsive is that the Coast Guard does not maintain an Unfunded Priority List (UPL) for submission to Congress. The Coast Guard does convey its most critical unfunded needs to the Department of Transportations and the Office of Management and Budget for action each year. To date, the President has supported these needs and conveyed them to Congress via an Emergency Supplemental request. The tragic events of September 11th serve as the most recent example of how these unfunded needs are conveyed to Congress.

In the wake of September 11th, the Coast Guard's most urgent and unfunded priorities were submitted to Congress via the President's Fiscal Year 2002 Emergency Supplemental request totaling $203 million.

DURATION OF REDUCED LEVEL OF LAW ENFORCEMENT ACTIVITIES

Question: Understandably, the Coast Guard has had to spend significantly less time these past 12 weeks on a number of law enforcement mission areas, namely, fisheries enforcement, counter-drug operations, and migrant interdiction. How long do you think this reduced level of activity in these areas will continue? Are you concerned that, over the long term, this reduced level of activity will result in missed training opportunities, lack of practice, and a general loss of professional "edge" or proficiency in these mission areas? What, if anything, can the Coast Guard do about this?

Answer: While there is no definitive timeline, the Coast Guard anticipates the reduced level of activity across its fisheries, counter-drug, and migrant interdiction law enforcement missions will continue, at a minimum, through the remainder of this fiscal year. The Coast Guard's increased port security posture may result in diminished proficiency over time for knowledge requirements specific to missions, such as fisheries regulations. However, certain core competencies, which make up a considerable portion of the Coast Guard's professional "edge," remain common to all law enforcement applications. Coast Guard law enforcement missions, including port safety and security, require similar levels of law enforcement proficiency. Thus, increased activity in port security law enforcement allows the Coast Guard to exercise many of its core competencies. For example, the standard requirements for situational awareness, safety, and security for at-sea boardings remain applicable in near-shore port security boardings.

The Coast Guard is currently re-balancing its resources to a sustainable level across all missions. Updated planning guidance is being issued to operational commanders regarding resource allocations for the remainder of fiscal year 2002. A sustainable mission allocation requires overall reductions in other missions as well as additional resources. Additional resource requirements have been identified in the President's Fiscal Year 2002 Emergency Supplemental Request for the Coast Guard.

SURGE SUSTAINABILITY

Question: All of us have been impressed by the response of all of your agencies to meet the heightened homeland security needs following September 11. Of course, this has forced your personnel to work far beyond their normal routine. Is the Coast Guard still in this so-called "surge status," that is, are your people still working far above their normal requirements? How long can this be sustained? Is fatigue an issue right now in the Coast Guard? Have you seen a resulting increase in operational mishaps or accidents since September 11?

Answer: Immediately after September 11th, the Coast Guard, like most other government agencies, put forth a greater effort to adequately respond to the increased threat to homeland security. All of the Coast Guard's operational forces (deepwater fleet, small boat stations, air stations, and marine safety offices) went to a heightened operational tempo. Operational commanders have since found ways to more efficiently meet the heightened port security needs, but are still working above the normal routine. The Coast Guard is presently determining the resources needed to sustain a level of effort across all missions, which will represent the Coast Guard's "New Normalcy." Updated planning guidance is being issued to operational commanders regarding resource allocations among all missions for the remainder of fiscal year 2002.

Since 11 September, there have been indications of an increase in mishaps related to the "surge" effort and performance of unfamiliar tasks. The Commandant provided operational commanders with guidance for managing crew endurance risk factors to mitigate mishaps through innovative scheduling and increased attention to a crews' readiness for duty. All hands have been reminded to stress operational risk management and adherence to standard practices in order to accomplish all our missions safely.

INTELLIGENCE IN LAW ENFORCEMENT ARENA

Question: Intelligence is key to success in any law enforcement arena. Do you feel there are proper mechanisms in place for gathering intelligence and adequate processes amongst agencies to promote and ensure intelligence sharing? Do you have any recommendations for improvement?

Answer: There are many mechanisms in place that promote the proper gathering and sharing of intelligence. Many of these mechanisms have had great success, particularly in the area of law enforcement. For instance, the Counterdrug (CD) community, under the CD Intelligence Coordinating Group and CD Executive Staff, has enhanced intelligence coordination and sharing through the General CD Intelligence Plan. The co-location of the Coast Guard Intelligence Coordination Center with the Office of Naval Intelligence at the National Maritime Intelligence Center has proven extremely beneficial, allowing for a more improved coordinated look at maritime threats. Further, the Coast Guard has developed cooperation with other law enforcement agencies through the strategic placement of Coast Guard Liaison Officers in the following locations: Federal Bureau of Investigation (Special Intelligence Operations Center), Central Intelligence Agency (Counter Terrorism Center), National Drug Interdiction Center (NDIC), and the El Paso Intelligence Center (EPIC). Additionally, the Coast Guard's long-term relationship with the U.S. Immigration and Naturalization Service has provided both agencies with increased success against undocumented alien migration through intelligence sharing.

The Coast Guard also participates in the Law Enforcement Working Group, which is sponsored by the Director of Central Intelligence. This group of law enforcement agencies focuses on areas in which the Intelligence Community can improve its support to law enforcement efforts.

Although these mechanisms have proven to be successful, work still needs to be done to achieve Maritime Domain Awareness (MDA). Continued emphasis on collaboration with other agencies and increased Coast Guard intelligence capabilities will support MDA effectiveness. The knowledge of people, cargo, and vessels approaching the U.S. enables enforcement assets to target the highest threat vessels for intercept.

LEAD AGENCY STATUS FOR MARITIME DOMAIN AWARENESS

Question: Does the Coast Guard have lead agency status for Maritime Domain Awareness (MDA)? What is your strategy to integrate the efforts of the other federal agencies with MDA responsibilities - such as Customs Service, INS, Border Patrol, State Department, the Intelligence Community, and DOD - into an integrated whole for unity of effort? Do these other agencies accept the Coast Guard's lead? If no, why not? What have you done to get the Customs Service to participate in developing MDA?

Answer: The Coast Guard shares the lead role in Maritime Domain Awareness (MDA) with the Office of the Secretary of Defense for Command, Control, Communications and Intelligence (OSD/C3I). The Coast Guard co-chairs the National Maritime Security Coordinating Committee, a high-level working group consisting of the U.S. Immigration and Naturalization Service (INS), the Department of Defense (DOD), and the Department of State (DoS) with associated membership by the U.S. Customs Service (USCS) and other federal agencies with a maritime nexus. This committee has been formed to provide an interagency approach to building and sharing MDA and is chartered by the National Security Council through a Memorandum of Agreement (MOA) signed by INS, DOD, DOS, and the Coast Guard.

All agencies have been cooperative in reviewing opportunities to expand data sharing in order to achieve MDA. The Coast Guard is actively engaged with the USCS to align information processes and to share access to databases and the results of intelligence analysis with other agencies.

Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy and Human Resources
"Federal Law Enforcement: Long Term Implications of Homeland Security Needs"

Question: On October 9 of this year, you were quoted as saying that counter-terrorism had replaced preventing narcotics trafficking as the Customs Service's "Number 1 priority," and that "98 percent" of your time has been spent on counter-terrorism efforts. Please describe how Customs has shifted its focus to counter-terrorism. What new activities is it undertaking that it was not undertaking prior to September 11?

Answer: On September 11, all Customs ports went on Level 1 alert status, our highest state of alert. Under Level 1 alert, Customs officers maintain the highest state of readiness and increase the inspection level of persons and goods crossing our borders. Customs continues to maintain this heightened alert status to ensure our borders remain secure.

Shortly after September 11, I established a new Office of Anti-Terrorism within the agency. The head of the office is an experienced security expert and senior military leader who reports directly to me. This office is responsible for overall coordination of all Customs antiterrorism activities, and provides a direct link with the President's Office of Homeland Security.

In November 2001, Customs Office of Field Operations brought together some of the best analytical inspection personnel from various locations around the country to begin to establish the Office of Border Security (OBS). The OBS provides a centralized, national 24 X 7 border security analysis, targeting, and coordination unit and will also be responsible for border security policy and planning within the Office of Field Operations.

On our investigative front, Customs has assigned special agents to work with the Federal Bureau of Investigation's Joint Terrorism Task Force. These agents provide valuable investigative expertise related to cross-border activities.

Customs continues to provide special agents to assist the Federal Sky Marshal Program. To date approximately 110 agents are assigned nationwide.

Customs is also leading the newly established Operation Green Quest. This is a multiagency task force dedicated to the identification, disruption, and dismantling of the financial systems and infrastructures used by terrorist organizations. The operation is housed at Customs Headquarters. The operation is comprised of agents, intelligence research specialists and support personnel from the Customs Service, Internal Revenue Service, Secret Service, Financial Crimes Enforcement Network, Office of Foreign Assets Control, Federal Bureau of

Investigation (FBI), Alcohol, Tobacco and Firearms, Postal Inspection Service and the Department of Justice.

As a "command and control" center for all financial investigations related to terrorism, Operation Green Quest will assist in the coordination of investigations within Customs and with other members of the task force. Operation Green Quest will coordinate the deployment of personnel and resources to priority investigations around the country.

Operation Green Quest serves as a center for financial terrorist investigations and is actively involved in the development and dissemination of information and leads to the respective agencies and field offices, domestic and foreign.

As of January 4, 2002, the Customs Service has 225 ongoing investigations involving suspected terrorist financing. In addition, Operation Green Quest has referred 340 potential terrorist financial leads for investigation to domestic and foreign offices.

The Customs Service has aggressively directed its resources towards preventing the proliferation of weapons of mass destruction (WMD). This effort targets transnational criminal procurement organizations and networks involved in the illegal acquisition and export of WMD materials to countries that sponsor terrorist activity.

As a result of the events of September 11, the Customs Service inaugurated a terrorist related outbound currency initiative dubbed "Operation Oasis." This national outbound enforcement operation commenced on October 10, 2001, in an effort to maximize Customs enforcement operations in identifying, detecting and halting the illegal exportation of unreported currency to terrorist entities. As of March 1, 2002, the operation has resulted in 253 currency seizures totaling $9.4 million and six arrests related to violations of currency reporting requirements.

On December 4, 2001, Customs instituted Project Shield America, an industry outreach initiative. This initiative is designed to enlist the cooperation of industry partners in the identification, prevention and apprehension of international terrorist organizations which seek to obtain weapons, equipment, and sensitive technologies that could be used to carry out terrorist attacks against the United States. Customs will aggressively initiate investigations to deny terrorist organizations access to licensable and/or controlled equipment, weapons, and technologies.

Another effort aimed at partnering with industry is the new Customs-Trade Partnership Against Terrorism. By using long established cooperative relationships, Customs hopes to ensure legitimate business is protected from exploitation by terrorists. This initiative aims to work with industry to secure commerce from the factory to the store.

Through legislative action, Customs will soon realize 100 percent advance information on arriving international air passengers and crew. We will be working with the Immigration and Naturalization Service (INS), Federal Aviation Administration, and the Coast Guard to promulgate regulations that will provide for full advance information on all arriving and departing air and sea passengers, crew, and cargo. Our aim is to use Customs existing automated systems to provide a single source for sharing this information with other federal agencies for law enforcement activities.

We are working with Canada to coordinate security and commercial processing between our two countries. As part of these efforts, U.S. Customs and Canadian Customs personnel are being placed in each other's ports to help in the targeting and pre-screening of cargo.

The placement of Customs inspectors in Canada is a first step to "push our borders outward". In support of this initiative, we are proposing the Container Security Initiative (CSI) to address the vulnerability of cargo containers to the smuggling of terrorists and terrorists weapons. This initiative includes establishing international security standards, the screening of high-risk containers at the port of lading, the use of detection technology and the development of "smart boxes" with electronic seals and sensors.

Customs continues to expand on past successes, such as our cooperative relationship with the government of Mexico as well as Canada. By working with INS, Coast Guard, and the governments of Canada and Mexico to ensure our borders are secure and information is freely exchanged, we can provide a greater degree of security for the American public.

Question: How many Customs agents have been assigned to duty as sky marshals? What effect has that had on Customs activities?

Answer: Following the events of September 11, Customs designated for detail 125 Customs law enforcement officers to the Federal Aviation Administration's Air Marshal Program. Prior to their detail, the agents performed the full range of Customs duties, such as drug smuggling investigations and interdictions, fraud and strategic cases, financial investigations, etc. This has created a void that we are working to fill through the supplemental and annual budget process.

Question: You stated in your testimony that Customs has reassigned over 100 inspectors from "other ports" to understaffed Northern Border ports of entry, and that another 50 inspectors will be reassigned to the Northern Border in the near future. For the record, please state where have these inspectors come from, and what effect has that had on Customs activities at the locations left behind.

Answer: To support ongoing Alert Level 1 (Code Red) heightened alert operations, Customs has detailed over 100 inspectors and canine enforcement

officers to Northern Border locations. These additional officers augment existing Northern Border staffing and allow Customs to sustain increased enforcement activities, maintain overtime at an acceptable level, and maintain commercial wait times at pre-September 11 levels.

The Customs officers who have been detailed to the Northern Border under this initiative have been detailed from non-Southwest Border locations. Because these details occur on a rotating basis, it is difficult to provide the exact locations from which officers have been assigned to support this effort. However, a snapshot of recent activity demonstrates that locations like Los Angeles, San Francisco, Honolulu, New York, Chicago, Atlanta, Miami, Houston, and New Orleans have all made recurring and significant temporary duty personnel contributions to this effort.

For the locations that contribute to this Alert Level 1 (Code Red) heightened alert Temporary Duty (TDY) effort, the impact of the temporary reassignment of these officers is that there is less personnel to complete the existing workload in the contributing port of entry. Therefore, contributing locations must reprioritize their workload requirements, reassign existing personnel if necessary, and use increased overtime expenditures to maintain operations.

Question: What budgetary effects has Customs experienced as a result of its new counter-terrorism efforts? Have there been any shortfalls resulting from counter-terrorism activities that had to be made up with funds from other activities? If so, which activities, and how much money was diverted from them?

Answer: The FY 2001 and FY 2002 Supplemental Appropriations provided substantial resources to meet Customs most pressing counterterrorism funding requirements resulting from the events of September 11, 2001.

In the first supplemental funding released, Customs received a total of $35.7 million. These resources provided replacement space and office equipment, additional overtime and TDY costs and funds for operation of Customs Air Program assets.

The FY 2002 Defense Appropriations bill provided a total of $399.3 million to Customs for activities related to, recovery from and response to, the events of September 11. Approximately $64 million of these funds are allocated to recovery efforts and the remainder will be devoted to enhanced inspection services and investigations.

Question: What impact has the redirection of resources to counter-terrorism had on Customs waterborne activities? Have patrol boats been redirected to homeland security? Has there been an impact on Customs efforts to prevent so-called "go-fast" boats from smuggling drugs into the U.S.?

Answer: The redirection of resources to counterterrorism has had minimal impact on Customs waterborne activities when comparing the first quarter of FY 2001 and FY 2002. In the first quarter of FY 2002, Customs Marine redirected 42 percent of all underway patrol hours to port security. These patrols were conducted at the request of the Coast Guard. However, overall, Customs marine patrols were increased 52 percent over the levels of the first quarter of FY 2001, thus more than compensating for the 42 percent redirection. The increase in patrol capacity was a result of recent increased hiring and improved maintenance oversight, not counterterrorism activities.

There has been minimal impact on Customs efforts to prevent "go-fast" boats from smuggling drugs into the United States. Seizure levels are comparable to last fiscal year.

Question: All of us have been impressed by the response of all your agencies to meet the heightened homeland security needs following September 11. Of course, this has forced your personnel to work far beyond their normal routine. Is Customs still in this so-called "surge-status," that is, are your people still working far above their normal requirements? How long can this be sustained? Is fatigue an issue right now? Have you seen a resulting increase in operational mishaps or accidents since September 11?

Answer: Since September 11, Customs has been operating at Alert Level 1 (Code Red) heightened alert operations. Under this alert level, Customs performs intensified enforcement operations, commensurate with localized threat, and staffs all ports of entry with a minimum of two officers 24 hours per day, 7 days per week.

To achieve Alert Level 1 (Code Red) heightened alert operations, Customs implemented several steps to maximize the deployment and effectiveness of enforcement personnel. For example, in many locations, Customs internally reassigned non-enforcement personnel at ports of entry (import specialists, entry officers, etc.) to perform office duties to free up inspectors to perform enforcement screenings and examinations. Additionally, Customs temporarily detailed over 100 inspectors and canine enforcement officers to Northern Border locations to support Alert Level 1 operations and staffing requirements and has received additional temporary duty support from the National Guard. Finally, Customs is sustaining heightened alert activities with an increased expenditure of overtime.

Customs continues to operate at Alert Level 1 (Code Red) status, but mental and physical fatigue are an issue. Our officers are doing more, working longer and are asked to maintain a higher degree of vigilance in performing their assigned duties. Customs can continue to maintain Alert Level 1 status, but over a period of time our officers will become desensitized to their mission if relief is not provided on a recurring basis. Customs has sought additional personnel support

from the National Guard in order to provide much needed immediate relief to Customs officers along our Northern and Southwest Borders.

There has been no discernable increase in the number of mishaps or accidents that have occurred in the field since September 11, with the implementation of Alert Level 1 (Code Red) heightened alert operations.

U.S. Department of Justice
Immigration and Naturalization Service

CO 703.1056

Office of the Commissioner

425 I Street NW
Washington, DC 20536

The Honorable Mark E. Souder
Chairman
Subcommittee on Criminal Justice
Drug Policy and Human Resources
Committee on Government Reform
U. S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your December 7, 2001, letter, containing questions posed by Congresswoman Jan Schakowsky during the December 5, 2001 hearing regarding Long Term Implications of Homeland Security Needs for Federal Law Enforcement Agencies. We apologize for the delay in replying. Our mail, like that of many other Washington, D.C. Federal facilities, has been subject to a lengthy anthrax decontamination process.

A copy of the aforementioned letter is enclosed for reference to the original questions and the following responses.

1) Under the Immigration and Naturalization Service's (INS') Administrative Restructuring Plan, area offices will provide oversight but not direct service to the public. Chicago has not been selected as an area office but rather has been designated as a large operations office. The INS expressly sought to limit the co-location of service area and operational offices to avoid potential confusion for customers and to minimize management-related complications. For this same reason, the INS has not proposed to locate area offices in New York City, Los Angeles, San Francisco, Houston, or Miami, but also designated these locations as operations offices.

2) Chicago will have a large operations office lead by a Director of Immigration Services. That official will be responsible for establishing liaison with the surrounding community, including advocacy groups, and for ensuring the expeditious handling of identified issues. At the same time, the area office with jurisdiction over Chicago, which will be located in Milwaukee, will have a Director responsible for ensuring effective customer service throughout the entire area. The Area Director will also field appeals regarding issues that cannot be resolved at the local field office.

3) The INS National Customer Service Center, accessible by a toll free number and staffed by hundreds of customer service representatives, was established to handle routine customer calls. In addition, the field offices and service centers have many Immigration Information Officers available to respond to specific case inquiries. The addition of 25 Customer Relations Specialists at Headquarters is intended to provide customers and Congressional caseworkers with an opportunity to raise concerns and complicated case issues to a high level group with authority to initiate corrective action where warranted. We will continue to emphasize that contact with the local office should be the first recourse, but would like to provide an opportunity for the quick and effective resolution of critical issues.

4) One of the major strengths of the administrative restructuring plan is that a single leader controls the overall agency. This allows critical oversight and control that is essential to ensuring proper balance and consistency is achieved between enforcement and service initiatives.

5) The arrangement with state law-enforcement agencies will include the provision of training on the Immigration and Nationality Act (INA) and community awareness training. The authority of state and local officers will be limited to specific approved tasks corresponding to the training provided to them. Similarly, the INS oversight will be commensurate the level of authority delegated. Finally, the INS will continue utilizing pilot programs to identify best practices prior to writing implementing regulation.

6) We have enclosed a copy of the INS response to your October 4, 2001 letter regarding fee increases for immigration services, which was forwarded to you on November 13, 2001.

7) A list of 53 district detention centers is enclosed for your records. Individuals are afforded every opportunity to acquire legal representation, at no cost to the government, and are advised of this right when arrested, at an initial hearing, and by Deportation Officers upon review of each case. A list of no or low-cost legal service representatives is posted at each of our detention facilities and major Intergovernmental Service Agreement (IGSA) facilities.

8) Every allegation of abuse is reported to the Office of the Inspector General. Also, our Deportation and Removal division indicates that segregation of detainees by nationality is inconsistent with, and not reflective of, any INS policy or procedure.

We appreciate your continued interest. If we may be of further assistance, please let us know.

Sincerely,

FOR THE COMMISSIONER

Joseph Karpinski
Director
Congressional Relations and Public Affairs

Enclosures